辽宁港口股份有限公司
LIAONING PORT CO., LTD.

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code：2880)

2025
ANNUAL REPORT

CONTENTS

2	General Information on the Company
7	Chairman's Statement
10	Financial Highlights
11	Management Discussion and Analysis
46	Directors' Report
75	Corporate Governance Report
97	Profiles of Directors and Senior Management
101	Auditor's Report
107	Consolidated Balance Sheet
110	Balance Sheet of the Parent Company
112	Consolidated Income Statement
114	Income Statement of the Parent Company
115	Consolidated Cash Flow Statement
117	Cash Flow Statement of the Parent Company
119	Consolidated Statement of Changes in Shareholders' Equity
123	Statement of Changes in Shareholders' Equity of the Parent Company
125	Notes to the Financial Statements
371	Supplementary Information to the Financial Statements
372	Financial Highlights for the Past Five Accounting Years

General Information on the Company

1) Company Profile

Liaoning Port Co., Ltd. (hereinafter referred to as the "Company"), formerly known as Dalian Port (PDA) Company Limited, was established in Dalian City, Liaoning Province, the People's Republic of China (the "PRC") on 16 November 2005. The Company was successfully listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2880) and the Shanghai Stock Exchange (stock code: 601880) on 28 April 2006 and 6 December 2010, respectively.

On 4 February 2021, Dalian Port (PDA) Company Limited officially completed the merger by absorption through share swap with Yingkou Port Liability Co., Ltd. and the additional issuance of A shares, which was listed on the Shanghai Stock Exchange on 9 February 2021. Dalian Port (PDA) Company Limited was officially renamed as "**Liaoning Port Co., Ltd.**".

The Company is the first listed company with A shares and H shares in the port industry, the first listed company that successfully completed the merger by absorption through share swap project in the port industry, the biggest integrated port operator in the Northeast China, and also one of the biggest listed companies in the port industry with the largest size of assets, revenue and profits in Northern China. As the consolidated operational platform for port and logistics services in Liaoning Province, the major businesses of the Company are mainly located in port areas including Dayao Bay, Dalian Bay, and Changxing Island in Dalian and Yingkou Bayuquan.

The Company and its subsidiaries (collectively, the "Group") are principally engaged in the following businesses: 1) oil/liquefied chemicals terminal and related logistics business; 2) container terminal and related logistics business; 3) automobile terminal and related logistics business; 4) bulk and general cargo terminal and related logistics business; 5) bulk grains terminal and related logistics business; 6) passenger and roll-on/roll-off terminal and related logistics business; 7) port value-added and ancillary business.

2) General Information on the Company

1.	Chinese name	遼寧港口股份有限公司
	Abbreviated Chinese name	遼港股份
	English name	Liaoning Port Co., Ltd.
	Abbreviated English name	LIAONING PORT
2.	Legal representative	LI Guofeng

General Information on the Company

3.	Contact person	
	Joint Company Secretary/Secretary to the Board	QU Shaoyong
		Address: Room 2608, Xingang Commercial Building, Jingang Road, Dalian International Logistics Park Zone, Liaoning Province, the PRC
		Telephone: 86 411 87599899
		Facsimile: 86 411 87599854
		E-mail: qushaoyong@cmhk.com
4.	Registered office	Xingang Commercial Building, Dayao Bay, Dalian Free Trade Zone, the PRC
	Postal Code	116600
	Place of Business and Postal Code in the PRC	Xingang Commercial Building, Dayao Bay, Dalian Free Trade Zone, the PRC (116600)
	Place of Business in Hong Kong	31st Floor, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong
	Company website	www.liaoganggf.cn
	Company e-mail	liaoganggf-ir@cmhk.com
5.	Designated newspapers for information disclosure of the Company	China Securities Daily, Shanghai Securities Daily, and Securities Times
6.	Website designated by the China Securities Regulatory Commission for publishing the A share annual report	www.sse.com.cn
	Website for publishing the H share annual report	www.hkexnews.hk
	Place for collection of annual report	Room 2609, Xingang Commercial Building, Jingang Road, Dalian International Logistics Park Zone, Liaoning Province, the PRC

7.	Places of listing	Shanghai Stock Exchange	The Stock Exchange of Hong Kong Limited
	Stock abbreviations	LIAONING PORT	LIAONING PORT
	Stock codes	601880 (Shanghai)	2880 (Hong Kong)
8.	A share registrar and transfer office	China Securities Depository and Clearing Corporation Limited, Shanghai Branch	
	H share registrar and transfer office	Computershare Hong Kong Investor Services Limited	
9.	Auditor	ShineWing Certified Public Accountants (Special General Partnership) Recognised PIE Auditor Address: 30/F, AZIA Tower (匯亞大廈), No. 16 Lize Road, Fengtai District, Beijing, the PRC	
10.	Other information	Legal advisor (as to Hong Kong law) Clifford Chance Address: 27/F, Jardine House, One Connaught Place Central Hong Kong	
		Major banks Industrial and Commercial Bank of China Agricultural Bank of China China Construction Bank Bank of China Bank of Communications	

3) Business Milestones in 2025

January

- In January, the Mexico Express, a joint service operated by COSCO SHIPPING and OOCL at the Group's container terminal, was upgraded to the Dalian – Central and South America route. Following the upgrade, the Group's coverage capacity and service level for Central and South America were further enhanced, fully meeting the rapidly growing export demand from Northeast China for finished automobiles and spare parts, electromechanical equipment, chemical products, daily consumer goods and other products to Central and South America.

February

- In February, the Group's automobile terminal launched a shipping route for commercial vehicles from Dalian to South Africa. The first shipment, carrying 1,300 commercial vehicles, was exported to South Africa aboard the Guangzhou Yuanhai "GLORIOUS LEADER" ship.

- In February, the maiden voyage ceremony of MSC's "Dalian – Europe, Mediterranean" of the Group's container terminal was held at Dalian Port's container terminal. The two container ocean routes operated by MSC boast sufficient capacity and shipping space, fully satisfying the import and export demand of hinterland enterprises for products such as chemicals, automobiles and spare parts, electromechanical equipment, and mineral resources between the hinterland regions and Europe and the Mediterranean. This effectively supports and promotes economic and trade cooperation between the Northeast China's hinterland regions and Europe and the Mediterranean.

March

- The Company announced the annual results for the year 2024.

April

- In April, Comrade Li Yunlong, a technician at the Oil Depot Management Station of the Group's oil terminal, was awarded the honorary title of "National Model Worker" and received recognition at the Conference Celebrating the 100th Anniversary of the All-China Federation of Trade Unions and Honoring Model Workers and Exemplary Individuals.

- In April, the Group's automobile terminal launched a shipping route for commercial vehicles from Dalian to the Mediterranean. The first shipment, carrying 2,191 commercial vehicles, was exported to the Mediterranean region aboard the AICC Shipping "Huang Hu" ship.

May

- In May, the Group successfully coordinated resources from multiple parties to establish a "rail-sea intermodal transshipment and cross-regional allocation" model for jet fuel, opening the first new rail-sea intermodal corridor for jet fuel in Northeast China. This has expanded incremental revenue space and further improved the Group's port service functions.

- On 27 May, the international cruise ship "Adora Mediterranea" successfully berthed at Berths 10-11 of the Group's Dalian Port Area for operations, receiving 2,618 cruise passengers on the day. After a five-year hiatus, the Group's International Cruise Center once again welcomed a homeport international cruise voyage, marking the official resumption of the Group's homeport international cruise business. In 2025, the Group's International Cruise Center also called at Cheng Zhen Cruises, Zhao Shang Yi Dun and Regatta, handling a total of 45,000 inbound and outbound international cruise passengers.

June

- The Company convened the annual general meeting for the year 2024.

July

- In July, the distributed rooftop photovoltaic project at the Group's automobile terminal passed acceptance. Invested by a subsidiary of AVIC, the project utilizes the roof space of terminal garages and adopts a "self-consumption with surplus power fed to the grid" model. It is expected to supply approximately 5.6 million kWh of green electricity annually with remarkable environmental benefits, marking another positive achievement for the Group in the construction of a green port.

August

- On 7 August, the ground-breaking ceremony for the Group's Simandou Bonded Crushing Project was held at Dalian Port Ore Terminal, marking the official commencement of substantive construction of the project. The project will actively support the development of the Group's iron ore distribution and port-side processing center in Northeast Asia.

October

- In October, the Group's passenger terminal successfully launched new energy vehicle cross-strait ro-ro transportation services covering inter-provincial routes including Dalian-Yantai and Dalian-Weihai, further enhancing the Group's market competitiveness and serving as a robust new practice for the green development of the port's ro-ro business.

December

- In December, the Group's automobile terminal achieved 11,000 units in foreign trade exports of commercial vehicles, representing a year-on-year increase of 118% and setting a new monthly record for foreign trade export throughput since the port's opening.

Chairman's Statement

Dear shareholders,

On behalf of the Board of the Company, I am pleased to present the annual report of the Group for the year ended 31 December 2025. In 2025, the global economic recovery continued to face disruptions from multiple factors, including geopolitical conflicts and supply chain restructuring, with growth momentum remaining under sustained pressure. Against this backdrop, China's economy demonstrated remarkable resilience and development potential. Overall, macroeconomic conditions remained stable and positive, laying a solid foundation for the development of the real economy. The annual gross domestic product (GDP) reached RMB140.2 trillion.

Dividends and Operating Results

In 2025, guided by China's strategy to promote the comprehensive revitalization of Northeast China in the new era and accelerate the development of a unified national market, the port and shipping industry, as a key hub connecting domestic and international economic cycles, faced dual opportunities for structural optimization and quality improvement. Within the industry, the development of smart ports is advancing in depth, the transition to green and low-carbon operations is accelerating, and cross-regional port-and-shipping collaboration has emerged as a new trend, injecting fresh momentum into the high-quality development of port enterprises. Against this backdrop, cargo throughput at China's ports above a designated size has remained stable, and the transport structure of core cargo types has continued to optimize, laying a solid foundation for the industry's development.

In 2025, the Group's net profit attributable to shareholders of the parent company amounted to RMB1,306,790,239.41. To better reward the shareholders, the Board recommended the payment of cash dividends of RMB0.286 (withholding tax included) for every 10 shares for the year 2025.

The Group is the largest comprehensive port operator in Northeast China, mainly engaging in terminal operations and related logistics services for oil/liquid chemicals, containers, roll-on/roll-off vehicles, as well as grain, ore, steel, mining and construction materials, and coal, and also conducts related value-added and support services. In 2025, the Group anchored its efforts on the core direction of high-quality development, closely adhering to the working principles of "lean operations, asset revitalization, deepening reforms, and innovative development". It focused its efforts on its primary responsibilities and core business, coordinating the advancement of key initiatives such as deepening market penetration, lean cost reduction, quality improvement and efficiency enhancement, and service optimization. As a result, core operating performance grew steadily, development resilience gradually strengthened, and safety, environmental protection, and production operations remained consistently stable.

Chairman's Statement

In 2025, the Group vigorously developed its maritime logistics business and continuously enhanced its hub capabilities. The route network was further refined. In terms of the Container Segment, the Group launched six new international container routes and one new domestic container route, upgraded COSCO SHIPPING's Central and South America routes, further developed Arctic routes, and established premium routes such as "Yingkou-Nansha". In terms of the oil/liquefied chemicals, the Group established a new "North-to-South Oil Transport" corridor and launched a "Northeast-Nanjing" refined oil liner route. In terms of the Bulk and General Cargo Segment, the Group developed north-south coordinated grain liner services including the route of "Liaoning Port-China Merchants Port (South China) Bulk Cargo Management Center" and built a 10-million-tonne-scale iron ore spot trading platform. In terms of roll-on/roll-off business, the Group launched four new international export routes, including Chery's South Africa and Mexico routes, and resumed international passenger services on the "Dandong-Incheon, South Korea" liner route. The transshipment and distribution system continued to be refined, with the Container Segment expanding the scale of domestic trunk line piggyback transshipment services and launching a dedicated alumina route. The oil/liquefied chemicals sector expanded crude oil transshipment operations in Hebei and northern Shandong, providing end-to-end logistics solutions for partners. The Bulk and General Cargo Segment expanded the scale of port-side processing for iron ore, opened logistics channels in western Liaoning and eastern Inner Mongolia, and established the "Dalian-Suizhong" port cluster for metal ores. The roll-on/roll-off business secured water-to-water transshipment business from multiple enterprises and expanded transit commercial vehicle and international cruise ship operations.

In 2025, driven by innovation, the Group continued to extend its service chain. The Container Segment advanced cooperation on empty container transshipment in free pools and obtained the necessary operational qualifications for dangerous goods containers. The oil/liquefied chemicals sector launched long-term crude oil storage and futures transshipment operations, expanded into clean energy, and completed the first shipment of green methanol loading as well as the first bonded green methanol refueling operation in Northeast China. The Bulk and General Cargo Segment successfully secured the implementation of the Simandou iron ore bonded crushing project and provided end-to-end logistics solutions for partners' coastal new materials projects. The roll-on/roll-off business expanded value-added services such as factory-to-port transport and intra-city distribution, and developed water transport services for new energy brands. Concurrently, key asset management projects were implemented, with 29 projects completed throughout the year, achieving a revitalization scale of RMB895 million. Significant progress was made in the construction of a green and smart port, with the port's total installed photovoltaic power generation capacity reaching 36.6 MW and shore power facilities increasing to 51 sets, and raw coal consumption in the Dalian area was eliminated. Multiple digital systems, including the "Liaozhitong" BTOS system and the northeast sea-land corridor comprehensive transportation service platform, were optimized, upgraded, and widely applied, leading to continuous improvements in digital management capabilities.

Chairman's Statement

Prospects

In 2026, the global economic recovery remains constrained by multiple factors such as geopolitical conflicts and the restructuring of trade patterns. The spillover effects from policy adjustments in major economies have become evident, and the external environment facing the port and shipping industry continues to be complex and challenging. Against this backdrop, China's macroeconomic policies have been coordinated and targeted with greater effectiveness. Fiscal policy has become more proactive and impactful, while monetary policy has maintained a moderately accommodative stance, providing solid support for the stable operation of industrial and supply chains. The Group will actively seize policy opportunities, closely align with national fiscal and financial coordinated support policies, and focus on the reform of market-based allocation of resources and factors. It will optimize route layout and capacity deployment from a holistic perspective, deepen strategic synergy with high-quality enterprises in the upstream and downstream industrial chains, and gather development momentum to forge ahead in jointly building resilient supply chains.

Going forward, the Group will anchor its strategic goal of "becoming a first-class strong port enterprise" in Northeast Asia. Adhering to a market-oriented and customer-centric approach, it will focus on core cargo types including containers, ro-ro cargo and bulk commodities, strive to expand its share in emerging markets, and proactively extend the value-added service chain. Driven by digital and intelligent transformation, the Group will enhance operational efficiency, further develop smart ports and smart ports of entry, and promote the deep integration of scientific and technological innovation with industrial innovation. It will focus on building an integrated service system of "hubs + corridors + networks", with priority on developing distinctive service brands such as "North-to-South Grain Transport", "bonded ore blending" and "cold-chain logistics", so as to comprehensively enhance the Group's core competitiveness. The Group will continue to advance the integrated development of ports, industries and cities, gather industrial factors and resources in port-surrounding areas, and foster an industrial ecosystem for sustainable development. Through solid and steady progress, the Group will fully advance the construction of a world-class port, create greater value for shareholders, and contribute port strength to the all-round revitalization of Northeast China in the new era.

Liaoning Port Co., Ltd.
LI Guofeng
Chairman

26 March 2026

Financial Highlights

	2025 RMB'000	2024 RMB'000	Changes (%)
Highlights of Income Statement			
Revenue	**11,358,911**	11,066,690	2.64
Gross profit	**3,250,427**	2,379,294	36.61
Operating profit	**2,171,565**	1,800,717	20.59
Net profit attributable to shareholders of the parent company	**1,306,790**	1,143,973	14.23
Basic earnings per share (RMB)	**0.054807**	0.047736	14.81
Highlights of Balance Sheet			
Cash and bank balances	**6,697,778**	5,280,231	26.85
Net current assets	**7,076,158**	4,299,026	64.60
Total assets	**57,573,679**	59,786,932	-3.70
Borrowings	**5,544,872**	7,886,820	-29.69
Debt ratio (%)	**12.59**	18.17	-30.71
Net assets per share (RMB)	**1.71**	1.66	3.01
Return on net assets (%)	**3.26**	2.87	13.59
Highlights of Cash Flow Statement			
Net cash flow from operating activities	**5,678,073**	4,287,348	32.44
Net cash flow from investing activities	**-365,978**	-221,382	-65.32
Net cash flow from financing activities	**-3,903,705**	-4,020,403	2.90
Net increase in cash and cash equivalents	**1,407,624**	48,961	2,774.99

Note: Debt ratio = Borrowings/Net assets

* The financial data is reported in accordance with the PRC Accounting Standard for Business Enterprises

I. OPERATING DISCUSSION AND ANALYSIS

In 2025, the domestic and international situation underwent profound and complex changes, with mounting external pressures. Amid the interplay of multiple factors including trade protectionism and policy uncertainties, the pace of global economic recovery moderated. China's economy forged ahead amid headwinds and advanced toward new drivers and higher quality, while demonstrating strong resilience and inherent dynamism. Overall economic performance was stable with progress made and improved quality and efficiency. During the year, gross domestic product (GDP) reached RMB140.19 trillion. High-quality development advanced steadily, accompanied by the orderly development of new-quality productive forces. Against this backdrop, leveraging its pivotal geographical advantage in Northeast Asia, the Group closely aligned itself with the nation's macro policy directions and the development trends of the port, shipping and logistics market. Through proactive efforts and overcoming various challenges, the Group achieved steady progress and improved quality in its operation and development.

II. MAJOR OPERATIONS DURING THE REPORTING PERIOD

1. Overall Results Review

In 2025, the Group's net profit attributable to shareholders of the parent company amounted to RMB1,306,790,239.41, representing an increase of RMB162,816,764.61 or 14.2% as compared with the net profit of RMB1,143,973,474.80 in 2024.

In 2025, the Group's container and bulk grain businesses increased, and warehousing revenue from oil products increased, effectively compensating for the decline in the iron ore and other bulk and general cargo businesses. At the same time, the Group's continuous optimisation of business structure and deepened cost reduction and efficiency enhancement were the main factors contributing to the profit growth. However, due to the decline in the performance of associates and joint venture enterprises, as well as the impact of the one-time investment income gain from the consolidation of Changxing Investment Development and Changxing Port last year, the investment income decreased year-on-year, which restrained the profit growth. On a consolidated basis, the Group's net profit attributable to the parent company reported a year-on-year increase of 14.2%.

In 2025, the Group's basic earnings per share amounted to RMB5.48 cents, representing an increase of RMB0.71 cent or 14.8% year-on-year as compared with RMB4.77 cents in 2024.

Changes in the principal component items of net profit are as follows:

Item	2025 (RMB)	2024 (RMB)	Changes (%)
Net profit attributable to shareholders of the parent company	**1,306,790,239.41**	1,143,973,474.80	14.2
Including:			
Revenue	**11,358,910,887.75**	11,066,690,041.36	2.6
Cost of sales	**8,108,483,620.31**	8,687,395,940.62	-6.7
Gross profit	**3,250,427,267.44**	2,379,294,100.74	36.6
Gross profit margin	**28.6%**	21.5%	Up by 7.1 percentage points
Administrative expenses	**755,284,014.35**	823,649,555.41	-8.3
Research and development expenses	**24,691,685.51**	20,226,217.47	22.1
Financial expenses	**386,958,686.37**	382,865,431.74	1.1
Asset impairment losses	**23,062,363.92**	68,603,564.35	-66.4
Credit impairment losses	**-77,920,475.60**	-427,913,987.08	81.8
Other income	**201,030,893.92**	198,370,004.17	1.3
Investment income	**-29,128,659.32**	205,177,374.76	-114.2
Net non-operating income *(Note 1)*	**1,561,698.79**	-5,685,938.70	127.5
Income tax expenses	**570,341,007.69**	443,006,365.31	28.7

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

In 2025, the Group's revenue increased by RMB292,220,846.39 or 2.6% year-on-year, mainly due to the growth of revenue from container, bulk grain, oil products and other businesses. However, due to the continuous loss in the steel industry, the business of bulk and general cargo such as iron ore decreased, the container logistics services such as China-Europe train lines and sea-rail intermodal transport decreased, and the net income method of hydropower business accounting restricted the growth of revenue.

In 2025, the Group's cost of sales decreased by RMB578,912,320.31 or 6.7% year-on-year, mainly due to the decrease in costs such as container logistics services along with revenue, the deepening of cost control, the optimisation of the business structure of branch lines of Bohai Rim region, and the decrease in costs such as labour services and outsourcing, energy and maintenance.

In 2025, the Group's gross profit increased by RMB871,133,166.70 or 36.6% year-on-year; the gross profit margin was 28.6%, representing an increase of 7.1 percentage points. This was mainly due to the growth of container, bulk grain and oil products businesses with high gross profit margin, and the increase in the proportion of foreign trade container and steel businesses. The gross profit growth was jointly driven by the optimisation of the business structure of branch lines of Bohai Rim region, the deepening of cost control, cost reduction and efficiency enhancement.

In 2025, the Group's administrative expenses decreased by RMB68,365,541.06 or 8.3% year-on-year, mainly due to the decrease in labour and service expenses.

In 2025, the Group's research and development expenses increased by RMB4,465,468.04 or 22.1% year-on-year, mainly due to the increase in research and development projects of information companies of the Group during the year.

In 2025, the Group's financial expenses increased by RMB4,093,254.63 or 1.1% year-on-year, which was basically the same.

In 2025, the Group's credit impairment losses increased by RMB349,993,511.48 or 81.8% year-on-year, mainly due to the decrease in accounts receivable and other factors in the previous year.

In 2025, the Group's other income increased by RMB2,660,889.75 or 1.3% year-on-year, which was basically the same.

In 2025, the Group's investment income decreased by RMB234,306,034.08 or 114.2% year-on-year, mainly due to the comprehensive impact of the decline in the performance of associates and joint venture enterprises and the increase in investment income affected by the consolidation of Changxing Investment Development and Changxing Port not under the same control last year.

In 2025, the Group's net non-operating income increased by RMB7,247,637.49 or 127.5% year-on-year, mainly due to the increase in gains and losses from disposal of scrapped and matured assets during the year.

In 2025, the Group's income tax expenses increased by RMB127,334,642.38 or 28.7% year-on-year, mainly due to the increase in taxable income caused by changes in operating profit.

2. Assets and Liabilities

As of 31 December 2025, the Group's total assets and net assets attributable to shareholders of the listed company amounted to RMB57,573,679,391.69 and RMB40,342,887,497.81, respectively. The net asset value per share was RMB1.71, increasing slightly compared with the net asset value of RMB1.66 per share as of 31 December 2024.

As of 31 December 2025, the Group's total liabilities amounted to RMB13,542,064,396.54, of which total outstanding borrowings amounted to RMB5,544,871,725.46 (this part of the borrowings carries a fixed interest rate). The gearing ratio was 23.5% (the total liabilities of RMB13,542,064,396.54/the total assets of RMB57,573,679,391.69), representing a decrease of 3.9 percentage points as compared with 27.4% as at 31 December 2024, which was mainly due to the impact of repayment of interest-bearing debt.

3. Financial Resources and Liquidity

As of 31 December 2025, the Group had a balance of cash and cash equivalents of RMB6,656,185,332.77, representing an increase of RMB1,407,624,445.34 as compared to that of 31 December 2024.

As at 31 December 2025, the Group's net cash inflows generated from operating activities amounted to RMB5,678,072,884.72, net cash outflows for investment activities amounted to RMB365,978,034.54, and net cash outflows for financing activities amounted to RMB3,903,704,900.29.

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

As of 31 December 2025, the Group's outstanding borrowings amounted to RMB5,544,871,725.46 (this part of the borrowings carries a fixed interest rate), in which RMB142,872,142.47 were borrowings repayable within one year, and RMB5,401,999,582.99 were borrowings repayable after one year.

The Group's net debt-equity ratio was 8.0% as of 31 December 2025, as compared with 17.9% as at 31 December 2024, mainly due to the repayment of interest-bearing debt to reduce the scale of debt.

As of 31 December 2025, the Group's unutilised bank line of credit amounted to RMB20.26 billion.

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

The Group closely monitored its interest rate risk and exchange rate risk. As of 31 December 2025, the Group had not entered into any foreign exchange hedging contracts. Please refer to Note 13 to the financial statements for details about the interest rate and exchange rate risks.

4. Contingencies

Pending Litigations and Arbitrations

Pending litigation and arbitration concerning DCT Logistics Co., Ltd. (hereinafter referred to as "DCT Logistics"), a subsidiary of the Group

From January 2020 to February 2021, Shunde (Dalian) Supply Chain Management Co., Ltd. (舜德(大連)供應鏈管理股份有限公司) (hereinafter referred to as "Shunde"), an independent third party of the Company, carried out business cooperation with certain companies including Qingdao Kaitou International Trade Co., Ltd. (青島開投國際貿易有限公司) (hereinafter referred to as "Qingdao Kaitou"), China Chengtong International Co., Ltd. (中國誠通國際貿易有限公司) (hereinafter referred to as "Chengtong"), Zhejiang Metals and Materials Co. (物產中大金屬集團有限公司) (hereinafter referred to as "Zhejiang Metals"), Fujian Rongjiang Import & Export Co., Ltd. (福建省榕江進出口有限公司) (hereinafter referred to as "Rongjiang"), Qingdao Zhong Yan Trading Co., Ltd. (青島中堯貿易有限公司) (hereinafter referred to as "Qingdao Zhong Yan") and other companies (hereinafter referred to as "Import Agents" or "Warehousing Clients") by entering into Import Agent Agreement or Agent Procurement Contract with such Import Agents, pursuant to which the Import Agents agreed to licence Shunde's imported goods and open letters of credit in the name of the Import Agents for the payment of imported goods, and the risks and liabilities of related imported goods shall be borne by Shunde. Meanwhile, the Import Agents respectively signed a Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement with DCT Logistics, a subsidiary of the Group, agreeing that DCT Logistics handles import goods customs declaration, goods warehousing and custody services for the Import Agents.

In actual business, the expenses incurred under the Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement shall be settled by Shunde in accordance with the agreed rates under the Packing and Unpacking (Packing up) Agreement it signed with DCT Logistics. As Shunde failed to repay part of the import letter of credit payment to the Import Agents as scheduled, these Import Agents filed lawsuits against DCT Logistics in Dalian Maritime Court and other people's courts, respectively, requesting DCT Logistics and Shunde to return the relevant goods under the Customs Declaration Logistics Warehousing Agreement or the Import Freight Forwarding Agreement signed with DCT Logistics. In May 2021, DCT Logistics was approved by the Dalian Maritime Court to file a pre-litigation property preservation against Shunde. After thorough communication and negotiation with the parties to the litigation, one of the Warehousing Clients had settled with Shunde and withdrawn its lawsuit against Shunde and DCT Logistics, and this settlement arrangement did not involve any compensation obligation for DCT Logistics. The total claims of the other Warehousing Clients amounted to RMB1.06 billion. On 18 December 2023, Dalian Maritime Court issued a first instance judgement ((2022) Liao 72 Min Chu No. 1342 II) regarding the lawsuit case, holding that the case was suspected of involving economic crimes and should be transferred to the public security organs for investigation, thus it ruled to reject the prosecution of DCT Logistics.

On 24 November 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1428) regarding the lawsuit case of Chengtong against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB109.6946 million to Chengtong and the interest, based on the amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 23 March 2021 up to the date of actual payment. Other litigation claims from Chengtong were dismissed. On 9 December 2021, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Chengtong. On 1 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 21), rejecting all of the claims of DCT Logistics. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6364), rejecting the retrial application. On 12 October 2022, Dalian Jifa Port Logistics Co., Ltd. received the assistance execution notice ((2022) Zhe 72 Zhi No. 286) issued by the Ningbo Maritime Court, requiring it to deposit the lease payment payable to DCT Logistics into the account designated by Ningbo Maritime Court. In this year, Dalian Jifa Port Logistics Co., Ltd. made a lease payment of RMB12.42 million to the account designated by Ningbo Maritime Court. As of the date of this report, a total of RMB31.05 million had been paid to the account designated by Ningbo Maritime Court for the lease payment.

On 30 December 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1205) regarding the lawsuit case of Zhejiang Metals against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB10.2634 million to Zhejiang Metals and the interest, based on the amount, to be calculated at benchmark borrowing rate as announced by the National Interbank Funding Center from 1 September 2021 up to the date of actual payment. Other litigation claims from Zhejiang Metals were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Zhejiang Metals. On 11 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 129), rejecting all of the claims of DCT Logistics. On 25 May 2022, Ningbo Maritime Court deducted RMB8.8393 million from the bank deposits of DCT Logistics according to the judgments and rulings in force. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6365), rejecting the retrial application.

On 31 December 2021, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 352) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB299.3826 million to Qingdao Kaitou and the interest, based on the amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 27 March 2021 up to the date of actual payment. Other litigation claims from Qingdao Kaitou were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Kaitou. On 16 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 715) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 352 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1348 I) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics, rejecting the litigation of Qingdao Kaitou. On 11 January 2024, Qingdao Kaitou appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2024) Liao Min Zhong No. 610) as follows: the civil ruling of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1348 I was revoked, and Dalian Maritime Court was directed to hear the case. On 30 June 2025, the Dalian Maritime Court issued the judgment ((2025) Liao 72 Min Chu No. 114) as follows: 1) DCT Logistics should pay RMB319.2237 million and the interest of the amount calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 27 March 2021 up to the date of full payment to Qingdao Kaitou for loss of goods within ten days of the effective date of this judgment; 2) DCT Logistics shall pay Qingdao Kaituo RMB1.4 million for legal fees, RMB146,500 for preservation guarantee fees and RMB7,000 for translation fees within ten days of the effective date of this judgment; 3) other litigation claims from Qingdao Kaitou against DCT Logistics were dismissed; 4) the litigation claim from Qingdao Kaitou against Shunde were dismissed. On 19 August 2025, Dalian Maritime Court issued the Notice of Enforcement (2025) Liao 72 Zhi No. 382, ordering DCT Logistics to immediately fulfil the following obligations: 1) to pay Qingdao Kaitou the sum of RMB370.4585 million plus interest for late payment; 2) to pay the enforcement fee of RMB437.9 thousand. On 18 December 2025, Dalian Maritime Court issued Enforcement Ruling (2025) Liao 72 Zhi No. 382 I, lifting all enforcement measures against the assets held in the name of the judgment debtor, DCT Logistics, and terminating the enforcement proceedings for the Case (2025) Liao 72 Zhi No. 382.

On 27 January 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 372) regarding the lawsuit case of Rongjiang against DCT Logistics. The judgement ruled that DCT Logistics should compensate Rongjiang for the loss of goods of RMB336.0810 million and the interest, based on the amount, to be calculated at prime rate as announced by the National Interbank Funding Center from 7 April 2021 up to the date of actual payment, and DCT Logistics should compensate Rongjiang for liability insurance fees of litigation preservation of RMB254,800. Other litigation claims from Rongjiang were dismissed. On 1 March 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Rongjiang. On 4 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 642) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 372 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1189 I) regarding the lawsuit case of Rongjiang against DCT Logistics, rejecting the litigation of Rongjiang. On 9 January 2024, Rongjiang appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2024) Liao Min Zhong No. 569) as follows: the civil ruling of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1189 I was revoked, and Dalian Maritime Court was directed to hear the case. On 30 June 2025, the Dalian Maritime Court issued the judgment ((2025) Liao 72 Min Chu No. 317) as follows: 1) DCT Logistics should pay RMB336.0810 million and the interest of the amount calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 7 April 2021 up to the date of full payment to Rongjiang for loss of goods within ten days of the effective date of this judgment; 2) DCT Logistics shall pay Rongjiang RMB2.57 million for legal fees and RMB254,800 for preservation guarantee fees within ten days of the effective date of this judgment. On 5 September 2025, Dalian Maritime Court issued Notice of Enforcement (2025) Liao 72 Zhi No. 393, ordering DCT Logistics to immediately fulfil the following obligations: 1) to pay Rongjiang the sum of RMB391.3587 million plus interest for late payment; 2) to pay the enforcement fee of RMB458.8 thousand.

On 19 June 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 808) regarding the lawsuit case of Qingdao Zhong Yan against DCT Logistics. The judgement ruled that DCT Logistics should compensate Qingdao Zhong Yan for the loss of goods of RMB169.2464 million and the interest, based on the amount, to be calculated at prime rate as announced by the National Interbank Funding Center from 9 April 2021 up to the date of actual payment, and DCT Logistics should compensate Qingdao Zhong Yan for liability insurance fees of litigation preservation of RMB134,700. Other litigation claims from Qingdao Zhong Yan were dismissed. On 3 July 2023, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Zhong Yan. On 24 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2023) Liao Min Zhong No. 1787) as follows: the appeal was dismissed and the original judgment was upheld. On 4 March 2025, the Dalian Maritime Court issued Notice of Enforcement (2025) Liao 72 Zhi No. 133, ordering DCT Logistics to pay Qingdao Zhong Yan RMB169.3861 million plus interest and to bear the enforcement fee of RMB236,800.

On 30 December 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041) regarding the lawsuit case of Xinwen Mining Group Material Supply and Marketing Co., Ltd. (新汶礦業集團物資供銷有限責任公司) (hereinafter referred to as "Xinwen Mining") against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB12.5291 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB12.5291 million and RMB2.3585 million, to be calculated at prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of actual payments, and DCT Logistics should pay RMB45,000 to Xinwen Mining for liability insurance fees of preservation. Other litigation claims from Xinwen Mining were dismissed. On 18 January 2023, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Xinwen Mining. On 17 August 2023, the Higher People's Court of Liaoning Province issued a civil ruling ((2023) Liao Min Zhong No. 881) as follows: the civil judgment of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041 was changed to "rule that DCT Logistics should pay RMB11.8276 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB11.8276 million and RMB2.3585 million, to be calculated at prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of actual payments", and the original judgment was upheld for other matters. On 7 September 2023, Dalian Maritime Court issued Notice of Enforcement (2023) Liao 72 Zhi No. 600, ordering DCT Logistics to pay Xinwen Mining the sum of RMB14.2361 million, plus the enforcement fee of RMB81.6 thousand. On 29 April 2025, Dalian Maritime Court issued Notice of Enforcement (2025) Liao 72 Zhi Hui No. 50, ordering DCT Logistics to pay Xinwen Mining RMB14.2361 million plus interest, and to bear enforcement fee of RMB81.6 thousand.

In May 2022, Chongqing Yu Feng Imp. & Exp. Co., Ltd. (重慶渝豐進出口有限公司) (hereinafter referred to as "Chongqing Yu Feng") filed a lawsuit with Wuhan Maritime Court against DCT Logistics, demanding DCT Logistics to compensate for a loss of RMB120.2513 million and the loss of interest on that capital amount. On 6 September 2022, Wuhan Maritime Court issued a first instance judgement (Wuhan Maritime Court (2021) E 72 Min Chu No. 820) regarding the lawsuit case of Chongqing Yu Feng against DCT Logistics. The judgement ruled that DCT Logistics should pay to Chongqing Yu Feng RMB120.2513 million and the loss of interest, based on that amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 20 March 2021 up to the date of actual performance of the effective judgement. Other litigation claims from Chongqing Yu Feng were dismissed. On 16 September 2022, DCT Logistics appealed to Higher People's Court of Hubei Province against the first instance judgment regarding the case of Chongqing Yu Feng. On 16 May 2023, the Higher People's Court of Hubei Province issued a civil ruling ((2022) E Min Zhong No. 1361), rejecting all of the claims of DCT Logistics. On 17 November 2023, the Wuhan Maritime Court issued a ruling ((2023) E 72 Zhi No. 447 I) on the case regarding Chongqing Yu Feng's application for the compulsory execution against DCT Logistics, terminating the current enforcement proceedings.

Having fully considered the amount of claims involved by DCT Logistics, the judgement issued by the court and the opinions of internal and external legal advisors, and taking into account that DCT Logistics is a limited company, and the Company and the Group's other subsidiaries do not have guarantee liability or joint and several liability over any such liability of DCT Logistics, the Group had made provisions for estimated liabilities of RMB180 million which was equivalent to the recoverable amount of the book value of the net assets of DCT Logistics as of 31 December 2021. Due to the transfer of the bank deposits of DCT Logistics ordered by the court, the estimated liabilities for 2025 decreased by RMB12.42 million (2024: RMB8.28 million). As of 31 December 2025, the balance of estimated liabilities for such lawsuits was RMB140 million.

As DCT Logistics was unable to settle its debts as they fell due and was clearly lacking the means to do so, its general meeting passed a resolution on 30 September 2025 to approve the company's application to the court for bankruptcy liquidation. On 16 December 2025, People's Court of Dalian Economic and Technological Development Zone issued a civil ruling (2025) Liao 0291 Po Shen No. 5, formally accepting the DCT Logistics' application for bankruptcy liquidation. On 28 January 2026, the People's Court of Dalian Economic and Technological Development Zone issued civil ruling (2026) Liao 0291 Po No.1, appointing Dalian Wanlong Tianxin Certified Public Accountants Co., Ltd.*(大連萬隆天信會計師事務所有限公司) as the bankruptcy manager for DCT Logistics. As of the date of this report, the takeover is in progress.

Save for the above contingencies, as at 31 December 2025, the Group did not have other major guarantees and other contingencies required to be specified.

5. Capital Expenditure

As at 31 December 2025, the Group's capital expenditure amounted to RMB659,404,619.73, which was mainly funded by the surplus cash generated from operating activities and other external financing.

6. An Analysis of the Performance of Each Business Segment of the Group in 2025 Is as Follows:

Oil Segment

The following table sets out the throughput completed by the Group's oil/liquefied chemicals terminal in 2025 as compared with that of 2024:

	2025 *('0,000 tonnes)*	2024 *('0,000 tonnes)*	**Increase/(decrease)**
Crude oil	**4,272.7**	4,192.9	1.9%
Liquefied chemicals	**125.6**	146.7	(14.4%)
LNG	**164.8**	195.2	(15.6%)
Others	**1,594.1**	1,544.5	3.2%
Total	**6,157.2**	6,079.3	1.3%

In 2025, the Group handled a total of 61.572 million tonnes of oil/liquefied chemicals throughput, representing a year-on-year increase of 1.3%.

In 2025, the Group's crude oil throughput was 42.727 million tonnes, representing a year-on-year increase of 1.9%, of which imported crude oil throughput was 28.142 million tonnes, representing a year-on-year increase of 10.4%. In 2025, the Group focused on the core of the hinterland and built exclusive crude oil supply channels to ensure the stability of the refinery supply chain. The Group deepened its efforts in the Bohai Rim market and expanded the Bohai Rim crude oil transit market, driving the growth of crude oil throughput of the Group.

In 2025, the Group's liquefied chemicals throughput was 1.256 million tonnes, representing a year-on-year decrease of 14.4%. Such decrease was mainly due to the oversupply in the chemical products market, the fierce market competition and the low enthusiasm of enterprises at the production side.

In 2025, the Group's LNG throughput was 1.648 million tonnes, representing a year-on-year decrease of 15.6%. Such decrease was due to the impact of increased supply from gas pipeline offsetting China's hinterland demand for seaborne LNG imports.

In 2025, the Group's other oil/liquefied chemicals throughput amounted to 15.941 million tonnes, representing a year-on-year increase of 3.2%. This was mainly due to the large number of refinery overhauls in the port in 2024, resulting in a smaller transshipment volume of refined oil during the same period. The production of refined oil returned to normal during the year, and the throughput of refined oil of the Group increased year-on-year, which led to an increase in the throughput of other products (mainly refined oil) of the Group in 2025.

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

Item	2025 *(RMB)*	2024 *(RMB)*	Change *(%)*
Revenue	**1,816,428,204.31**	1,115,854,368.25	62.8
Percentage of the Group's revenue	**16.0%**	10.1%	Up by 5.9 percentage points
Gross profit	**768,370,004.89**	34,373,878.24	2,135.3
Percentage of the Group's gross profit	**23.6%**	1.4%	Up by 22.2 percentage points
Gross profit margin	**42.3%**	3.1%	Up by 39.2 percentage points

In 2025, the revenue from the Oil Segment increased by RMB700.57 million or 62.8% year-on-year, mainly due to the impact of higher crude oil warehousing revenue.

In 2025, the gross profit of the Oil Segment increased by RMB734.00 million or 2,135.3% year-on-year, and the gross profit margin increased by 39.2 percentage points year-on-year, mainly due to the impact of the increase in crude oil warehousing revenue.

Container Segment

The following table sets out the throughput completed by the Group's container terminal in 2025 as compared with that of 2024:

	2025 *('0,000 TEUs)*	2024 *('0,000 TEUs)*	Increase/(decrease)
Container	**1,126.4**	1,086.2	3.7%

In 2025, in terms of container throughput, the Group handled a total of 11.264 million TEUs, representing a year-on-year increase of 3.7%. This was mainly due to the stable operation of six newly opened foreign trade and two domestic trade routes this year, the improvement in the overall stability of the main routes of the ports, and the increase of container volume driven by the increase of the number of docked ships. Furthermore, it cooperated with MSC on the Free Pool business model, which led to the increase in empty container business volume. At the same time, the volume of empty container business increased through the development of incremental businesses such as intra-port transfers, ad-hoc shipping calls, international transshipment and discharging and transferring containers of an entire vessel. The Group further actively strove for the capacity call of large ships, continued to promote the construction of high-quality routes such as Pan-Asian "Yingkou-Nansha", and continuously improved the port space and schedule density, so as to increase the container volume. In addition, the Group deepened coordination with relevant cooperative units, carried out "Dalian-Yingkou" empty container transshipment with Antong Holdings, and strengthened the construction of combination port through yard and empty container sharing, thus driving the increase of business volume.

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

Item	**2025 *(RMB)***	2024 *(RMB)*	**Change *(%)***
Revenue	**3,644,840,136.44**	3,827,452,389.91	-4.8
Percentage of the Group's revenue	**32.1%**	34.6%	Down by 2.5 percentage points
Gross profit	**1,355,766,352.79**	1,068,399,737.63	26.9
Percentage of the Group's gross profit	**41.7%**	44.9%	Down by 3.2 percentage points
Gross profit margin	**37.2%**	27.9%	Up by 9.3 percentage points

In 2025, the revenue from the Container Segment decreased by RMB182.61 million or 4.8% year-on-year, mainly due to the decrease in business volume of China-Europe train lines and sea-rail intermodal transportation, and the decrease in shipping revenue due to the optimisation of business structure, but the increase in foreign trade throughput and loading and unloading rates reduced the decrease in revenue.

In 2025, the gross profit of the Container Segment increased by RMB287.37 million or 26.9% year-on-year, and the gross profit margin increased by 9.3 percentage points year-on-year, mainly due to the impact of the increase in volume and rates of the foreign trade container business and the optimisation of the business structure of branch lines of Bohai Rim region.

Automobile Segment

The following table sets out the throughput completed by the Group's automobile terminal in 2025 as compared with that of 2024:

		2025	2024	Increase/ (decrease)
Vehicles (units)	Foreign trade	**75,755**	65,197	16.2%
	Domestic trade	**625,419**	666,453	(6.2%)
	Total	**701,174**	731,650	(4.2%)
Equipment (tonnes)		**53,567**	47,630	12.5%

In 2025, the Group handled a total of 701,174 vehicles in automobile terminal, representing a year-on-year decrease of 4.2%. The decrease in domestic trade business of commercial vehicle was due to the decrease in production and sales of fuel vehicles affected by the substitution effect of new energy vehicles. In addition to the tight ro-ro shipping capacity of domestic trade, some waterway goods were transferred to road and railway transportation due to timeliness requirements, resulting in a decline in domestic trade shipping volume. The Group is actively promoting the diversified development of foreign trade business of commercial vehicles and developing new export routes such as South Africa, Mexico, the Mediterranean Sea and Brazil to drive the growth of foreign trade business.

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

Item	**2025** ***(RMB)***	2024 *(RMB)*	**Change** ***(%)***
Revenue	**66,922,692.80**	65,118,279.14	2.8
Percentage of the Group's revenue	**0.6%**	0.6%	Stable
Gross profit	**18,321,835.40**	14,188,590.98	29.1
Percentage of the Group's gross profit	**0.6%**	0.6%	Stable
Gross profit margin	**27.4%**	21.8%	Up by 5.6 percentage points

In 2025, the revenue from the Automobile Terminal Segment increased by RMB1.80 million or 2.8% year-on-year, mainly due to the increase in the business volume of Haijia Automobile.

In 2025, the gross profit of the Automobile Terminal Segment increased by RMB4.13 million or 29.1% year-on-year, and the gross profit margin increased by 5.6 percentage points year-on-year, mainly due to the increase in revenue from loading and discharging driven by the increase in the business volume of Haijia Automobile.

Bulk and General Cargo Segment

The following table sets out the throughput completed by the Group's Bulk and General Cargo Segment in 2025 as compared with that of 2024:

	2025 *('0,000 tonnes)*	2024 *('0,000 tonnes)*	**Increase/(decrease)**
Steel	**2,254.3**	2,138.2	5.4%
Iron ore	**5,162.1**	5,413.5	(4.6%)
Others	**7,891.5**	8,486.0	(7.0%)
Total	**15,307.9**	16,037.7	(4.6%)

In 2025, the throughput of the Group's Bulk and General Cargo Segment amounted to 153.079 million tonnes, representing a year-on-year decrease of 4.6%.

In 2025, the throughput of the Group's steel segment amounted to 22.543 million tonnes, representing a year-on-year increase of 5.4%. This was mainly attributable to the Group's deep integration of the advantageous resources of "port operators, shipping lines and cargo owners" and the opening of steel export and shipping channels to countries along the three routes and emerging economies such as South America, the Middle East and South Asia, which led to the increase in throughput of the Group.

In 2025, the throughput of the Group's iron ore segment amounted to 51.621 million tonnes, representing a year-on-year decrease of 4.6%. Such year-on-year decrease in throughput was mainly due to the continuous loss of steel enterprises, the production limit and production reduction of some steel mills, and the reduction of imported ore consumption, coupled with some steel mills adjusting the proportion of using more domestic ore.

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

Item	2025 *(RMB)*	2024 *(RMB)*	Change *(%)*
Revenue	**3,640,218,900.77**	3,709,605,891.43	-1.9
Percentage of the Group's revenue	**32.0%**	33.5%	Down by 1.5 percentage points
Gross profit	**786,841,463.32**	892,542,044.58	-11.8
Percentage of the Group's gross profit	**24.2%**	37.5%	Down by 13.3 percentage points
Gross profit margin	**21.6%**	24.1%	Down by 2.5 percentage points

In 2025, the revenue from the Bulk and General Cargo Segment decreased by RMB69.39 million or 1.9% year-on-year, mainly due to the impact of the decrease in the business volume of ore with high margins.

In 2025, the gross profit of the Bulk and General Cargo Segment decreased by RMB105.70 million or 11.8% year-on-year, and the gross profit margin decreased by 2.5 percentage points year-on-year, mainly due to the impact of the decrease in the business volume of ore with high margins and the increase in depreciation. However, the increase in the volume and proportion of foreign trade steel business slowed down the decline in gross profit.

Bulk Grain Segment

The following table sets out the throughput completed by the Group's Bulk Grain Segment in 2025 as compared with that of 2024:

	2025 *('0,000 tonnes)*	2024 *('0,000 tonnes)*	Increase/(decrease)
Corn	**1,166.8**	870.7	34.0%
Soybean	**355.0**	382.0	(7.1%)
Others	**230.5**	311.1	(25.9%)
Total	**1,752.3**	1,563.8	12.1%

In 2025, the throughput of the Group's Bulk Grain Segment amounted to 17.523 million tonnes, representing a year-on-year increase of 12.1%.

In 2025, the Group completed the corn throughput of 11.668 million tonnes, representing a year-on-year increase of 34.0%. This was mainly due to the profitability of the breeding industry improved, and the volume of corn transported through the "Northern Grain to Southern Ports" route significantly increased.

In 2025, the Group completed the soybean throughput of 3.55 million tonnes, representing a year-on-year decrease of 7.1%. This was mainly due to the fact that after the completion of the relevant waterway dredging projects in the region in the second half of the year, the imported soybean cargoes from neighbouring crushing enterprises that were previously transshipped at our port have gradually returned to nearby terminals for operations, resulting in a decrease in the import volume of such goods of the Group.

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

Item	2025 (RMB)	2024 (RMB)	Change (%)
Revenue	754,052,845.08	689,796,497.08	9.3
Percentage of the Group's revenue	6.6%	6.2%	Up by 0.4 percentage point
Gross profit	184,769,149.94	109,799,326.78	68.3
Percentage of the Group's gross profit	5.7%	4.6%	Up by 1.1 percentage points
Gross profit margin	24.5%	15.9%	Up by 8.6 percentage points

In 2025, the revenue from the Bulk Grain Segment increased by RMB64.26 million or 9.3% year-on-year, mainly due to the increase in revenue driven by the growth of domestic corn throughput.

In 2025, the gross profit of the Bulk Grain Segment increased by RMB74.97 million or 68.3% year-on-year, and the gross profit margin increased by 8.6 percentage points year-on-year, mainly due to the increase in domestic corn throughput.

Passenger and Ro-Ro Segment

The following table sets out the throughput completed by the Group's passenger and roll-on/roll-off terminal in 2025 as compared with that of 2024:

	2025	2024	Increase/(decrease)
Passengers throughput *('0,000 persons)*	323.0	308.2	4.8%
Ro-Ro throughput *('0,000 units) (Note 1)*	78.9	85.7	(7.9%)

Note 1: The Ro-Ro throughput refers to the ro-ro vehicle throughput at the passenger and roll-on/roll-off terminals of the Group and the entities it has invested in.

In 2025, the throughput of the Group's passengers segment was 3.23 million persons, representing a year-on-year increase of 4.8%, while the throughput of the Group's ro-ro segment was 0.789 million units, representing a year-on-year decrease of 7.9%. This was mainly due to the large passenger and ro-ro vessel "Shunlonghai" was transferred to operate in the South China Sea, and "Zhonghua Fuxing" was transferred to operate in Liaoyu Wharf, resulting in a year-on-year decline in ro-ro vehicle business due to the decrease in shipping capacity.

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

Item	**2025** ***(RMB)***	2024 *(RMB)*	**Change** ***(%)***
Revenue	**183,141,074.44**	215,863,646.08	-15.2
Percentage of the Group's revenue	**1.6%**	2.0%	Down by 0.4 percentage point
Gross profit	**26,058,126.82**	51,173,518.83	-49.1
Percentage of the Group's gross profit	**0.8%**	2.2%	Down by 1.4 percentage points
Gross profit margin	**14.2%**	23.7%	Down by 9.5 percentage points

In 2025, the revenue from the Passenger and Ro-Ro Segment decreased by RMB32.72 million or 15.2% year-on-year, mainly due to the shift of large passenger and ro-ro shipping capacity, resulting in the decrease in ro-ro business.

In 2025, the gross profit of the Passenger and Ro-Ro Segment decreased by RMB25.12 million or 49.1% year-on-year, and the gross profit margin decreased by 9.5 percentage points year-on-year, mainly due to the decrease in shipping capacity of the ro-ro business.

Value-added Services Segment

Tugging

In 2025, the Group completed a tugging volume of approximately 50,000 times.

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

Item	**2025 *(RMB)***	2024 *(RMB)*	**Change *(%)***
Revenue	**1,087,359,772.27**	1,223,479,043.20	-11.1
Percentage of the Group's revenue	**9.6%**	11.1%	Down by 1.5 percentage points
Gross profit	**279,660,714.97**	370,393,555.77	-24.5
Percentage of the Group's gross profit	**8.6%**	15.6%	Down by 7.0 percentage points
Gross profit margin	**25.7%**	30.3%	Down by 4.6 percentage points

In 2025, the revenue from the Value-added Services Segment decreased by RMB136.12 million or 11.1% year-on-year, mainly due to the impact of the decline in income from railways, information services, engineering and pilotage.

In 2025, the gross profit of the Value-added Services Segment decreased by RMB90.73 million or 24.5% year-on-year, and the gross profit margin decreased by 4.6 percentage points year-on-year, mainly due to the impact of the decrease in railways, information services, engineering and pilotage and other businesses.

7. Analysis of Main Operations

7.1 Analysis on changes in items of the income statement and the cash flow statement

Unit: RMB

Items	Amount for the period	Amount for the same period of the previous year	Changes (%)
Revenue	**11,358,910,887.75**	11,066,690,041.36	2.64
Cost of sales	**8,108,483,620.31**	8,687,395,940.62	-6.66
Sales expenses	**1,261,574.34**	2,231,955.85	-43.48
Administrative expenses	**755,284,014.35**	823,649,555.41	-8.30
Financial expenses	**386,958,686.37**	382,865,431.74	1.07
Research and development expenses	**24,691,685.51**	20,226,217.47	22.08
Net cash flow from operating activities	**5,678,072,884.72**	4,287,348,345.76	32.44
Net cash flow from investing activities	**-365,978,034.54**	-221,381,900.89	65.32
Net cash flow from financing activities	**-3,903,704,900.29**	-4,020,403,139.08	-2.90

Explanation of reasons for changes in related items of the income statement: please refer to the details described in “Overall Results Review” of the section “Major Operations during the Reporting Period”.

Explanation of reasons for changes in related items of the cash flow statement: please refer to the details described in the part of “7.5 Cash Flow” in “Analysis of Main Operations” of the section “Major Operations during the Reporting Period”.

7.2 Income and cost analysis

(1) Main operations by segments, products, regions and distribution model

Unit: RMB

Analysis of main operations by segments						
By segments	Revenue	Cost of sales	Gross margin (%)	Changes in revenue (%)	Changes in cost of sales (%)	Changes in gross margin (%)
Oil products	1,816,428,204.31	1,048,058,199.42	42.30	62.78	-3.09	Up by 39.2 percentage points
Containers	3,644,840,136.44	2,289,073,783.65	37.20	-4.77	-17.03	Up by 9.3 percentage points
Bulk and general cargo	3,640,218,900.77	2,853,377,437.45	21.62	-1.87	1.29	Down by 2.4 percentage points
Bulk grain	754,052,845.08	569,283,695.14	24.50	9.32	-1.85	Up by 8.6 percentage points
Passenger	183,141,074.44	157,082,947.62	14.23	-15.16	-4.62	Down by 9.5 percentage points
Value-added products	1,087,359,772.27	807,699,057.30	25.72	-11.13	-5.32	Down by 4.6 percentage points
Automobiles	66,922,692.80	48,600,857.40	27.38	2.77	-4.57	Up by 5.6 percentage points
Unallocated	165,947,261.64	335,307,642.33	-102.06	-24.40	-12.02	Down by 28.5 percentage points

Explanation of main operations by segments, products, regions and distribution model

Explanation of reasons for changes in revenue and cost of sales: please refer to the details described in “Overall Results Review” of the section “Major Operations during the Reporting Period”.

(2) Statement of cost analysis

Unit: RMB

		Segment information					
By segments	Cost components	Amount for the current year	Percentage of the total cost for the current year (%)	Amount for the previous year	Percentage of the total cost for the previous year (%)	Changes in the amount for the current year as compared with the previous year (%)	Explanation
Oil products	Cost of sales	1,048,058,199.42	12.9	1,081,480,490.01	12.4	-3.1	
Oil products	Depreciation and amortisation	511,981,022.71	6.3	403,755,833.28	4.6	26.8	
Oil products	Labour cost	288,196,531.48	3.6	256,134,846.68	2.9	12.5	
Containers	Cost of sales	2,289,073,783.65	28.2	2,759,052,652.28	31.8	-17.0	
Containers	Depreciation and amortisation	533,096,929.58	6.6	549,119,191.00	6.3	-2.9	
Containers	Labour cost	354,108,300.91	4.4	322,919,377.95	3.7	9.7	
Bulk and general cargoes	Cost of sales	2,853,377,437.45	35.2	2,817,063,846.85	32.4	1.3	
Bulk and general cargoes	Depreciation and amortisation	664,218,484.15	8.2	638,061,994.74	7.3	4.1	
Bulk and general cargoes	Labour cost	586,741,070.21	7.2	615,896,290.35	7.1	-4.7	
Bulk grain	Cost of sales	569,283,695.14	7.0	579,997,170.30	6.7	-1.8	
Bulk grain	Depreciation and amortisation	153,458,051.00	1.9	151,836,292.71	1.7	1.1	
Bulk grain	Labour cost	97,263,522.34	1.2	94,905,415.43	1.1	2.5	
Passenger	Cost of sales	157,082,947.62	1.9	164,690,127.25	1.9	-4.6	
Passenger	Depreciation and amortisation	53,166,179.72	0.7	49,790,013.59	0.6	6.8	
Passenger	Labour cost	43,670,425.59	0.5	43,802,872.47	0.5	-0.3	

		Segment information					
By segments	Cost components	Amount for the current year	Percentage of the total cost for the current year (%)	Amount for the previous year	Percentage of the total cost for the previous year (%)	Changes in the amount for the current year as compared with the previous year (%)	Explanation
Value-added products	Cost of sales	807,699,057.30	10.0	853,085,487.43	9.8	-5.3	
Value-added products	Depreciation and amortisation	263,796,911.85	3.3	260,195,567.18	3.0	1.4	
Value-added products	Labour cost	650,888,873.88	8.0	631,148,859.43	7.3	3.1	
Automobiles	Cost of sales	48,600,857.40	0.6	50,929,688.16	0.6	-4.6	
Automobiles	Depreciation and amortisation	13,121,344.50	0.2	12,901,759.97	0.1	1.7	
Automobiles	Labour cost	4,698,833.43	0.1	5,142,067.60	0.1	-8.6	
Unallocated	Cost of sales	335,307,642.33	4.1	381,096,478.34	4.4	-12.0	
Unallocated	Depreciation and amortisation	305,981,347.86	3.8	328,387,011.33	3.8	-6.8	
Unallocated	Labour cost	40,165,698.53	0.5	25,618,052.07	0.3	56.8	

Explanation of cost analysis

Explanation of reasons for changes in cost of sales: please refer to the details described in "Overall Results Review" of the section "Major Operations during the Reporting Period".

(3) Major sales customers and major suppliers

The sales to the top five customers amounted to RMB1,789.0101 million, representing 16% of the total annual sales. Of the sales to the top five customers, sales to related parties amounted to RMB217.4078 million, representing 2% of the total annual sales.

The purchases from the top five suppliers amounted to RMB810.6083 million, representing 10% of the total annual purchases. Of the purchases from the top five suppliers, purchases from related parties amounted to RMB0 million, representing 0% of the total annual purchases.

7.3 Expenses

Please refer to the details described in "Overall Results Review" of the section "Major Operations during the Reporting Period".

7.4 Research and development (R&D) investment

(1) Statement of R&D investment

Unit: RMB

Expensed R&D investment for the year	24,691,685.51
Capitalised R&D investment for the year	–
Total R&D investment	24,691,685.51
Percentage of total R&D investment in revenue (%)	0.22
Percentage of capitalised R&D investment (%)	–

(2) Information of R&D personnel

Number of R&D personnel	112
Percentage of R&D personnel in total employees (%)	0.7%

R&D personnel by educational level

Categories of educational level	Numbers by educational level
Doctor	–
Master	10
Bachelor	95
Junior college	6
High school or below	1

R&D personnel by age

Categories of age	Numbers by age
below 30 (exclusive)	–
30 (inclusive) – 40 (exclusive)	43
40 (inclusive) – 50 (exclusive)	60
50 (inclusive) – 60 (exclusive)	9
above 60 (inclusive)	–

7.5 Cash flow

Net cash inflow from operating activities amounted to RMB5,678,072,884.72, representing a year-on-year increase in inflow of RMB1,390,724,538.96 or 32.4%, which was mainly due to the collection of some long-term debts from customers.

Net cash outflow from investing activities amounted to RMB365,978,034.54, representing a year-on-year increase in outflow of RMB144,596,133.65 or 65.32%, which was mainly due to the combined effect of an increase in long-term investments such as fixed assets, the consolidation of Changxing Investment Development and Changxing Port from the previous year, and the receipt of compensation for land acquisition and reserve.

Net cash outflow from financing activities amounted to RMB3,903,704,900.29, representing a year-on-year decrease in outflow of RMB116,698,238.79 or 2.90%, which was mainly due to the repayment of interest-bearing debts and the repurchase of shares.

8. Explanation of Significant Changes in Profit Resulting from Other Operations

8.1 In 2025, the Group reversed the credit impairment loss on receivables of Dalian Enesky International Trade Co., Ltd. (大連恩埃斯凱國際貿易有限公司) of RMB64.5272 million.

8.2 In 2025, the Group reversed the credit impairment loss on receivables of Natural Resources Service Center of Dalian Changxing Island Economic and Technological Development Zone of RMB10 million.

9. Analysis of Assets and Liabilities

9.1 Assets and liabilities

Unit: RMB

Item	Amount as at the end of the current year	Percentage of total assets as at the end of the current year (%)	Amount as at the end of the previous year	Percentage of total assets as at the end of the previous year (%)	Changes in amount for the current year as compared with the previous year (%)	Explanation
Accounts receivable	1,736,088,846.94	3.02	3,006,265,639.15	5.03	-42.25	Mainly due to the impact of centralized settlement of accounts receivable from customers.
Other receivables	569,405,859.11	0.99	437,014,468.58	0.73	30.29	Mainly due to the increase in subsidies receivable.
Other current assets	254,040,545.83	0.44	382,779,997.66	0.64	-33.63	Mainly due to the decrease in VAT carryforward credits.
Long-term receivables	22,247,492.53	0.04	0	0.00	100.00	Mainly due to the increase in intercompany loans.
Long-term prepaid expenses	75,030,589.86	0.13	115,984,874.35	0.19	-35.31	Mainly due to the amortization of maintenance expenses.
Short-term borrowings	–	0.00	55,328,483.98	0.09	-100.00	Mainly due to the decrease in credit loans.
Taxes and dues payable	172,445,529.26	0.30	116,664,170.88	0.20	47.81	Mainly due to the year-on-year increase in taxable income.
Non-current liabilities due within one year	308,320,220.29	0.54	2,896,948,015.01	4.85	-89.36	Mainly due to the repayment of bonds payable.

Unit: RMB

Item	Amount as at the end of the current year	Percentage of total assets as at the end of the current year (%)	Amount as at the end of the previous year	Percentage of total assets as at the end of the previous year (%)	Changes in amount for the current year as compared with the previous year (%)	Explanation
Other current liabilities	74,052,556.88	0.13	15,479,173.86	0.03	378.40	Mainly due to the reclassification of all-in charges for port operations from other non-current liabilities to other current liabilities.
Other non-current liabilities	–	0.00	56,737,436.20	0.09	-100.00	Mainly due to the reclassification of all-in charges for port operations from other non-current liabilities to other current liabilities.
Treasury stocks	–	0.00	400,130,664.88	0.67	-100.00	Mainly due to the cancellation of repurchased shares.

Other explanation:

Nil.

9.2 Information of off-shore assets

Nil.

9.3 Major restricted assets as at the end of the reporting period

Please refer to the details described in Note IX (22) to the financial statements, assets with restricted ownership or use rights.

10. Analysis of Business Operation in the Industry

10.1 Core business and related business models

The Group is the most convenient maritime gateway to the Pacific Ocean and facing the world in Northeast Asia. It is equipped with a comprehensive transportation network and is one of the major sea-rail inter-modal transport and maritime transit ports in China. During the reporting period, the Group's core businesses and business models include: oil/liquefied chemicals terminal and related logistics services (oil segment), container terminal and related logistics services (container segment), automobile terminal and related logistics services (automobile segment), bulk and general cargo terminal and related logistics services (bulk and general cargo segment), bulk grain terminal and related logistics services (bulk grain segment), passenger and roll-on, roll-off terminal and related logistics services (passenger and ro-ro segment), and port value-added and ancillary business (value-added services segment).

10.2 Business model

Currently, the Group is in a critical phase of deepening integrated development. Anchored by the guiding principles of "lean operations, asset revitalization, deepening reforms, and innovative development", the Group focuses on innovation-driven growth, constantly iterating and upgrading its logistics products and service system. It accelerates the layout and construction of core hub corridors to solidify the foundation of its logistics network, while continuously expanding diversified service functions to enrich service scenarios and extend service boundaries. By deepening its presence in professional fields, the Group builds differentiated and highly recognizable core brands, steadily advances the construction of digital platforms to boost operational efficiency, and strengthens collaboration, coordination and resource integration with internal and external customers to pool development momentum. In doing so, the Group fully builds a comprehensive logistics service ecosystem that supports national strategies, empowers industrial upgrading and caters to the diverse needs of customers.

11. Analysis of Investments

11.1 Overall analysis of external equity investments

Details are as below:

(1) Major equity investments

Nil.

(2) Major non-equity investments

Unit: RMB'0,000

Investment project	Source of fund	Total proposed investments	Investment for the year	Accumulated investments as at the end of the period	Project progress	Gains realised for the year	Reasons for failure to achieve the expected gain
Dayao Bay No. 13-16 Berths in Phase II	Own funds, financial institution loans and others	378,300.00	195.40	233,512.05	93%	Among which, No. 13 and 14 berths have been transferred to affiliated associate and joint venture and recorded value-added gain of RMB200 million; the annual rent income from No. 15 berth amounted to RMB53.50 million. Dayao Bay No.13-16 Berths in Phase II: The project has not yet met the conditions for production.	/
Xingang No. 18-21 Berths	Financial institution loans and others	41,377.00	0	30,315.66	86%	Xingang No. 18-21 Berths: The project is under construction.	The project is under construction and has not yet been put into operation, so no gain is generated.
Total		**419,677.00**	**195.40**	**263,827.71**		/	

(3) Financial assets at fair value

Unit: RMB

Asset class	Opening balance	Profit or loss arising from changes in fair value for the current period	Accumulated fair value change included in equity	Impairment for the current period	Amount of purchase for the current period	Amount of disposal/ redemption for the current period	Other change	Closing balance
Others								
Investments in other equity instruments	217,510,342.27	-	-24,910,090.30	-	-	-	-	192,600,251.97
Financial assets held for trading	550,000.00	-	-	-	-	-	-	550,000.00
Financing receivable	290,981,075.87	-	-	-	769,081,025.18	793,709,316.34	-	266,352,784.71
Total	509,041,418.14	-	-24,910,090.30	-	769,081,025.18	793,709,316.34	-	459,503,036.68

12. Analysis of Major Subsidiaries and Investee Companies

Major subsidiaries and investee companies that account for 10% or more of the Company's net profit.

Unit: RMB

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Revenue	Operating profit	Net profit
Liaoning Port Holdings (Yingkou) Co., Ltd.	Subsidiary	Port industry	10,000,000,000.00	23,986,518,287.48	13,825,624,559.09	4,656,847,659.06	1,018,497,839.65	770,099,556.07
Dalian Container Terminals Co., Ltd.	Subsidiary	Port industry	3,480,000,000.00	6,392,506,073.62	3,777,819,702.75	1,568,898,041.20	630,956,214.54	471,981,598.88

Acquisitions and disposals of subsidiaries during the reporting period

Company name	Method of acquisition or disposal during the reporting period	Impact on overall operations and performance
Dalian Port Oil Terminal Co., Ltd.	New Investment	No significant impact.
Dalian Changgang Tug Service Co., Ltd.	New Investment	No significant impact.
Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd.	Deregistration	No significant impact.
Dalian Dilangsirui Tourism Development Co., Ltd.	Deregistration	No significant impact.
Yingkou Gangxin Technology Co., Ltd.	Deregistration	No significant impact.
Dalian Ganglong Technology Co., Ltd.	Deregistration	No significant impact.
Dalian Gangrun Gas Co., Ltd.	Being taken over by the bankruptcy manager	No significant impact.

III. DISCUSSION AND ANALYSIS ON THE FUTURE DEVELOPMENT OF THE COMPANY

1. Competitive landscape and development trend in the industry

At present, the global economy is undergoing a critical period of profound transformation. Frequent geopolitical conflicts, rising trade protectionism and volatile tariff policies have driven the restructuring of the globalisation landscape, making the import and export trade environment increasingly severe. Against the backdrop of ongoing transformation between old and new growth drivers in the domestic market, overall market demand remains relatively weak. Traditional pillar industries in the hinterland of Northeast China, such as metallurgy and building materials, have continued to operate at a low level, posing numerous challenges to the development of the port business.

The Group has vital business presence in the three provinces of Northeast China, eastern Inner Mongolia and the Bohai Rim region, with its cargo sources being oil products, containers, ro-ro commercial vehicles, iron ore, coal, steel, grain, bulk and general cargo as well as passengers and ro-ro, demonstrating a comprehensive range of cargo types, and high risk resilience.

2. The Company's development strategy

In 2026, the Group will fully refine its principal businesses, accelerate asset revitalisation, pursue sustainable innovative development, and uphold the bottom line of safety. Supported by "Party building leadership, organisation and talent, lean management, technology empowerment, and central-local cooperation", we will deepen our core port business, stabilise existing operations, and explore opportunities for growth. We will enhance service efficiency, further develop and solidify port services, strengthen collaboration, improve service functions, and extensively expand the market. We will make efforts to build an integrated service system of "hub + channel + network" and fully promote the construction of the Northeast Asia international shipping centre, international logistics centre, and the "world-class" strong ports.

In 2026, the Group's major initiatives for market development in its business segments are set out as follows:

Oil Segment

The Group will dynamically track the start-up plan of Huajin Aramco and customise exclusive service solutions for customers, so as to ensure the crude oil supply for the coastal refineries. The Group will strengthen close cooperation with existing customers, proactively respond to the impact of diversion from relevant pipeline transportation, and expand the rail-to-sea transport business for refined oil products, including aviation kerosene, marine fuel oil, and specialty oil. The Group will launch the business of jet fuel loading onto trains to ensure the jet fuel supply for Dalian Airport.

Container Segment

The Group will continuously monitor the dynamics of global economic and trade development, and strengthen the development of routes to regions such as Europe, the Americas, the Middle East, India and Pakistan and Southeast Asia in light of adjustments in market capacity and changes in cargo structure. The Group will intensify marketing efforts targeting emerging shipping companies, expand the Russia Westbound Route and the Arctic Route, and enhance our radiation capacity to Russia. The Group will keep abreast of the dynamics of the international shipping market and proactively secure the berthing of "foreign-to-domestic" shipping capacity at the Group. The Group will fully promote the construction of the premium route brand marked by the "Yingkou-Nansha" Route, so as to effectively improve route service capabilities and market competitiveness. We will further improve the route network configuration, focusing on expanding the Group's domestic trade route network to the Yangtze River Basin. Furthermore, we will support domestic automobile manufacturers in shipping finished automobiles and KD parts through the Dalian-Vladivostok/St. Petersburg-Moscow sea-rail inter-modal corridor, promoting the sound development of Russia-related routes at Dalian Port.

Passengers and Ro-Ro Segment

The Group will maintain close contact with partners, promote the "Huludao" Vessel to take over the operation of the "Lushun-Tianjin" Route, and advance the new "liner train + liner ship" ro-ro multimodal transport model for bulk cargo.

Automobile Segment

The Group will strengthen close import and export collaboration with partners, seize the opportunity of the establishment of branches of China FAW Group Import & Export Co., Ltd. (中國第一汽車集團進出口有限公司) in the Middle East and Europe, promote the stable operation of the Persian Gulf Route, and strive to increase the frequency of the Northwest Europe Route. We will enhance cooperation with relevant automobile enterprises, expand the coastal fumigation function, and seek to open new export routes such as to Australia and New Zealand.

Bulk and General Cargo Segment

The Group will further optimise the layout of steel export routes, focusing on developing routes for steel products along South America and the Middle East. We will strengthen cooperation with supply chain partners, expand the business scale of the "single document system" for steel products, and enrich the premium route network. We will work closely with traders to develop Bayuquan into a 10-million-tonne iron ore spot trading platform, strengthen joint development with large trading customers and actively expand incremental trade coal volume, and build an integrated service platform for bulk grain carriages at Liaoning Port to further improve the transshipment volume and efficiency of the Group's own bulk grain carriages.

3. Business plans

In 2026, the Group will continue to enrich its route network, strengthen the construction of its transit system and provide specialized logistics services, and increase the level of its logistics hub ports by focusing on customer needs. It will optimise the layout of its land and sea logistics networks, and expand port service functions such as bonded transit, port trade, and mixed processing. It will also build a service brand, enhance service quality, promote upstream and downstream, internal and external collaboration, and further strengthen the construction of hub ports.

4. Possible risk exposures

In 2026, downward pressure and uncertainties in the global economic environment will continue to accumulate. The complexity and persistence of geopolitical conflicts have led to route adjustments, port skipping and service suspensions, which will directly affect the Group's container and bulk cargo throughput; A slowdown in economic growth in the hinterland and industrial restructuring (such as changes in the refined oil transportation landscape due to pipeline network integration) have further squeezed the Group's business development space. Amid the intensified homogenised competition among domestic ports, large port facilities in Bohai Rim will be further improved. Through transshipment in Bohai Rim and the layout of sea-rail inter-modal transport , ports in Hebei and Shandong are increasing their efforts in land-sea two-way securing of goods supply in hinterlands. The consolidation effect will continue to be stronger and the regional competition pattern will be severe. The total output of the hinterland economy in Northeast China is lower than that of provinces around Bohai, and the production and operation of ports will face challenges posed by imbalanced development, lack of a diversified industrial structure, and weak economic growth in various regions.

Human resources management

Overview of employees

Taking into consideration the Company's development strategies and priorities, the Group took efforts to facilitate each employee's development of his or her potential and formulated an employment mechanism for staff selection, training, appointment and retention so as to support the Company's sustainable development. As of 31 December 2025, the Company had 2,418 full-time employees in total and the Group had 10,561 employees in total.

Compensation policy

The compensation is aligned with role value and performance results. The Company has established a compensation system compatible with the human resources management by optimising the remuneration system and increasing positive incentives for employees. The Company makes determinations or corresponding adjustments to the compensation standard based on its performance and employees' performance evaluation results on an annual basis after taking into account the prevailing rates in the local labour market.

Training plan

To further enhance the overall competence and professional skills of our employees in line with the Company's strategies and the need of business development, the Company has formulated a detailed annual training and cultivation plan. In 2025, we further refined a tiered and categorized training system, continuously improving the relevance of our training programs. Meanwhile, we coordinated the management of training budgets and consolidated the training needs of our subsidiaries. We conducted tiered training programs, including general management training for manager-level personnel and development programs for young core employees, as well as various talent training sessions in areas such as human resources management, corporate management, legal compliance, and production operations. As a result, the professional knowledge and operational capabilities of our workforce have been effectively enhanced, providing strong talent support for the Company's high-quality development.

Investor relations management

The Company pays great attention to its investor relations management, and regards it as a key part of corporate governance. The investor relations management team is committed to establishing an efficient two-way communication channel between the senior management of the Company and the investment community. Adhering to the principles of regularity, fairness and transparency, the Company strives to disclose accurate information in a timely manner. The Company discloses the information that investors are concerned about through a variety of channels in order to allow them to understand the Company's operation and development strategies in the future.

Meanwhile, the Company regularly collects feedback from investors and carefully considers their suggestions so as to constantly improve its development. The Company makes a periodic analysis of the shareholdings, including reviewing the institutional shareholdings and individual shareholdings, and tracking and understanding the change in equity based on the type of investors, which is conducive to the establishment of a good relationship with existing and potential investors.

In 2025, in order to allow all interested parties to fully understand the Company's performance, operating strategies and development prospects, the Company proactively and candidly communicated with the capital market as well as domestic and overseas investors through various ways and methods, such as receiving investors' inquiries and setting up investor mailboxes, and published all kinds of announcements, circulars, and reports as required by domestic and overseas regulatory rules on the website of the Company and the websites and newspapers designated by regulators in a timely manner.

The Company has been regarding the investor relations work as a long-term strategic management. The Company will continue to improve the level and standards of its investor relations management so as to better serve investors and become one of the most trusted listed companies for capital market investors.

Investment plan

In 2026, the Company will prudently carry out investment and supporting financing based on the development strategy of making progress while maintaining stability. As at the date of this annual report, the Company has no significant relevant information that needs to be disclosed and brought to the attention of the investing public. In case of any related matters, the Company will make timely compliance disclosure according to the information disclosure requirements of Hong Kong and the PRC.

Directors' Report

The board of directors hereby presents its report and the audited consolidated financial statements of the Group (the "**Auditor's Report**") for the year ended 31 December 2025. All references made below to other sections, reports or notes of this annual report form part of this Directors' Report.

Principal activities and geographical analysis of operations

As at the date of this report, the Group is engaged in the following business segments:(i) oil/liquefied chemicals terminal and related logistics services; (ii) container terminal and related logistics services; (iii) automobile terminal and related logistics services; (iv) bulk and general cargo terminal and related logistics services; (v) bulk grain terminal and related logistics services; (vi) passenger and roll-on, roll-off terminal and related logistics services; and (vii) port value-added and ancillary services.

The principal activities of the Company's subsidiaries are set out in Note VIII to the financial statements. Among the subsidiaries listed in Note VIII to the financial statements, all subsidiaries of the Company registered in the PRC are limited liability companies.

Details of the analysis of the Group's operating results by business segments for the year ended 31 December 2025 are set out in Note IX (65) to the financial statements.

Results and appropriations

The results of the Group for the year ended 31 December 2025 are set out in the consolidated income statement of the Auditor's Report.

In 2025, the Group's net profit attributable to shareholders of the parent company amounted to RMB1,306,790,239.41. To better reward the shareholders, the Board recommended the payment of cash dividends of RMB0.286 (withholding tax included) for every 10 shares for the year 2025.

Pursuant to the provisions of the Articles of Association of the Company, the annual profit distribution plan of the Company is subject to approval of the Company's shareholders at the general meeting. Accordingly, the aforesaid profit distribution plan will be implemented following the approval of the Company's shareholders at the annual general meeting for 2025.

Review of business

Description of the fair review of the Group's business and the analysis using the financial key performance indicators, description of the principal risks and uncertainties facing the Group, future prospects of the Group's business, the environment policy and performance and the important relations statement with employees, customers and suppliers of the Group are set out in this Directors' Report, the part headed "Management Discussion and Analysis" of this annual report and the "Environmental, Social and Governance Report".

Financial highlights for the past five accounting years

A summary of the Group's results and assets and liabilities for the past five accounting years is set out in the section headed "Financial Highlights for the Past Five Accounting Years" of this annual report.

Directors' Report

Reserves

Details of the movements in the reserves of the Company and the Group during the year are set out in the consolidated statement of changes in shareholders' equity of the Auditor's Report.

Distributable reserves

As at 31 December 2025, the Company's reserves available for distribution were RMB674,152,542.29, which was calculated in accordance with the generally accepted accounting principles of the People's Republic of China.

Bank loans and other borrowings

As at 31 December 2025, the total amount of outstanding bank loans and other borrowings of the Group was RMB5,544,871,725.46. Details of the relevant loans are set out in the notes to the financial statements: Note IX (30) Other payables, Note IX (31) Non-current liabilities due within one year, Note IX (33) Long-term borrowings, Note IX (34) Bonds payable, and Note IX (36) Long-term payables.

Group assets pledged

As at 31 December 2025, the Group used part of the monetary funds as the security deposit for project payment guarantee, as the project performance bond, and as the quality assurance fund. Specific details are set out in Note IX (22) to the financial statements.

Capitalisation of interest

2025 fixed assets and construction in progress

Details of the movements in the fixed assets and construction in progress of the Group during the year are set out in the notes to financial statements: Note IX (13) Fixed assets and Note IX (14) Construction in progress.

Investment properties

Details of the investment properties of the Group during the year are set out in Note IX (12) Investment properties to the financial statements.

Significant acquisition and disposal of subsidiaries, associates and joint ventures

The Group has no significant acquisition or disposal of subsidiaries, associates and joint ventures during the year.

Share capital

The share capital structure of the Company as at 31 December 2025 is set out in the table below

Class of shares	Number of shares (shares)	Percentage (%)
A Shares	18,413,051,214.00	78.11
H Shares	5,158,715,999.00	21.89
Total	23,571,767,213.00	100

Details of the movements in share capital of the Company during the year are set out in Note IX (40) to the financial statements.

Pre-emption rights

There are no provisions for pre-emption rights under the Articles of Association of the Company, nor the laws of the PRC, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, sale or redemption of the Company's listed securities

On 6 September 2024, the Company convened the ninth extraordinary meeting of the seventh session of the Board, in which the resolution relating to the plan of the repurchase of A Shares through centralized price bidding (the "**Second Share Repurchase Plan**") was considered and approved. The Company intends to use its own funds to repurchase shares of the Company through centralized price bidding on the Shanghai Stock Exchange. All shares repurchased will be cancelled and the registered capital of the Company will be reduced.

The total amount of funds for the Second Share Repurchase Plan shall be no less than RMB420 million (inclusive) and not more than RMB840 million (inclusive), with the upper limit of the repurchase price of RMB1.87 per share (inclusive). Due to the Company's implementation of the 2024 annual equity distribution, the maximum repurchase price under the Second Share Repurchase Plan has been adjusted from not more than RMB1.87 per share (inclusive) to not more than RMB1.85 per share (inclusive). The term shall not exceed 12 months from the date the Company's general meeting approves the Second Share Repurchase Plan, i.e., from 24 September 2024, to 23 September 2025. For further details, please refer to the Company's announcement dated 6 September 2024.

Details of the A Shares repurchased on the Shanghai Stock Exchange during the Reporting Period are set out as follows:

Period of repurchases	No.of A Shares repurchased	Price per share paid		Aggregate purchase price
		Highest (RMB)	Lowest (RMB)	(RMB)
January 2025	3,200,000	1.59	1.59	5,088,000.00
March 2025	26,535,986	1.50	1.50	39,809,587.02
April 2025	30,855,861	1.49	1.47	45,663,991.92
May 2025	10,000,000	1.52	1.51	15,136,308.00
June 2025	25,765,400	1.53	1.49	38,997,486.00
Total	96,357,247	–	–	144,695,372.94

Note:

On 2 September 2025, all of the repurchased 333,707,456 A Shares pursuant to the Second Share Repurchase Plan have been cancelled by the Company.

Save as disclosed in this annual report, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares) during the Reporting Period. As at 31 December 2025, the Company did not hold any treasury share.

Environmental policies and performance

The Group is committed to actively promoting environmental protection policies and encouraging employees to work green. The subsidiaries of the Company have implemented relevant environmental protection measures to develop new technologies and skills for the promotion of energy saving and emission reduction, in order to minimise the environmental damage caused during the production process.

Internally, the Group encourages its employees to actively protect environment to reduce use of resources and waste production and increase recycling of renewable resources. The subsidiaries of the Company strictly comply with the country's corresponding environmental laws and regulations and there was no material non-compliance with relevant laws and regulations during the year.

For the Group's specific environmental policies and implementation during the year, please refer to the Environmental, Social and Governance Report of the Company.

Directors' Report

Directors

The directors of the Company in incumbency during the reporting period and up to the date of this report are as follows:

Executive Directors

Dr. Li Guofeng *(re-designated on 20 May 2025)*
Mr. Wei Minghui *(re-appointed on 15 June 2023)*
Mr. Wang Zhixian *(re-appointed on 15 June 2023, and resigned on 14 May 2025)*

Non-executive Directors

Mr. Liu Bin *(appointed on 4 December 2025)*
Mr. Huang Zhenzhou *(appointed on 14 February 2025)*
Mr. Yang Bing *(re-appointed on 15 June 2023)*
Mr. Wang Zhu *(appointed on 27 June 2024, and resigned on 10 October 2025)*

Employee Representative Director

Ms. Zhang Hong *(appointed on 31 October 2025)*

Independent Non-executive Directors

Dr. Liu Chunyan *(re-appointed on 15 June 2023)*
Ms. Cheng Chaoying *(re-appointed on 14 February 2025)*
Mr. Chan Wai Hei *(appointed on 15 June 2023)*

The Company has received from each independent non-executive director an annual confirmation of his/her independence. The Company considers the independent non-executive directors remain independent from the Company.

Note: As considered and approved at the annual general meeting held on 26 June 2025, the Supervisory Committee of the Company was cancelled with effect from the same date, and the functions of the Supervisory Committee were exercised by the Audit Committee, and the positions of supervisors of Mr. Kuang Zhiguo, Mr. Cui Beiqiang, Mr. Ding Kai, Ms. Zhang Hong and Mr. Gao Shicheng, members of the seventh session of the Supervisory Committee of the Company, were also cancelled.

Directors' service contracts

Each of the directors of the Company has a service contract with the Company for a term of no more than three years, which can be terminated by either party by giving three months' prior written notice to the other party.

Save as set forth above, the Company did not enter into a service contract with any director which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

Directors' Report

Directors' interests in contracts

Save for the service contract, no transactions, arrangements or contracts of significance to the Group in which the Company or any of its subsidiaries, its holding company or any of its subsidiaries was a party and in which a director or the entities connected with them had a material interest, whether directly or indirectly, subsisted during the year.

Profiles of Directors and Senior Management

Profiles of the directors and senior management of the Company are set out in the section headed "Profiles of Directors and Senior Management" in this annual report.

Interests and short positions in shares, underlying shares and debentures of the Company

As at 31 December 2025, none of the directors, senior management and any of their respective associates had any interests and short positions in shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), or as recorded and kept in the Company's register required under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

Directors' rights to acquire shares and debentures

At no time during the year was the Company or any of its subsidiaries, or its holding company or any of its subsidiaries, granted any rights or became a party to any arrangement which would enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate. In addition, none of the directors of the Company was granted any right to subscribe for the securities of the Company or had exercised any such right during the year.

Directors' interests in competing businesses

None of the directors of the Company had any interest in any business that competes or may compete, whether directly or indirectly, with the business of the Company and the Group. At the same time, the Company has received the undertakings and confirmations of the directors that they do not have any interest in any business that may compete with the Company.

Directors' and supervisors' remuneration

Details of the directors' and supervisors' remuneration are set out in Note XVII to the financial statements.

Five highest paid individuals

As at 31 December 2025, information in respect of the five highest paid individuals of the Group is set out in Note XVII (4) to the financial statements.

Management contracts

The Company did not enter into any contract in respect of the management and administration of the entire or any significant part of the business of the Company nor did any such contract subsist at any time during the year.

Connected transactions

During the year, the Group entered into the following transactions and arrangements with connected persons as defined in the Listing Rules:

Connected transactions under the Listing Rules

Quay Crane Sale and Purchase Agreement and Vessel Sale and Purchase Agreement

On 23 December 2025, the Company's branch, Dalian Port Bulk Grain Terminal Branch of Liaoning Port Co., Ltd. ("Bulk Grain Terminal Branch"), and Liaoning Port Holdings (Yingkou) Co., Ltd. ("Yingkou Ltd."), a wholly-owned subsidiary of the Company, entered into the Quay Crane Sale and Purchase Agreement (the "Quay Crane Sale and Purchase Agreement") and the Vessel Sale and Purchase Agreement ("Vessel Sale and Purchase Agreement") with Dandong Port Group Co., Ltd. ("Dandong Port Group") at a consideration of RMB9,348,264 and RMB57,895,550 respectively, with a total consideration of RMB67,243,814. Two quay cranes purchased by Bulk Grain Terminal Branch from Dandong Port Group pursuant to the Quay Crane Sale and Purchase Agreement are "M246" and "M247", respectively; Two tugboats purchased by Yingkou Ltd. from Dandong Port Group pursuant to the Vessel Sale and Purchase Agreement are "Andong 23" and "Andong 26", respectively.

The Principal Terms and Conditions of the Quay Crane Sale and Purchase Agreement and Vessel Sale and Purchase Agreement are set out below:

Quay Crane Sale and Purchase Agreement

(1) Subject Matter

The assets to be purchased by Bulk Grain Terminal Branch from Dandong Port Group pursuant to the Quay Crane Sale and Purchase Agreement are two quay cranes, namely "M246" and "M247", respectively.

(2) Consideration

The total consideration for the acquisition of the quay cranes is RMB9,348,264, of which the consideration for each of the two quay cranes is RMB4,674,132 respectively.

(3) Basis of Consideration

The consideration was determined after arm's length negotiations between the contracting parties on normal commercial terms, with reference to the valuation of the quay cranes of RMB8,272,800 and value-added tax of RMB1,075,464 assessed by an independent valuer using the cost approach (of which the valuation of each of the two quay cranes is RMB4,136,400 and value-added tax is RMB537,732 respectively).

Vessel Sale and Purchase Agreement

(1) Subject Matter

The assets to be purchased by Yingkou Ltd. from Dandong Port Group pursuant to the Vessel Sale and Purchase Agreement are two tugboats, namely "Andong 23" and "Andong 26", respectively.

(2) Consideration

The total consideration for the acquisition of the tugboats is RMB57,895,550, of which the consideration for Andong 23 is RMB28,185,364 and that for Andong 26 is RMB29,710,186.

(3) Basis of Consideration

The consideration was determined after arm's length negotiations between the contracting parties on normal commercial terms, with reference to the valuation of the tugboats of RMB51,235,000 and value-added tax of RMB6,660,550 assessed by an independent valuer using the cost approach (of which the valuation of Andong 23 is RMB24,942,800 with value-added tax of RMB3,242,564; and the valuation of Andong 26 is RMB26,292,200 with value-added tax of RMB3,417,986).

Due to the aging of existing quay cranes, in order to further improve the unloading and operational efficiency of berths, meet the production needs of berths and terminals, mitigate the loss of cargo sources and attract other cargo sources, and save investment costs and manufacturing time associated with purchasing new quay cranes, Bulk Grain Terminal Branch has purchased quay cranes pursuant to the Quay Crane Sale and Purchase Agreement; Due to the insufficient flexibility in the supply of existing tugboat resources, in order to alleviate the tugboat shortage in Yingkou Port Area (especially during the busy winter production period), effectively reduce non-productive vessel operating time, improve navigation efficiency, thereby enhancing the tugboat support capability of Yingkou Port Area, and saving investment costs and manufacturing time associated with purchasing new tugboats, Yingkou Ltd. has purchased tugboats pursuant to the Vessel Sale and Purchase Agreement.

Dandong Port Group is a non-wholly owned subsidiary of Liaoning Port Group Limited (the indirect controlling shareholder of the Company). Dandong Port Group is therefore a connected person of the Company. Bulk Grain Terminal Branch is a branch of the Company, and Yingkou Ltd. is a wholly-owned subsidiary of the Company. Under Chapter 14A of the Listing Rules, the transactions contemplated under the Quay Crane Sale and Purchase Agreement and the Vessel Sale and Purchase Agreement constitute connected transactions of the Company. Since the Quay Crane Sale and Purchase Agreement and the Vessel Sale and Purchase Agreement are entered into with the same connected person and are in similar nature, pursuant to the relevant provision of Rule 14A.81 of the Listing Rules, the Quay Crane Sale and Purchase Agreement and the Vessel Sale and Purchase Agreement will be aggregated for calculation. The Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of the above connected transaction.

See the Company's announcements dated 23 December 2025 and 26 January 2026 for details of the above connected transactions.

Ordinary continuing connected transactions under the Listing Rules

Below is a summary of the Group's various non-exempt continuing connected transactions during the year 2025:

Connected transactions			Connected persons	Annual cap for 2025 *(RMB'000)*	Actual amount for 2025 *(RMB'000)*
1.	Construction supervision and management services	Provision of construction supervision and management services	Liaoning Port Group	54,000	19,917
		Be provided with construction supervision and management services	Liaoning Port Group	12,000	7,947
2.	Sales of goods and provision of services		Liaoning Port Group	1,860,000	1,310,050
3.	Purchase of goods and receipt of services		Liaoning Port Group	900,000	431,445
4.	Terminal facilities design and construction services		Liaoning Port Group	40,000	4,374
5.	Leases	As a lessee – based on the amount of additional right of use assets each year	Liaoning Port Group	220,000	4,392
		As a lessee – short-term and low-value leases	Liaoning Port Group	50,000	21,963
		As a lessor	Liaoning Port Group	160,000	104,136
6.	Financial services	Deposit	China Merchants Finance	6,000,000	2,777,691
		Loan	China Merchants Finance	7,000,000	302,020
		Settlement and others	China Merchants Finance	10,000	–

Liaoning Port Group Limited (the "Liaoning Port Group") is an indirect holding company of the Company and is therefore a connected person of the Company, and Construction Supervision and Management Services Agreement, Sales of Goods and Provision of Services Agreement, Purchase of Goods and Receipt of Services Agreement, Terminal Facilities Design and Construction Services Agreement, Lease Agreement and their respective transactions thereunder have constituted the connected transactions of the Company under Chapter 14A of the Listing Rules. In addition, the Company is a fellow subsidiary of China Merchants Group Finance Co., Ltd. ("China Merchants Finance"). Therefore, China Merchants Finance is a connected person of the Company, and the proposed transactions under the Financial Services Agreement constituted the connected transactions of the Company under Chapter 14A of the Listing Rules.

1. Construction supervision and management services

The Group entered into the construction management and supervision services agreement with Liaoning Port Group on 26 October 2023, pursuant to which, the parties provide each other with construction management and supervision services. The transaction cap and the actual amount of transaction for provision of construction supervision and management services for the year ended 31 December 2025 were RMB54 million and RMB19.917 million respectively, and the transaction cap and the actual amount of transaction for accepting construction supervision and management services were RMB12 million and RMB7.947 million respectively.

The key terms and conditions of the Construction Supervision and Management Services Agreement are as follows:

① The reasonable charges are made according to the pricing principles stipulated in the agreement for the services provided and the relevant terms and conditions shall be no less favorable than those offered by a third party for such services, which shall surely meet the quality standard required by both parties from time to time. The parties guarantee each other that they will perform their respective obligations under the agreement in accordance with the principles and the provisions under the agreement.

② The construction supervision and management services will be priced in accordance with the following principles:

(a) Government-prescribed price;

(b) Where there is no government-prescribed price, the price is to be set by both parties after negotiation with reference to the market price.

2. Sales of goods and provision of services

The Group entered into the Sales of Goods and Provision of Services Agreement with Liaoning Port Group on 26 October 2023, pursuant to which, the Group shall supply goods and services to Liaoning Port Group and/or its associates. The transaction cap and the actual amount of transaction for sales of goods and provision of services for the year ended 31 December 2025 were RMB1,860 million and RMB1,310.05 million respectively.

The key terms and conditions of the Sales of Goods and Provision of Services Agreement are as follows:

① Goods and services to be provided by the Group to Liaoning Port Group and/or its related associates include:

(a) Products: Steam, equipment, accessories, network and information office equipment and software;

(b) Services: Supply of water, electricity and heat, tugboat service, security service, telecommunications and related engineering services, production facilities and equipment maintenance, loading, unloading and handling, port berthing, port security, port storage, tally, shipping and freight forwarding, passenger port operations, berthing charges, mechanical operations, property management, network system maintenance, software development services and other related or similar services.

② The sales of goods and provision of services shall be priced in accordance with the following principles:

(a) Government-prescribed price;

(b) Where there is no government-prescribed price but a market price, the price is to be set with reference to the market price.

3. Purchase of goods and receipt of services

The Group entered into the Purchase of Goods and Receipt of Services Agreement with Liaoning Port Group on 26 October 2023, pursuant to which, the Group shall purchase goods and receive services from Liaoning Port Group and/or its associates. The annual transaction cap and the actual amount of transaction for purchase of goods and receipt of services for the year ended 31 December 2025 were RMB900 million and RMB431.445 million, respectively.

The key terms and conditions of the Purchase of Goods and Receipt of Services Agreement are as follows:

① The products and services to be provided by Liaoning Port Group and/or its related associates to the Group include:

(a) Products: network and information office equipment, office supplies, accessories, and software, gasoline and diesel oil;

(b) Services: water and heating supplies, production facilities and equipment maintenance, landscaping, commuting, canteen, physical examination, printing and meeting and other related or similar services, port facility security services, cargo port charges, tugboats, machinery operations, use of warehouses, property management, network system maintenance, software development services, training, bidding agency and other related or similar services.

② The purchase of goods and receipt of services will be priced in accordance with the following principles:

(a) Government-prescribed price;

(b) Where there is no government-prescribed price but a market price, the price is to be set with reference to the market price.

4. Terminal facilities design and construction services

On 26 October 2023, the Group entered into the Terminal Facilities Design and Construction Services Agreement with Liaoning Port Group. The transaction cap and the actual amount of transaction for terminal facilities design and construction services for the year ended 31 December 2025 were RMB40 million and RMB4.374 million, respectively.

Due to the Group's increased investment in smart devices and facilities since 2024, the number of smart terminal construction projects has increased. In addition, construction projects have been delayed. The board of directors expects that the original annual cap of the Terminal Facilities Design and Construction Services Agreement for the fiscal years ended/ending on 31 December 2024, 2025, and 2026 will not be sufficient. Therefore, the board of directors has decided to revise and increase the annual cap of the Terminal Facilities Design and Construction Services Agreement for the fiscal years end/ending on 31 December 2024, 2025, and 2026. The terms of the Terminal Facilities Design and Construction Services Agreement have not been altered or modified in any way. For details of the modifications, please refer to the Company's announcement dated 11 December 2024.

The key terms and conditions of the Terminal Facilities Design and Construction Services Agreement are as follows:

① Upon the Group's request, Liaoning Port Group will provide or cause the third parties which are approved by the Group to provide the services required by the Group. Liaoning Port Group is not the only service provider of the Group.

② The services provided by Liaoning Port Group shall meet the quality standard required by the Group from time to time, and shall be on normal commercial terms or more favourable to the Group than those provided to independent third parties.

③ The terminal facilities design and construction services shall be fair and reasonable and priced in accordance with the following principles:

(a) Government-prescribed price;

(b) Where there is no government-prescribed price, the price will be determined with reference to market price;

(c) Where a public tender is required for the project, the price will be determined by the public tender procedure.

5. Lease agreement

The Group entered into the Lease Agreement with Liaoning Port Group on 26 October 2023. The cap and the actual amount of transaction for leases (based on amount of additional right-of-use assets per year) for the year ended 31 December 2024 were RMB220 million and RMB4.392 million respectively; and the cap and the actual amount of transaction for leases (short-term and low-value leases) for the year ended 31 December 2025 were RMB50 million and RMB21.963 million respectively, and the cap and the actual amount of transaction for lease business (as a lessor) for the year ended 31 December 2025 were RMB160 million and RMB104.136 million.

The key terms and conditions of the Lease Agreement concerning leasing in and leasing out are as follows:

① The rental within the lease term shall be determined with reference to the market rate, and the amount and way of payment shall be provided explicitly in each separate agreement by the parties thereto.

② During the lease term (including the renewal term), all taxes and fees of the lease subject shall be borne by the lessor; the stamp duty and registration fee paid for the signing of this agreement shall be borne by both parties in accordance with the provisions of national laws and regulations.

6. Financial Services

On 26 October 2023, the Group entered into the Financial Services Agreement with China Merchants Finance covering deposit services, loan services, settlement services, foreign exchange services and other financial services. The maximum daily closing balance of deposits and the maximum daily closing balance of loans for the year ended 31 December 2025 amounted to RMB6 billion and RMB7 billion; the maximum balance of expenses for settlement and other financial services throughout the year did not exceed RMB10 million. The actual daily closing balance of deposits and the actual daily closing balance of loans for the year ended 31 December 2025 amounted to RMB2,777.691 million and RMB302.020 million; expenses for settlement and other financial services amounted to RMB0.

① The main terms and conditions of the Financial Services Agreement are as follows:

(a) Deposit services: including current deposit, term deposit, call deposit and agreement deposit;

(b) Credit services: subject to the relevant national laws and regulations, China Merchants Finance shall provide the Group with comprehensive facility services based on the Group's operations and development, including but not limited to fixed asset loans, project financing loans, working capital loans, bill acceptance and discounting, guarantees, and M&A loans;

(c) Settlement services: China Merchants Finance shall open a settlement account for the Group and handle internal transfer settlement and external receipt and payment business under the Group's instructions;

(d) Foreign exchange services: China Merchants Finance shall provide the Group with foreign currency settlement and sales services;

(e) Other financial services: China Merchants Finance shall provide the Group with other financial services within the business scope, including but not limited to financial and financing consultancy, credit assurance and related consulting and agency services.

② The financial services shall be priced in accordance with the following principles:

(a) The interest rates for deposits should not be lower than the interest rate prescribed by domestic major commercial banks for comparable deposits in the same period;

(b) The loan interest rate shall be no higher than the interest rate the Group obtained from other domestic financial institutions for comparable loans in the same period;

(c) Settlement services: the Group will be provided with free domestic settlement services, and the cross-border and overseas settlement rates will not be higher than the charges for similar businesses in other domestic and local financial institutions;

(d) Foreign exchange services: the Group will be provided with foreign currency settlement and sales services. The relevant exchange rate will not be inferior to the exchange rates adopted by other domestic financial institutions for similar services;

(e) Other financial services: the fees charged will not be higher than the fees charged by major financial institutions in China for similar services.

Pursuant to paragraph 8 of Appendix D2 to the Listing Rules, the Company confirms that in respect of the Company's connected transactions and continuing connected transactions, it has complied with the disclosure requirements of Chapter 14A of the Listing Rules. The Company has confirmed that the execution and implementation of the specific agreements under the continuing connected transactions set above for the year 2025 have followed the pricing principles of such continuing connected transactions.

Pursuant to Rule 14A.71(6) (a) of the Listing Rules, the Company confirms that, in respect of the Company's continuing connected transactions for the year 2025, the Company's independent non-executive directors have reviewed the continuing connected transactions and confirmed the transactions were (1) entered into in the ordinary and usual course of business of the Group; (2) made on normal commercial terms or better; and (3) conducted according to the agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Pursuant to Rule 14A.71(6) (b) of the Listing Rules, the Board confirms that the Company has engaged its auditors to report on the Company's continuing connected transactions and the auditors have issued a letter containing the findings and conclusions in accordance with Rule 14A.56 of the Listing Rules and confirmed that nothing has come to their attention that causes them to believe that any transactions: (i) have not been approved by the Board; (ii) involving the provision of goods or services by the Company were not conducted, in all material respects, in accordance with the pricing policies of the Company; (iii) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and (iv) have exceeded the maximum aggregate annual caps.

Related party transactions

As of 31 December 2025, the Company has entered into certain related party transactions with parties regarded as "related parties" under the applicable accounting standards. Details of these related party transactions are disclosed in Note XI to the financial statements. Certain of these non-exempt connected transactions and continuing connected transactions in this report are also included in Note XI to the above-mentioned financial statements for disclosure and these non-exempt connected transactions and continuing connected transactions have complied with the requirements of Chapter 14A of the Listing Rules. Save for the aforementioned transactions disclosed in the section headed "Connected transactions", none of other related party transactions disclosed in Note XI to the financial statements constituted connected transactions or continuing connected transactions subject to announcement, circular, shareholders' approval and/or reporting requirements under Chapter 14A of the Listing Rules. The Company has complied with the requirements under Chapter 14A of the Listing Rules.

Major customers and suppliers

Purchases from the largest supplier as a percentage of the Group's purchases	3.4%
Purchases from the top five suppliers as a percentage of the Group's total purchases	10%
Sales to the largest customer as a percentage of the Group's sales	5.29%
Sales to the top five sales customers as a percentage of the Group's total sales	16%

None of the Company's directors and their associates or any shareholder(s) (each of which to the knowledge of the Board owns 5% or more of the Company's share capital) had any interests in the above top five customers or suppliers.

Retirement benefit scheme

Details of the Group's retirement benefit scheme are set out in Note IX (28) Employee benefits payable to the financial statements. The Group is required to make monthly contributions to the retirement benefit scheme based on a specified percentage of the current employee insurance contribution base in order to fund these benefits. In addition, the Group has established a corporate annuity scheme where contributions from employees and the Group to the annuity scheme are based on certain percentages of the salary offered by the Group. As at 31 December 2025, the Group has not forfeited any contributions from the above schemes.

Permitted indemnity provision

The Company maintained directors' liability insurance to protect them from any loss to which they might be liable arising from their actual or alleged misconduct.

Substantial shareholders' interests

As at 31 December 2025, to the knowledge of the directors of the Company, the following persons (other than the directors or supervisors) had any interest or short position in the 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 as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Class of shares	Number of shares/underlying shares held (shares)	Capacity	As % of the relevant class of share capital[1]	As % of the total share capital[2]
Yingkou Port Group Corporation Limited[3]	A shares	6,916,185,012 (long position)	Beneficial owner	37.56%	29.34%
	A shares	67,309,590 (long position)	Interest of controlled corporations[4]	0.37%	0.29%
Dalian Port Corporation Limited[3]	A shares	5,459,486,753 (long position)	Beneficial owner	29.65%	23.16%
China Merchants Group Limited[5]	H shares	4,293,248,695 (long position)	Interest of controlled corporations	83.22%	18.21%

Notes:

1. Number of shares in the relevant class of share capital: A shares – 18,413,051,214, H shares – 5,158,715,999.

2. Total number of share capital: 23,571,767,213.

3. According to the Voting Right Entrustment Agreement entered into by Dalian Port Corporation Limited ("PDA Group") and Yingkou Port Group Corporation Limited ("Yingkou Port Group") on 29 March 2021, PDA Group agreed to fully entrust the exercise of shareholders' rights of its equity interests in the Company, other than right to earnings, right of disposition (including share pledge) and share options, to Yingkou Port Group.

4. Liaoning Gangwan Industry and Finance Investment Group Co., Ltd. (遼寧港灣產融投資集團有限公司), as a wholly-owned subsidiary of Yingkou Port Group, holds 67,309,590 A Shares of the Company. As such, Yingkou Port Group is deemed to be interested in the 67,309,590 A Shares of the Company held by Liaoning Gangwan Industry and Finance Investment Group Co., Ltd.

5. China Merchants Group Limited held 722,166,000 H shares through its indirect subsidiary, Dalian Port Corporation Limited, 2,714,736,000 H shares through its indirect subsidiary, Team Able International Limited, and 856,346,695 H shares through its indirect subsidiary, Broadford Global Limited.

Save as disclosed above, as at 31 December 2025, to the knowledge of the directors of the Company, no other persons (other than the directors or supervisors) had any interest or short position in the shares of the Company which is required to be disclosed to the Company and Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Public float

Based on the information publicly available to the Company and to the knowledge of the directors, as at 31 December 2025, the market value of the H Shares of the Company listed on the Hong Kong Stock Exchange and held by the public was approximately HK$791 million, representing approximately 3.67% of the total number of issued Shares (excluding treasury Shares) of the class of H Shares of the Company, failing to meet the minimum public float requirements as set out in Rule 19A.28B (2) of the Listing Rules. The Company has made inquiries with the Hong Kong Stock Exchange regarding the temporary non-compliance with the aforesaid minimum public float requirements, and the Hong Kong Stock Exchange agreed that the Company should temporarily maintain the transitional arrangement to restore the public float to comply with the minimum public float requirements, provided that the Company is required to actively seek feasible options to comply with the minimum public float requirements as soon as possible during the transitional period.

Corporate governance

As a listed company on the Hong Kong Stock Exchange and Shanghai Stock Exchange, the Company has strived to maintain a high standard of corporate governance in order to enhance the transparency of the Company's operations and safeguard the interests of all shareholders. Relevant details are set out in the section headed "Corporate Governance Report" in this annual report.

Important events after the reporting period

Save as disclosed in this annual report, no significant events affecting the Group have occurred after 31 December 2025.

Auditors

As Ernst & Young Hua Ming LLP ("Ernst & Young Hua Ming") has provided audit services to the Company for six consecutive years since 2018, in accordance with the requirements of the PRC regulations and in order to ensure the independence and objectivity of the audit work of a listed company, Ernst & Young Hua Ming retired from the office of auditor of the Company and with effect from the 2023 annual general meeting. Upon approval at the annual general meeting for 2023, the Company has engaged ShineWing Certified Public Accountants (Special General Partnership) as its auditor.

Upon approval at the Company's annual general meeting for 2024, the Company has engaged ShineWing Certified Public Accountants (Special General Partnership) as its auditor for the year 2025 and ShineWing Certified Public Accountants (Special General Partnership) has audited the Company's financial statements for the year 2025. Except as disclosed above, the Company has not changed its auditors during the past three years.

Other matters

Implementation of the Non-Competition Agreement

1. On 23 March 2006, the Company and PDA Group entered into the Non-Competition Agreement in preparation of its initial public offering and listing of its H shares on the Main Board of The Stock Exchange of Hong Kong Limited for the purpose of avoiding the actual and potential competition with the Company or its subsidiaries. In connection with the acquisition of certain port services related business and assets from PDA Group and issuance of A shares on the Shanghai Stock Exchange, a revised non-competition agreement (together with the Non-Competition Agreement, collectively referred to as the "Agreements") was executed on 30 September 2009. Pursuant to the Agreements, PDA Group provided certain non-competition undertakings in favor of the Company and granted right of first refusal and option to the Company in respect of the business of PDA Group and future business opportunities. Under the Agreements, the independent non-executive directors of the Company were granted the right on behalf of the Company to review at least on an annual basis the implementation of the Agreements and determine the exercise of any of the aforesaid right of first refusal or options. During the year, the independent non-executive directors reviewed the implementation of the Agreements and confirmed that Dalian Port Corporation Limited has been in full compliance with the Agreements without any breach of the Agreements.

2. The independent non-executive directors have conducted a review and made necessary enquiries for the year 2025 and confirmed that PDA Group has been in compliance with the provisions of the Non-Competition Agreements and there was no breach on the side of PDA Group.

Fulfillment of Undertakings

Undertaking given by parties related to the undertakings including de facto controller of the Company, shareholders, related parties, purchasers and the Company during or subsisting through the reporting period

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
Other undertakings	Resolve related party transaction	China Merchants Group	1. China Merchants Group will not, taking advantage of its position as the actual controller, seek any conditions or benefits more favourable than that of an independent third party in business operations, etc. from Liaoning Port for itself and other companies controlled by China Merchants Group that will be prejudicial to the legitimate interests of Liaoning Port and other shareholders. 2. China Merchants Group and other companies controlled by China Merchants Group will minimise and regulate their related transactions with Liaoning Port; in respect of inevitable related transactions on the business activities operated by Liaoning Port, China Merchants Group and other companies controlled by China Merchants Group will perform decision-making procedures for the related transactions in strict accordance with the laws, regulations and regulatory documents as well as Liaoning Port's internal management rules relating to related transactions, to ensure fair pricing, and perform disclosure obligations in accordance with the laws. 3. The above undertakings will continue in effect during the period of China Merchants Group's control over Liaoning Port. In the event of any losses to Liaoning Port arising from China Merchants Group's failure to fulfil the above undertakings, China Merchants Group will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve industry competition	China Merchants Group	China Merchants Group Limited (the "Group"), as the actual controller of Liaoning Port Co., Ltd. (the "Liaoning Port"), issued the Non-competition Undertaking of China Merchants Group Limited (the "2020 Undertaking") on 7 July 2020. In the 2020 Undertaking, the Group stated that, in response to the industry competition between Liaoning Port Group Limited (the "Liaoning Port Group") and Liaoning Port, it will use its best endeavours to facilitate resolving such competition in a steady manner through measures, including but not limited to, assets restructuring, business adjustment and entrusted management, before the end of 2022. As of the date of issuance of this Undertaking, the Group has promoted the completion of absorption and merger of Yingkou Port Liability Co., Ltd. by Liaoning Port according to the requirements of the 2020 Undertaking, and procured Liaoning Port Group to inject industry-competitive assets that meet the asset injection conditions into Liaoning Port. As for the industry-competitive assets that have major defects in profitability, asset ownership and other aspects and do not meet the conditions for asset injection, the Group expects that it is difficult to completely resolve the industry competition problem within the deadline agreed in the 2020 Undertaking. However, it has procured Liaoning Port Group and its related subsidiaries to sign an entrusted management agreement with Liaoning Port, and standardised industry competition problems for related assets through entrusted management.	7 July 2020	Yes	By the end of 2028	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
			In order to promote the performance of industry competition undertaking continuously, the Group undertakes that, under the principles of benefiting the development of Liaoning Port and safeguarding the interests of all shareholders, in particular the minority shareholders, and to the extent permitted by applicable laws and regulations, regulatory documents and related supervisory rules and on the assumption that the business profitability meets the basic income requirement for Liaoning Port, it will make its best efforts to properly resolve the substantive industry competition problems between Liaoning Port Group and Liaoning Port by the end of 2028 through asset reorganisation, business adjustment, optimisation of custody management and other means in accordance with the relevant regulations and the requirements of relevant securities supervision and management departments.						
	Others	China Merchants Group	Letter of undertaking in relation to maintaining the independence of the listed company 1. China Merchants Group undertakes that it and Liaoning Port will be mutually independent in terms of assets, personnel, finance, institution and business, and it will not, taking advantage of its position as the actual controller, conduct any acts that prejudice the legitimate rights of Liaoning Port and its shareholders; it and its other subordinated enterprises undertake not to appropriate, in any illegal forms, the financial resources of Liaoning Port and its subordinated enterprises. 2. The above undertakings will continue in effect during the period of China Merchants Group's control over Liaoning Port. In the event of any losses to Liaoning Port arising from China Merchants Group's failure to fulfil the above undertakings, China Merchants Group will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve related transactions	PDA Group	1. Upon completion of the transaction, the company undertakes that it will not, taking its shareholder voting rights and significant influence on Liaoning Port seek any conditions or benefits more favourable than those of an independent third party in business operations, etc. from Liaoning Port for itself and other companies controlled by it that will be prejudicial to the legitimate interests of Liaoning Port and other shareholders. 2. The company and other companies controlled by it will minimise and regulate their related transactions with Liaoning Port; in respect of inevitable related transactions on the business activities operated by Liaoning Port, the company and other companies controlled by it will perform decision-making procedures for the related transactions in strict accordance with the laws, regulations and regulatory documents as well as the Liaoning Port's internal management rules relating to related transactions, to ensure fair pricing, and perform disclosure obligations in accordance with the laws. 3. The above undertakings will continue in effect during the period when the company (and/or an entity controlled by the company) is recognised as a related party of Liaoning Port in accordance with applicable regulations. In the event of any losses to Liaoning Port arising from the company's failure to fulfil the above undertakings, the company will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve industry competition	PDA Group	Upon completion of the transaction, the company will actively take effective measures to avoid engaging in business that constitutes horizontal competition with the principal business of Liaoning Port, and ensure that the company and other entities controlled by it strictly abide by laws, regulations, regulatory documents and relevant supervision and management rules and the Articles of Association of Liaoning Port, do not seek improper benefits by taking advantage of its shareholder voting rights and significant influence on Liaoning Port, nor harm the legitimate interests of Liaoning Port and other shareholders. The above undertakings will continue in effect during the period when the company or the actual controller of the company has control over Liaoning Port. In the event of any losses to Liaoning Port arising from the company's failure to fulfil the above undertakings, the company will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Others	PDA Group	Letter of undertaking in relation to maintaining the independence of the listed company 1. The company undertakes that it and Liaoning Port will be mutually independent in terms of assets, personnel, finance, institution and business, and it will not conduct any acts that prejudice the legitimate rights of Liaoning Port and other shareholders. The company and other subordinated enterprises controlled by it undertake not to appropriate, in any illegal forms, the financial resources of Liaoning Port and its subordinated enterprises. 2. The above undertakings will continue in effect during the period when the company or the actual controller of the company has control over Liaoning Port. In the event of any losses to Liaoning Port arising from the company's failure to fulfil the above undertakings, the company will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve industry competition	Liaoning Port Group	Liaoning Port Group Limited (formerly known as "Liaoning North East Asia Gang Hang Development Co., Ltd., the "Group"), as an indirect controlling shareholder of Liaoning Port Co., Ltd. (the "Liaoning Port"), issued the Undertaking on Regulating the Industry Competition with Dalian Port (PDA) Company Limited (the "Undertaking") on 24 December 2017. In the Undertaking, the Group stated that it will steadily promote the integration of relevant businesses to resolve the industry competition problem by the end of 2022. As of the date of issuance of this Undertaking, the Group has promoted the completion of absorption and merger of Yingkou Port Liability Co., Ltd. by Liaoning Port according to the requirements of the 2017 Undertaking, and injected the industry competitive assets that meet the asset injection conditions into Liaoning Port. As for the industry-competitive assets that have major defects in profitability, asset ownership and other aspects and do not meet the conditions for asset injection, the Group expects that it is difficult to completely resolve the industry competition problem within the deadline agreed in the 2017 Undertaking. However, it standardised industry-competition problems for related assets through entrusted management by signing an entrusted management agreement. In order to promote the performance of industry competition undertaking continuously, the Group undertakes that, under the principles of benefiting the development of Liaoning Port and safeguarding the interests of all shareholders, in particular the minority shareholders, and to the extent permitted by applicable laws and regulations, regulatory documents and related supervisory rules and on the assumption that the business profitability meets the basic income requirement for Liaoning Port, it will make its best efforts to properly resolve the substantive industry competition problems between Liaoning Port Group and Liaoning Port by the end of 2028 through asset reorganisation, business adjustment, optimisation of custody management and other means in accordance with the relevant regulations and the requirements of relevant securities supervision and management departments.	24 December 2017	Yes	By the end of 2028	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve related transactions	Yingkou Port Group	1. Upon completion of the transaction, the company undertakes that it will not take advantage of its shareholder voting rights and significant influence on Liaoning Port, seek any conditions or benefits more favourable than those of an independent third party in business operations, etc. from Liaoning Port for itself and other companies controlled by it that will be prejudicial to the legitimate interests of Liaoning Port and other shareholders. 2. The company and other companies controlled by the Company will minimise and regulate their related transactions with Liaoning Port; in respect of inevitable related transactions on the business activities operated by Liaoning Port, the company and other companies controlled by it will perform decision-making procedures for the related transactions in strict accordance with the laws, regulations and regulatory documents as well as internal management rules of Liaoning Port relating to related transactions, to ensure fair pricing, and perform disclosure obligations in accordance with the laws. 3. The above undertakings will continue in effect during the period when the company (and/or an entity controlled by it) is recognised as a related party of Liaoning Port in accordance with applicable regulations. In the event of any losses to Liaoning Port arising from the company's failure to fulfil the above undertakings, the company will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Resolve industry competition	Yingkou Port Group	Yingkou Port Group Co., Ltd. (the "Group"), as a controlling shareholder of Liaoning Port Co., Ltd. (the "Liaoning Port"), issued the Declarations and Undertakings Relating to the Non-competition (the "Undertaking") on 7 July 2020. In the Undertaking, the Group stated that it will use its best endeavours to facilitate resolving such competition in a steady manner through measures, including but not limited to, assets restructuring, business adjustment and entrusted management, before the end of 2022. As of the date of issuance of this Undertaking, the Group has completed the absorption and merger of Yingkou Port Liability Co., Ltd. by Liaoning Port according to the requirements of the 2020 Undertaking, and injected the industry-competitive assets that meet the asset injection conditions into Liaoning Port. As for the industry-competitive assets that have major defects in profitability, asset ownership and other aspects and do not meet the conditions for asset injection, the Group expects that it is difficult to completely resolve the industry competition problem within the deadline agreed in the 2020 Undertaking. However, it standardised industry competition problems for related assets through entrusted management by signing an entrusted management agreement with Liaoning Port.	7 July 2020	Yes	By the end of 2028	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
			In order to promote the performance of industry competition undertaking continuously, the Group undertakes that, under the principles of benefiting the development of Liaoning Port and safeguarding the interests of all shareholders, in particular the minority shareholders of Liaoning Port, and to the extent permitted by applicable laws and regulations, regulatory documents and related supervisory rules and on the assumption that the business profitability meets the basic income requirement for Liaoning Port, it will make its best efforts to properly resolve the substantive industry competition problems between Liaoning Port Group and Liaoning Port by the end of 2028 through asset reorganisation, business adjustment, optimisation of custody management and other means in accordance with the relevant regulations and the requirements of relevant securities supervision and management departments.						
	Others	Yingkou Port Group	Letter of undertaking in relation to maintaining the independence of the listed company 1. The company undertakes that it and Liaoning Port will be mutually independent in terms of assets, personnel, finance, institution and business, and it will not conduct any acts that prejudice the legitimate rights of Liaoning Port and other shareholders. The company and other subordinated enterprises controlled by it undertake not to appropriate, in any illegal forms, the financial resources of Liaoning Port and its subordinated enterprises. 2. The above undertakings will continue in effect during the period when the company or the actual controller of the company has control over Liaoning Port. In the event of any losses to Liaoning Port arising from the company's failure to fulfil the above undertakings, the company will assume the corresponding compensation liabilities.	7 July 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
	Others	Yingkou Port Group	Statement and Undertaking on Improving the Property Ownership Certificates of Yingkou Port Liability Co., Ltd. and its holding subsidiaries, including sea areas, berths, land, real estate and other assets 1. The company will make every effort to assist, procure and promote Yingkou Port/Liaoning Port and its holding subsidiaries to handle the ownership certificates in respect of sea areas, berths, land, real estate and other assets. 2. Save as the results caused by force majeure, laws, policies, government management actions, changes in planned use and other factors that are not caused by Yingkou Port, Liaoning Port and its affiliated holding subsidiaries, upon the completion of the transaction, if Liaoning Port and its holding subsidiaries, due to the sea area use rights, berths, land use rights and real estate assets held by Yingkou Port and its holding subsidiaries prior to the completion of the transaction: (1) the sea area use rights, berths, land use rights and real estate for which the ownership certificates are being processed have not been completed in time; or (2) the relevant sea area use rights, berths, land use rights, real estate ownership certificates or their change registration with Liaoning Port are unable to be processed; or (3) there is a dispute over the ownership of the relevant sea area use rights, berths, land use rights and real estate; or (4) other sea areas use rights, berths, land use rights, and real estate are unsatisfied and suffers from actual losses, including but not limited to compensation, fines, expenses, third-party claims, damage to interests, within 180 days after Liaoning Port and its holding subsidiaries determine the actual amount of losses according to law and notify the Group, the Group will compensate Liaoning Port and its holding subsidiaries in a timely manner and in full in cash.	9 November 2020	No	Long-term valid	Yes	Nil	Nil

Background of undertakings	Types of undertakings	Party of undertakings	Details of the undertakings	Time of the undertakings	Whether there is time limit of performance	Time limit of undertakings	Whether the undertaking is honoured in a timely and strict manner	Specific reasons for the failure to timely honour the undertaking	Further plans in the event of failing to timely honour the undertaking
			3. Upon the completion of the transaction, if Yingkou Port and its holding subsidiaries suffer from compensation, fines, taxes and other expenses in the process of perfecting the legal procedures for relevant defective sea area use rights, berths, land use rights, and real estate involved in the operation of Yingkou Port and its holding subsidiaries before the transaction (being the sea area use rights, berths, land use rights, and real estate held by Yingkou Port and its holding subsidiaries before the completion of the transaction without a complete ownership certificate), within 180 days after Liaoning Port and its holding subsidiaries determine the actual amount of losses according to law and notify the Group, the Group will compensate Liaoning Port and/or its holding subsidiaries in a timely manner and in full in cash.						

By Order of the Board

LI Guofeng
Chairman

Dalian, the PRC
26 March 2026

Corporate Governance Report

Introduction

The Company is well aware of the importance of corporate governance, and recognises that maintaining a high standard of corporate governance is in the fundamental interests of the Company and its shareholders. The Company has been striving to improve its corporate governance practices since its establishment. We have adopted the code on corporate governance practices (the "CG Code") set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as our own code of corporate governance practices. The Company has adopted a series of measures to maintain a high standard of corporate governance.

A. Corporate Governance Practice

The Board strictly complies with the principles set out in the "CG Code" to establish and operate a corporate governance mechanism and adopted a principle of strict execution of the code provisions so as to ensure that the code provisions are fully executed, while striving to promote the "Recommended Best Practices" to the largest extent according to the Company's actual management. The Board also monitors and reviews the existing corporate governance practices of the Company on a regular basis with the aim of constantly fostering and carrying out a sound standard of corporate governance. During the reporting period, save as disclosed below, the Company has complied with the provisions of the CG Code.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be held by the same person. During the Reporting Period, following the resignation of Mr. WANG Zhixian as the Chairman of the Company's Board on 14 May 2025, the position of Chairman remained vacant. Upon the appointment of Dr. LI Guofeng as the Chairman of the Board on 20 May 2025, the Company has complied with the requirements of Code Provision C.2.1 of the CG Code.

Pursuant to Rule 3.21 of the Listing Rules, the audit committee must comprise a minimum of three members. During the Reporting Period, following the resignation of Mr. WANG Zhu as a non-executive director of the Company and a member of the audit committee (the "**Audit Committee**") of the Board on 10 October 2025, the number of members of the Audit Committee fell below the minimum number required under Rule 3.21 of the Listing Rules. Following the appointment of Mr. LIU Bin as a member of the Audit Committee on 9 December 2025, the Audit Committee consists of three members; therefore, the Company has complied with the requirements of Rule 3.21 of the Listing Rules regarding the composition of the Audit Committee.

B. Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as the code of conduct governing the securities transactions by all directors of the Company. In order to ensure that the directors comply with the Model Code when dealing in the securities of the Company, the Company has made enquiries to all directors, and all directors have confirmed that they have complied with the requirements under the Model Code during the reporting period.

C. Board of Directors

Striving for the best interests of the Company and its shareholders, the Board assumes the responsibility of leading and controlling the Company as well as promoting the sustainable development of the Company by directing and supervising the Company's business.

1. Board Composition

During the reporting period and up to the date of this report, the Board comprises:

Executive Directors

Dr. Li Guofeng *(re-designated on 20 May 2025)*
Mr. Wei Minghui *(re-appointed on 15 June 2023)*
Mr. Wang Zhixian *(re-appointed on 15 June 2023, and resigned on 14 May 2025)*

Non-executive Directors

Mr. Liu Bin *(appointed on 4 December 2025)*
Mr. Huang Zhenzhou *(appointed on 14 February 2025)*
Mr. Yang Bing *(re-appointed on 15 June 2023)*
Mr. Wang Zhu *(appointed on 27 June 2024, and resigned on 10 October 2025)*

Employee Representative Director

Ms. Zhang Hong *(appointed on 31 October 2025)*

Independent Non-executive Directors

Dr. Liu Chunyan *(re-appointed on 15 June 2023)*
Ms. Cheng Chaoying *(re-appointed on 14 February 2025)*
Mr. Chan Wai Hei *(appointed on 15 June 2023)*

The Company has received from each independent non-executive director an annual confirmation of his/her independence. The Company considers that the independent non-executive directors remain independent from the Company.

Pursuant to Rule 3.09D of the Listing Rules, Mr. Huang Zhenzhou, Ms. Cheng Chaoying, Ms. Zhang Hong, and Mr. Liu Bin obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 11 February 2025, 11 February 2025, 30 October 2025 and 1 December 2025, respectively. They have also confirmed their understanding of their duties as directors of the Company under the Listing Rules.

Pursuant to the Articles of Association of the Company, each director shall be appointed for a term of three years from the date that his or her appointment coming into effect. If a candidate is appointed to fill the vacancy following the resignation of the director who resigns during the term of office, his or her term of office shall commence from the date of appointment until the date of conclusion of the current session of the Board.

The biographies of the directors of the Company are set out in the section headed "Profiles of Directors and Senior Management" of this annual report. The executive and non-executive directors of the Company have expertise, extensive experience and skills in management, operation, finance and other port business related areas. They are instrumental in mapping out the Company's strategy. The independent non-executive directors of the Company are highly qualified professionals with extensive experience in areas such as accounting, finance, risk management, internal control and corporate management.

During the reporting period, the independent non-executive directors of the Company accounted for one-third of the number of Board members. All independent non-executive directors have confirmed their independence to the Company during the reporting period as required under Rule 3.13 of the Listing Rules. The Company considers such directors to be independent during their respective tenure in the reporting period.

The Company believes that the board composition is reasonable and adequate for safeguarding the interests of its shareholders and the Company as a whole. Furthermore, the directors are fully aware of their collective and individual responsibilities to the shareholders, and have sufficient time and adequate capacity to perform their duties.

During the reporting period, save for their working relationship with the Company, there were no financial, business, family or other material/relevant relationships among the members of the Board.

2. Operation of the Board

Pursuant to the Articles of Association of the Company, the Board is required to hold at least four board meetings each year. The board meetings shall be convened by the Chairman of the Board. In order for the directors to have the opportunity to attend board meetings, a notice of at least fourteen days shall be given to each director for a regular board meeting. For an extraordinary board meeting, a notice of at least five days shall be given to each director. The notice shall state the time, place and means by which the board meeting will be conducted.

The quorum for a board meeting shall be more than half of the members of the Board. The directors may attend the board meeting in person, or appoint another director in writing as his or her proxy to attend the board meeting. The secretary to the Board is responsible for preparing and keeping the minutes of board meetings and ensuring that such minutes are available for inspection by any director.

During the reporting period, the Board held a total of 10 meetings. The attendance of the directors at those board meetings is as follows:

Members of the Board	Number of meetings in his /her incumbency	Number of attendance in person	Number of attendance by his/her proxy	Attendance rate
LI Guofeng	10	8	2	80%
WANG Zhixian	4	3	1	75%
WEI Minghui	10	10	0	100%
WANG Zhu	6	4	2	67%
HUANG Zhenzhou	9	3	6	33%
LIU Bin	2	2	0	100%
YANG Bing	10	5	5	50%
ZHANG Hong	3	3	0	100%
LIU Chunyan	10	9	1	90%
CHENG Chaoying	10	10	0	100%
CHAN Wai Hei	10	10	0	100%

During the reporting period, the Chairman met with the independent non-executive directors without the presence of other directors.

During the reporting period, the Company convened a total of 4 general meetings. The attendance of directors at those general meetings is as follows:

Members of the Board	Number of meetings in his /her incumbency	Number of attendance	Attendance rate
LI Guofeng	4	3	75%
WANG Zhixian	1	0	0
WEI Minghui	4	4	100%
WANG Zhu	2	2	100%
HUANG Zhenzhou	3	2	67%
LIU Bin	1	1	100%
YANG Bing	4	3	75%
ZHANG Hong	2	2	100%
LIU Chunyan	4	4	100%
CHENG Chaoying	4	4	100%
CHAN Wai Hei	4	4	100%

3. Respective Responsibilities of the Board and the Management

The responsibilities of the Board and the management of the Company have been clearly defined in the Articles of Association of the Company, which aims to provide sufficient check-and-balance mechanisms for good corporate governance and internal control.

The Board is responsible for deciding on the Company's business and investment plans, drawing up the Company's basic management system and deciding on the establishment of the Company's internal management structure, determining the Company's other material business and administrative matters, and monitoring the performance of the management.

The Board is also responsible for the preparation of accounts for each financial period to give a true and fair view of the financial status, operating results and cash flows of the Company for that period. In preparing the accounts for the year ended 31 December 2025, the directors have selected appropriate accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable and prepared the accounts on an ongoing concern basis in accordance with the PRC Accounting Standards for Business Enterprises.

The management of the Company, under the leadership of the General Manager, is responsible for implementing the resolutions approved by the Board and administering the Company's day-to-day operation and management. The Board is responsible for the following corporate governance functions:

(a) to develop and review the Company's corporate governance policy and practices and make recommendations;

(b) to review and monitor the training and continuing professional development of the directors and senior management;

(c) to review and monitor the Company's policies and practices in compliance with laws and regulations;

(d) to review the Company's compliance with the Code and the disclosure in the corporate governance report; and

(e) to review the effectiveness of the risk management and internal control systems.

The Board has reviewed the policies and practices in accordance with the Code and its own Company CG Code.

In order to ensure the effective operation of the Company, the management is also required to regularly submit a management report on the operation of the Company, or submit other special reports to the Board. The Board, through reviewing such reports, understands the operational conditions of the Company in a timely manner and evaluates and supervises the management. At the same time, the management engages from time to time in formal and informal communications with the directors on the operation and business of the Company and provides sufficient information to the directors in a timely manner to enable the Board to make informed decisions, thus improving the efficiency and scientificity of the decision-making process of the Board.

4. Nomination, Appointment and Removal of Directors

The Company has formulated a formal and transparent procedure for the appointment of new directors. Nomination and appointment of new directors is first considered by the Nomination and Remuneration Committee whose recommendations will then be put to the Board for consideration. All newly nominated directors are subject to the approval of the shareholders at the general meetings. Removal of members of the Board is subject to the review and approval of the shareholders at the general meetings.

5. Continuing Professional Development of Directors

During the reporting period, the directors actively participated in continuous professional development by self-learning, attending seminars and trainings relating to relevant topics to develop and refresh their knowledge and skills, so as to ensure that they can continuously make contributions to the Board with their comprehensive knowledge and skills. The Company is responsible for arranging relevant trainings and providing updates and information in respect of the continuous professional development to help each director better perform in their roles, functions and duties, in line with the Company's development needs.

During the reporting period, the relevant directors of the Company participated in the following continuous professional development:

Directors	Type of training *(Note)*
Executive directors	
Dr. Li Guofeng	A/B
Mr. Wang Zhixian	A/B
Mr. Wei Minghui	A/B
Non-executive directors	
Mr. Wang Zhu	A/B
Mr. Huang Zhenzhou	A/B
Mr. Liu Bin	A/B
Mr. Yang Bing	A/B
Employee Representative Director	
Ms. Zhang Hong	A/B
Independent non-executive directors	
Dr. Liu Chunyan	A/B
Ms. Cheng Chaoying	A/B
Mr. Chan Wai Hei	A/B

Notes:

Type of training

A: Attending training courses, including but not limited to regulatory training, seminar, symposium and working conference, etc.

B: Reading related news, newspaper, weekly publications, magazines and related publications.

6. Board Diversity Policy and Practices

On 26 March 2019, the Board adopted the board diversity policy (the "Board Diversity Policy") with a view to achieving a sustainable and balanced development of the Company. The Company views the increasing board diversity as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In determining the composition of the Board, a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service are taken into account in respect of the diversity of the Board. All Board appointments will be based on meritocracy and candidates will be selected based on objective criteria, having due regard for the benefits of diversity of the Board. The Nomination and Remuneration Committee has adopted the Board Diversity Policy setting out the approach to diversity of members of the Board, which is summarised below: review the Board Diversity Policy, and as appropriate, recommend any revisions of the policy to the Board; review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and disclose the Board Diversity Policy or a summary of such policy in the Corporate Governance Report, in particular, the measurable objectives that it has set for implementing the Board Diversity Policy and the progress on achieving these objectives annually.

As at 31 December 2025, the Company has nine directors, of which two are females; the Company has seven senior management members, of which one is female (accounting for 14.3% of the total senior management). As at 31 December 2025, female employees accounted for 18% of the Group's employees and male employees accounted for 82%. Despite there being a majority of male employees due to the nature of the Group's business which requires a high level of physical strength, the Group is committed to maximising employee diversity and considers gender diversity when recruiting employees. The Company will continue to take steps to promote gender diversity at all levels, including but not limited to the Board and senior management levels, and to establish access to the Board for female senior management members and potential successors.

Measurable objectives

The Company has adopted the following measurable objectives to implement its Board Diversity Policy:

1) Independence: the Company has a total of three independent non-executive directors, giving the Board a strong driver of independence. The independent non-executive directors are of sufficient talent and prestige to make their views influential.

2) Skills and experience: the skills of the Board members are comparable and meet the needs of the Company's business development. The directors have diverse financial, legal, academic and management knowledge, together providing the Company with extensive experience in various business areas.

3) Gender diversity: the Board shall comprise at least one female director.

4) Other measurable objectives:

(a) Rule 3.10A: at least one-third of the Board members are independent non-executive directors;

(b) Rule 3.10(1): at least three independent non-executive directors on the Board; and

(c) Rule 3.10(2): at least one of the directors must have appropriate professional qualifications or accounting or related financial management expertise.

The Board has met the measurable objectives in the Board Diversity Policy and has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing rules.

Mechanisms to ensure independent opinion

The Company ensures that independent opinion is introduced to the Board through the following mechanisms:

a) the Nomination and Remuneration Committee shall review the composition of the Board and the independence of the independent non-executive Directors on an annual basis;

b) the Company shall receive from each independent non-executive director a confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules. The Company considered that all the independent non-executive directors remained independent;

c) in view of the compliance with good corporate governance practices and in order to avoid conflict of interest, directors who are also directors and/or senior management of the controlling shareholder and/or certain subsidiaries of controlling shareholder of the Company shall abstain from voting on relevant board resolutions in relation to transactions with the controlling shareholder and/or associates;

d) the Chairman of the Board shall meet with the independent non-executive directors at least once a year; and

e) all Board members may seek independent professional advice (if necessary) in carrying out their duties in accordance with the Company's policies.

The Board reviews annually the mechanism for ensuring that independent opinion is introduced to the Board, whether in relation to the proportion, employment and independence of independent non-executive directors, their contribution and the availability of external independent professional advice. Upon review, the Board of the Company considers that these mechanisms for independent opinion are effective during the reporting period.

D. Chairman and General Manager

The posts of Chairman and General Manager of the Company are separate and held by different persons to ensure their respective independence of responsibility, accountability and the balance of power and authority between them. The Chairman plays a crucial role in setting the development strategy of the Company, and is responsible for ensuring that the Board is functioning properly and with well-formulated corporate governance practices and procedures, whilst the General Manager is mainly responsible for the day-to-day management of the Company's operations, including organising the implementation of strategies set by the Board, making day-to-day decisions and coordinating overall business operations. From 1 January 2025 to 14 May 2025, the Chairman of the Company was Mr. Wang Zhixian; from 20 May 2025 to the end of the reporting period, the Chairman of the Company was Dr. Li Guofeng; during the reporting period, the General Manager of the Company was Mr. Wei Minghui.

E. Board Committees

The Board has established the Audit Committee, the Financial Management Committee, the Nomination and Remuneration Committee and the Strategy and Sustainable Development Committee in accordance with the requirements of the Listing Rules.

Audit Committee

The Audit Committee is a specialised committee subordinated and accountable to the Board. Its main responsibilities are to monitor and evaluate external and internal audits; to coordinate between internal and external audits; to review the Company's financial information and disclosures, to supervise the operation of risk management and internal control systems, and to maintain sound communications between internal and external audits.

During the reporting period and up to the date of this report, the Audit Committee of the Board consists of the following directors:

Ms. Cheng Chaoying (independent non-executive director, re-appointed as the chairman of the Audit Committee on 14 February 2025)

Mr. Liu Bin (non-executive director, appointed as a member of the Audit Committee on 9 December 2025)

Mr. Chan Wai Hei (independent non-executive director, appointed as a member of the Audit Committee on 15 June 2023)

Dr. Li Guofeng (a then non-executive director, appointed as a member of the Audit Committee on 15 December 2023 and resigned on 20 May 2025)

Mr. Wang Zhu (a then non-executive director, appointed as a member of the Audit Committee on 20 May 2025 and resigned on 10 October 2025)

During the reporting period, the Audit Committee under the Board of the Company actively carried out relevant work and diligently performed its duties in strict accordance with the relevant laws and regulations as well as the relevant provisions of the Articles of Association of the Company and the Terms of Reference of the Financial Management Committee of the Board. During the reporting period, the Audit Committee held a total of 7 meetings to review the Company's periodic reports, internal control, risk management and other related matters, and made proposals to the Board. The terms of reference of the Audit Committee have been disclosed on the websites of the Company and the Stock Exchange.

During the reporting period, the attendance of the members is set out as follows:

Members of the Audit Committee	Number of meetings in his/her incumbency	Number of attendance in person	Attendance rate
Ms. Cheng Chaoying	7	7	100%
Mr. Liu Bin	1	1	100%
Mr. Chan Wai Hei	7	7	100%
Dr. Li Guofeng	3	3	100%
Mr. Wang Zhu	1	1	100%

During the reporting period, the Audit Committee has, together with the management of the Company and the external auditors, reviewed the interim results for 2025 and annual results for 2024 of the Group and has recommended the approval of these results by the Board. They have also discussed the key risks and the internal control and risk management issues, and reviewed the audit plan, internal control performance and the effectiveness of the internal control system.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group and the annual results for the year ended 31 December 2025.

Financial Management Committee

The Financial Management Committee of the Company, a special committee under the Board, is accountable to the Board and mainly responsible for the supervision and review of the Company's financial operation, investment and financing decisions and business management, providing a basis and safeguarding the right decision-making of the Company.

During the reporting period and up to the date of this report, the Financial Management Committee consists of the following directors:

Mr. Chan Wai Hei (independent non-executive director, appointed as the chairman of the Financial Management Committee on 15 June 2023)

Mr. Liu Bin (non-executive director, appointed as a member of the Financial Management Committee on 9 December 2025)

Ms. Cheng Chaoying (independent non-executive director, re-appointed as a member of the Financial Management Committee on 14 February 2025)

Mr. Wang Zhu (a then non-executive director, appointed as a member of the Financial Management Committee on 27 June 2024 and resigned on 10 October 2025)

During the reporting period, the Financial Management Committee under the Board of the Company actively carried out relevant work and performed its duties in strict accordance with the relevant laws and regulations as well as the relevant provisions of the Articles of Association of the Company and the Terms of Reference of the Financial Management Committee of the Board. During the reporting period, the Financial Management Committee held 8 meetings to mainly review the annual profit distribution plan, periodic reports and other related matters, and made proposals to the Board.

During the reporting period, the attendance of the members is set out as follows:

Members of the Financial Management Committee	Number of meetings in his/her incumbency	Number of attendance in person	Attendance rate
Mr. Chan Wai Hei	8	8	100%
Mr. Liu Bin	1	1	100%
Ms. Cheng Chaoying	8	8	100%
Mr. Wang Zhu	5	5	100%

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company, a special committee under the Board, is accountable to the Board and its main responsibilities are to examine the selection criterion and procedures of directors and senior management; investigate and propose the candidates of directors and senior management; and study the assessment criterion and remuneration policy for directors and senior management, etc.

Pursuant to the Articles of Association, shareholder(s) severally or jointly holding more than 1% of the total outstanding issued voting shares of the Company may, by way of a written proposal, put forward to the general meeting about the candidates for directors (not being employee representatives). However, the number of candidates proposed shall comply with the provisions of the Articles of Association, and shall not be more than the number to be elected. The aforesaid proposal put forward by shareholders to the Company should be served to the Company at least 10 days before the convening of the general meeting. During the reporting period, all nominated candidates for directors shall be recommended by shareholders and the Board of the Company, which shall submit to the Board for consideration after the review of the Nomination and Remuneration Committee, and shall be subject to final approval by the general meeting.

The remuneration of directors of the Company is reviewed by the Nomination and Remuneration Committee and the Board and shall be subject to final approval by the general meeting. In particular, (1) remuneration of directors who concurrently served as senior management shall be determined by the Board under the delegation by the general meeting based on the profitability of the Company and their duties and performance; (2) the remuneration of Dr. Liu Chunyan, an independent non-executive director, was RMB200,000 per annum before tax, the remuneration of Ms. Cheng Chaoying, an independent non-executive director, was RMB200,000 per annum before tax, and the remuneration of Mr. Chan Wai Hei, an independent non-executive director, was RMB250,000 per annum before tax; (3) save as above, no any other remuneration, welfare or bonus shall be paid by the Company to other directors in connection with their duties as directors.

During the reporting period and up to the date of this report, the Nomination and Remuneration Committee consists of the following directors:

Dr. Liu Chunyan (independent non-executive director, re-appointed as the chairman of the Nomination and Remuneration Committee on 15 June 2023)

Dr. Li Guofeng (executive director, appointed as a member of the Nomination and Remuneration Committee on 20 May 2025)

Ms. Cheng Chaoying (independent non-executive director, re-appointed as a member of the Nomination and Remuneration Committee on 14 February 2025)

Mr. Wang Zhixian (a then executive director, re-appointed as a member of the Nomination and Remuneration Committee on 15 June 2023, and resigned on 14 May 2025)

The terms of reference of the Nomination and Remuneration Committee have been disclosed on the websites of the Company and the Stock Exchange.

During the reporting period, 4 meetings of the Nomination and Remuneration Committee were held with the attendance of members as follows:

Members of the Nomination and Remuneration Committee	Number of meetings in his/her incumbency	Number of attendance in person	Attendance rate
Dr. Liu Chunyan	4	4	100%
Dr. Li Guofeng	4	4	100%
Ms. Cheng Chaoying	4	4	100%
Mr. Wang Zhixian	0	0	–

Strategy and Sustainable Development Committee

The Strategy and Sustainable Development Committee of the Company, a special committee under the Board, is accountable to the Board and reports to the Board. Its main responsibilities are to conduct research and make recommendations on the Company's long-term strategic development, environmental, social and governance (ESG) management and major investment decision-making.

During the reporting period and up to the date of this report, the Strategy and Sustainable Development Committee consists of the following directors:

Dr. Li Guofeng (executive director, appointed as the chairman of the Strategy and Sustainable Development Committee on 20 May 2025)

Mr. Liu Bin (non-executive director, appointed as a member of the Strategy and Sustainable Development Committee on 9 December 2025)

Mr. Wei Minghui (executive director, re-appointed as a member of the Strategy and Sustainable Development Committee on 15 June 2023)

Mr. Huang Zhenzhou (non-executive director, appointed as a member of the Strategy and Sustainable Development Committee on 14 February 2025)

Mr. Wang Zhixian (a then executive director, re-appointed as the chairman of the Strategy and Sustainable Development Committee on 15 June 2023, and resigned on 14 May 2025)

Mr. Wang Zhu (a then non-executive director, appointed as a member of the Strategy and Sustainable Development Committee on 27 June 2024 and resigned on 10 October 2025)

During the reporting period, two meetings of the Strategy and Sustainable Development Committee were held with the attendance of members as follows:

Members of the Strategy and Sustainable Development Committee	Number of meetings in his/her incumbency	Number of attendance in person	Attendance rate
Dr. Li Guofeng	2	2	100%
Mr. Liu Bin	0	0	–
Mr. Wei Minghui	2	2	100%
Mr. Huang Zhenzhou	2	2	100%
Mr. Wang Zhixian	1	1	100%
Mr. Wang Zhu	1	1	100%

F. Auditors

During the reporting period, ShineWing Certified Public Accountants (Special General Partnership) was appointed as the PRC auditor of the Company for the year 2025 by the shareholders at the 2024 general meeting to conduct audit work on the Company's financial statements prepared in accordance with the PRC Accounting Standards for Business Enterprises, and to act as the overseas auditor of the Company in compliance with the relevant requirements of the Listing Rules of the Stock Exchange. ShineWing Certified Public Accountants (Special General Partnership) was also appointed as the auditor of internal control of the Company for the year 2025 to audit the internal control of the financial report of the Company and issue an audit report.

During the reporting period, the total fees paid and payable to the auditors of the Group (with the meaning ascribed to it under the Independent Auditor's Report) for audit service in respect of the annual financial report were RMB3,940,000 and the fees paid and payable for annual internal control audit were RMB720,000. This remuneration is different from the "Audit fee" under "Administrative expenses" of Note IX (49) to Auditor's Report, due to the fact that item "Audit fee" under "Administrative expenses" also included fees payable to audit service providers other than ShineWing for annual audit and other audit management services. During the reporting period, the auditors of the Group (including any entity that is under common control, ownership or management with the auditors, or an entity that would be reasonably concluded by a reasonable and informed third party knowing all relevant information to be part of the domestic or international business of the auditors) did not provide any non-audit services to the Group.

G. Senior Management's Interests in Shares and Remuneration

During the reporting period, none of the senior management had any interests in the shares of the Company.

Details of remuneration payable to senior management in 2025 are as follows.

Name	Position	Pre-tax remuneration paid by the Company during the reporting period *(RMB)*
Wei Minghui	General manager	810,431.44
Li Guodong[1]	Deputy general manager	769,760.28
Yin Kaiyang[2]	Deputy general manager	614,879.45
Luo Dongxi[3]	Deputy general manager	520,077.20
Guan Lihui	Chief safety officer, deputy general manager	736,230.50
Li Shuibo[4]	Deputy general manager	201,276.25
Meng Tiexiang[5]	Deputy general manager	83,694.30
Tang Ming[6]	Chief financial officer	712,585.40
Wang Huiying[7]	Secretary to the Board, company secretary	748,045.40

Notes:

(1) Li Guodong resigned as a deputy general manager of the Company in January 2026;

(2) Yin Kaiyang resigned as a deputy general manager of the Company in November 2025;

(3) Luo Dongxi resigned as a deputy general manager of the Company in July 2025;

(4) Li Shuibo has been a deputy general manager of the Company since August 2025 and resigned as a deputy general manager of the Company in January 2026;

(5) Meng Tiexiang has been serving as a deputy general manager of the Company since December 2025;

(6) Tang Ming resigned as the chief financial officer in January 2026;

(7) Wang Huiying resigned as the secretary to the Board and a company secretary of the Company in January 2026.

H. Company Secretary

During the reporting period, the company secretary of the Company, Ms. Wang Huiying has complied with the requirements on a minimum of 15 hours dedicated for related professional training as set out in Rule 3.29 of the Listing Rules. Ms. Wang Huiying also actively participated in trainings for learning and updating her professional knowledge about the Listing Rules and corporate governance to continuously improve her professional skills for acting as the company secretaries of the Company. On 28 March 2022, the Stock Exchange confirmed that Ms. Wang Huiying is qualified to act as the company secretary of the Company under Rule 3.28 of the Listing Rules.

Due to change in work arrangements, Ms. Wang Huiying ceased to serve as a company secretary to the Company from 26 January 2026. Mr. Qu Shaoyong and Mr. Leung Chi Kit have been appointed on 26 March 2026 as joint company secretaries of the Company. Mr. Qu Shaoyong serves as the secretary to the Board, a joint company secretary, the head of Board office of the Company and the primary contact person of Mr. Leung Chi Kit at the Company. See the Company's announcements dated 26 January 2026 and 26 March 2026 for details of the above changes.

I. Risk Management and Internal Control

The Board, the decision-making body for internal control and risk management, is responsible for reviewing the effectiveness of the risk management and internal control systems at least once annually. The risk management and internal control systems are formulated to manage (but not eliminate) the risk of failure to meet business objectives, and to provide reasonable (but not absolute) guarantees for the prevention of material misstatements or losses. The Board has an overall responsibility to assess and determine the nature and level of the risks that the Company is willing to undertake to achieve its strategic objectives, and to establish and maintain appropriate and effective risk management and internal control systems.

Risk Management

The Company has established a risk management department to implement different risk management procedures and guidelines and to specify the rights and responsibilities. Based on the improvement of the original internal control management system, the risk management department is responsible for establishing the risk management organisation system, preparing the risk list, conducting risk assessment, establishing risk monitoring and warning, and developing credit risk management policy.

The risk management department has regularly investigated the main business units and functional departments, organised seminars for risk management personnel, identified the relevant risks, and established the risk list. Based on the risk list, the risk management department has comprehensively evaluated the risks by adopting the questionnaire survey method, and has determined the risk levels according to the survey results. For different risk events, the risk management department has organised each entity to formulate its risk response measures and plans separately and monitored the progress of risk management.

The Audit Committee assists the Board in leading the management and supervises their design, implementation and monitoring of risk management and internal control systems to ensure that the Company's resources in accounting, internal audit and financial reporting functions, the qualifications and experience of its employees, the training courses attended by its employees and relevant budgets are adequate.

Internal Control

The Company has set up an appropriate internal control system to deal with related (connected) transactions, internal audit, disclosures and other relevant matters.

The Board of the Company has prepared a self-evaluation report on the internal control issues during the reporting period. After conducting a self-appraisal on the status of internal control of the Company, the Board considers that, during the reporting period, the internal control system of the Company was effective. The Board also requested the management of the Company to further improve the internal control system to enhance the Company's corporate governance standard.

1. Internal Audit

The Board has established the Audit Committee as part of the internal control system of the Company. Details of the Audit Committee are set out in the section headed "E. Board Committees" of this report.

The Company has also set up an internal audit function to analyse the adequacy and effectiveness of risk management and internal control systems. The Company has appointed qualified persons as its internal auditors to strengthen the internal control of the Company. The role of the internal auditors is to assist the Audit Committee in ensuring the Company maintain a sound internal control system by reviewing all aspects of the Company's activities and internal controls, and conducting regular audits of the operations and procedures of the Company and its subsidiaries. The Company has conducted an internal audit of the Company and its subsidiaries according to its annual work plan for the reporting year.

2. Other Internal Control Procedures

The Company has formulated and approved the Related Transaction Management Measures to ensure, through the relevant internal control procedures, the Company's compliance with the related (connected) transaction requirements under the listing rules of the place where its shares are listed. Moreover, the Company has also formulated the Information Disclosure Management Rules, the Material Information Reporting Rules and the Inside Information and Insiders Management System which governs the management responsibilities in relation to the internal reporting and monitoring procedures for the disclosure of significant matters and inside information of the Company to ensure that the information disclosures of the Company are in compliance with the Listing Rules and are therefore true, accurate, timely and complete.

The Company has adopted a governance mechanism which is more stringent and prudent than the CG Code. The Board has also set up a Financial Management Committee in order to prevent the financial management risks of the Company and to further improve its internal control system. Details of the Financial Management Committee are set out in section headed "E. Board Committees" of this report.

In order to effectively avoid any operational risk resulting from misconduct or corruption in the ordinary course of business of the Company and allow the Board to obtain necessary material information about the Company in a timely manner, the Company has also set up an internal control reporting system with a corresponding report channel to ensure smooth communication between the Company and the directors.

To comply with the requirements of the code provisions on risk management and internal control under the Listing Rules, the Board has reviewed the effectiveness of the risk management and internal control system of the Company for the year ended 31 December 2025 through the Audit Committee and with the assistance of the risk management department and internal audit. In addition, the directors of the Company have reviewed the work scope and quality of the continuous supervision by the management over the risk management and internal control system. The directors also reviewed the extent and frequency of communication of monitoring results made by the management to the special committee of the Board to facilitate the relevant committee to review the risk management and internal control system of the Company.

With the assistance of the Audit Committee, the Board has assessed the effectiveness of the risk management and internal control systems by reviewing the management reports and internal audit findings, and considers that the Company's risk management and internal control systems for the year ended 31 December 2025 were effective and adequate.

J. Corporate Culture

Being committed to cultivating the corporate culture, sticking to the mission of "taking over the heritage over a century, and contributing to the prosperity of northeast China", upholding the vision of "building a world-class leading port", adhering to the enterprise spirit of "innovation, sense of responsibility, service and devotion" and maintaining the core value of "making efforts to create value and delivering a fruitful future in a solid manner", the Company enables its employees at all levels to realise growth and achieve full potential by acting lawfully and ethically and responsibly, thereby providing sustainable and long-term results and operating in ways that are beneficial to society and the environment. The mission and value of the Company provide guidance for the conduct and behavior of staff, which the Company ensures are thoroughly observed in the Company's business practices, workplace policies and practices and stakeholder relations. The management is responsible for setting the tone and creating corporate culture for the Company, and defining the mission, value and strategic direction of the Group for review by the Board. Considering that the corporate culture is reflected in various environments such as labour participation, staff trainings, legal and regulatory compliance, staff safety, welfare and support, the Group maintains consistent in culture, mission, value and strategies.

K. Rights of Shareholders and Shareholder's Communication Policy

The Board and the management recognise their responsibility to represent the interests of all shareholders and to maximise shareholder value. Communication with shareholders and accountability to shareholders is a high priority of the Company. The Company shall maintain a regular dialogue with its shareholders and review its shareholder's communication policy at least once a year to ensure its effectiveness.

The Company has established the Investor Relations Management System. In accordance with the Investor Relations Management System, the Company communicates with investors through multiple channels, platforms and methods. The means of communication include, but are not limited to:

(I) announcements, including periodic reports and temporary announcements; (II) results presentation; (III) general meeting; (IV) analyst meetings; (V) the website of the Company; (VI) one-on-one communication; (VII) telephone inquiries; (VIII) on-site visit; (IX) road shows; (X) media coverage; and (XI) other means satisfying the relevant requirements.

During the reporting period, the Company had active and frank communication with its shareholders through various channels and means such as holding general meeting, results presentations, receiving enquiries from investors and setting up an investor mailbox. Upon review, the Company considered that the mechanism of the Company's shareholder communication policy and its implementation were effective in 2025.

Shareholders can put inquiries or questions to the Board by the e-mail liaoganggf-ir@cmhk.com of the Company and the investor hotline 86-411-87598729. According to the Articles of Association, Shareholders severally or jointly holding 10% or more of the Company's shares shall be entitled to request the Board to convene extraordinary general meetings, provided that such request shall be made in writing. The Board shall, in accordance with provisions of the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within 10 days after receiving such proposal of the same. If the Board agrees to convene an extraordinary general meeting, the notice of convening the general meeting shall be issued within 5 days after adopting the relevant resolution of the Board. Any changes to the original request made in the notice shall be subject to prior approval of the shareholders concerned. If the Board does not agree to convene an extraordinary general meeting or does not furnish any reply within 10 days after receiving such proposal, shareholders severally or jointly holding 10% or more of the Company's shares shall be entitled to propose to the Audit Committee the convening of extraordinary general meeting, provided that such proposal shall be made in writing. If the Audit Committee agrees to convene an extraordinary general meeting, the notice of convening the general meeting shall be issued within 5 days after receiving such request. Any changes to the original request made in the notice shall require prior approval of the shareholders concerned. Failure of the Audit Committee to issue a notice of general meeting within the stipulated period shall be deemed as the failure of the Audit Committee to convene and preside over a general meeting, and shareholders severally or jointly holding 10% or more of the Company's shares for more than 90 consecutive days shall be entitled to convene and preside over the meeting on a unilateral basis. Shareholder(s) severally or jointly holding more than 1% of the total number of the Company's shares shall have the right to propose an extempore motion 10 days prior to the general meeting by submitting the same to the convener in writing. The convener shall issue a supplemental notice of general meeting within 2 days after receiving the proposed motion to announce the contents of the extempore motion.

The ordinary shareholders of the Company shall have the right to obtain relevant information and documents of the Company in accordance with the provisions of the Articles of Association of the Company, including the right to obtain a copy of the Articles of Association of the Company subject to payment of relevant costs, and the right to inspect and copy, subject to payment of a reasonable fee, the Company's register of members, minutes of general meetings, and financial reports of the Company.

The Articles of Association of the Company set forth all the rights of shareholders of the Company, including those rights which have been mentioned above. The Company has taken necessary steps to strictly comply with all provisions of the relevant laws, regulations and the Listing Rules to fully protect the rights of the shareholders.

The Company sets out the following contact details for the shareholders to communicate with the Company:

Joint company secretary/Secretary to the Board: Mr. QU Shaoyong (Tel.: 86-411-87599899)
(Fax: 86-411-87599854)

Company website: www.liaoganggf.cn
Company e-mail: liaoganggf-ir@cmhk.com

Dividend Policy

The Company attaches importance to the investment returns of the investors, and thus the profit distribution policy is maintained at a certain degree of continuity and stability. Provided that the Company's profit and cash flows are sufficient to meet its normal operations and long-term development, the profit distribution for each financial year shall not be less than 40% of the Company's distributable profit of the year, and the profit distribution in form of cash accumulated over the recent three years shall not be less than 30% of the average annual distributable profit achieved over the recent three years.

The Company's distributable profit of the year is calculated based on the net profit of the parent company of the year. The Company's distributed profit and declared profit distribution over the recent three years were all not less than 40% of the distributable profit of the year. The pay-out ratios from 2023 to 2025 were 40.07%, 40.92% and 50.08%, respectively.

L. Investor Relations

1. Amendments to the Articles of Association

During the reporting period, the Company held its 2024 annual general meeting on 26 June 2025 to consider and approve the amendments of the Articles of Association. Please refer to the announcement of the Company dated 29 April 2025 and the circular dated 5 June 2025 for details of the amendments to the Articles of Association. The Company held its 2025 second extraordinary general meeting on 4 December 2025 to consider and approve the amendments to the Articles of Association. Please refer to the announcement of the Company dated 30 October 2025 and the circular dated 14 November 2025 for details of the amendments to the Articles of Association.

Save as aforesaid, during the year ended 31 December 2025, there were no other changes to the Articles of Association of the Company. The Articles of Association are available on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company's website.

2. Convening of General Meetings

During the reporting period, four general meetings were convened by the Company in total. The 2025 first extraordinary general meeting was held on 14 February 2025, the 2024 annual general meeting was held on 26 June 2025, the 2025 second extraordinary general meeting was held on 4 December 2025, and the 2025 third extraordinary general meeting was held on 23 December 2025.

For details of the proposals considered and the resolutions passed at the aforesaid meetings, please refer to the relevant announcements published on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company.

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Profiles of Directors and Senior Management

The profiles of the directors and senior management of the Company as at the date of this report are as follows:

Directors

Dr. Li Guofeng (李國鋒博士), born in 1974, a Chinese national, was the general manager of the research and development department, the general manager of the overseas business department, the general manager of the investment and development department and a deputy chief economist of China Merchants Holdings (International) Company Limited, a deputy director of the overseas business department and the director of the overseas department/international cooperation department of China Merchants Group Limited, the deputy secretary of the Party Committee of Liaoning Port Group, a non-executive director of the Company, the chairman of Dalian Port Logistics Network Co., Ltd., and the chairman of China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd. He is currently the secretary of the Party Committee, the chief executive officer and a director of Liaoning Port Group Co., Ltd., the chairman of Dalian Port Corporation Limited, the chairman of Yingkou Port Group Co., Ltd., and the chairman and executive director of the Company. Dr. Li holds a bachelor's degree in Economics, a master's degree in Transportation Economics and a doctorate degree in World Economics from Nankai University.

Mr. Wei Minghui (魏明暉先生), born in 1969, a Chinese national, was the general manager of Dalian Port (PDA) Company Limited and the general manager of Dalian Port (PDA) Company Limited's Automotive Logistics Division, the general manager and branch secretary of the Party Committee of Dalian Automobile Terminal Co., Ltd., the general manager of Ro-ro Business Division of Liaoning Port Group and the chairman of the Company. He is currently a director of Dalian Port Corporation Limited, a director of Yingkou Port Group Co., Ltd., and an executive director and the general manager of the Company. Mr. Wei obtained a bachelor's degree of engineering in transportation management engineering from Wuhan Jiaotong University of Science and Technology (武漢交通科技大學) and a master's degree of engineering in transportation planning and management from Dalian Maritime University.

Mr. Huang Zhenzhou (黃鎮洲), born in 1978, a Chinese national, held various positions including the chief financial officer of Zhanjiang Port (Group) Co., Ltd. (湛江港(集團)股份有限公司), the assistant director of capital operation department of China Merchants Group Co., Ltd. (招商局集團有限公司), the chief financial officer and a member of the Party Committee of Liaoning Port Group Limited (遼寧港口集團有限公司), the chief financial officer and a member of the Party Committee of China Merchants Industry Group Co., Ltd. (招商局工業集團有限公司). He currently serves as a member of the Party Committee and the chief financial officer of China Merchants Port Group Co., Ltd. (招商局港口集團股份有限公司), and a member of the Party Committee and the chief financial officer of China Merchants Port Holdings Co., Ltd. (招商局港口控股有限公司), and a non-executive director of the Company. Mr. Huang obtained a bachelor's degree in management from Xiamen University and a master's degree in engineering from Wuhan University of Technology.

Profiles of Directors and Senior Management

Mr. LIU Bin (劉彬先生), born in 1969, a Chinese national, held various positions including the deputy chief economist, the general manager of the administration department, the general manager of the human resources department, and the general manager of the supervision department of China Merchants Holdings (International) Company Limited; the deputy chief economist, the general manager of the human resources department, and the general manager of the supervision department of China Merchants Port Holdings Co., Ltd.; the chief executive officer (CEO) and the general manager of China Merchants Port (South China) Management Center; the chairman and the general manager of Shenzhen Chiwan Port Development Company Limited* (深圳赤灣港口發展有限公司); and a deputy general manager and a member of the party committee of China Merchants Port Group Co., Ltd. He currently serves as the deputy party secretary, a member of the Party Committee, the general manager, the chief operating officer (COO), and a director of Liaoning Port Group Limited, the chairman of Dalian Port Logistics Network Co., Ltd., the chairman of China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd., and a non-executive director of the Company. Mr. LIU obtained his Bachelor of Laws (LL. B.) in Economic Law from Zhongnan University of Economics and Law, and later completed his part-time Executive Master of Business Administration (EMBA) program at Dalian University of Technology, where he was awarded a Master of Business Administration degree.

Mr. Yang Bing (楊兵先生), born in 1970, a Chinese national, was a deputy director of the planning and development department of Pangang Group Co., Ltd. (攀鋼集團有限公司), a deputy director of Vanadium and Titanium industry office, the director of Panzhihua branch of Anshan Steel Asset Management Centre (鞍鋼資產經營中心), and a deputy general manager and a deputy director of the industrial development department of Pangang Group Co., Ltd. Mr. Yang is currently the general manager of the industrial development department of Pangang Group Co., Ltd. and a non-executive director of the Company. Mr. Yang obtained his bachelor's degree of engineering in metal pressure processing from the metallurgical department of East China Metallurgical Institute.

Ms. Zhang Hong (張弘女士), born in 1981, a Chinese national, held various positions, including a legal director of Dalian Port Corporation Limited (大連港集團有限公司), a legal director of the Dalian Port (PDA) Company Limited, a legal manager and a deputy head of the enterprise development department of Dalian Port Corporation Limited (大連港集團有限公司), a deputy head of the legal department of Liaoning Port Group Limited, and an employee supervisor of Liaoning Port Co., Ltd. Ms. Zhang currently serves as the head of the risk management department/legal compliance department and an employee representative director of the Company. Ms. Zhang obtained a bachelor's degree in law from Beijing Technology and Business University and a master's degree in transportation planning and management from Dalian Maritime University, and possesses the qualifications as a corporate lawyer, corporate legal consultant and senior enterprise compliance officer. She is a senior economist.

Dr. Liu Chunyan (劉春彥博士), born in 1967, a Chinese national, is an assistant professor of the faculty of law and an instructor of master's degree candidates of civil and commercial law at Tongji University and a certified lawyer in Beijing Jincheng Tongda & Neal Law Firm in Shanghai. He is an independent non-executive director of the Company. From April 2021 to April 2024, Dr. Liu served as an independent director of Conch (Anhui) Energy Saving and Environment Protection New Material Co., Ltd. (海螺(安徽)節能環保新材料股份有限公司) (whose shares are listed on the Shenzhen Stock Exchange, stock code: 000619). Since January 2022, he has been serving as an independent director of Hangzhou Fortune Gas Cryogenic Group Co., Ltd. (杭州福斯達深冷裝備股份有限公司) (whose shares are listed on the Shanghai Stock Exchange, stock code: 603173), and since December 2022, he has been serving as an independent non-executive director of Chuangyuan Futures Co., Ltd. (創元期貨股份有限公司) (whose shares are listed on the NEEQ, stock code: 832280). Dr. Liu obtained a bachelor's degree in law from Liaoning Normal University, a master's degree in law from Shanghai Jiao Tong University and a doctorate in management from Tongji University.

Ms. Cheng Chaoying (程超英女士), born in 1958, a Chinese national, was a vice president of China Construction Bank Jilin Branch, a deputy secretary of the Party Committee and vice president of China Construction Bank Dalian Branch. Ms. Cheng is currently an independent non-executive director of the Company. Ms. Cheng obtained a bachelor's degree in infrastructure finance and credit from Dongbei University of Finance & Economics.

Mr. Chan Wai Hei (陳維曦先生), born in 1957, a Chinese (Hong Kong) national, was a partner of Messrs. Li, Tang, Chen & Co., Certified Public Accountants (Practicing), and currently serves as a senior consultant of Roger K. C. Tou & Co. and he is a senior chartered accountant. He is an independent non-executive director of the Company. Mr. Chan graduated from Hong Kong Shue Yan College majoring in accounting. Mr. Chan has been serving as an independent non-executive director of Shandong Hi-Speed Holdings Group Limited (山高控股集團有限公司) (whose shares are listed on the Stock Exchange, stock code: 412) since May 2020.

Senior Management

Mr. Wei Minghui (魏明暉先生) is currently the general manager of the Company. For biographic details of Mr. Wei, please refer to the section headed "Profiles of Directors and Senior Management – Directors".

Mr. Guan Lihui (關利輝先生), born in 1971, a Chinese national, served as a deputy general manager of Yingkou Port Liability Co., Ltd. (營口港務股份有限公司) and a deputy general manager of the bulk and general cargo business department of Liaoning Port Group Limited (遼寧港口集團有限公司). Mr. Guan is currently the chief safety officer and a deputy general manager of the Company. Mr. Guan obtained a bachelor's degree in transportation management engineering from Wuhan Jiaotong University of Science and Technology and a master's degree in business administration from Dalian University of Technology.

Mr. Meng Tiexiang (孟鐵湘先生), born in 1975, a Chinese national. He commenced his career in 1997, and held various positions, including general manager of the market operations department, general manager assistant and deputy general manager of Sinotrans Liaoning Company Limited, and deputy party secretary and deputy general manager of Sinotrans Northeast Co., Ltd. Mr. Meng is currently the deputy general manager of the Company. Mr. Meng holds a bachelor of engineering degree in foreign trade and transportation from Dalian Maritime University. He is a certified economist and assistant international business professional.

Mr. Wang Jinsong (王勁松先生), born in 1969, a Chinese national, held various positions, including a deputy director of the finance department of Dalian Port Corporation Limited, the vice president of Northeast Asia Spot Commodity Exchange Limited, the chief financial officer of Dalian Port Container Development Co., Ltd., the chief financial officer of Dalian Port North Shore Investment and Development Co., Ltd., a director of the finance department of Dalian Port (PDA) Company Limited, and a deputy director of the finance department of Liaoning Port Co., Ltd. He currently serves as the Company's chief financial officer and head of the finance department. Mr. Wang holds a bachelor's degree in business administration from the China Central Radio and TV University. He is a certified public accountant.

Mr. Qu Shaoyong (曲紹勇先生), born in 1973, is a Chinese national, held various positions, including a capital operations manager of Dalian Port (PDA) Company Limited, a capital operations manager of Dalian Port Real Estate Co., Ltd., a deputy director of the listing office of Dalian Port Corporation Limited, a deputy chief of the capital operations department of Dalian Port Corporation Limited, a deputy chief of the capital operations department of Liaoning Port Group Limited, a deputy director of the capital operations department of China Merchants Port Group Co., Ltd. (on secondment), and a head of the capital operations department of Liaoning Port Group Limited. He is currently the secretary to the Board, the joint company secretary and the director of the Board office of the Company. Mr. Qu holds a bachelor's degree in investment economics and management and a bachelor's degree in economics from Dongbei University of Finance & Economics, as well as a postgraduate qualification and a master's degree in business administration from Dongbei University of Finance & Economics.

Mr. Leung Chi Kit (梁志傑先生), born in 1981, is a Chinese national. He is currently a manager of the Corporate Secretarial Services Department of TMF Hong Kong Limited, with over 12 years of experience in the corporate secretarial profession. Mr. Leung is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, and is currently the company secretary or joint company secretary of a number of listed companies, including Datang Environment Industry Group Co., Ltd. (whose shares are listed on the Stock Exchange, stock code: 1272) and YCIH Green High-Performance Concrete Company Limited (whose shares are listed on the Stock Exchange, stock code: 1847). Mr. Leung obtained a bachelor's degree in accounting and marketing from the University of Northampton in September 2004.

Auditor's Report

XYZH/2026BJAA2B0057

信永中和會計師事務所

ShineWing
certified public accountants

北京市東城區朝陽門北大街
8號富華大廈A座9層

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To all shareholders of Liaoning Port Co., Ltd.,

I. Audit opinion

We have audited the financial statements of Liaoning Port Co., Ltd. (hereinafter referred to as "Liaoning Port Company"), which comprise the consolidated and the parent company's statement of financial position as at 31 December 2025, the consolidated and the parent company's income statement, the consolidated and the parent company's cash flow statement and the consolidated and the parent company's statement of changes in shareholders' equity for the year 2025, and the notes to the financial statements.

In our opinion, the accompanying financial statements were prepared in accordance with Accounting Standards for Business Enterprises in all material respects, and presented fairly the consolidated and the parent company's financial position of Liaoning Port Company as of 31 December 2025, and the consolidated and the parent company's results of operations and cash flows for the year 2025.

II. Basis for opinion

We conducted our audit in accordance with China Standards on Auditing for Chinese Certified Public Accountants. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. In accordance with the independence requirements for the audit of financial statements of public-interest entities set out in the Chinese Standards on Independence for Certified Public Accountants and the Code of Ethics for Chinese Certified Public Accountants, we are independent of Liaoning Port Co., Ltd. and have fulfilled our other ethical and independence responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Key audit matters

Key audit matters are those matters that, in our professional judgment, are considered to be most significant to the audit of the financial statements for the year. These matters are addressed in the context of the audit of the financial statements as a whole and the formation of an audit opinion, and we do not express an opinion on these matters individually.

III. Key audit matters (continued)

Key audit matters	Audit response
1. Provision for bad debts on receivables	
At 31 December 2025, the book balance of accounts receivable in the consolidated financial statements was RMB2,572,500,692.84 and the balance of provision for bad debts was RMB267,005,986.79. The Group's balance of receivables is material and the assessment of provision for bad debts involves complex and significant management judgments and estimates. Accordingly, we identified the provision for bad debts on receivables as a key audit matter for this year's audit. Refer to "Note V.1 Critical judgments and key assumptions and uncertainties in accounting estimates", "Note IX.3 Accounts Receivable" and "Note IX.6 Other Receivables" on the financial statements for disclosure of receivables and provision for bad debts.	The audit procedures we performed were as follows: • Understood and tested internal controls related to the accrual of provision for bad debts on receivables; • Assessed the basis for management's evaluation of the credit ratings of counterparties for receivables; examined a sample of supporting records, such as contracts, bookkeeping vouchers and invoices, to check for the accuracy of the aging in the breakdown of receivables; and evaluated the basis for the calculation of the expected credit losses, including the process of calculating management's estimation of the expected credit losses by taking into account the historical loss rate and forward-looking factors; • For goods on which the Group has a lien, the Group inspected the lien goods on site and assessed their value, obtained legal opinions issued by the Group's external legal advisers and responses to inquiry letters from attorneys, and evaluated the management's estimates of the probability of occurrence of various future recovery scenarios of the related accounts receivable, the amount and the discount rate, and the process of calculating the expected credit losses of the related accounts receivable; • Reviewed the relevant disclosures on receivables and provision for bad debts in the financial report.

III. Key audit matters (continued)

Key audit matters	Audit response
2. Impairment of long-term equity investments	
At 31 December 2025, the book balance of long-term equity investments in the consolidated financial statements was RMB2,819,477,228.22 and the impairment provision was RMB39,820,413.60. Management assessed whether there were any indicators of impairment of the long-term equity investments, and for those that were identified as having indicators of impairment, management performed an impairment test by calculating the recoverable amount of the long-term equity investments. The estimation of the recoverable amount of the long-term equity investments involves the assessment of the fair value of the long-term equity investments and the present value of the projected future cash flows from the long-term equity investments. As significant judgments and assumptions are required to be made by the management in the valuation and projections, in particular, the selection of valuation methodology and related parameters, the future business volume of the investee unit, the gross profit margins and the discount rate. Accordingly, we identified the impairment of long-term equity investments as a key audit matter for this year's audit. For disclosures on long-term equity investments, please refer to "Note V.1 Critical judgments and key assumptions and uncertainties in accounting estimates", and "Note IX.10 Long-term equity investments".	The audit procedures we performed were as follows: • Analyzed and assessed management's judgments on the impairment indicators of long-term equity investments, evaluated the significant assumptions made and key parameters used by management in determining the recoverable amount of long-term equity investments, in particular, the key data and assumptions such as future business volume of the investees, gross profit margins, discount rates, etc., as well as the fair value valuation methodology and key valuation parameters adopted by management in the impairment test; • Evaluated management's impairment testing methodology, models and key parameters with the assistance of internal valuation specialists; reviewed the disclosure of long-term equity investments and impairment of long-term equity investments in the financial report.

IV. Other information

The management of Liaoning Port Company (hereinafter referred to as the "Management") is responsible for the other information. Other information includes the information covered in the 2025 annual report of Liaoning Port Company, but excludes the financial statements and our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of the management and those charged with governance for the financial statements

The management of Liaoning Port Company is responsible for the preparation of the financial statements in accordance with the provisions of the Accounting Standards for Business Enterprises to achieve a fair presentation, and designing, implementing and maintaining the necessary internal controls so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Liaoning Port Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate Liaoning Port Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Liaoning Port Company's financial reporting process.

VI. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion. Although reasonable assurance is a high level of assurance, it is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users of the financial statements make on the basis of the financial statements.

VI. Auditor's responsibilities for the audit of the financial statements (continued)

During the course of the audit in accordance with auditing standards, we exercise professional judgement and maintain professional skepticism. We also carry out the following works:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for expressing audit opinions. The risk of failing to detect a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or overriding internal controls.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(4) Draw conclusions on the appropriateness of the Management's use of the going concern assumption. Meanwhile, based on the audit evidence obtained, conclusion is drawn on whether a material uncertainty exists related to events or conditions that may cast significant doubt on Liaoning Port Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements in accordance with the auditing standards or, if such disclosures are inadequate, we shall modify our opinion. Our conclusions are based on information available as of the date of our auditor's report. However, future events or conditions may cause Liaoning Port Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and also whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Liaoning Port Company to express an opinion on the financial statements. We are responsible for directing, supervising and performing the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

VI. Auditor's responsibilities for the audit of the financial statements (continued)

We also provide those charged with governance with a statement that we have complied with those relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and related safeguards, where applicable.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation prohibited public disclosure about the matter or when, in rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

ShineWing Certified Public Accountants (LLP)

Chinese Certified Public Accountant:
(Engagement partner)
Dong Qinchuan

Beijing, the PRC
26 March 2026

Chinese Certified Public Accountant:
Wang Dong

Consolidated Balance Sheet

31 December 2025
Unit: RMB

Item	Note	Closing balance	Opening balance
Current assets			
Cash at bank and on hand	IX. 1	**6,697,778,173.07**	5,280,231,133.78
Including: Deposits with financial institutions		**2,229,158,424.07**	1,367,696,045.64
Financial assets held for trading		**550,000.00**	550,000.00
Notes receivable	IX. 2	**106,741,837.35**	91,552,251.26
Accounts receivable	IX. 3	**1,736,088,846.94**	3,006,265,639.15
Receivables financing	IX. 4	**266,352,784.71**	290,981,075.87
Advances to suppliers	IX. 5	**49,781,221.23**	61,769,964.36
Other receivables	IX. 6	**569,405,859.11**	437,014,468.58
Including: Interest receivable		**–**	–
Dividends receivable		**73,673,143.73**	96,297,124.26
Inventories	IX. 7	**125,193,096.22**	125,278,939.94
Including: Raw materials		**83,477,780.04**	83,640,693.64
Goods in stock (finished goods)		**8,024,070.12**	10,071,281.92
Non-current assets due within one year		**–**	–
Other current assets	IX. 8	**254,040,545.83**	382,779,997.66
Total current assets		**9,805,932,364.46**	9,676,423,470.60
Non-current assets			
Long-term receivables	IX. 9	**22,247,492.53**	–
Long-term equity investments	IX. 10	**2,779,656,814.62**	2,974,525,564.57
Investments in other equity instruments	IX. 11	**192,600,251.97**	217,510,342.27
Investment properties	IX. 12	**144,623,084.13**	173,987,548.13
Fixed assets	IX. 13	**30,519,177,867.40**	32,252,006,896.01
Including: Original value of fixed assets		**60,119,750,246.75**	60,212,503,047.20
Accumulated depreciation		**29,501,392,722.01**	27,857,365,614.89
Provision for impairment of fixed assets		**118,113,389.12**	113,190,254.28
Construction in progress	IX. 14	**3,022,927,108.38**	2,703,392,158.23
Right-of-use assets	IX. 15	**4,125,596,861.84**	4,547,311,638.32
Intangible assets	IX. 16	**5,993,512,090.30**	6,153,470,438.19
Development expenditure	IX. 17	**–**	–
Goodwill	IX. 18	**221,531,102.82**	225,929,504.67
Long-term prepaid expenses	IX. 19	**75,030,589.86**	115,984,874.35
Deferred tax assets	IX. 20	**257,766,832.03**	306,978,586.95
Other non-current assets	IX. 21	**413,076,931.35**	439,410,532.80
Total non-current assets		**47,767,747,027.23**	50,110,508,084.49
Total assets		**57,573,679,391.69**	59,786,931,555.09

Notes form an integral part of the financial statements

Consolidated Balance Sheet (continued)

31 December 2025
Unit: RMB

Item	Note	Closing balance	Opening balance
Current liabilities			
Short-term borrowings	IX. 24	–	55,328,483.98
Accounts payable	IX. 25	307,473,195.97	396,352,402.61
Advances from customers	IX. 26	5,038,053.94	5,343,315.63
Contract liabilities	IX. 27	288,899,318.44	285,023,142.74
Employee benefits payable	IX. 28	433,118,582.43	390,564,320.24
Including: Salaries payable		391,362,910.80	341,415,311.52
Taxes and dues payable	IX. 29	172,445,529.26	116,664,170.88
Including: Taxes payable		172,098,500.60	115,518,692.74
Other payables	IX. 30	1,140,426,518.39	1,215,694,666.42
Including: Interest payable		228,879,916.55	270,456,396.55
Dividends payable		228,879,052.06	187,293,731.99
Non-current liabilities due within one year	IX. 31	308,320,220.29	2,896,948,015.01
Other current liabilities	IX. 32	74,052,556.88	15,479,173.86
Total current liabilities		2,729,773,975.60	5,377,397,691.37
Non-current liabilities			
Long-term borrowings	IX. 33	4,385,366,400.00	4,171,233,200.00
Bonds payable	IX. 34	999,133,182.99	998,550,456.06
Lease liabilities	IX. 35	4,500,065,629.19	4,845,764,366.97
Long-term payables	IX. 36	17,500,000.00	17,500,000.00
Provisions	IX. 37	139,658,538.56	152,078,538.56
Deferred income	IX. 38	543,665,023.73	505,050,028.68
Deferred tax liabilities	IX. 20	226,901,646.47	259,522,947.24
Other non-current liabilities	IX. 39	–	56,737,436.20
Total non-current liabilities		10,812,290,420.94	11,006,436,973.71
Total liabilities		13,542,064,396.54	16,383,834,665.08

Notes form an integral part of the financial statements

Consolidated Balance Sheet (continued)

31 December 2025
Unit: RMB

Item	Note	Closing balance	Opening balance
Shareholders' equity			
Share capital	IX. 40	**23,571,767,213.00**	23,905,474,669.00
Capital reserve	IX. 41	**8,761,789,345.87**	8,983,163,532.35
Less: Treasury stock	IX. 42	**–**	400,130,664.88
Other comprehensive income	IX. 43	**104,569,788.15**	123,007,660.04
Including: Exchange differences on translation of foreign currency financial statements		**59,616,582.49**	59,853,181.64
Specific reserve	IX. 44	**155,652,172.78**	180,458,609.68
Surplus reserve	IX. 45	**1,874,718,484.87**	1,725,136,784.15
Including: Statutory surplus reserve		**1,874,098,016.38**	1,724,163,249.78
Undistributed profits	IX. 46	**5,874,390,493.14**	5,280,547,190.84
Total equity attributable to shareholders of the parent company		**40,342,887,497.81**	39,797,657,781.18
Minority interests		**3,688,727,497.34**	3,605,439,108.83
Total shareholders' equity		**44,031,614,995.15**	43,403,096,890.01
Total liabilities and shareholders' equity		**57,573,679,391.69**	59,786,931,555.09

Notes form an integral part of the financial statements

These financial statements are signed by the following persons:

Legal representative:	Principal in charge of accounting:	Head of the accounting department:
Li Guofeng	Wang Jinsong	Wang Jinsong

Balance Sheet of the Parent Company

31 December 2025
Unit: RMB

Item	Note	Closing balance	Opening balance
Current assets			
Cash at bank and on hand		**3,795,376,099.30**	2,428,471,502.53
Including: Deposits with financial institutions		**515,697,732.12**	426,845,753.26
Notes receivable		**–**	34,953,098.37
Accounts receivable	XVIII. 1	**1,243,803,861.19**	3,199,599,642.70
Receivables financing		**29,777,752.06**	–
Advances to suppliers		**9,164,739.60**	8,766,573.11
Other receivables	XVIII. 2	**2,539,399,502.12**	2,298,185,893.37
Including: Interest receivable		**203,695.46**	5,053,433.31
Dividends receivable		**1,839,219,420.54**	2,240,817,539.75
Inventories		**33,049,315.09**	34,993,994.68
Including: Raw materials		**26,008,559.94**	27,061,424.05
Non-current assets due within one year		**3,002,220,581.26**	3,369,332,944.64
Other current assets		**99,602,077.83**	83,998,655.29
Total current assets		**10,752,393,928.45**	11,458,302,304.69
Non-current assets			
Long-term receivables	XVIII. 3	**1,023,064,067.52**	1,000,816,574.99
Long-term equity investments	XVIII. 4	**22,982,708,433.36**	22,521,985,775.62
Investments in other equity instruments		**7,549,606.70**	8,244,177.31
Investment properties		**5,416,096.50**	5,632,906.62
Fixed assets		**7,342,978,452.19**	8,457,474,963.35
Including: Original value of fixed assets		**16,989,811,114.56**	18,083,234,153.86
Accumulated depreciation		**9,662,801,264.05**	9,634,146,361.79
Construction in progress		**1,593,582,762.65**	1,311,933,504.47
Right-of-use assets		**998,086,039.00**	2,262,611,379.02
Intangible assets		**478,418,109.68**	480,915,443.76
Long-term prepaid expenses		**37,866,605.13**	44,664,421.70
Deferred tax assets		**123,347,309.00**	233,112,615.21
Other non-current assets		**1,860,000.00**	12,174,000.00
Total non-current assets		**34,594,877,481.73**	36,339,565,762.05
Total assets		**45,347,271,410.18**	47,797,868,066.74

Notes form an integral part of the financial statements

Balance Sheet of the Parent Company (continued)

31 December 2025
Unit: RMB

Item	Note	Closing balance	Opening balance
Current liabilities			
Short-term borrowings		–	–
Accounts payable		14,491,572.59	18,305,049.59
Advances from customers		235,752.50	131,679.61
Contract liabilities		20,065,157.72	37,041,613.30
Employee benefits payable		138,040,452.04	149,799,947.79
Including: Salaries payable		137,726,641.33	149,004,513.89
Taxes and dues payable		7,822,475.75	10,053,994.09
Including: Taxes payable		7,822,353.67	9,434,396.24
Other payables		1,543,304,956.89	1,302,765,738.78
Including: Dividends payable		–	–
Non-current liabilities due within one year		49,526,898.16	2,099,349,211.14
Other current liabilities		57,732,619.69	2,074,001.70
Total current liabilities		1,831,219,885.34	3,619,521,236.00
Non-current liabilities			
Bonds payable		999,133,182.99	998,550,456.06
Lease liabilities		1,115,815,768.43	2,505,643,044.25
Long-term payables		–	–
Deferred income		472,853,451.88	454,660,099.09
Other non-current liabilities		–	56,737,436.20
Total non-current liabilities		2,587,802,403.30	4,015,591,035.60
Total liabilities		4,419,022,288.64	7,635,112,271.60
Shareholders' equity			
Share capital		23,571,767,213.00	23,905,474,669.00
Capital reserve		9,609,176,478.73	9,820,751,004.96
Less: Treasury stock		–	400,130,664.88
Other comprehensive income		4,237,161.93	4,758,089.87
Specific reserve		20,539,553.39	41,825,752.51
Surplus reserve		1,628,828,457.95	1,479,246,757.23
Including: Statutory surplus reserve		1,628,828,457.95	1,479,246,757.23
Undistributed profits		6,093,700,256.54	5,310,830,186.45
Total shareholders' equity		40,928,249,121.54	40,162,755,795.14
Total liabilities and shareholders' equity		45,347,271,410.18	47,797,868,066.74

Notes form an integral part of the financial statements

Consolidated Income Statement

For the year ended 31 December 2025
Unit: RMB

Item		Note	FY2025	FY2024
I.	**Total revenue**		**11,358,910,887.75**	11,066,690,041.36
	Including: Revenue	IX. 47	**11,358,910,887.75**	11,066,690,041.36
II.	**Total cost of sales**		**9,416,939,497.09**	10,045,141,319.35
	Including: Cost of sales	IX. 47	**8,108,483,620.31**	8,687,395,940.62
	Taxes and surcharges	IX. 48	**140,259,916.21**	128,772,218.26
	Selling expenses		**1,261,574.34**	2,231,955.85
	Administrative expenses	IX. 49	**755,284,014.35**	823,649,555.41
	Research and development expenses	IX. 50	**24,691,685.51**	20,226,217.47
	Financial expenses	IX. 51	**386,958,686.37**	382,865,431.74
	Including: Interest expenses		**439,550,618.16**	447,276,518.35
	Interest income		**52,739,035.90**	65,464,982.71
	Net exchange loss (net gain represented by "-")		**-326,048.23**	342,047.73
	Add: Other income	IX. 52	**201,030,893.92**	198,370,004.17
	Investment income (loss represented by "-")	IX. 53	**-29,128,659.32**	205,177,374.76
	Including: Investment income from associates and joint ventures		**-47,008,188.12**	-31,283,955.86
	Credit impairment loss (loss represented by "-")	IX. 54	**77,920,475.60**	427,913,987.08
	Asset impairment loss (loss represented by "-")	IX. 55	**-23,062,363.92**	-68,603,564.35
	Gains on disposals of assets (loss represented by "-")	IX. 56	**2,833,127.78**	16,310,464.53
III.	**Operating profit (loss represented by "-")**		**2,171,564,864.72**	1,800,716,988.20
	Add: Non-operating income	IX. 57	**12,672,679.02**	9,984,990.02
	Less: Non-operating expenses	IX. 58	**11,110,980.23**	15,670,928.72
IV.	**Total profit (total loss represented by "-")**		**2,173,126,563.51**	1,795,031,049.50
	Less: Income tax expenses	IX. 59	**570,341,007.69**	443,006,365.31
V.	**Net profit (net loss represented by "-")**		**1,602,785,555.82**	1,352,024,684.19
	Including: Net profit of the combined party before combination in a business combination under common control		**–**	–
	(I) Classified by ownership of the equity			
	1. Net profit attributable to shareholders of the parent company (net loss represented by "-")		**1,306,790,239.41**	1,143,973,474.80
	2. Gains or losses of minority interests (net loss represented by "-")		**295,995,316.41**	208,051,209.39
	(II) Classified by continuity of operations			
	1. Gains or losses from continuing operations (net loss represented by "-")		**1,602,785,555.82**	1,352,024,684.19
	2. Gains or losses from discontinued operations (net loss represented by "-")		**–**	–

Notes form an integral part of the financial statements

Consolidated Income Statement (continued)

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
VI. Other comprehensive income, net of tax	IX. 43	**-18,919,166.84**	36,503,782.61
Other comprehensive income, net of tax, attributable to shareholders of the parent company		**-18,437,871.89**	36,459,084.64
(I) Other comprehensive income that may not be reclassified to profit or loss		**-18,201,272.74**	34,592,133.94
1. Changes in fair value of investments in other equity instruments		**-18,201,272.74**	34,592,133.94
(II) Other comprehensive income that will be reclassified to profit or loss		**-236,599.15**	1,866,950.70
1. Exchange differences on translation of foreign currency financial statements		**-236,599.15**	1,866,950.70
Other comprehensive income, net of tax, attributable to minority interests		**-481,294.95**	44,697.97
VII. Total comprehensive income		**1,583,866,388.98**	1,388,528,466.80
Total comprehensive income attributable to shareholders of the parent company		**1,288,352,367.52**	1,180,432,559.44
Total comprehensive income attributable to minority interests		**295,514,021.46**	208,095,907.36
VIII. Earnings per share			
Basic earnings per share	IX. 61	**0.05**	0.05
Diluted earnings per share	IX. 61	**0.05**	0.05

Notes form an integral part of the financial statements

Income Statement of the Parent Company

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
I. Revenue	XVIII. 5	**2,386,981,579.68**	2,621,422,648.12
Less: Cost of sales	XVIII. 5	**1,812,896,106.68**	2,385,118,526.63
Taxes and surcharges		**35,703,239.43**	33,266,041.02
Selling expenses		**1,261,574.34**	2,231,955.85
Administrative expenses		**312,907,178.62**	384,120,312.48
Research and development expenses		**4,245.28**	7,056.60
Financial expenses		**107,102,987.95**	229,748,975.00
Including: Interest expenses		**138,475,885.41**	260,055,615.20
Interest income		**31,938,901.82**	31,162,544.86
Net exchange loss (net gain represented by "-")		**330,907.70**	454,630.74
Add: Other income		**33,445,466.41**	39,648,573.52
Investment income (loss represented by "-")	XVIII. 6	**1,225,087,947.47**	1,288,880,162.65
Including: Investment income from associates and joint ventures		**89,670,484.01**	-7,408,110.68
Credit impairment loss (loss represented by "-")		**69,295,197.70**	429,084,865.50
Asset impairment loss (loss represented by "-")		**-2,400,000.00**	-69,856,222.47
Gains on disposals of assets (loss represented by "-")		**177,533,547.73**	14,133,651.62
II. Operating profit (loss represented by "-")		**1,620,068,406.69**	1,288,820,811.36
Add: Non-operating income		**4,409,942.85**	1,211,013.06
Less: Non-operating expenses		**903,693.77**	1,175,886.14
III. Total profit (total loss represented by "-")		**1,623,574,655.77**	1,288,855,938.28
Less: Income tax expenses		**127,757,648.57**	35,003,323.88
IV. Net profit (net loss represented by "-")		**1,495,817,007.20**	1,253,852,614.40
Gains or losses from continuing operations (net loss represented by "-")		**1,495,817,007.20**	1,253,852,614.40
Net profit from discontinued operations (net loss represented by "-")		**–**	–
V. Other comprehensive income, net of tax		**-520,927.94**	-2,166,618.46
(I) Other comprehensive income that may not be reclassified to profit or loss		**-520,927.94**	-2,166,618.46
1. Changes in fair value of investments in other equity instruments		**-520,927.94**	-2,166,618.46
(II) Other comprehensive income that will be reclassified to profit or loss		**–**	–
VI. Total comprehensive income		**1,495,296,079.26**	1,251,685,995.94

Notes form an integral part of the financial statements

Consolidated Cash Flow Statement

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
I. Cash flows from operating activities			
Cash received from sales of goods or rendering of services		**13,093,286,765.42**	12,318,148,047.60
Return of taxes and dues		**1,001,984.72**	4,673,708.24
Other cash received relating to operating activities	IX. 62	**436,438,671.41**	427,903,335.17
Sub-total of cash inflows		**13,530,727,421.55**	12,750,725,091.01
Cash paid for goods and services		**3,921,270,712.73**	4,369,072,255.14
Cash paid to and on behalf of employees		**2,636,968,839.45**	2,726,191,530.59
Taxes and dues paid		**818,868,928.55**	810,518,816.73
Other cash paid relating to operating activities	IX. 62	**475,546,056.10**	557,594,142.79
Sub-total of cash outflows		**7,852,654,536.83**	8,463,376,745.25
Net cash flows from operating activities	IX. 62	**5,678,072,884.72**	4,287,348,345.76
II. Cash flows from investing activities			
Cash received from disposal of investments		**–**	46,850,925.98
Cash received from returns on investments		**180,437,369.59**	212,311,173.91
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		**6,534,617.88**	62,573,916.79
Other cash received relating to investing activities	IX. 62	**–**	108,841,540.35
Sub-total of cash inflows		**186,971,987.47**	430,577,557.03
Cash paid for the acquisition of fixed assets, intangible assets, and other long-term assets		**490,464,053.47**	637,887,454.81
Cash paid for investment		**2,400,000.00**	550,000.00
Other cash paid relating to investing activities	IX. 62	**60,085,968.54**	13,522,003.11
Sub-total of cash outflows		**552,950,022.01**	651,959,457.92
Net cash flows from investing activities		**-365,978,034.54**	-221,381,900.89

Notes form an integral part of the financial statements

Consolidated Cash Flow Statement (continued)

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
III. Cash flows from financing activities:			
Cash received from absorption of equity investments		**30,490,000.00**	–
Cash received from borrowings		**930,000,000.00**	2,322,100,000.00
Sub-total of cash inflows		**960,490,000.00**	2,322,100,000.00
Cash repayments of borrowings		**3,318,853,400.00**	4,658,700,000.00
Cash paid for distribution of dividends or profits or for interest expenses		**1,030,183,857.94**	857,675,376.59
Other cash paid relating to financing activities	IX. 62	**515,157,642.35**	826,127,762.49
Sub-total of cash outflows		**4,864,194,900.29**	6,342,503,139.08
Net cash flows from financing activities		**-3,903,704,900.29**	-4,020,403,139.08
IV. Effect of exchange rate changes on cash and cash equivalents		**-765,504.55**	3,397,814.16
V. Net increase in cash and cash equivalents		**1,407,624,445.34**	48,961,119.95
Add: Opening balance of cash and cash equivalents		**5,248,560,887.43**	5,199,599,767.48
VI. Closing balance of cash and cash equivalents	IX. 63	**6,656,185,332.77**	5,248,560,887.43

Notes form an integral part of the financial statements

Cash Flow Statement of the Parent Company

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
I. Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		**4,498,116,304.41**	2,880,857,699.69
Return of taxes and dues		**–**	–
Other cash received relating to operating activities		**36,715,076.28**	35,527,294.42
Sub-total of cash inflows		**4,534,831,380.69**	2,916,384,994.11
Cash paid for goods and services		**734,001,784.08**	1,058,693,650.77
Cash paid to and on behalf of employees		**692,394,077.35**	959,226,253.92
Taxes and dues paid		**138,046,022.82**	161,590,208.23
Other cash paid relating to operating activities		**224,930,680.41**	129,854,960.13
Sub-total of cash outflows		**1,789,372,564.66**	2,309,365,073.05
Net cash flows from operating activities	XVIII. 7	**2,745,458,816.03**	607,019,921.06
II. Cash flows from investing activities:			
Cash received from disposal of investments		**76,155,000.00**	–
Cash received from returns on investments		**1,651,056,887.29**	1,991,714,468.41
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		**29,905,509.21**	49,936,568.11
Other cash received relating to investing activities		**367,097,916.66**	179,502,500.00
Sub-total of cash inflows		**2,124,215,313.16**	2,221,153,536.52
Cash paid for the acquisition of fixed assets, intangible assets, and other long-term assets		**193,882,296.19**	280,892,315.30
Cash paid for investment		**122,400,000.00**	49,296,700.00
Net cash paid for acquisition of subsidiaries and other business units		**–**	–
Other cash paid relating to investing activities		**533,459,410.00**	–
Sub-total of cash outflows		**849,741,706.19**	330,189,015.30
Net cash flows from investing activities		**1,274,473,606.97**	1,890,964,521.22

Notes form an integral part of the financial statements

Cash Flow Statement of the Parent Company (continued)

For the year ended 31 December 2025
Unit: RMB

Item	Note	FY2025	FY2024
III. Cash flows from financing activities:			
Cash received from borrowings		**86,800,000.00**	998,000,000.00
Other cash received relating to financing activities		**258,940,091.06**	1,047,641,816.74
Sub-total of cash inflows		**345,740,091.06**	2,045,641,816.74
Cash repayments of borrowings		**2,086,800,000.00**	3,040,000,000.00
Cash paid for distribution of dividends or profits or for interest expenses		**659,633,976.57**	589,476,082.43
Other cash paid relating to financing activities		**253,052,311.58**	681,234,700.57
Sub-total of cash outflows		**2,999,486,288.15**	4,310,710,783.00
Net cash flows from financing activities		**-2,653,746,197.09**	-2,265,068,966.26
IV. Effect of exchange rate changes on cash and cash equivalents		**–**	–
V. Net increase in cash and cash equivalents		**1,366,186,225.91**	232,915,476.02
Add: Opening balance of cash and cash equivalents		**2,428,471,502.53**	2,195,556,026.51
VI. Closing balance of cash and cash equivalents	XVIII. 7	**3,794,657,728.44**	2,428,471,502.53

Notes form an integral part of the financial statements

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2025
Unit: RMB

Item	FY2025										
	Equity attributable to shareholders of the parent company										
	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Including: Exchange differences on translation of foreign currency financial statements	Specific reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests	Total shareholders' equity
I. Closing balance of the prior year	23,905,474,669.00	8,983,163,532.35	400,130,664.88	123,007,660.04	59,853,181.64	180,458,609.68	1,725,136,784.15	5,280,547,190.84	39,797,657,781.18	3,605,439,108.83	43,403,096,890.01
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	23,905,474,669.00	8,983,163,532.35	400,130,664.88	123,007,660.04	59,853,181.64	180,458,609.68	1,725,136,784.15	5,280,547,190.84	39,797,657,781.18	3,605,439,108.83	43,403,096,890.01
III. Changes for the current year (decrease represented by "-")	-333,707,456.00	-221,374,186.48	-400,130,664.88	-18,437,871.89	-236,599.15	-24,806,436.90	149,581,700.72	593,843,302.30	545,229,716.63	83,288,388.51	628,518,105.14
(I) Total comprehensive income	-	-	-	-18,437,871.89	-236,599.15	-	-	1,306,790,239.41	1,288,352,367.52	295,514,021.46	1,583,866,388.98
(II) Capital contribution and withdrawal by shareholders	-333,707,456.00	-221,374,186.48	-400,130,664.88	-	-	-	-	-	-154,950,977.60	44,482,472.56	-110,468,505.04
1. Ordinary shares invested by shareholders	-	-	-	-	-	-	-	-	-	30,490,000.00	30,490,000.00
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	-	-	-	-	-	-	-	-	-	-	-
4. Others	-333,707,456.00	-221,374,186.48	-400,130,664.88	-	-	-	-	-	-154,950,977.60	13,992,472.56	-140,958,505.04
(III) Accrual and usage of specific reserve	-	-	-	-	-	-24,806,436.90	-	-	-24,806,436.90	-1,784,541.17	-26,590,978.07
1. Accrual of specific reserve	-	-	-	-	-	85,125,020.63	-	-	85,125,020.63	12,257,864.71	97,382,885.34
2. Usage of specific reserve	-	-	-	-	-	-109,931,457.53	-	-	-109,931,457.53	-14,042,405.88	-123,973,863.41

Notes form an integral part of the financial statements

Consolidated Statement of Changes in Shareholders' Equity (continued)

For the year ended 31 December 2025
Unit: RMB

Item	FY2025										
	Equity attributable to shareholders of the parent company										
	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Including: Exchange differences on translation of foreign currency financial statements	Specific reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests	Total shareholders' equity
(IV) Profit distribution	-	-	-	-	-	-	149,581,700.72	-712,946,937.11	-563,365,236.39	-254,923,564.34	-818,288,800.73
1. Appropriation to surplus reserve	-	-	-	-	-	-	149,581,700.72	-149,581,700.72	-	-	-
Including: Statutory surplus reserve	-	-	-	-	-	-	149,581,700.72	-149,581,700.72	-	-	-
Discretionary reserve	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-563,365,236.39	-563,365,236.39	-254,923,564.34	-818,288,800.73
4. Appropriation to employees' bonus and welfare fund	-	-	-	-	-	-	-	-	-	-	-
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-	-	-	-	-
3. Cover of losses	-	-	-	-	-	-	-	-	-	-	-
4. Settlement of changes in defined benefit plans carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current year	23,571,767,213.00	8,761,789,345.87	-	104,569,788.15	59,616,582.49	155,652,172.78	1,874,718,484.87	5,874,390,493.14	40,342,887,497.81	3,688,727,497.34	44,031,614,995.15

Notes form an integral part of the financial statements

Consolidated Statement of Changes in Shareholders' Equity (continued)

For the year ended 31 December 2025
Unit: RMB

Item	FY2024											
	Equity attributable to shareholders of the parent company											
						Including:						
	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Exchange differences on translation of foreign currency financial statements	Specific reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests	Total shareholders' equity
I. Closing balance of the prior year	23,987,065,816.00	9,012,945,301.26	-	86,548,575.40	57,986,230.94	180,604,889.52	1,599,751,522.71	4,734,941,958.54	39,601,858,063.43	3,127,332,577.27	42,729,190,640.70
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the current year	23,987,065,816.00	9,012,945,301.26	-	86,548,575.40	57,986,230.94	180,604,889.52	1,599,751,522.71	4,734,941,958.54	39,601,858,063.43	3,127,332,577.27	42,729,190,640.70
III. Changes for the current year (decrease represented by "-")	-81,591,147.00	-29,781,768.91	400,130,664.88	36,459,084.64	1,866,950.70	-146,279.84	125,385,261.44	545,605,232.90	195,799,717.75	478,106,831.56	673,906,249.31
(I) Total comprehensive income	-	-	-	36,459,084.64	1,866,950.70	-	-	1,143,973,474.80	1,180,432,559.44	208,095,907.36	1,388,528,466.80
(II) Capital contribution and withdrawal by shareholders	-81,591,147.00	-29,781,768.91	400,130,664.88	-	-	7,011,993.95	-	-7,011,993.95	-511,503,580.79	507,387,223.21	-4,116,357.58
1. Ordinary shares invested by shareholders	-	-	-	-	-	-	-	-	-	-	-
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	-	-	-	-	-	-	-	-	-	-	-
4. Others	-81,591,147.00	-29,781,768.91	400,130,664.88	-	-	7,011,993.95	-	-7,011,993.95	-511,503,580.79	507,387,223.21	-4,116,357.58
(III) Accrual and usage of specific reserve	-	-	-	-	-	-7,158,273.79	-	-	-7,158,273.79	-4,431,605.32	-11,589,879.11
1. Accrual of specific reserve	-	-	-	-	-	110,003,953.86	-	-	110,003,953.86	9,181,011.46	119,184,965.32
2. Usage of specific reserve	-	-	-	-	-	-117,162,227.65	-	-	-117,162,227.65	-13,612,616.78	-130,774,844.43

Notes form an integral part of the financial statements

Consolidated Statement of Changes in Shareholders' Equity (continued)

For the year ended 31 December 2025
Unit: RMB

	FY2024										
	Equity attributable to shareholders of the parent company										
Item	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Including: Exchange differences on translation of foreign currency financial statements	Specific reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests	Total shareholders' equity
(IV) Profit distribution	-	-	-	-	-	-	125,385,261.44	-591,356,248.55	-465,970,987.11	-232,944,993.69	-698,915,980.80
1. Appropriation to surplus reserve	-	-	-	-	-	-	125,385,261.44	-125,385,261.44	-	-	-
Including: Statutory surplus reserve	-	-	-	-	-	-	125,385,261.44	-125,385,261.44	-	-	-
Discretionary reserve	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-458,152,957.09	-458,152,957.09	-224,555,188.27	-682,708,145.36
4. Appropriation to employees' bonus and welfare fund	-	-	-	-	-	-	-	-7,818,030.02	-7,818,030.02	-8,389,805.42	-16,207,835.44
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-	-	-	-	-
3. Cover of losses	-	-	-	-	-	-	-	-	-	-	-
4. Settlement of changes in defined benefit plans carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the current year	23,905,474,669.00	8,983,163,532.35	400,130,664.88	123,007,660.04	59,853,181.64	180,458,609.68	1,725,136,784.15	5,280,547,190.84	39,797,657,781.18	3,605,439,108.83	43,403,096,890.01

Notes form an integral part of the financial statements

Statement of Changes in Shareholders' Equity of the Parent Company

For the year ended 31 December 2025
Unit: RMB

Item	FY2025							
	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Closing balance of the prior year	23,905,474,669.00	9,820,751,004.96	400,130,664.88	4,758,089.87	41,825,752.51	1,479,246,757.23	5,310,830,186.45	40,162,755,795.14
Add: Changes in accounting policies	-	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
II. Opening balance of the current year	23,905,474,669.00	9,820,751,004.96	400,130,664.88	4,758,089.87	41,825,752.51	1,479,246,757.23	5,310,830,186.45	40,162,755,795.14
III. Changes for the current year (decrease represented by "-")	-333,707,456.00	-211,574,526.23	-400,130,664.88	-520,927.94	-21,286,199.12	149,581,700.72	782,870,070.09	765,493,326.40
(I) Total comprehensive income	-	-	-	-520,927.94	-	-	1,495,817,007.20	1,495,296,079.26
(II) Capital contribution and withdrawal by shareholders	-333,707,456.00	-211,574,526.23	-400,130,664.88	-	-	-	-	-145,151,317.35
1. Ordinary shares invested by shareholders	-	-	-	-	-	-	-	-
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	-	-	-	-	-	-	-	-
4. Others	-333,707,456.00	-211,574,526.23	-400,130,664.88	-	-	-	-	-145,151,317.35
(III) Accrual and usage of specific reserve	-	-	-	-	-21,286,199.12	-	-	-21,286,199.12
1. Accrual of specific reserve	-	-	-	-	453,625.92	-	-	453,625.92
2. Usage of specific reserve	-	-	-	-	-21,739,825.04	-	-	-21,739,825.04
(IV) Profit distribution	-	-	-	-	-	149,581,700.72	-712,946,937.11	-563,365,236.39
1. Appropriation to surplus reserve	-	-	-	-	-	149,581,700.72	-149,581,700.72	-
Including: Statutory surplus reserve	-	-	-	-	-	149,581,700.72	-149,581,700.72	-
Discretionary reserve	-	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-563,365,236.39	-563,365,236.39
4. Others	-	-	-	-	-	-	-	-
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-	-
3. Cover of losses	-	-	-	-	-	-	-	-
4. Settlement of changes in defined benefit plans carried over to retained earnings	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-
IV. Closing balance of the current year	23,571,767,213.00	9,609,176,478.73	-	4,237,161.93	20,539,553.39	1,628,828,457.95	6,093,700,256.54	40,928,249,121.54

Notes form an integral part of the financial statements

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

For the year ended 31 December 2025
Unit: RMB

Item	FY2024							
	Share capital	Capital reserve	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Closing balance of the prior year	23,987,065,816.00	9,858,949,553.52	–	6,924,708.33	45,650,972.74	1,353,861,495.79	4,640,515,790.58	39,892,968,336.96
Add: Changes in accounting policies	–	–	–	–	–	–	–	–
Correction of errors in prior periods	–	–	–	–	–	–	–	–
Others	–	–	–	–	–	–	–	–
II. Opening balance of the current year	23,987,065,816.00	9,858,949,553.52	–	6,924,708.33	45,650,972.74	1,353,861,495.79	4,640,515,790.58	39,892,968,336.96
III. Changes for the current year (decrease represented by "-")	-81,591,147.00	-38,198,548.56	400,130,664.88	-2,166,618.46	-3,825,220.23	125,385,261.44	670,314,395.87	269,787,458.18
(I) Total comprehensive income	–	–	–	-2,166,618.46	–	–	1,253,852,614.40	1,251,685,995.94
(II) Capital contribution and withdrawal by shareholders	-81,591,147.00	-38,198,548.56	400,130,664.88	–	–	–	–	-519,920,360.44
1. Ordinary shares invested by shareholders	–	–	–	–	–	–	–	–
2. Capital contributed by other equity instrument holders	–	–	–	–	–	–	–	–
3. Amount of share-based payment included in shareholders' equity	–	–	–	–	–	–	–	–
4. Others	-81,591,147.00	-38,198,548.56	400,130,664.88	–	–	–	–	-519,920,360.44
(III) Accrual and usage of specific reserve	–	–	–	–	-3,825,220.23	–	–	-3,825,220.23
1. Accrual of specific reserve	–	–	–	–	32,883,723.91	–	–	32,883,723.91
2. Usage of specific reserve	–	–	–	–	-36,708,944.14	–	–	-36,708,944.14
(IV) Profit distribution	–	–	–	–	–	125,385,261.44	-583,538,218.53	-458,152,957.09
1. Appropriation to surplus reserve	–	–	–	–	–	125,385,261.44	-125,385,261.44	–
Including: Statutory surplus reserve	–	–	–	–	–	125,385,261.44	-125,385,261.44	–
Discretionary reserve	–	–	–	–	–	–	–	–
2. Appropriation to general risk reserve	–	–	–	–	–	–	–	–
3. Distribution to shareholders	–	–	–	–	–	–	-458,152,957.09	-458,152,957.09
4. Others	–	–	–	–	–	–	–	–
(V) Internal carry-over of shareholders' equity	–	–	–	–	–	–	–	–
1. Transfer of capital reserve to capital	–	–	–	–	–	–	–	–
2. Transfer of surplus reserve to capital	–	–	–	–	–	–	–	–
3. Cover of losses	–	–	–	–	–	–	–	–
4. Settlement of changes in defined benefit plans carried over to retained earnings	–	–	–	–	–	–	–	–
5. Other comprehensive income carried over to retained earnings	–	–	–	–	–	–	–	–
6. Others	–	–	–	–	–	–	–	–
IV. Closing balance of the current year	23,905,474,669.00	9,820,751,004.96	400,130,664.88	4,758,089.87	41,825,752.51	1,479,246,757.23	5,310,830,186.45	40,162,755,795.14

Notes form an integral part of the financial statements

Notes to the Financial Statements

For the year ended 31 December 2025
(All amounts in RMB unless otherwise stated)

I. General information

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

In order to promote the integration of the ports in Liaoning, upon the gratuitous transfer of the equity interests held by Dalian SASAC in PDA Group to Liaoning North East Asia Gang Hang Development Co., Ltd. (renamed as "Liaoning Port Group Limited", hereinafter referred to as "Liaoning Port Group") in February 2018, the actual controller of the Company was changed from Dalian SASAC to Liaoning SASAC. On 30 September 2019, the actual controller of Liaoning Port Group was changed from Liaoning SASAC to China Merchants Group Limited (hereinafter referred to as "China Merchants Group"), and therefore, the ultimate actual controller of the Company changed to China Merchants Group.

As considered and approved at the 2020 second extraordinary general meeting of the Company convened on 25 September 2020, the 2020 first A Shareholders class meeting, the 2020 first H Shareholders class meeting, and approved by the *Reply on Approval of the Absorption and Merger of Dalian Port (PDA) Company Limited with Yingkou Port Liability Co., Ltd. and Fundraising* (Zheng Jian Xu Ke [2020] No. 3690) issued by China Securities Regulatory Commission, the Company completed the absorption and merger through share swap on 4 February 2021. On 4 February 2021, upon the completion of such absorption and merger through share swap, the total share capital of the Company increased from 12,894,535,999 to 22,623,429,453, in which Yingkou Port Group Corporation Limited (hereinafter referred to as "Yingkou Port Group") has 30.57% equity interests. On 9 February 2021, the 9,728,893,454 A shares newly issued to the original shareholders of Yingkou Port involved in this merger by share swap were listed for trading. In accordance with the Reply by Zheng Jian Xu Ke [2020] No. 3690 to the Fundraising of the Company, the Company issued 1,363,636,363 RMB ordinary shares (A shares) to eight specific investors, including Anshan Iron & Steel Group Co., Ltd., on 17 November 2021. The total share capital of the Company increased from 22,623,429,453 to 23,987,065,816, in which Yingkou Port Group has 28.83% equity interests.

Pursuant to the approval of the *Proposal on the Share Repurchase through Centralized Price Bidding of Liaoning Port Co., Ltd.* at the 2024 fifth extraordinary meeting of the seventh session of the Board of Directors of the Company held on 3 July 2024 and 2024 first extraordinary general meeting held on 1 August 2024, it was agreed that the Company repurchases the Company's shares through centralized price bidding, and all the shares repurchased will be used to cancel and reduce the registered capital of the Company.

I. General information (continued)

Pursuant to the approval of the *Proposal on the Second Share Repurchase through Centralized Price Bidding of Liaoning Port Co., Ltd.* at the 2024 ninth extraordinary meeting of the seventh session of the Board of Directors of the Company held on 6 September 2024 and 2024 second extraordinary general meeting held on 24 September 2024, it was agreed that the Company repurchases the Company's shares through centralized price bidding, and all the shares repurchased will be used to cancel and reduce the registered capital of the Company.

As at 31 December 2025, the Company had repurchased a total of 415,298,603 shares, of which 81,591,147 repurchased shares had completed the procedures for the cancellation of the repurchased shares at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited in 2024. The Company's total issued share capital has been reduced from 23,987,065,816 shares to 23,905,474,669 shares; of which, 333,707,456 repurchased shares were cancelled at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited in 2025, and the Company's total share capital was reduced from 23,905,474,669 shares to 23,571,767,213 shares.

According to the *Agreement in relation to the Voting Right Entrustment of Liaoning Port Co., Ltd. between Dalian Port Group Corporation Limited and Yingkou Port Group Corporation Limited* entered into by PDA Group and Yingkou Port Group on 29 March 2021, PDA Group agreed to fully entrust the exercise of shareholders' rights of its equity interests in the Company, other than right to earnings, right of disposition (including share pledge) and share options, to Yingkou Port Group, and the parent company of the Company was changed from PDA Group to Yingkou Port Group.

The principal operating activities of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") include the provision of terminal business and logistics services such as international and domestic cargo loading and discharging, transportation, transshipment, storage, etc.; providing facilities and services for passenger waiting, embarking and disembarking; tallying and tugging services for vessels sailing on international and domestic lines; towage; port logistics and port information technology consultation services; engaged in crude oil storage in port area (operating with the permit); refined oil products storage (restricted to those applying for bonded qualification and those at port storage facilities), etc.

The Group's parent and ultimate parent companies are Yingkou Port Group and China Merchants Group, respectively, both of which were established in the PRC.

II. Basis for the preparation of financial statements

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 *Rules for the Preparation of Information Disclosure by Companies Offering Their Securities to the Public No. 15 – General Provisions on Financial Reporting* (revised in 2023) and related regulations issued by the China Securities Regulatory Commission (CSRC), as well as the relevant disclosure provisions of the Hong Kong *Companies Ordinance* and the *Listing Rules* of the Stock Exchange of Hong Kong.

The financial statements of the Group are presented on a going concern basis.

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

The financial statements are prepared by the Group in compliance with the Accounting Standards for Business Enterprises, and give a true and complete view of the consolidated and parent company's financial positions of the Group as of 31 December 2025 and the consolidated and parent company's operating results and cash flows of the Group for the year 2025.

IV. Significant accounting policies and accounting estimates of the Company

The Group has formulated specific accounting policies and accounting estimates based on the actual production and operation characteristics, which are mainly reflected in the provision for bad debt provision for receivables, depreciation of fixed assets, amortization of intangible assets, and revenue recognition and measurement.

1. Accounting year

The Group adopts the Gregorian calendar year as its accounting year, commencing from 1 January to 31 December each year.

2. Recording currency

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

3. Book-keeping basis and measurement principle

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

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

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

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

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

3. Book-keeping basis and measurement principle (continued)

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

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

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

4. Methodology for determining materiality criteria and basis for selection

	Materiality criteria
Significant receivables	More than RMB5 million (including RMB5 million)
Significant credit impairment loss provision recovered or reversed	Receivables for which the provision for credit impairment losses is greater than or equal to 50% (provision amount/book balance) but which are fully recovered or reversed in the current year
Significant advances to suppliers	More than RMB5 million (including RMB5 million)
Significant payables	More than RMB5 million (including RMB5 million)
Significant advances from customers/ contract liabilities	More than RMB5 million (including RMB5 million)
Significant non-wholly owned subsidiaries	Minority interests of non-wholly owned subsidiaries accounted for 3% or more (including 3%) of the Group's minority interests
Significant joint ventures or associates	The book value of long-term equity investments in joint ventures or associates accounted for 3% or more (including 3%) of the book value of the Group's long-term equity investments
Significant capital commitments	Individual amounts exceeding 0.1% of total assets, including restructuring, mergers and acquisitions, and construction in progress

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

5. Business combinations

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

5.1 Business combinations under common control

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

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

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

5.2 Business combination not under common control

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

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

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

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

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

6. Goodwill

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

When an impairment test is conducted for goodwill, the test is conducted combined with its related asset group or portfolio of asset groups. That is, the book value of goodwill is apportioned on a reasonable basis from the date of acquisition to the asset groups or portfolio of assets groups that can benefit from the synergies of the business combination, and if the recoverable amount of the asset groups or portfolio of asset groups that contain the apportioned goodwill is less than its book value, a corresponding impairment loss is recognised. The amount of impairment loss is first written down and allocated to the book value of the goodwill of that asset group or portfolio of asset groups, and is then written down to the book value of all other types of assets proportionally according to the weighting of the book value of all other types of assets other than goodwill within asset group or portfolio of asset groups.

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

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

7. Consolidated financial statements

The scope of consolidation of the consolidated financial statements is determined on the basis of control. Control refers to the investor having power over the investee, enjoying variable returns through its participation in the investee's relevant activities, and having the ability to use its power over the investee to influence the amount of its returns. The Group reassesses whether or not it controls an investee if relevant facts and circumstances indicate that there are changes in the above elements of the definition of control.

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

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

For subsidiaries acquired through a business combination not under common control, in preparing the financial statements for the period of the combination, the subsidiaries acquired are included in the Company's scope of consolidation from the acquisition date on the basis of the fair value of each of the identifiable assets and liabilities of the acquired subsidiaries determined at the acquisition date. Its operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

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

7. Consolidated financial statements (continued)

For subsidiaries acquired through a business combination under common control, in preparing the financial statements for the period of the combination, the basis is the book value of the assets and liabilities of the consolidated subsidiaries in the financial statements of the ultimate controlling party, regardless of whether the business combination occurs at any point in time during the reporting period. It is deemed that the subsidiaries or the consolidated parties have been included in the scope of consolidation of the Group since the date on which they became under the control of the ultimate controlling party. The results of operations and cash flows of the subsidiary or the consolidated party from the beginning of the earliest period or from the date on which the subsidiary or the consolidated party became under the control of the ultimate controlling party have been appropriately included in the consolidated income statement and the consolidated cash flow statement.

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

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

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

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

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

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

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

7. Consolidated financial statements (continued)

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

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

8. Joint arrangement

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

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

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

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

9. Cash and cash equivalents

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

10. Financial instruments

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

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

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

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense to each accounting period.

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

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

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

10. Financial instruments (continued)

10.1 Classification, recognition, and measurement of financial assets

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

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

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

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

- Financial assets that do not qualify for classification as financial assets at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss.

- At initial recognition, the Group may irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

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

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

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

10. Financial instruments (continued)

10.1 Classification, recognition, and measurement of financial assets (continued)

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

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

10.1.1 Financial assets at amortised cost

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

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

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

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

10. Financial instruments (continued)

10.1 Classification, recognition, and measurement of financial assets (continued)

10.1.2 Financial assets at fair value through other comprehensive income

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

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

10.1.3 Financial assets at fair value through profit or loss

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

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

10. Financial instruments (continued)

10.2 Impairment of financial instruments

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

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

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

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

Credit rating	Basis for determining the portfolio	Accrual ratio (%)
A	Based on historical experience, customers are able to make repayments within the credit period and have a good repayment record, with an extremely low risk of default upon maturity in the foreseeable future.	0 – 0.1
B	Based on historical experience, customers are able to make repayments despite overdue payments.	0.1 – 0.3
C	There is evidence indicating a risk of default by the customers, as the risk of their overdue payments has significantly increased.	0.3 – 50
D	There is evidence indicating that the amounts due from customers have been impaired, and there is evidence indicating that the amounts are unrecoverable in the foreseeable future due to the serious financial difficulties of the customers.	50 – 100

For the disclosure of the Group's criteria for determining the significant increase in credit risk and the definition of assets with credit impairment, please refer to Note XIII. 3. (2).

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

10. Financial instruments (continued)

10.2 Impairment of financial instruments (continued)

The factors reflected in methods of measurement of expected credit losses of financial instruments include an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; time value of money; reasonable and supportable information about past events, current conditions, and forecasts on future economic status at balance sheet date, without unnecessary additional costs or efforts.

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

10.2.1 Write-down of financial assets

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

10.3 Transfer of financial assets

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

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

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

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

10. Financial instruments (continued)

10.3 Transfer of financial assets (continued)

- If the transferred financial asset is measured at fair value, the book value of relevant liabilities is the book value of continuous involvement in the transferred financial asset less the fair value of the rights retained by the Group (if the Group retains rights for the transfer of the financial asset) plus the fair value of the obligations undertaken by the Group (if the Group undertakes relevant obligations for the transfer of the financial asset), and the fair value of the rights and liabilities is measured on a stand-alone basis.

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

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

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

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

10. Financial instruments (continued)

10.4 Classification of financial liabilities and equity instruments

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

10.4.1 Classification and measurement of financial liabilities

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

10.4.1.1 Other financial liabilities

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

When the contractual cash flows are changed due to the modification or renegotiation of the contract made between the Group and the counterparty and the renegotiation or modification does not result in the derecognition of the financial liability that is subsequently measured at amortised cost, the Group shall recalculate the book value of the financial liability and shall recognise related gains or losses in current profit or loss. The book value of the financial liability shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial liability's original effective interest rate. For all costs or expenses arising from modifying or renegotiating a contract, the Group adjusts the book value of the modified financial liability and amortises it over the remaining term of the modified financial liability.

10.4.1.1 Financial guarantee contracts

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

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

10. Financial instruments (continued)

10.4 Classification of financial liabilities and equity instruments (continued)

10.4.2 Derecognition of financial liabilities

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

If the recognition of financial liabilities is derecognised in whole or in part, the difference between the book value of the part to be derecognised and the consideration paid (including the transferred non-cash assets or the new financial liabilities) shall be recorded in the current profit or loss.

10.5 Offsetting financial assets and financial liabilities

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

11. Receivables financing

Notes receivable classified as at fair value through other comprehensive income with a period of one year (inclusive) since obtaining them are presented as receivables financing; those with a period of over one year since obtaining them are presented as other debt investments. For the relevant accounting policies, see Note IV. 10.

12. Inventories

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

When inventories are issued, the first-in-first-out (FIFO) method is used to determine the actual cost of the inventories issued.

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

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

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

12. Inventories (continued)

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The estimates of net realisable value are based on the most reliable evidence available, taking into consideration the purpose for holding inventories and the effects of events subsequent to the balance sheet date. Provision for the decline in the value of inventories is, in principle, made on the basis of individual inventory items, and provision for the decline in the value of inventories is made on the basis of categories of inventories for inventories with large quantities and low unit prices.

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

The Group adopts a perpetual inventory system.

13. Long-term equity investments

13.1 Criteria for determining joint control and significant influence

Control refers to the investor having power over the investee, enjoying variable returns through its participation in the investee's relevant activities, and having the ability to use its power over the investee to influence the amount of its 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 a control or joint control with other parties over the formulation of those policies. In determining whether it is possible to exercise control over or exert significant influence over the investees, the Group has taken into account the potential voting right factors such as the current convertible bonds of the investee and the current executable warrants held by the investor and other parties.

13.2 Determination of investment costs

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

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

13. Long-term equity investments (continued)

13.2 Determination of investment costs (continued)

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

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

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

13.3 Subsequent measurement and recognition method for profit or loss

13.3.1 Long-term equity investments accounted for using the cost method

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

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

13.3.2 Long-term equity investments accounted for using the equity method

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

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

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

13. Long-term equity investments (continued)

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

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

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

When it is recognised that the net loss of the investee shall be shared, the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment of the invested unit shall be written down to zero. In addition, if the Group has incurred obligations to assume additional losses of the investee, the provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds its share of losses previously not recognised.

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

13. Long-term equity investments (continued)

13.4 Disposal of long-term equity investments

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

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

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

13. Long-term equity investments (continued)

13.4 Disposal of long-term equity investments (continued)

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

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

14. Investment properties

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

Investment properties are measured initially at cost. Subsequent expenditures incurred in relation to an investment property are included in the cost of the investment property when it is probable that the associated economic benefits will flow to the Group and its costs can be reliably measured. Other subsequent expenditures are recognized in current profit or loss when incurred.

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

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

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

15. Fixed assets and depreciation

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

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

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

Category	Useful life	Estimated net residual value	Annual depreciation rate
Buildings	5 – 30 years	5.00%	3.17% – 19.00%
Port and terminal facilities	5 – 50 years	5.00%	1.90% – 19.00%
Automobiles and ships	5 – 25 years	5.00%	3.80% – 19.00%
Machinery, furniture, appliances, and other equipment	3 – 15 years	5.00%, 15.00%	6.33% – 31.67%, 10.63%

Estimated residual value refers to the amount obtained by the Group from the disposal of the fixed asset after deducting the estimated disposal expenses, assuming that the expected service life of the fixed asset has been completed and is in the expected state at the end of its service life.

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. The net amount of revenue from the sale, transfer, retirement, or damage of a fixed asset after the deduction of its book value and related taxes and surcharges is recognised in current profit or loss.

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

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

16. Construction in progress

Construction in progress is measured at actual cost, which comprises all construction expenditures incurred during the construction period, borrowing costs that are capitalised before the construction gets ready for its intended use and other relevant expenses, etc. Construction in progress is not depreciated. The criteria for carrying forward construction in progress to fixed assets, investment properties, intangible assets and long-term amortized expenses after reaching the intended useable condition are as follows:

	Criteria for carrying forward fixed assets
Buildings	When the asset reaches operating condition and can operate normally
Port and terminal facilities	When the asset reaches operating condition and can operate normally
Automobiles and ships	Upon completion of installation and commissioning or when the asset can operate normally
Machinery, furniture, appliances, and other equipment	Upon completion of installation and commissioning or when the asset can operate normally

17. Intangible assets

17.1 Intangible assets

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

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

Category	Useful life	Basis of determination
Land use rights	40 – 50 years	Term of use of land use rights
Software	2 – 10 years	Estimated service life combined with product life cycle
Port facility use rights	50 years	Estimated service life combined with product life cycle
Others	10 – 46 years	Estimated service life combined with product life cycle

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

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

17. Intangible assets (continued)

17.2 Research and development expenditure

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

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

(1) It is technically feasible to complete the intangible asset so that it can be used or sold.

(2) There is an intention to complete and use or sell the intangible asset.

(3) There is a way for the intangible asset to generate economic benefits, including the evidence of a market for products produced by using the intangible asset or for the intangible asset itself (for intangible assets for internal use, their usefulness shall be proved).

(4) There is sufficient support from technical, financial and other resources to complete the development of the intangible asset and the ability to use or sell it.

(5) The expenditure attributable to the development phase of the intangible asset can be measured reliably.

If the expenditures incurred in the research stage and development stage cannot be distinguished separately, all research and development expenditures incurred are included in profit or loss for the year. The cost of intangible assets resulting from internal development activities includes only the total amount of expenditure incurred from the point at which the capitalisation condition is met until the intangible asset reaches its intended use. No adjustment is made to the expenditure that has been expensed to profit or loss before the capitalisation condition is met for the same intangible asset in the development process.

18. Long-term prepaid expenses

Long-term prepaid expenses represent expenditures incurred that should be recognised as expenses over one year and should be allocated in the current year and subsequent periods. Long-term prepaid expenses are amortised evenly over the estimated benefit period.

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

19. Impairment of non-financial assets other than goodwill

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

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

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

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

20. Provisions

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

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

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

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

21. Employee benefits

Employee benefits refer to the various forms of remuneration or compensation given by the Group for services rendered by employees or for the termination of a labour relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits, and other long-term employee benefits.

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

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

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

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

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

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

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

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

22. Revenue recognition

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

If one of the following conditions is met, a performance obligation that is performed over a certain period of time will be recognised as revenue by the Group based on the progress of the performance within a period of time: (1) the customer obtains and consumes economic benefits provided by the Group's performance as the Group performs; (2) the customer is able to control goods in progress during the Group's performance; (3) goods or services generated during the Group's performance have no alternative use, and the Group is entitled to charge for the accumulated part of the contract that has been performed so far during the whole contract period. Otherwise, the Group will recognise revenue at the point in time when the customer obtains control of the relevant goods or services.

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

Contract on rendering of services

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

Significant financing component

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

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

22. Revenue recognition (continued)

Contract on sales of goods

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

Main responsible person/agent

With respect to the logistics services business, if the Group can direct the logistics services provided by the third party on behalf of the Group to the customer and bears the primary responsibility for providing logistics services for the customer, the Group has the right to determine at its discretion the price of service provision. Therefore, the Group is the main responsible party and recognises the revenue based on the total considerations collected or receivable. Otherwise, the Group should be the agent and recognise the revenue based on the amount of the commission or handling fee that it is expected to charge, which shall be the net amount of the total considerations collected or receivable after the deduction of payments due to other relevant parties, or determined based on the established commission amount or proportion.

Contract assets present the Group's right to collect consideration from the customer, which arises from the transfer of goods or services to the customer, and such right depends on factors other than the passage of time. For accounting policies on impairment of contract assets, see Note IV. 10. The Group's unconditional (i.e., depending only on the passage of time) right to receive consideration from customers is presented separately as a receivable. Contract liabilities present the Group's obligation to transfer goods or services to the customer for the consideration received or receivable from the customer.

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

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

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

22. Revenue recognition (continued)

Main responsible person/agent (continued)

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

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

Cost of contract acquisition

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

Cost of performance of the contract

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

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

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

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

23. Government grants

Government grants refer to the Group's free access to monetary and non-monetary assets from the government. Government grants are recognised when the conditions attached to them can be met, and they can be received.

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

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

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

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

Government grants related to the Group's ordinary activities are recognised in other income according to the substance of the economic operations. Government grants that are not related to the Group's ordinary activities are recognised as non-operating income.

24. Borrowing costs

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

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

24. Borrowing costs (continued)

The remaining borrowing costs are recognised as expenses in the period in which they are incurred.

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

25. Income tax

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

25.1 Current income tax

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

25.2 Deferred tax asset and deferred tax liability

The Group recognises deferred tax assets and deferred tax liabilities with a balance sheet liability approach for the difference between the book value of certain asset and liability items and their tax base, and the temporary difference between the book value of the items which are not recognised as assets and liabilities but their tax base can be determined according to the tax law.

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

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

25. Income tax (continued)

25.2 Deferred tax asset and deferred tax liability (continued)

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

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

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

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

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

25.3 Offset of income tax

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

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

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

26. Foreign currency business and translation of foreign currency financial statements

26.1 Foreign currency business

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

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

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

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

26.2 Translation of foreign currency financial statements

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

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

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

26.2 Translation of foreign currency financial statements (continued)

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

Opening balances and the actual amounts for the prior year are presented after translation from the prior year's financial statements.

27. Leases

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

At the contract commencement date, the Group assesses whether the contract is a lease or contains a lease. The Group shall not reassess whether a contract is a lease or contains a lease unless there are changes to the contract terms and conditions.

27.1 As lessee

27.1.1 Separation of lease

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

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

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

27. Leases (continued)

27.1 As lessee (continued)

27.1.2 Right-of-use assets

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

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

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

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

The Group makes depreciation provisions for the right-of-use assets with reference to the depreciation requirements of the *Accounting Standards for Business Enterprises No. 4 – Fixed Assets*. If the Group is reasonably certain to obtain ownership of leased assets upon expiry of the lease term, right-of-use assets are depreciated over the remaining useful life of the leased assets. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful life of the leased assets.

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

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

27. Leases (continued)

27.1 As lessee (continued)

27.1.3 Lease liabilities

Except for short-term leases and low-value asset leases, the Group initially measures lease liabilities on the commencement date of the lease term according to the present value of outstanding lease payments on that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate, or uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable. Variable lease payments not included in the measurement of the lease liabilities are recognized in current profit or loss when they are incurred, unless otherwise provided for in the cost of the related assets.

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

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

After the commencement date of the lease term, the Group calculates the interest expense on the lease liability for each period during the lease term based on a fixed periodic rate and recognizes it in current profit or loss or in the cost of the related asset. The Group increases the book value of the lease liability when it recognizes interest and decreases the book value of the lease liability when it makes lease payments.

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

27. Leases (continued)

27.1 As lessee (continued)

27.1.3 Lease liabilities (continued)

After the lease term starts, the Group remeasures the lease liability and adjusts the corresponding right-of-use asset if any of the following occurs; if the book value of the right-of-use asset has been reduced to zero but the lease liability is subject to further reduction, the Group recognises the difference in the current profit or loss:

- In the event of any changes in the lease term or the assessment results of the purchase option, the Group shall remeasure lease liabilities according to their present value calculated using the lease payments after the changes and the revised discount rate.

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

27.1.4 Short-term leases and low-value asset leases

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

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

27. Leases (continued)

27.1 As lessee (continued)

27.1.5 Modification of lease

If the modification of a lease happens and meets the following conditions at the same time, the Group will conduct accounting treatment for the modification of the lease as a separate lease:

- The modification of the lease expands the scope of the lease by increasing the rights of use of one or more leased assets.

- The increased consideration and the stand-alone price for the increase in scope of the lease are commensurate with the amount adjusted in accordance with the circumstances of the contract.

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

If a lease modification results in a reduction in the scope of the lease or a shortening of the lease term, the Group shall reduce the book value of the right-of-use asset and recognize the gain or loss related to the partial termination or complete termination of the lease in current profit or loss. Where other lease modifications result in a remeasurement of the lease liability, the Group adjusts the book value of the right-of-use asset accordingly.

27.2 As lessor

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

27.2.1 Separation of lease

Where the contract contains both lease and non-lease components, the Group apportions the contract consideration in accordance with the provisions of Revenue Standards on transaction price apportionment, based on the separate prices of each of the lease and non-lease components.

27.2.2 Classification of lease

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

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

27. Leases (continued)

27.2 As lessor (continued)

27.2.3 Recording operating leasing business as a lessor

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

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

27.2.4 Modification of lease

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

28. Production safety fee

Production safety fee is accrued by the Group in accordance with the *Administrative Measures for Accrual and Usage of Production Safety Fee of the Enterprises* (Cai Zi [2022] No. 136) jointly issued by the Ministry of Finance and the Ministry of Emergency Management on 13 December 2022, which is charged to the cost of related products or recognised in profit or loss for the current period, and transferred to the specific reserve. As the production safety fund accrued is utilised, if it is of an expenditure nature, the cost is directly charged against the specific reserve. For the production safety fee used that is formed into a fixed asset, the cost is collected under the "construction in progress" line item and will be recognised as a fixed asset when the safety projects are completed and get ready for their intended use. Meanwhile, the cost of fixed asset is offset against the specific reserve, and accumulated depreciation of the same amount is recognised. For such a fixed asset, there will be no further depreciation in the subsequent periods.

V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates

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

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

1. Critical judgments and key assumptions and uncertainties in accounting estimates

The following are the critical judgments and key assumptions and uncertainties in accounting estimates at the balance sheet date, that have a significant risk of causing a material adjustment to the book value of assets and liabilities in future periods:

1.1 Business model

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

1.2 Characteristics of contractual cash flow

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

1.3 Recognition of expected credit loss

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

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

V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

1. Critical judgments and key assumptions and uncertainties in accounting estimates (continued)

1.4 Determination of performance progress of port operation contracts

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

1.5 Impairment of goodwill

As at 31 December 2025, the book value of goodwill was RMB221,531,102.82. The Group conducts an impairment test on goodwill at least annually. When conducting an impairment test on goodwill, the present value of the projected future cash flow of the underlying assets or portfolio of assets incorporating such goodwill will be calculated, and a projection of the future cash flow of such assets or portfolio of assets will be made, and a pre-tax interest rate shall be determined which can properly reflect the prevailing time value of currency in the market as well as the specific risks concerning such assets, which all involve judgments made by the management.

1.6 Recognition of deferred income tax

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

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

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

V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

1. Critical judgments and key assumptions and uncertainties in accounting estimates (continued)

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

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

1.9 Lease terms of lease contracts that are certain to have the option to renew the lease

A lease term is the period during which the Group has the right to use the leased asset and is irrevocable. Where the Group has an option to renew the lease and reasonably determines to exercise the option, the lease term shall also include the period covered by the option to renew the lease. In assessing whether it is reasonably determined to exercise the option to renew the lease, the Group will consider all relevant facts and circumstances that bring economic benefits to the exercise of the renewal option of the Group, including the expected changes in facts and circumstances from the commencement date of the lease term to the date of exercise of the option. At the commencement date of the lease term, the Group believes that the Group can reasonably determine that it will exercise the option to renew the lease as the leased asset is crucial to its operation and it is hard to obtain appropriate alternative asset. Therefore, the lease term includes the period covered by the option to renew the lease. After the commencement date of the lease term, if material events or changes within the control of the Group occur and affect the Group's ability to reasonably determine whether to exercise the corresponding option to renew the lease, the Group will reassess whether or not to exercise the renewal option and amend the lease term according to the outcome of the reassessment.

V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

1. Critical judgments and key assumptions and uncertainties in accounting estimates (continued)

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

The Group believes that even if the Group only holds 50% or less of the equity interests, it has control over Dalian Haijia Automobile Terminal Co., Ltd., Dalian Golden Bay Grain Logistics Co., Ltd., Dalian Harbour ECL Logistics Co., Ltd., Dalian Changgang Tugboat Service Co., Ltd., Dalian Container Terminal Co., Ltd., Dalian Changxing Island Port Co., Ltd. ("Changxing Island Port"), and Dalian Changxing Island Port Investment and Development Co., Ltd ("Changxing Island Port Investment and Development"). This is due to the following: according to the joint venture contract entered into between the Company and the other shareholders of Dalian Haijia Automobile Terminal Co., Ltd., the other shareholders give consent to the decisions made by the Company on significant financial and operational policies. The Company has de facto control over Dalian Haijia Automobile Terminal Co., Ltd. Pursuant to the acting-in-concert agreement entered into between the Company and another shareholder of each of Dalian Golden Bay Grain Logistics Co., Ltd., Dalian Harbour ECL Logistics Co., Ltd, and Dalian Changgang Tugboat Service Co., Ltd., the other shareholder gives consent to the decisions made by the Company on significant financial and operational policies. The Company has de facto control over the above three companies. Pursuant to the acting-in-concert agreement entered into between the Group and another shareholder of Dalian Container Terminal Co., Ltd., the other shareholder gives consent to the decisions made by the Group on significant financial and operational policies. The Group has de facto control over Dalian Container Terminal Co., Ltd. Pursuant to the custodial service agreement entered into between the Company and another shareholder of each of Changxing Island Port and Changxing Island Port Investment and Development, the other shareholder agrees to fully entrust the exercise of its shareholders' rights in the above two companies, the right to appoint directors and supervisors, and voting rights, etc., other than the right to earnings, right of disposition (including share pledge), and subscription rights, to the Company. The Company has de facto control over the above two companies.

VI. Changes in significant accounting policies

1. Changes in significant accounting policies and their impact

The Group had no changes in accounting policies during the year.

2. Changes in accounting estimates and their impacts

The Group had no changes in accounting estimates during the year.

3. Correction of errors in prior periods and impacts

The Group did not have any corrections of errors in prior periods during the year.

4. Adjustments to other events

The Group had no adjustments to other events during the year.

VII. Taxes

1. Major categories of taxes and respective tax rates

Taxes	The basis of calculating tax	Tax rate
Value-added tax (VAT) (Note 1)	Revenues from port handling, sales of goods, transport income, interest income from related party borrowings, project construction, and leasing of real estate	6%, 13%, 9%, 6%, 9% and 5%
City maintenance and construction	Turnover taxes paid	7%
Educational surcharge	Turnover taxes paid	5%
Property tax	70% of the cost of the property or rental income from the rental of the property	1.2% or 12%
Corporate income tax (Note 2)	Taxable profit	25%

Note 1: Output VAT of the Group's revenues from port handling, sales of goods, transport income, interest income from related party borrowings, project construction and leasing of real estate is calculated at a tax rate of 6%, 13%, 9%, 6%, 9%, and 5%, respectively, which is levied after deducting deductible input VAT for the current period.

Note 2: It is levied at 25% on the taxable profit, except for certain subsidiaries of the Group that enjoy tax preferences (see Note VII. 2 for details).

2. Tax preference and approvals

Property tax and land use tax

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

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

According to the *Tentative Regulations of the People's Republic of China on Urban Land Use Tax* and the *Notice of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of the Preferential Policies for Urban Land Use Tax Regarding the Land Used by Logistics Enterprises for Bulk Commodity Storage Facilities* (Cai Shui [2023] No. 5), from 1 January 2023 to 31 December 2027, the urban land use tax on the lands for bulk commodity storage facilities owned by the logistics enterprises (including for self-use and lease purpose) shall be calculated based on 50% of the applicable tax for the relevant grade of the land. Accordingly, the land use tax on the lands for bulk commodity storage facilities held by the Group is calculated at half of the relevant tax rate.

VII. Taxes (continued)

2. Tax preference and approvals (continued)

Corporate income tax

In 2023, Dalian Port Logistics Network Co., Ltd., a subsidiary of the Group, obtained the *Certificate of High and New Technological Enterprise* (Certificate No. GR202321200350). The term of validity of the certificate is three years. Under Article 28 of the *Corporate Income Tax Law of the People's Republic of China*, the corporate income tax rate applicable to the company is 15% for the current year.

Dalian Ocean Shipping Tally Co., Ltd., a subsidiary of the Group, obtained the *Certificate of Advanced Technology Service Enterprise* on 28 September 2025. Under the *Notice on Promoting Nationwide the Enterprise Income Tax Policies for Advanced Technology Service Enterprises* (Cai Shui [2017] No. 79), the *Notice on Promoting Nationwide the Enterprise Income Tax Policies for Advanced Technology Service Enterprises in Pilot Areas for the Innovation and Development of Trade in Services* (Cai Shui [2018] No. 44), and *Measures for the Recognition and Administration of Advanced Technology Service Enterprises in Dalian* (Revised) (Da Ke Gao Fa [2018] No. 151) jointly issued by the Ministry of Finance, the State Taxation Administration, the Ministry of Commerce, the Ministry of Science and Technology, and the National Development and Reform Commission, for the current year, the corporate income tax rate applicable to the company is 15%.

Pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Further Supporting the Development of Micro and Small Enterprises and Individual Businesses* (Announcement No. 12 of 2023 by the Ministry of Finance and the State Taxation Administration), from 1 January 2023 to 31 December 2027, the policy of calculating the taxable income of small micro-profit enterprises at a reduced rate of 25% and paying the corporate income tax at a rate of 20% will be extended until 31 December 2027. Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd., Dalian Port Haiheng Ship Management Co., Ltd., Dalian Port Grain and Oil Trading Co., Ltd., Dalian International Container Services Co., Ltd., Dalian Jifa Port Logistics Co., Ltd., Heilongjiang Suimu Dalian Port Logistics Co., Ltd., Liaoning Con-Rail International Logistics Co., Ltd., Inner Mongolia Lugang Bonded Logistics Park Co., Ltd., Caofeidian Port Container Logistics Co., Ltd., Qinhuangdao Jigang Shipping Agency Co., Ltd., and Dalian Changgang Tugboat Service Co., Ltd., subsidiaries of the Group, are eligible for the above tax preferential policies during the year.

According to the provisions of the *Announcement on Further Improving the Pre-tax Additional Deduction Policy for R&D Expenses* (Announcement No. 7 of 2023 of the Ministry of Finance and the State Taxation Administration) issued by the Ministry of Finance and the State Taxation Administration, if the actual R&D expenses incurred by enterprises in carrying out R&D activities do not result in 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 generated, from 1 January 2023, the expenses are amortized before tax at 200% of the cost of the intangible asset. Dalian Container Terminal Co., Ltd. is eligible for the above tax preferential policies during the year.

VII. Taxes (continued)

2. Tax preference and approvals (continued)

"Six Taxes and Two Fees" Reduction Policy

Pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Further Supporting the Development of Micro and Small Enterprises and Individual Business*es (Announcement No. 12 of 2023 by the Ministry of Finance and the State Taxation Administration), from 1 January 2023 to 31 December 2027, small-scale VAT taxpayers, small low-profit enterprises, and individual businesses are subject to a half reduction in resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding stamp duty on securities transactions), arable land occupation tax, education surcharge, and local education surcharge. Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd., Dalian Port Haiheng Ship Management Co., Ltd., Dalian Port Grain and Oil Trading Co., Ltd., Dalian International Container Services Co., Ltd., Dalian Jifa Port Logistics Co., Ltd., Heilongjiang Suimu Dalian Port Logistics Co., Ltd., Liaoning Con-Rail International Logistics Co., Ltd., Inner Mongolia Lugang Bonded Logistics Park Co., Ltd., Caofeidian Port Container Logistics Co., Ltd., Qinhuangdao Jigang Shipping Agency Co., Ltd., and Dalian Changgang Tugboat Service Co., Ltd., subsidiaries of the Group, are eligible for the above tax preferential policies during the year.

VIII. Business combinations and consolidated financial statements

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

Investee	Place of registration	Major place of business	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Subscribed shareholding percentage (%)		Paid-in shareholding percentage (%)		Voting right percentage (%)	Remark
						Direct	Indirect	Direct	Indirect		
Subsidiaries invested by Dalian Port Group by equity injection on the date of incorporation of the Company											
Dalian Port Container Development Co., Ltd.	Dalian	Dalian	Limited liability company	Container services	162,512.19	100	–	100	–	100	
Dalian Port Jifa Logistics Co., Ltd. ("Jifa Logistics")	Dalian	Dalian	Limited liability company	Logistics services	117,940	100	–	100	–	100	
Dalian Jifa Shipping Agency Co., Ltd.	Dalian	Dalian	Limited liability company	Vessel agency	1,050	–	100	–	100	100	
Dalian International Logistics Park Development Co., Ltd.	Dalian	Dalian	Limited liability company	Property development	15,000	–	100	–	100	100	
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	Dalian	Dalian	Limited liability company	Transportation	4,923	97.36	2.64	97.36	2.64	100	
Dalian International Container Services Co., Ltd.	Dalian	Dalian	Limited liability company	Logistics services	USD1,440,000	55	–	55	–	60	Note 1

VIII. Business combinations and consolidated financial statements (continued)

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

Investee	Place of registration	Major place of business	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Subscribed shareholding percentage (%)		Paid-in shareholding percentage (%)		Voting right percentage (%)	Remark
						Direct	Indirect	Direct	Indirect		
Dalian Jifa Port Logistics Co., Ltd.	Dalian	Dalian	Limited liability company	Loading, unloading and handling	1,200	–	100	–	100	100	
Dalian Jifa Shipping Management Co., Ltd.	Dalian	Dalian	Limited liability company	Management services	41,500	100	–	100	–	100	
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	Dalian	Dalian	Limited liability company	Wholesale & agency	1,000	60	–	60	–	60	
Subsidiaries acquired through establishment or investment											
Dalian Dilangsirui Caravan Co., Ltd.	Dalian	Dalian	Limited liability company	Manufacturing sector	10,000	51	–	51	–	51	
Asia Pacific Ports Company Limited	Hong Kong	Hong Kong	Limited liability company	Logistics services	HKD75,000,000	100	–	100	–	100	
Dalian Container Terminal Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	348,000	–	48.15	–	48.15	55.56	Note 2
Heilongjiang Suimu Dalian Port Logistics Co., Ltd.	Muling	Muling	Limited liability company	Logistics services	4,500	–	91.67	–	91.67	91.67	
Qinhuangdao Jigang Shipping Agency Co., Ltd.	Qinhuangdao	Qinhuangdao	Limited liability company	Logistics services	500	–	100	–	100	100	
Dalian Port Grain and Oil Trading Co., Ltd.	Dalian	Dalian	Limited liability company	Wholesale	2,500	100	–	100	–	100	
Dalian Haijia Automobile Terminal Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	40,000	50	–	50	–	100	Note 3
Caofeidian Port Container Logistics Co., Ltd.	Tangshan	Tangshan	Limited liability company	Vessel agency	500	–	51	–	51	51	
Dalian Zhuanghe Gangxing Investment Co., Ltd.	Dalian	Dalian	Limited liability company	Property development	8,000	100	–	100	–	100	
Inner Mongolia Lugang Bonded Logistics Park Co., Ltd.	Tongliao	Tongliao	Limited liability company	Freight services	1,000	–	51	–	51	51	
Dalian Gangrun Gas Co., Ltd.	Dalian	Dalian	Limited liability company	Sale of fuel gas	1,000	51	–	51	–	51	Note 9
Dalian Jifa South Coast International Logistics Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	1,500	–	100	–	100	100	
Dalian Dilangsirui Tourism Development Co., Ltd.	Dalian	Dalian	Limited liability company	Tourist project development	3,000	–	100	–	100	100	Note 4

VIII. Business combinations and consolidated financial statements (continued)

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

Investee	Place of registration	Major place of business	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Subscribed shareholding percentage (%)		Paid-in shareholding percentage (%)		Voting right percentage (%)	Remark
						Direct	Indirect	Direct	Indirect		
Dalian Port Oil Terminal Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	10,000	100	–	100	–	100	Note 8
Dalian Changgang Tugboat Service Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	5,000	40	–	40	–	70	Note 5, note 8
Subsidiaries acquired through business combinations involving enterprises under common control											
Dalian Ocean Shipping Tally Co., Ltd.	Dalian	Dalian	Limited liability company	Tallying services	1,025.20	84	–	84	–	84	
Dalian Port Construction Supervision & Consultation Co., Ltd.	Dalian	Dalian	Limited liability company	Supervision services	1,000	75	–	75	–	75	
Dalian Port Communication Engineering Co., Ltd.	Dalian	Dalian	Limited liability company	Telecommunication	1,000	45	20	45	20	65	
Dalian Golden Bay Grain Logistics Co., Ltd.	Dalian	Dalian	Limited liability company	Logistics services	9,733	37.50	–	37.50	–	75	Note 5
Dalian Port Power Supply Co., Ltd.	Dalian	Dalian	Limited liability company	Engineering services	11,000	100	–	100	–	100	
Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd.	Dalian	Dalian	Limited liability company	Supervision services	10	–	100	–	100	100	Note 4
Dalian Port Haiheng Ship Management Co., Ltd.	Dalian	Dalian	Limited liability company	Service industry	500	100	–	100	–	100	
Liaoning Port Holdings (Yingkou) Co., Ltd. ("Yingkou Ltd.")	Yingkou	Yingkou	Limited liability company	Terminal services	1,000,000	100	–	100	–	100	
Yingkou Xingang Ore Terminal Co., Ltd. ("Xingang Ore Terminal")	Yingkou	Yingkou	Limited liability company	Terminal services	433,947.03	–	90.1	–	88	90.1	Note 6
Yingkou New Century Container Terminal Co., Ltd.	Yingkou	Yingkou	Limited liability company	Terminal services	4,000	–	60	–	60	60	
Dalian Port Logistics Network Co., Ltd.	Dalian	Dalian	Joint-stock limited company	Information service	3,200	79.03	–	79.03	–	79.03	
Dalian Ganglong Technology Co., Ltd.	Dalian	Dalian	Limited liability company	Computer system services	1,000	100	–	100	–	100	Note 4
China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	Dalian	Dalian	Limited liability company	Computer system services	3,800	100	–	100	–	100	

VIII. Business combinations and consolidated financial statements (continued)

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

Investee	Place of registration	Major place of business	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Subscribed shareholding percentage (%)		Paid-in shareholding percentage (%)		Voting right percentage (%)	Remark
						Direct	Indirect	Direct	Indirect		
Yingkou Gangxin Technology Co., Ltd.	Yingkou	Yingkou	Limited liability company	Computer system services	800	100	–	100	–	100	Note 4
Subsidiaries acquired through business combinations involving enterprises not under common control											
DCT Logistics Co., Ltd. ("DCT Logistics")	Dalian	Dalian	Limited liability company	Logistics services	15,538.70	–	100	–	100	100	
Dalian Port Lvshun Harbour Service Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	35,000	60	–	60	–	60	
Liaoning Con-Rail International Logistics Co., Ltd.	Shenyang	Shenyang	Limited liability company	Logistics services	1,600	–	100	–	100	100	
Dalian Harbour ECL Logistics Co., Ltd.	Dalian	Dalian	Limited liability company	Terminal services	USD9,000,000	50	–	50	–	75	Note 5
Changxing Island Port	Dalian	Dalian	Limited liability company	Terminal services	62,000	40	–	40	–	60	Note 7
Changxing Island Port Investment and Development	Dalian	Dalian	Limited liability company	Terminal services	95,000	46.58	–	46.58	–	100	Note 7

Note 1: Shareholding percentage in subsidiaries is different from the voting right percentage. The Group's shareholding percentage in Dalian International Container Services Co., Ltd. is determined based on the share of contribution as stated in the investment agreement, while the voting right percentage is determined based on the voting manner of the highest decision-making organization in accordance with the articles of association of the investee. As a result, there is inconsistency.

Note 2: Based on the concerted action agreement signed by the Group with another shareholder of Dalian Container Terminal Co., Ltd., the decision made by such shareholder aligns with that of the subsidiary of the Company, Dalian Port Container Development Co., Ltd. The Group, in fact, has effective control over the subsidiary.

Note 3: Shareholding percentage in subsidiaries is different from the voting right percentage. Based on the joint venture contract signed by the Company with other shareholders of Dalian Haijia Automobile Terminal Co., Ltd., other shareholders align with the decision made by the Company in respect of significant operating and financial policies. The Company, in fact, has effective control over the subsidiary.

Note 4: In April 2025, Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd., a subsidiary of the Group, completed the industrial and commercial deregistration. In July 2025, Dalian Dilangsirui Tourism Development Co., Ltd., a subsidiary of the Group, completed the industrial and commercial deregistration. In August 2025, Yingkou Gangxin Technology Co., Ltd., a subsidiary of the Group, completed the industrial and commercial deregistration. In November 2025, Dalian Ganglong Technology Co., Ltd., a subsidiary of the Group, completed the industrial and commercial deregistration.

VIII. Business combinations and consolidated financial statements (continued)

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

Note 5: Based on the concerted action agreement signed by the Company with another shareholder of Dalian Golden Bay Grain Logistics Co., Ltd., Dalian Harbour ECL Logistics Co., Ltd., and Dalian Changgang Tugboat Service Co., Ltd., the decision made by such shareholder aligns with that of the Company. The Company, in fact, has effective control over the three subsidiaries.

Note 6: In October 2021, Yingkou Ltd., a subsidiary of the Company, signed a capital increase agreement with Xingang Ore Terminal, pursuant to which, Yingkou Ltd. subscribed for all proposed increased registered capital of RMB759,407,300 from Xingang Ore Terminal and other shareholders agreed to waive their rights of first refusal. Upon completion of the subscription contribution, the shareholding of Yingkou Ltd. in Xingang Ore Terminal would increase from 88% to 90.1%. As of the date of these financial statements, Yingkou Ltd. has not paid for the subscribed additional capital contribution. Pursuant to the capital increase agreement, supplemental agreement for joint operation and the articles of association, the voting rights in the resolutions of a general meeting shall be exercised by the shareholders according to their proportion of subscribed capital contributions. All shareholders shall share the Company's profits and risks and losses according to their proportion of actual capital contributions. Therefore, there are circumstances in which the paid-in shareholding percentage is different from the voting rights percentage.

Note 7: On 30 September 2024, PDA Group and the Company entered into the *Custodial Service Agreement of Dalian Port Group Corporation Limited with Liaoning Port Co., Ltd.'s Subsidiary Dalian Changxing Island Port Investment and Development Co., Ltd.* PDA Group agreed to fully entrust the exercise of the shareholders' rights to which PDA Group was entitled in Changxing Island Port Investment and Development in accordance with the applicable laws and regulations and the Articles of Association, the right to appoint directors and supervisors, and voting rights, etc., other than the right to earnings, right of disposition (including share pledge), and subscription rights, to the Company. Therefore, the shareholding percentage is different from the voting right percentage. The Company acquired control over Changxing Island Port Investment and Development through this entrustment, and Changxing Island Port Investment and Development was transformed from a joint venture to a subsidiary and included in the scope of consolidation.

On 30 September 2024, PDA Group and the Company entered into the *Custodial Service Agreement of Dalian Port Group Corporation Limited with Liaoning Port Co., Ltd.'s Subsidiary Dalian Changxing Island Port Co., Ltd.* PDA Group agreed to fully entrust the exercise of the shareholders' rights to which PDA Group was entitled in Changxing Island Port in accordance with the applicable laws and regulations and the Articles of Association, the right to appoint directors and supervisors, and voting rights, etc., other than the right to earnings, right of disposition (including share pledge), and subscription rights, to the Company. Therefore, the shareholding percentage is different from the voting right percentage. The Company acquired control over Changxing Island Port through this entrustment, and Changxing Island Port was transformed from a joint venture to a subsidiary and included in the scope of consolidation.

Note 8: Dalian Port Oil Terminal Co., Ltd. and Dalian Changgang Tugboat Service Co., Ltd. are new subsidiaries established by the Company in February 2025 and September 2025, respectively.

Note 9: In December 2025, Dalian Gangrun Gas Co., Ltd., the subsidiary of the Company, had been taken over by the bankruptcy administrator and was no longer included in the scope of consolidation.

VIII. Business combinations and consolidated financial statements (continued)

2. Changes in the scope of consolidation and the reasons during the year

(1) During the current year, the Group established two new subsidiaries: Dalian Port Oil Terminal Co., Ltd. and Dalian Changgang Tugboat Service Co., Ltd.

(2) Companies no longer included in the scope of consolidation of the Group during the year

Enterprise name	Place of registration	Nature of business	Total shareholding percentage of the Group (%)	Total voting right percentage of the Group (%)	Reasons for not being a subsidiary
Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd.	Dalian	Supervision services	100.00	100.00	Note 1
Dalian Dilangsirui Tourism Development Co., Ltd.	Dalian	Tourist project development	100.00	100.00	Note 1
Dalian Ganglong Technology Co., Ltd.	Dalian	Computer system services	100.00	100.00	Note 2
Yingkou Gangxin Technology Co., Ltd.	Yingkou	Computer system services	100.00	100.00	Note 2
Dalian Gangrun Gas Co., Ltd.	Dalian	Sale of fuel gas	51.00	51.00	Note 3

Note 1: In April 2025, Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd. completed the industrial and commercial deregistration. In July 2025, Dalian Dilangsirui Tourism Development Co., Ltd. completed the industrial and commercial deregistration. The cancellation of the two companies did not have a material impact on the Group's financial position as at 31 December 2025 or on the results of operations and cash flows for the year 2025.

Note 2: In 2024, the Group integrated its subordinate information technology companies. As of 31 December 2025, China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd. had completed the acquisition and merger of Dalian Port Logistics Technology Co., Ltd., Dalian Ganglong Technology Co., Ltd., and Yingkou Gangxin Technology Co., Ltd. The business registration for these three companies has been deregistered.

Note 3: In December 2025, Dalian Gangrun Gas Co., Ltd., the subsidiary of the Company, had been taken over by the bankruptcy administrator and was no longer included in the scope of consolidation.

VIII. Business combinations and consolidated financial statements (continued)

3. Information on major non-wholly-owned subsidiaries

(1) Minority interests

31 December 2025

No.	Enterprise name	Shareholding percentage of minority interests (%)	Profit or loss of the current year attributable to minority interests	Dividend paid to minority interests for the current year	Accumulated minority interests at the end of the year
1	Dalian Container Terminal Co., Ltd.	**51.85**	**254,262,897.36**	**157,664,193.56**	**2,077,073,376.32**
2	Dalian Haijia Automobile Terminal Co., Ltd.	**50.00**	**-241,358.73**	**–**	**201,787,500.46**
3	Dalian Port Lvshun Harbour Service Co., Ltd.	**40.00**	**-1,838,842.78**	**–**	**131,366,668.69**
4	Xingang Ore Terminal	**12.00**	**10,023,731.21**	**–**	**494,964,944.34**
5	Changxing Island Port Investment and Development	**53.42**	**43,423,299.30**	**–**	**476,564,637.11**

31 December 2024

No.	Enterprise name	Shareholding percentage of minority interests (%)	Profit or loss of the current year attributable to minority interests	Dividend paid to minority interests for the current year	Accumulated minority interests at the end of the year
1	Dalian Container Terminal Co., Ltd.	51.85	174,259,745.50	111,017,340.63	2,044,304,154.68
2	Dalian Haijia Automobile Terminal Co., Ltd.	50.00	-298,243.02	–	202,028,859.19
3	Dalian Port Lvshun Harbour Service Co., Ltd.	40.00	424,920.44	–	133,198,626.03
4	Xingang Ore Terminal	12.00	9,904,418.67	18,395,098.39	485,485,160.92
5	Changxing Island Port Investment and Development	53.42	7,017,053.13	–	433,094,777.71

VIII. Business combinations and consolidated financial statements (continued)

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

(2) Key financial information

Item	Dalian Container Terminal Co., Ltd.	Dalian Haijia Automobile Terminal Co., Ltd.	Dalian Port Lvshun Harbour Service Co., Ltd.	Xingang Ore Terminal	Changxing Island Port Investment and Development
31 December 2025					
Current assets	419,996,079.19	88,821,783.22	70,568,089.80	2,168,304,013.58	270,555,523.50
Non-current assets	5,972,509,994.43	277,710,522.02	267,100,883.97	2,145,805,851.13	4,064,250,646.02
Total assets	6,392,506,073.62	366,532,305.24	337,668,973.77	4,314,109,864.71	4,334,806,169.52
Current liabilities	648,015,202.53	5,560,208.65	11,162,683.02	93,426,050.70	286,578,220.83
Non-current liabilities	1,966,671,168.34	–	3,028,481.49	95,975,944.53	3,157,515,829.45
Total liabilities	2,614,686,370.87	5,560,208.65	14,191,164.51	189,401,995.23	3,444,094,050.28
2025					
Revenue	1,568,898,041.20	36,378,722.77	53,128,948.27	541,388,039.05	449,829,746.75
Net profit (net loss represented by "-")	471,981,598.88	612,711.60	-4,446,437.60	83,531,093.45	79,889,697.28
Total comprehensive income	471,981,598.88	612,711.60	-4,446,437.60	83,531,093.45	79,889,697.28
Net cash flows from operating activities	937,929,713.27	8,885,102.31	15,791,660.00	150,735,411.86	-305,128,449.02

VIII. Business combinations and consolidated financial statements (continued)

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

(2) Key financial information (continued)

Item	Dalian Container Terminal Co., Ltd.	Dalian Haijia Automobile Terminal Co., Ltd.	Dalian Port Lvshun Harbour Service Co., Ltd.	Xingang Ore Terminal	Changxing Island Port Investment and Development
31 December 2024					
Current assets	329,309,992.91	80,999,717.70	65,379,866.57	2,041,536,958.85	782,890,416.34
Non-current assets	6,257,688,289.95	288,417,219.91	272,564,232.92	2,222,623,284.11	4,216,858,495.06
Total assets	6,586,998,282.86	369,416,937.61	337,944,099.49	4,264,160,242.96	4,999,748,911.40
Current liabilities	531,843,640.34	9,057,552.62	6,580,600.09	101,025,670.20	1,235,053,867.45
Non-current liabilities	2,322,149,229.44	–	3,456,466.15	117,424,898.41	2,953,959,780.55
Total liabilities	2,853,992,869.78	9,057,552.62	10,037,066.24	218,450,568.61	4,189,013,648.00
2024					
Revenue	1,387,628,686.45	30,752,261.79	62,349,772.94	486,123,032.01	122,432,738.99
Net profit (net loss represented by "-")	320,081,598.88	501,783.87	1,279,473.49	82,536,822.28	13,135,629.22
Total comprehensive income	320,081,598.88	501,783.87	1,279,473.49	82,536,822.28	13,135,629.22
Net cash flows from operating activities	803,085,988.73	11,394,066.54	17,249,702.73	82,881,909.71	713,763,217.94

VIII. Business combinations and consolidated financial statements (continued)

4. Changes in the parent company's share of the owners' equity in subsidiaries

Item	Dalian Jifa Bohai Rim Container Lines Co., Ltd.
Purchase cost/consideration for disposal	1.00
Including: Cash	1.00
Total purchase cost/consideration for disposal	1.00
Less: Share of net asset of the subsidiary, calculated based on the proportion of equity acquired or disposed of	-11,081,139.00
Difference	11,081,140.00
Including: Adjustments to capital reserve	-11,081,140.00

Note: On 2 September 2025, Dalian Port Container Development Co., Ltd., a subsidiary of the Company, entered into a *Share Transfer Agreement* with Jucang (Dalian) Network Technology Co., Ltd. (hereinafter referred to as "Jucang Network"), Dalian Port Container Development Co., Ltd. acquired the 2.64% equity interest in Dalian Jifa Bohai Rim Container Lines Co., Ltd. (a subsidiary of the Company) held by Juchang Network. As a result of this acquisition, the Group's share of the net asset of Dalian Jifa Bohai Rim Container Lines Co., Ltd., calculated based on the proportion of equity, decreased by RMB11,081,140.00.

IX. Notes to items of the consolidated financial statements

Except for special notes, for the financial statement data disclosed below, "Opening balance" refers to the balance as of 1 January 2025, "Closing balance" refers to the balance as of 31 December 2025 "Current Year" refers to the period from 1 January 2025 to 31 December 2025, and "Prior year" refers to the period from 1 January 2024 to 31 December 2024.

1. Cash at bank and on hand

Item	Closing balance	Opening balance
Cash on hand	**–**	7,741.02
Cash at bank	**4,468,619,749.00**	3,863,954,739.26
Other cash at bank and on hand	**–**	48,572,607.86
Deposits with financial institutions	**2,229,158,424.07**	1,367,696,045.64
Total	**6,697,778,173.07**	5,280,231,133.78
Including: Interest receivable from cash at bank	**379,770.86**	1,891,425.55
Including: Total amount deposited overseas	**–**	86,956,611.40

As at 31 December 2025, the use rights of the Group's cash at bank and on hand of RMB41,213,069.44 (31 December 2024: RMB29,778,820.80) were restricted. See "Note IX. 22" for details.

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

2. Notes receivable

(1) Classification of notes receivable

Category	Closing balance	Opening balance
Bank acceptance notes	**106,741,837.35**	91,552,251.26
Less: Provision for bad debts on notes receivable (Note)	**–**	–
Total	**106,741,837.35**	91,552,251.26

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

(2) As at 31 December 2025, the Group had no pledged notes receivable.

(3) The Group's notes receivable which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

Type	Closing balance		Opening balance	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Bank acceptance notes	**–**	**2,613,270.16**	59,181,282.20	4,025,000.00

(4) As at 31 December 2025, there were no discounted notes or notes that were recognised as accounts receivable due to the drawer's inability to perform.

(5) As of 31 December 2025, all of the Group's year-end notes receivable mentioned above had been outstanding for less than 180 days.

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

3. Accounts receivable

(1) General information on accounts receivable

Item	Closing balance	Opening balance
Accounts receivable	**1,909,482,995.57**	3,256,441,575.41
Less: Credit loss provision	**173,394,148.63**	250,175,936.26
Total	**1,736,088,846.94**	3,006,265,639.15

(2) Overall aging of accounts receivable

	Closing balance			Opening balance		
Item	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	**974,455,653.94**	**51.03**	**41,693,231.30**	540,642,653.27	16.60	4,677,289.77
1 to 2 years (including 2 years)	**22,820,584.92**	**1.20**	**3,327,640.46**	638,520,298.01	19.61	40,864,920.26
2 to 3 years (including 3 years)	**629,368,337.03**	**32.96**	**52,500,857.97**	621,236,479.31	19.08	45,268,804.93
Over 3 years	**282,838,419.68**	**14.81**	**75,872,418.90**	1,456,042,144.82	44.71	159,364,921.30
Total	**1,909,482,995.57**	**100.00**	**173,394,148.63**	3,256,441,575.41	100.00	250,175,936.26

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

	Opening balance	Impact of change in consolidation scope	Provision in the year	Other changes	Recovery or reversal during the year	Write-off in the year	Closing balance
2025	**250,175,936.26**	**-541,100.00**	**-70,903,782.73**	**–**	**–**	**-5,336,904.90**	**173,394,148.63**
2024	631,864,388.78	-1,624,283.83	-380,064,168.69	–	–	–	250,175,936.26

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

3. Accounts receivable (continued)

(4) There is no significant credit loss provision recovered or reversed during the year

(5) The accounts receivable actually written-off during the year are as follows:

Name of entity	Nature of accounts receivable	Write-off amount	Reason for write-off	Write-off procedures performed	Whether from related transactions
Dalian Creative Industry Project Development Co., Ltd.	Electricity bills	5,336,904.90	Declared bankrupt with no assets available for enforcement	Approved by the Board of Directors	Yes
Total	–	5,336,904.90	–	–	–

(6) Details of accounts receivable of which provision for bad debts is made are as follows:

As at 31 December 2025, details of the Group's accounts receivable of which provision for bad debts is made according to its credit risk rating are as follows:

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	**355,370,246.45**	**36,807.81**	**0.00-0.10**
B	**121,577,771.33**	**133,167.76**	**0.10-0.30**
C	**1,373,996,525.81**	**114,897,698.21**	**0.30-50.00**
D	**58,538,451.98**	**58,326,474.85**	**50.00-100.00**
Total	**1,909,482,995.57**	**173,394,148.63**	**-**

As at 31 December 2024, details of the Group's accounts receivable of which provision for bad debts is made according to its credit risk rating are as follows:

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	375,479,644.99	38,827.42	0.00-0.10
B	116,492,865.02	156,628.13	0.10-0.30
C	2,693,266,594.43	179,036,743.99	0.30-50.00
D	71,202,470.97	70,943,736.72	50.00-100.00
Total	3,256,441,575.41	250,175,936.26	–

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

3. Accounts receivable (continued)

(7) The Group does not hold a significant amount due from shareholders who hold more than 5% (inclusive) of the voting rights of the Group during the year

(8) Information on the top five entities by the amounts of accounts receivable as at 31 December 2025

Name of entity	Relationship with the Company	Amount	Aging	Credit loss provision	Percentage of total accounts receivable (%)
Dalian Enesky International Trade Co., Ltd. (Note)	Client	1,346,246,099.00	Within 1 year, 2-3 years, and over 3 years	108,682,763.77	70.50
Huaneng Yingkou Port Co., Ltd.	Related party	48,401,396.48	Within 1 year	48,400.11	2.53
Mediterranean Shipping Company Limited	Client	29,408,107.16	Within 1 year	4,731.94	1.54
Beiliang Port Customs of the People's Republic of China	Client	23,030,000.00	1 to 2 years, 2 to 3 years	4,761,533.80	1.21
Maersk (China) Shipping Company Limited	Client	17,435,234.89	Within 1 year	3,975.50	0.91
Total	–	1,464,520,837.53	–	113,501,405.12	76.69

Note: As at 31 December 2025, the book balance of the Group's secured accounts receivable amounted to RMB1,346,246,099.00 (31 December 2024: RMB2,601,614,716.00), which was mainly the Group's warehousing costs due from Dalian Enesky International Trade Co., Ltd. Based on the relevant agreement signed by the Group and Dalian Enesky International Trade Co., Ltd., this company shall not transfer its goods equivalent to such accounts receivable stored in the Group until the outstanding amount is settled.

4. Receivables financing

(1) Classification of receivables financing

Category	Closing balance	Opening balance
Bank acceptance notes measured at fair value	**266,352,784.71**	290,981,075.87

(2) As at 31 December 2025, the Group has no receivables financing pledged (31 December 2024: nil).

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

4. Receivables financing (continued)

(3) As at 31 December 2025, the Group's receivables financing which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

	Closing balance		Opening balance	
Type	**Derecognised**	**Not derecognised**	Derecognised	Not derecognised
Bank acceptance notes	**97,474,152.56**	**–**	106,303,296.04	–

5. Advances to suppliers

(1) An aging analysis of advances to suppliers is as follows:

	Closing balance			Opening balance		
Item	**Book balance**	**Proportion (%)**	**Impairment provision**	Book balance	Proportion (%)	Impairment provision
Within 1 year (including 1 year)	**48,466,012.23**	**97.36**	**–**	57,955,874.73	93.82	–
1 to 2 years (including 2 years)	**585,109.74**	**1.18**	**–**	1,797,475.93	2.91	–
2 to 3 years (including 3 years)	**210,266.32**	**0.42**	**–**	270,000.00	0.44	–
Over 3 years	**519,832.94**	**1.04**	**–**	1,746,613.70	2.83	–
Total	**49,781,221.23**	**100.00**	**–**	61,769,964.36	100.00	–

As at 31 December 2025, the Group has no significant advances to suppliers aged over 1 year (31 December 2024: nil).

(2) Information on the top five entities by the amounts of advances to suppliers

Name of entity	Amount	Aging	Percentage of total advances to suppliers (%)	Reasons for unsettlement
China Railway Container Transport Co., Ltd.	8,111,899.65	Within 1 year	16.30	The condition for settlement is unsatisfied
China Railway Shenyang Group Co., Ltd.	7,868,063.91	Within 1 year	15.81	The condition for settlement is unsatisfied
State Grid Liaoning Electric Power Supply Co., Ltd.	7,391,112.92	Within 1 year, over 3 years	14.85	The condition for settlement is unsatisfied
China Railway Harbin Bureau Group Co., Ltd.	6,078,957.30	Within 1 year	12.21	The condition for settlement is unsatisfied
China Railway Tielong Container Logistics Co., Ltd.	2,304,413.16	Within 1 year, 1-2 years, 2-3 years	4.62	The condition for settlement is unsatisfied
Total	31,754,446.94	–	63.79	–

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

6. Other receivables

Item	Closing balance	Opening balance
Interest receivable	–	–
Dividends receivable	73,673,143.73	96,297,124.26
Other receivables	495,732,715.38	340,717,344.32
Total	569,405,859.11	437,014,468.58

(1) Interest receivable: None

(2) Dividends receivable

1) Presentation of dividends receivable

Investee	Closing balance	Opening balance
Dalian Port Yidu Cold Chain Co., Ltd.	63,917,796.35	72,317,796.35
Dalian Jilong Logistics Co., Ltd.	22,507,539.23	22,507,539.23
Dalian Automobile Terminal Co., Ltd.	11,200,000.00	12,800,000.00
Dalian Singamas International Container Co., Ltd.	1,580,826.26	3,049,158.68
Dalian Dagang Container Terminal Co., Ltd.	1,257,845.68	1,457,312.29
Weifang Weida Container Service Co., Ltd.	159,560.75	–
Dalian United International Shipping Agency Co., Ltd.	–	8,569,000.00
Ha'ou International Logistics Co., Ltd.	–	2,641,218.93
Dalian Wanpeng Port Engineering Testing Co., Ltd.	–	40,000.00
Total	100,623,568.27	123,382,025.48
Less: Credit loss provision	26,950,424.54	27,084,901.22
Book value	73,673,143.73	96,297,124.26

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

6. Other receivables (continued)

(2) Dividends receivable (continued)

2) Material dividends receivable aged over 1 year

Investee	Closing balance	Opening balance	Reasons for being unsettled	Closing balance of credit loss provision
Dalian Port Yidu Cold Chain Co., Ltd.	**63,917,796.35**	72,317,796.35	Delay of payment	15,696,654.92
Dalian Jilong Logistics Co., Ltd.	**22,507,539.23**	22,507,539.23	Delay of payment	11,253,769.62
Total	**86,425,335.58**	94,825,335.58	–	26,950,424.54

3) Movements in provision for credit losses on dividends receivable

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	**15,831,131.60**	**11,253,769.62**	**–**	**27,084,901.22**
Provision in the year	**-134,476.68**	**–**	**–**	**-134,476.68**
Closing balance	**15,696,654.92**	**11,253,769.62**	**–**	**26,950,424.54**

The provision for bad debts in 2025 amounted to RMB-134,476.68 (2024: RMB6,054,158.39), and no recovery or reversal of the provision for bad debts was recorded (2024: nil).

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

6. Other receivables (continued)

(3) Other receivables

1) Other receivables by nature

Nature of amount	Closing balance	Opening balance
Government subsidies receivable	**421,334,932.86**	307,413,298.21
Advances receivable	**31,803,178.33**	16,407,087.19
Receivables from deposit and security deposit	**13,843,604.94**	14,836,730.72
Receivables from income of entrusted management services	**8,200,000.00**	8,050,000.00
Settlement to be transferred	**–**	1,592,090.17
Public infrastructure maintenance expenses	**–**	7,937,917.84
Receivables from project payment and guarantee deposit	**1,857,513.89**	2,126,875.53
Port miscellaneous expenses	**2,824,753.00**	3,585,134.00
Others	**82,530,145.98**	52,314,177.18
Subtotal	**562,394,129.00**	414,263,310.84
Less: Credit loss provision	**66,661,413.62**	73,545,966.52
Total	**495,732,715.38**	340,717,344.32

2) Aging analysis

	Closing balance			Opening balance		
Item	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	**214,348,695.42**	**38.11**	**8,840,202.34**	188,091,618.31	45.40	10,041,476.77
1 to 2 years (including 2 years)	**141,696,674.44**	**25.20**	**9,631,789.55**	96,536,884.11	23.31	5,434,228.38
2 to 3 years (including 3 years)	**95,772,093.04**	**17.03**	**4,524,432.13**	55,849,920.74	13.48	2,373,649.67
Over 3 years	**110,576,666.10**	**19.66**	**43,664,989.60**	73,784,887.68	17.81	55,696,611.70
Total	**562,394,129.00**	**100.00**	**66,661,413.62**	414,263,310.84	100.00	73,545,966.52

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

6. Other receivables (continued)

(3) Other receivables (continued)

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

31 December 2025

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	**491,855,061.57**	**21,434,842.30**	**0.00-0.10**
B	**15,548,047.16**	**16,268.76**	**0.10-0.30**
C	**9,689,036.29**	**214,078.26**	**0.30-50.00**
D	**45,301,983.98**	**44,996,224.30**	**50.00-100.00**
Total	**562,394,129.00**	**66,661,413.62**	**–**

31 December 2024

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	341,538,882.92	15,934,055.22	0.00-0.10
B	2,057,649.39	2,279.21	0.10-0.30
C	17,597,964.80	4,704,249.63	0.30-50.00
D	53,068,813.73	52,905,382.46	50.00-100.00
Total	414,263,310.84	73,545,966.52	–

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

6. Other receivables (continued)

(3) Other receivables (continued)

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

31 December 2025

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	**15,936,334.43**	**4,704,249.63**	**52,905,382.46**	**73,545,966.52**
Opening balance for the year:	**–**	**–**	**–**	**–**
– Transferred into Stage II	**-14.93**	**14.93**	**–**	**–**
– Transferred into Stage III	**-1,674.65**	**-101,739.56**	**103,414.21**	**–**
– Transferred back to Stage II	**–**	**–**	**–**	**–**
– Transferred back to Stage I	**–**	**–**	**–**	**–**
Provision in the year	**5,516,477.95**	**-4,388,446.74**	**-8,012,472.37**	**-6,884,441.16**
Reversal in the year	**–**	**–**	**–**	**–**
Other changes	**–**	**–**	**–**	**–**
Impact of change in consolidation scope	**-11.74**	**–**	**-100.00**	**-111.74**
Closing balance	**21,451,111.06**	**214,078.26**	**44,996,224.30**	**66,661,413.62**

31 December 2024

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	1,962,787.98	9,582,935.50	110,589,703.62	122,135,427.10
Opening balance for the year:	–	–	–	–
– Transferred into Stage II	-68.90	68.90	–	–
– Transferred into Stage III	-16.62	-48,238.58	48,255.20	–
– Transferred back to Stage II	–	–	–	–
– Transferred back to Stage I	639,000.00	–	-639,000.00	–
Provision in the year	13,386,488.31	3,382,034.83	-88,022,576.42	-71,254,053.28
Reversal in the year	–	–	–	–
Other changes	–	–	–	–
Impact of change in consolidation scope	-51,856.34	-8,212,551.02	30,929,000.06	22,664,592.70
Closing balance	15,936,334.43	4,704,249.63	52,905,382.46	73,545,966.52

In FY2025, the provision for bad debts amounted to RMB-6,884,441.16 (2024: RMB-71,254,053.28). There was no reversal of provision for bad debts (2024: nil), and no provision for bad debts written off (2024: nil).

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

6. Other receivables (continued)

(3) Other receivables (continued)

5) Debts of shareholding entities with 5% (inclusive) or more shares of the Company's voting rights

	Closing balance		Opening balance	
Name of entity	Outstanding amount	Amount of provision for credit losses	Outstanding amount	Amount of provision for credit losses
PDA Group	**565,164.87**	**138,061.10**	686,851.52	69,086.19
Yingkou Port Group	**20,000.00**	**6.00**	20,000.00	4.00

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

31 December 2025

Name of entity	Book balance	Aging	Percentage of total other receivables (%)	Credit loss provision	Nature or content
Dalian Transportation and Shipping Logistics Development Service Center	**377,179,541.12**	Within 1 year, 1-2 years, 2-3 years, over 3 years	**67.07**	**20,246,531.80**	Government subsidies receivable
SAIC Anji Logistics Co., Ltd.	**37,912,057.82**	Within 1 year	**6.74**	**3,791.11**	Others
Port Office of the Dalian Municipal People's Government	**29,310,000.00**	Within 1 year	**5.21**	**1,178,262.00**	Government subsidies receivable
Dalian Changxing Island Economic and Technological Development Zone Natural Resources Service Center	**23,110,791.91**	Over 3 years	**4.11**	**23,110,791.91**	Others
Chery Automobile Co., Ltd.	**12,540,426.49**	Within 1 year	**2.23**	**12,540.43**	Advances receivable
Total	**480,052,817.34**	-	**85.36**	**44,551,917.25**	-

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

6. Other receivables (continued)

(3) Other receivables (continued)

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

31 December 2024

Name of entity	Book balance	Aging	Percentage of total other receivables (%)	Credit loss provision	Nature or content
Dalian Transportation and Shipping Logistics Development Service Center	285,968,814.56	Within 1 year, 1-2 years, 2-3 years	69.03	15,926,983.84	Government subsidies receivable
Dalian Changxing Island Economic Zone Land Reserve Trading Center	33,110,791.91	Over 3 years	7.99	33,110,791.91	Others
The Office of the Horqin District People's Government, Tongliao City	15,233,590.95	Within 1 year, over 3 years	3.68	3,948,602.74	Government subsidies receivable
Liaoning MTR International Logistics Industry Group Co., Ltd.	8,469,202.23	Over 3 years	2.04	8,469,202.23	Others
Liaoning Port Group	8,016,801.70	Within 1 year, 1-2 years, over 3 years	1.94	803.56	Receivables from income of entrusted management services
Total	350,799,201.35	–	84.68	61,456,384.28	–

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

7. Inventories

(1) Classification of inventories

	Closing balance			Opening balance		
Item	Book balance	Provision for the decline in value of inventories/ impairment provision for contract performance costs	Book value	Book balance	Provision for the decline in value of inventories/ impairment provision for contract performance costs	Book value
Raw materials	**86,069,019.20**	**2,591,239.16**	**83,477,780.04**	87,676,564.03	4,035,870.39	83,640,693.64
Goods in stock (finished goods)	**11,463,276.60**	**3,439,206.48**	**8,024,070.12**	13,641,102.90	3,569,820.98	10,071,281.92
Turnover materials	**21,512,250.06**	**26,665.10**	**21,485,584.96**	20,386,673.40	19,467.10	20,367,206.30
Contract performance costs	**12,205,661.10**	**-**	**12,205,661.10**	11,199,758.08	-	11,199,758.08
Others	**-**	**-**	**-**	704,301.07	704,301.07	-
Total	**131,250,206.96**	**6,057,110.74**	**125,193,096.22**	133,608,399.48	8,329,459.54	125,278,939.94

(2) Provision for the decline in value of inventories

		Increase in the year		Decrease in the year		
Item	Opening balance	Provision	Others	Recovery or reversal	Others	Closing balance
Raw materials	4,035,870.39	-	-	1,442,701.98	1,929.25	**2,591,239.16**
Goods in stock (finished goods)	3,569,820.98	-	-	130,614.50	-	**3,439,206.48**
Turnover materials	19,467.10	7,198.00	-	-	-	**26,665.10**
Others	704,301.07	-	-	-	704,301.07	**-**
Total	8,329,459.54	7,198.00	-	1,573,316.48	706,230.32	**6,057,110.74**

(3) The amortization of RMB7,871,995.00 was recognized for contract performance costs in the year (2024: RMB30,235,851.42).

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

8. Other current assets

(1) Classification of other current assets

Item	Closing balance	Opening balance
VAT input to be deducted	**76,923,382.08**	227,897,816.12
Input VAT to be certified	**14,836,259.66**	19,521,746.78
Prepaid taxes	**83,854,142.18**	51,132,980.59
Others	**87,369,437.80**	95,837,210.08
Subtotal	**262,983,221.72**	394,389,753.57
Less: Impairment provision	**8,942,675.89**	11,609,755.91
Total	**254,040,545.83**	382,779,997.66

(2) Details of impairment tests on other current assets

As the economic performance of the assets has been lower than expected or the assets have been or will be discontinued, the Group conducted impairment tests on the other current assets of DCT Logistics.

The recoverable amount is determined as the net of fair value less the cost of disposal:

Item	Book value	Recoverable amount	Impairment amount	Determination of fair value and cost of disposal	Key parameters	Basis for determining key parameters
DCT Logistics	78,803,172.11	159,216,025.00	–	Fair value is determined using the replacement cost method and the market method, and the cost of disposal is the cost associated with the disposal of the asset.	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances; use of the full cost of reacquiring or constructing an asset similar to the evaluated asset in new condition under current conditions, with adjustments and corrections for variances

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

9. Long-term receivables

Item	Closing balance			Opening balance			Year-end discount rate range
	Book balance	Credit loss provision	Book value	Book balance	Credit loss provision	Book value	
Inter-company borrowings	22,249,717.50	2,224.97	22,247,492.53	–	–	–	3.00%
Total	22,249,717.50	2,224.97	22,247,492.53	–	–	–	–

10. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase in the year	Decrease in the year	Other increase (decrease)	Closing balance
Investment in joint ventures	1,383,975,712.47	2,400,000.00	–	-262,115,532.44	1,124,260,180.03
Investment in associates	1,621,727,515.18	–	–	73,489,533.01	1,695,217,048.19
Subtotal	3,005,703,227.65	2,400,000.00	–	-188,625,999.43	2,819,477,228.22
Less: Provision for impairment of long-term equity investments	31,177,663.08	8,642,750.52	–	–	39,820,413.60
Total	2,974,525,564.57	-6,242,750.52	–	-188,625,999.43	2,779,656,814.62

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

10. Long-term equity investments (continued)

(2) Breakdown of long-term equity investments

31 December 2025

Investee	Investment costs	Opening balance	Impact of change in consolidation scope	Movements for the year: Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Others	Closing balance	Closing balance of impairment provision
Joint ventures													
VTTI Terminals Dalian Co., Ltd.	86,878,185.37	158,506,162.88	-	-	-	7,946,901.12	-	-	-7,000,000.00	-	-	159,453,064.00	-
Dalian Port PetroChina International Terminal Co., Ltd.	125,000,000.00	211,172,797.21	-	-	-	21,445,112.57	-	-	-30,000,000.00	-	-	202,617,909.78	-
Dalian United International Shipping Agency Co., Ltd.	2,175,192.85	11,775,343.27	-	-	-	4,008,161.17	-	-	-	-	-	15,783,504.44	-
Dalian Port Yidu Cold Chain Co., Ltd.	260,500,000.00	403,322,247.84	-	-	-	-188,921,550.64	-	511,883.03	-	-	-	214,912,580.23	-
China United Tally (Dalian) Co., Ltd.	5,103,200.33	3,826,128.80	-	-	-	833,749.74	-	80,390.71	-822,964.88	-	-	3,917,304.37	-
China Oil Dock Management (Dalian) Co., Ltd.	16,301,068.34	21,427,826.70	-	-	-	3,695,957.95	-	-	-8,740,090.28	-	-	16,383,694.37	-
Liaoning Electronic Port Co., Ltd.	6,000,000.00	6,268,664.63	-	-	-	-468,562.19	-	-	-	-	-	5,800,102.44	-
Dalian Dagang Container Terminal Co., Ltd.	5,798,464.21	7,307,051.07	-	-	-	1,397,606.32	-	23,741.69	-1,257,845.68	-	-	7,470,553.40	-
Dalian Jilong Logistics Co., Ltd.	21,000,000.00	6,242,750.52	-	-	-	-	-	-	-	6,242,750.52	-	-	7,529,353.34
China United International Rail Containers (Dalian) Co., Ltd.	214,000,000.00	181,146,500.79	-	-	-	3,339,041.91	-	-	-	-	-	184,485,542.70	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	4,000,000.00	16,023,885.99	-	-	-	1,445,004.56	-	-	-	-	-	17,468,890.55	-
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	10,000,000.00	-	-	-	-	-	-	-	-	-	-	-	8,468,465.03
Ha'ou International Logistics Co., Ltd.	23,000,000.00	22,482,222.72	-	-	-	-411,790.35	-	-	-	-	-	22,070,432.37	-
Odfjell Changxing Terminals (Dalian) Co., Ltd.	17,027,723.47	-	-	2,400,000.00	-	-	-	-	-	2,400,000.00	-	-	10,060,214.03
Weifang Weida Container Service Co., Ltd.	1,500,000.00	2,022,092.24	-	-	-	8,389.22	-	-	-297,093.01	-	-	1,733,388.45	-
Dalian Gangyu Logistics Supply Chain Co., Ltd.	49,980,000.00	34,323,854.84	-	-	-	1,538,628.84	-	-	-	-	-	35,862,483.68	-
Zhonghai Ganglian Navigation Co., Ltd.	-	57,928,326.35	-	-	-	-4,690,260.30	-	-	-	-	-53,238,066.05	-	-
Yingkou Container Terminals Company Limited	16,458,690.85	67,713,456.30	-	-	-	23,648,104.20	-	564,866.12	-24,504,749.11	-	-	67,421,677.51	-
Sinograin Yingkou Storage and Transportation Co., Ltd.	192,118,114.69	141,308,737.24	-	-	-	1,460,305.12	-	51,976.98	-	-	-	142,821,019.34	-
Subtotal	1,056,840,640.11	1,352,798,049.39	-	2,400,000.00	-	-123,725,200.76	-	1,232,858.53	-72,622,742.96	8,642,750.52	-53,238,066.05	1,098,202,147.63	26,058,032.40

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

10. Long-term equity investments (continued)

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

31 December 2025 (continued)

				Movements for the year									
Investee	Investment costs	Opening balance	Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Others	Closing balance	Closing balance of impairment provision
Associates													
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	20,288,520.00	63,078,006.09	-	-	-	20,337,306.54	-	-	-26,483,802.40	-	-	56,931,510.23	-
Dalian Wanpeng Port Engineering Testing Co., Ltd.	2,000,000.00	3,295,677.70	-	-	-	533,891.14	-	-	-	-	-	3,829,568.84	-
Dalian Puji Storage Facility Co., Ltd.	239,636,434.98	97,598,996.34	-	-	-	1,076,429.24	-	-	-	-	-	98,675,425.58	-
Taicang Xinggang Tug Co., Ltd.	6,233,613.00	8,966,572.34	-	-	-	2,919,007.33	-	156,997.87	-2,099,997.90	-	-	9,942,579.64	-
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	520,000,000.00	610,122,248.16	-	-	-	4,563,973.89	-	-841,616.37	-8,957,650.23	-	-	604,886,955.45	-
Dalian North Oil Petroleum Logistics Co., Ltd.	60,000,000.00	68,042,461.40	-	-	-	4,672,977.99	-	44,552.84	-5,600,000.00	-	-	67,159,992.23	-
Sino Rail Bohai Train Ferry Co., Ltd.	274,500,286.56	212,331,918.85	-	-	-	8,967,608.53	-	-	-	-	-	221,299,527.38	-
CDC International Logistics Co., Ltd.	90,000,000.00	140,021,567.16	-	-	-	5,721,673.24	-	-	-1,500,000.00	-	-	144,243,240.40	-
Dalian Automobile Terminal Co., Ltd.	152,503,640.00	181,104,168.07	-	-	-	10,772,592.88	-	184,946.80	-11,200,000.00	-	-	180,861,707.75	-
Dalian Singamas International Container Co., Ltd.	43,729,517.84	45,000,949.10	-	-	-	2,630,807.76	-	-988.07	-1,580,826.26	-	-	46,049,942.53	-
Ansteel Yingkou Port Co., Ltd.	213,224,500.00	192,164,949.97	-	-	-	14,973,638.75	-	130,000.00	-12,479,543.16	-	-	194,789,045.56	-
Zhonghai Ganglian Navigation Co., Ltd.	90,000,000.00	-	-	-	-	-452,894.65	-	-	-	-	53,238,066.05	52,785,171.40	13,762,381.20
Subtotal	1,712,116,512.38	1,621,727,515.18	-	-	-	76,717,012.64	-	-326,106.93	-69,901,819.95	-	53,238,066.05	1,681,454,666.99	13,762,381.20
Total	2,768,957,152.49	2,974,525,564.57	-	2,400,000.00	-	-47,008,188.12	-	906,751.60	-142,524,562.91	8,642,750.52	-	2,779,656,814.62	39,820,413.60

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

10. Long-term equity investments (continued)

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

31 December 2024

Investee	Investment costs	Opening balance	Impact of change in consolidation scope	Movements for the year: Increase in investment	Movements for the year: Decrease in investment	Movements for the year: Investment gains or losses recognised under equity method	Movements for the year: Adjustment of other comprehensive income	Movements for the year: Other changes in equity	Movements for the year: Declare cash dividends and profits	Movements for the year: Provision for impairment	Closing balance	Closing balance of impairment provision
Joint ventures												
VTTI Terminals Dalian Co., Ltd.	86,878,185.37	158,461,749.61	-	-	-	10,228,911.65	-	-184,498.38	-10,000,000.00	-	158,506,162.88	-
Dalian Port PetroChina International Terminal Co., Ltd.	125,000,000.00	215,786,201.46	-	-	-	25,386,595.75	-	-	-30,000,000.00	-	211,172,797.21	-
Dalian United International Shipping Agency Co., Ltd.	2,175,192.85	21,105,213.97	-	-	-	3,754,129.30	-	-	-13,084,000.00	-	11,775,343.27	-
Dalian Vanguard International Logistics Co., Ltd.	37,000,000.00	35,541,319.67	-	-	-35,541,319.67	-	-	-	-	-	-	-
Dalian Port Yidu Cold Chain Co., Ltd.	260,500,000.00	403,231,841.98	-	-	-	47,706.10	-	42,699.76	-	-	403,322,247.84	-
China United Tally (Dalian) Co., Ltd.	5,103,200.33	3,018,771.40	-	-	-	874,222.54	-	77,145.78	-144,010.92	-	3,826,128.80	-
China Oil Dock Management (Dalian) Co., Ltd.	16,301,068.34	20,910,673.47	-	-	-	8,778,168.01	-	-	-8,261,014.78	-	21,427,826.70	-
Liaoning Electronic Port Co., Ltd.	6,000,000.00	6,674,303.92	-	-	-	-405,639.29	-	-	-	-	6,268,664.63	-
Dalian Dagang Container Terminal Co., Ltd.	5,798,464.21	7,248,858.65	-	-	-	1,457,625.72	-	57,878.99	-1,457,312.29	-	7,307,051.07	-
Dalian Jilong Logistics Co., Ltd.	21,000,000.00	7,529,353.34	-	-	-	-	-	-	-	1,286,602.82	6,242,750.52	1,286,602.82
China United International Rail Containers (Dalian) Co., Ltd.	214,000,000.00	177,343,590.14	-	-	-	3,802,910.65	-	-	-	-	181,146,500.79	-
Changxing Island Port	248,000,000.00	96,912,816.77	-	-	-	-96,773,828.49	-	-138,988.28	-	-	-	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	4,000,000.00	13,388,880.55	-	-	-	2,636,613.04	-	-1,607.60	-	-	16,023,885.99	-
Changxing Island Port Investment and Development	463,147,800.00	304,448,198.08	-	-	-295,604,225.12	-8,672,837.63	-	-171,135.33	-	-	-	-
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	10,000,000.00	-	-	-	-	-	-	-	-	-	-	8,468,465.03
Ha'ou International Logistics Co., Ltd.	23,000,000.00	26,488,350.69	-	-	-	-1,364,909.04	-	-	-2,641,218.93	-	22,482,222.72	-
Odfjell Changxing Terminals (Dalian) Co., Ltd.	14,627,723.47	7,736,387.48	-	-	-	-76,173.45	-	-	-	7,660,214.03	-	7,660,214.03
Weifang Weida Container Service Co., Ltd.	1,500,000.00	1,993,644.14	-	-	-	177,289.73	-	-	-148,841.63	-	2,022,092.24	-
Dalian Gangyu Logistics Supply Chain Co., Ltd.	49,980,000.00	37,441,360.21	-	-	-	-3,117,505.37	-	-	-	-	34,323,854.84	-
Zhonghai Ganglian Navigation Co., Ltd.	90,000,000.00	75,835,624.05	-	-	-	-4,144,916.50	-	-	-	13,762,381.20	57,928,326.35	13,762,381.20
Yingkou Container Terminals Company Limited	16,458,690.85	69,468,181.95	-	-	-	24,610,931.24	-	870,812.43	-27,236,469.32	-	67,713,456.30	-
Sinograin Yingkou Storage and Transportation Co., Ltd.	192,118,114.69	212,078,544.44	-	-	-	-70,769,807.20	-	-	-	-	141,308,737.24	-
Subtotal	1,892,588,440.11	1,902,643,865.97	-	-	-331,145,544.79	-103,570,513.24	-	552,307.37	-92,972,867.87	22,709,198.05	1,352,798,049.39	31,177,663.08

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

10. Long-term equity investments (continued)

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

31 December 2024 (continued)

Investee	Investment costs	Opening balance	Movements for the year: Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Closing balance	Closing balance of impairment provision
Associates												
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	20,288,520.00	62,218,453.92	-	-	-	26,571,108.95	-	-	-25,711,556.78	-	63,078,006.09	-
Dalian Wanpeng Port Engineering Testing Co., Ltd.	2,000,000.00	3,252,610.97	-	-	-	83,066.73	-	-	-40,000.00	-	3,295,677.70	-
Dalian Puji Storage Facility Co., Ltd.	239,636,434.98	98,057,348.60	-	-	-	-458,352.26	-	-	-	-	97,598,996.34	-
Taicang Xinggang Tug Co., Ltd.	6,233,613.00	10,415,104.10	-	-	-	2,340,893.23	-	67,714.01	-3,857,139.00	-	8,966,572.34	-
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	520,000,000.00	616,202,701.57	-	-	-	12,820,208.66	-	-2,184,710.84	-16,715,951.23	-	610,122,248.16	-
Dalian North Oil Petroleum Logistics Co., Ltd.	60,000,000.00	68,676,632.22	-	-	-	3,299,715.98	-	66,113.20	-4,000,000.00	-	68,042,461.40	-
Sino Rail Bohai Train Ferry Co., Ltd.	274,500,286.56	215,264,584.72	-	-	-	-2,232,665.87	-	-700,000.00	-	-	212,331,918.85	-
CDC International Logistics Co., Ltd.	90,000,000.00	134,940,276.50	-	-	-	5,081,290.66	-	-	-	-	140,021,567.16	-
Dalian Automobile Terminal Co., Ltd.	152,503,640.00	184,073,446.57	-	-	-	9,634,497.09	-	196,224.41	-12,800,000.00	-	181,104,168.07	-
Dalian Singamas International Container Co., Ltd.	43,729,517.84	44,435,722.49	-	-	-	1,696,927.56	-	-12,233.81	-1,119,467.14	-	45,000,949.10	-
Ansteel Yingkou Port Co., Ltd.	213,224,500.00	190,234,963.30	-	-	-	13,449,866.65	-	-	-11,519,879.98	-	192,164,949.97	-
Subtotal	1,622,116,512.38	1,627,771,844.96	-	-	-	72,286,557.38	-	-2,566,893.03	-75,763,994.13	-	1,621,727,515.18	-
Total	3,514,704,952.49	3,530,415,710.93	-	-	-331,145,544.79	-31,283,955.86	-	-2,014,585.66	-168,736,862.00	22,709,198.05	2,974,525,564.57	31,177,663.08

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

10. Long-term equity investments (continued)

(3) Change in provision for impairment of long-term equity investment is as follows:

31 December 2025

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	**8,468,465.03**	**–**	**–**	**8,468,465.03**
Dalian Jilong Logistics Co., Ltd.	**1,286,602.82**	**6,242,750.52**	**–**	**7,529,353.34**
Odfjell Changxing Terminals (Dalian) Co., Ltd.	**7,660,214.03**	**2,400,000.00**	**–**	**10,060,214.03**
Zhonghai Ganglian Navigation Co., Ltd.	**13,762,381.20**	**–**	**–**	**13,762,381.20**
Total	**31,177,663.08**	**8,642,750.52**	**–**	**39,820,413.60**

31 December 2024

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	8,468,465.03	–	–	8,468,465.03
Dalian Jilong Logistics Co., Ltd.	–	1,286,602.82	–	1,286,602.82
Odfjell Changxing Terminals (Dalian) Co., Ltd.	–	7,660,214.03	–	7,660,214.03
Zhonghai Ganglian Navigation Co., Ltd.	–	13,762,381.20	–	13,762,381.20
Total	8,468,465.03	22,709,198.05	–	31,177,663.08

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

10. Long-term equity investments (continued)

(3) Change in provision for impairment of long-term equity investment is as follows: (continued)

As the economic performance of the assets has been lower than expected or the assets have been used or will be discontinued, the Group performed an impairment test on the long-term equity investments in Dalian Jilong Logistics Co., Ltd., Odfjell Changxing Terminals (Dalian) Co., Ltd., Zhonghai Ganglian Navigation Co., Ltd., and Dalian Port Yidu Cold Chain Co., Ltd. in 2025. Including:

The recoverable amount is determined as the net of fair value less the cost of disposal:

Item	Book value (Note)	Recoverable amount	Impairment amount	Determination of fair value and cost of disposal	Key parameters	Basis for determining key parameters
Dalian Jilong Logistics Co., Ltd.	6,242,750.52	–	6,242,750.52	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances
Odfjell Changxing Terminals (Dalian) Co., Ltd.	2,400,000.00	–	2,400,000.00	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances

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

10. Long-term equity investments (continued)

(3) Change in provision for impairment of long-term equity investment is as follows: (continued)

The recoverable amount is determined as the present value of the expected future cash flows:

Item	Book value (Note)	Recoverable amount	Impairment amount	Years of forecast period	Key parameters for the forecast period	Key parameters for the stabilization period	Basis for determining key parameters for the stabilization period
Zhonghai Ganglian Navigation Co., Ltd.	52,785,171.40	130,527,168.06	–	5	Future business volume, budgeted gross margin, discount rate	Perpetual growth rate, discount rate	The perpetual growth rate takes into account the projected growth rate of the same industry and does not exceed the long-term average growth rate of the same industry; and the discount rate is a pre-tax rate that reflects the specific risks of the relevant asset group.
Dalian Port Yidu Cold Chain Co., Ltd.	214,912,580.23	251,460,025.63	–	5	Future business volume, budgeted gross margin, discount rate	Perpetual growth rate, discount rate	The perpetual growth rate takes into account the projected growth rate of the same industry and does not exceed the long-term average growth rate of the same industry; and the discount rate is a pre-tax rate that reflects the specific risks of the relevant asset group.

Note: The book value represents the book value before the impairment provision testing was performed in the current year.

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

10. Long-term equity investments (continued)

(4) Investment in joint ventures

Name of investee	Place of registration	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right percentage (%)	Accounting treatment
					Direct	Indirect		
VTTI Terminals Dalian Co., Ltd.	Dalian	Limited liability company	Construction and operation of storage tank harbor	USD2,800,000	50	–	50	Equity method
Dalian Port PetroChina International Terminal Co., Ltd.	Dalian	Limited liability company	Oil product harbor, loading and discharging, advisory services	25,000	50	–	50	Equity method
Dalian United International Shipping Agency Co., Ltd.	Dalian	Limited liability company	Shipping agency, shipment technical advisory services	500	–	50	50	Equity method
Dalian Vanguard International Logistics Co., Ltd. (Note 3)	Dalian	Limited liability company	Storage of international containers	7,400	–	50	50	Equity method
Dalian Port Yidu Cold Chain Co., Ltd. (Note 1)	Dalian	Limited liability company	Agency of trade warehousing and freight	52,100	–	46.64	50	Equity method
China United Tally (Dalian) Co., Ltd.	Dalian	Limited liability company	Ship tally and others	280	50	–	50	Equity method
China Oil Dock Management (Dalian) Co., Ltd.	Dalian	Limited liability company	Oil product harbor services	1,000	49	–	49	Equity method
Dalian Dagang Container Terminal Co., Ltd. (Note 2)	Dalian	Limited liability company	Container dock services	1,000	–	57	57	Equity method
Dalian Jilong Logistics Co., Ltd.	Dalian	Limited liability company	Logistics storage	7,000	–	30	30	Equity method
China United International Rail Containers (Dalian) Co., Ltd.	Dalian	Limited liability company	International container services	53,500	–	40	40	Equity method
Odfjell Changxing Terminals (Dalian) Co., Ltd.	Dalian	Limited liability company	Development and construction of dock and harbor warehousing facilities	5,000	40	–	40	Equity method
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Dalian	Limited liability company	Bulk cargo logistics	1,000	40	–	40	Equity method
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	Dalian	Limited liability company	Import and export of goods & technology	5,000	–	20	20	Equity method
Ha'ou International Logistics Co., Ltd.	Harbin	Joint-stock limited company	International freight agency	10,000	–	23	23	Equity method
Dalian Gangyu Logistics Supply Chain Co., Ltd. (Note 2)	Dalian	Limited liability company	Freight agency	9,800	51	–	51	Equity method
Weifang Weida Container Service Co., Ltd.	Weifang	Limited liability company	Discharging and storage	500	–	50	50	Equity method
Yingkou Container Terminals Company Limited	Yingkou	Limited liability company	Loading and discharging of containers	800	–	50	50	Equity method
Sinograin Yingkou Storage and Transportation Co., Ltd.	Yingkou	Limited liability company	Grain and oil storage and processing	39,315.24	–	48.3	48.3	Equity method
Liaoning Electronic Port Co., Ltd.	Dalian	Limited liability company	Computer system services and data processing	1,200	–	50	50	Equity method

Note 1: Under the investment contract, the shareholder, China Development Fund Co., Ltd. ("China Development Fund"), obtains a fixed income each year and does not participate in the Company's decision-making, and thus Jifa Logistics recognises the investment income at 50% of the net profit of Dalian Port Yidu Cold Chain Co., Ltd., net of the income of China Development Fund.

Note 2: In accordance with the Company's Articles of Association, all significant events are jointly decided by investors, and thus it is a joint venture under common control of the Group and other investors. In October 2025, the Company's joint venture, Dalian Port Xiangyu Grain Logistics Co., Ltd., was renamed Dalian Gangyu Logistics Supply Chain Co., Ltd.

Note 3: In November 2024, Jifa Logistics, a subsidiary of the Company, entered into the *Agreement on the* Reduction *of the Registered Capital of Dalian Vanguard International Logistics Co., Ltd.* with Dalian Vanguard International Logistics Co., Ltd. ("Vanguard International") and another shareholder. Upon completion of the capital reduction and share withdrawal of Jifa Logistics, it will cease to be a shareholder of Vanguard International.

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

10. Long-term equity investments (continued)

(5) Key financial information of important joint ventures

31 December 2025

Item	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd.
Current assets	161,183,189.06	142,466,090.88	36,192,211.17	32,303,269.96	359,689,541.69
Including: Cash and cash equivalents	135,356,647.93	45,226,992.01	36,126,952.63	23,440,702.14	1,949,426.19
Non-current assets	371,295,065.74	713,451,936.52	373,171,795.32	350,863,420.95	1,988,118,184.53
Total assets	532,478,254.80	855,918,027.40	409,364,006.49	383,166,690.91	2,347,807,726.22
Current liabilities	24,456,679.37	280,781,717.20	4,128,186.93	21,404,450.14	448,089,145.22
Non-current liabilities	46,807,718.68	145,311,149.75	-	42,856,112.77	1,604,022,888.78
Total liabilities	71,264,398.05	426,092,866.95	4,128,186.93	64,260,562.91	2,052,112,034.00
Net assets	461,213,856.75	429,825,160.45	405,235,819.56	318,906,128.00	295,695,692.22
Share of net assets based on shareholding percentage	184,485,542.70	214,912,580.23	202,617,909.78	159,453,064.00	142,821,019.34
Book value of investment in joint ventures	184,485,542.70	214,912,580.23	202,617,909.78	159,453,064.00	142,821,019.34

FY2025

Item	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd.
Revenue	105,236,543.76	169,405,263.19	76,460,560.32	76,123,314.89	46,180,192.41
Financial expenses	-184,257.52	4,001,325.66	-195,383.20	-63,523.06	6,004,429.03
Income tax expenses	2,815,333.32	-	14,275,358.83	5,368,954.14	-
Net profit attributable to the parent company (net loss represented by "-")	8,347,604.77	-377,843,101.28	42,890,225.14	15,893,802.24	3,023,406.05
Other comprehensive income attributable to the parent company	-	-	-	-	-
Total comprehensive income attributable to the parent company	8,347,604.77	-377,843,101.28	42,890,225.14	15,893,802.24	3,023,406.05
Dividends received from joint ventures in the year	-	8,400,000.00	30,000,000.00	7,000,000.00	-

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

10. Long-term equity investments (continued)

(5) Key financial information of important joint ventures (continued)

31 December 2024

Item	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd.
Current assets	143,432,465.83	471,812,411.66	42,837,783.06	28,505,740.23	71,565,769.47
Including: Cash and cash equivalents	117,843,151.51	4,764,600.04	42,812,640.86	11,712,072.12	14,287,539.14
Non-current assets	329,721,929.49	676,380,941.33	384,279,267.78	358,428,749.32	1,998,493,438.18
Total assets	473,154,395.32	1,148,193,352.99	427,117,050.84	386,934,489.55	2,070,059,207.65
Current liabilities	20,288,143.35	260,146,903.12	4,771,456.42	21,889,009.21	190,238,713.46
Non-current liabilities	–	81,401,954.19	–	48,033,154.59	1,587,255,820.82
Total liabilities	20,288,143.35	341,548,857.31	4,771,456.42	69,922,163.80	1,777,494,534.28
Net assets	452,866,251.97	806,644,495.68	422,345,594.42	317,012,325.75	292,564,673.37
Share of net assets based on shareholding percentage	181,146,500.79	403,322,247.84	211,172,797.21	158,506,162.88	141,308,737.24
Book value of investment in joint ventures	181,146,500.79	403,322,247.84	211,172,797.21	158,506,162.88	141,308,737.24

FY2024

Item	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd.
Revenue	98,669,187.11	181,098,269.05	87,142,857.12	82,924,319.96	39,214,738.04
Financial expenses	-1,872,876.28	4,266,255.84	-528,750.96	-474,735.59	7,560,502.80
Income tax expenses	2,396,221.76	230,853.49	17,050,396.87	4,919,365.45	28,860.13
Net profit attributable to the parent company (net loss represented by "-")	9,507,276.63	95,412.19	50,773,191.50	20,457,823.30	-146,521,339.96
Other comprehensive income attributable to the parent company	–	–	–	–	–
Total comprehensive income attributable to the parent company	9,507,276.63	95,412.19	50,773,191.50	20,457,823.30	-146,521,339.96
Dividends received from joint ventures in the year	–	300,000.00	30,000,000.00	25,000,000.00	–

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

10. Long-term equity investments (continued)

(6) Investment in associates

Name of investee	Place of registration	Type of legal entity	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%) Direct	Shareholding percentage (%) Indirect	Voting right percentage (%)	Accounting treatment
Dalian Puji Storage Facility Co., Ltd.	Dalian	Limited liability company	Other storage services	59,443.80	–	40	40	Equity method
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	Dalian	Limited liability company	Crude oil tank leasing services	10,000	20	–	20	Equity method
Taicang Xinggang Tug Co., Ltd.	Suzhou	Limited liability company	Vessel tugging services	1,349.51	42.86	–	42.86	Equity method
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	Dalian	Limited liability company	LNG related services	260,000	20	–	20	Equity method
Dalian North Oil Petroleum Logistics Co., Ltd.	Dalian	Limited liability company	Oil petroleum logistics related services	30,000	20	–	20	Equity method
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Dalian	Limited liability company	Engineering testing	500	–	40	40	Equity method
Sino Rail Bohai Train Ferry Co., Ltd.	Yantai	Limited liability company	Ferry transportation	120,000	17.5	–	17.5	Equity method
CDC International Logistics Co., Ltd.	Wuhu	Limited liability company	International freight agency	30,000	30	–	30	Equity method
Dalian Automobile Terminal Co., Ltd.	Dalian	Limited liability company	Domestic and international import and export, discharging and storage services	40,000	32	–	32	Equity method
Dalian Singamas International Container Co., Ltd.	Dalian	Limited liability company	Container services	USD13,250,000	–	43.63	43.63	Equity method
Ansteel Yingkou Port Co., Ltd.	Yingkou	Limited liability company	Port engineering construction, loading, unloading and handling	80,154.58	–	20	20	Equity method
Zhonghai Ganglian Navigation Co., Ltd. (Note)	Dalian	Limited liability company	Shipping services for Hong Kong	30,000	30	–	30	Equity method

Note: In accordance with the latest amendments to the Articles of Association of Zhonghai Ganglian Navigation Co., Ltd. as of October 2025, the Company can only exercise significant influence over Zhonghai Ganglian Navigation Co., Ltd. Consequently, the Company's equity investment in that entity will be reclassified from a joint venture to an associate for the current year.

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

10. Long-term equity investments (continued)

(7) Key financial information of important associates

31 December 2025

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	CDC International Logistics Co., Ltd.	Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Ansteel Yingkou Port Co., Ltd.
Current assets	1,619,092,710.82	828,062,582.38	406,808,758.88	20,536,442.53	98,157,693.89	622,300,351.69
Non-current assets	1,507,108,419.92	591,970,085.59	1,118,638,205.47	301,816,807.36	528,738,166.43	407,863,562.51
Total assets	3,126,201,130.74	1,420,032,667.97	1,525,446,964.35	322,353,249.89	626,895,860.32	1,030,163,914.20
Current liabilities	100,588,409.70	751,760,960.70	259,199,402.99	10,293,209.39	68,288,272.15	56,218,686.41
Non-current liabilities	1,177,943.78	74,006,042.40	1,678,833.46	15,015,583.33	1,176,724.13	-
Total liabilities	101,766,353.48	825,767,003.10	260,878,236.45	25,308,792.72	69,464,996.28	56,218,686.41
Minority interests	-	113,454,863.53	-	-	-94,415.64	-
Equity attributable to shareholders of the parent company	3,024,434,777.26	480,810,801.34	1,264,568,727.90	297,044,457.17	557,525,279.68	973,945,227.79
Share of net assets based on shareholding percentage	604,886,955.45	144,243,240.40	221,299,527.38	118,817,782.87	178,408,089.50	194,789,045.56
Adjustments	-	-	-	-20,142,357.29	2,453,618.25	-
Book value of investment in associates	604,886,955.45	144,243,240.40	221,299,527.38	98,675,425.58	180,861,707.75	194,789,045.56

FY2025

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	CDC International Logistics Co., Ltd.	Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Ansteel Yingkou Port Co., Ltd.
Revenue	291,532,318.82	1,428,613,852.12	1,153,602,562.58	46,321,305.53	145,308,859.81	253,782,813.70
Financial expenses	128,100.35	11,398,814.48	1,358,040.69	819,606.48	-904,928.95	-13,474,151.98
Income tax expenses	12,439,534.76	11,582,061.50	-1,211,088.98	-	12,139,001.57	22,941,106.80
Net profit attributable to the parent company (net loss represented by "-")	22,819,869.46	19,072,244.13	51,243,477.29	2,691,073.10	33,664,352.76	74,868,193.74
Other comprehensive income attributable to the parent company	-	-	-	-	-	-
Total comprehensive income attributable to the parent company	22,819,869.46	19,072,244.13	51,243,477.29	2,691,073.10	33,664,352.76	74,868,193.74
Dividends received from associates in the year	8,957,650.23	1,500,000.00	-	-	12,800,000.00	12,479,543.16

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

10. Long-term equity investments (continued)

(7) Key financial information of important associates (continued)

31 December 2024

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	CDC International Logistics Co., Ltd.	Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Ansteel Yingkou Port Co., Ltd.
Current assets	1,506,547,075.43	733,639,951.10	150,197,488.05	9,767,068.76	111,702,208.44	652,401,581.06
Non-current assets	1,640,960,526.39	634,061,600.27	1,206,121,913.26	329,333,737.43	546,877,660.10	366,247,703.31
Total assets	3,147,507,601.82	1,367,701,551.37	1,356,319,401.31	339,100,806.19	658,579,868.54	1,018,649,284.37
Current liabilities	93,412,650.34	634,315,074.08	41,159,761.78	8,893,620.71	100,296,900.35	52,647,653.40
Non-current liabilities	3,483,710.68	169,084,717.71	101,834,388.98	34,000,000.00	–	5,176,881.13
Total liabilities	96,896,361.02	803,399,791.79	142,994,150.76	42,893,620.71	100,296,900.35	57,824,534.53
Minority interests	–	97,563,202.39	–	–	–	–
Equity attributable to shareholders of the parent company	3,050,611,240.80	466,738,557.19	1,213,325,250.55	296,207,185.48	558,282,968.19	960,824,749.84
Share of net assets based on shareholding percentage	610,122,248.16	140,021,567.16	212,331,918.85	118,482,874.19	178,650,549.82	192,164,949.97
Adjustments	–	–	–	-20,883,877.85	2,453,618.25	–
Book value of investment in associates	610,122,248.16	140,021,567.16	212,331,918.85	97,598,996.34	181,104,168.07	192,164,949.97

FY2024

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	CDC International Logistics Co., Ltd.	Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Ansteel Yingkou Port Co., Ltd.
Revenue	344,900,804.29	1,419,499,211.58	509,376,073.01	42,482,328.35	168,271,219.20	272,915,551.05
Financial expenses	53,660.31	12,895,339.26	4,793,554.73	1,778,216.23	-977,280.21	-15,024,792.07
Income tax expenses	15,502,588.52	1,252,379.99	119,595.42	–	11,099,390.64	23,059,024.46
Net profit attributable to the parent company (net loss represented by "-")	64,101,043.30	16,937,635.53	-12,758,090.69	-1,145,880.65	30,107,803.41	67,249,333.25
Other comprehensive income attributable to the parent company	–	–	–	–	–	–
Total comprehensive income attributable to the parent company	64,101,043.30	16,937,635.53	-12,758,090.69	-1,145,880.65	30,107,803.41	67,249,333.25
Dividends received from associates in the year	16,715,951.23	–	–	–	16,000,000.00	11,519,879.98

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

10. Long-term equity investments (continued)

(8) Summary information of other unimportant joint ventures and associates

Item	Current year amount	Prior year amount
Joint ventures:		
Total book value of investments	**193,912,031.58**	257,341,603.43
Total amount of the following items calculated by shareholding percentage		
Net profit	**31,004,989.16**	-72,266,830.19
Other comprehensive income	**–**	–
Total comprehensive income	**31,004,989.16**	-72,266,830.19
Associates:		
Total book value of investments	**236,698,764.87**	188,383,666.63
Total amount of the following items calculated by shareholding percentage		
Net profit	**31,093,990.76**	33,991,712.45
Other comprehensive income	**–**	–
Total comprehensive income	**31,093,990.76**	33,991,712.45

11. Investments in other equity instruments

Item	Changes in fair value accumulated in other comprehensive income	Closing balance	Opening balance	Dividend income	Reason for being designated as investments in other equity instruments
Jinzhou New Age Container Terminal Co., Ltd.	80,649,664.85	**133,493,298.85**	156,890,738.14	13,501,819.38	Non-trading equity instrument and will not be sold in foreseeable future
Qinhuangdao Port Xingangwan Container Terminal Co., Ltd.	-25,202,887.87	**34,797,112.13**	37,122,267.41	–	
Dalian Port Design and Research Institute Co., Ltd.	2,597,834.21	**3,232,434.21**	5,799,340.62	696,000.00	
Da-In Ferry Co., Ltd	5,649,549.20	**7,549,606.70**	8,244,177.31	–	
Dalian Xin Beiliang Co., Ltd.	-2,656,599.92	**13,527,800.08**	9,453,818.79	510,543.43	
Total	61,037,560.47	**192,600,251.97**	217,510,342.27	14,708,362.81	——

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

12. Investment properties

Investment properties measured at cost

2025

Item		Buildings	Land use rights	Terminal facilities	Total
I.	**Original value**				
	Opening balance	193,761,821.45	75,983,745.18	102,393,640.92	372,139,207.55
	Transfer from construction in progress	-	-	-221,155.71	-221,155.71
	Transfer to investment properties from fixed assets	-	-	319,738.88	319,738.88
	Transfer to fixed assets from investment properties	21,841,274.29	-	24,427,347.51	46,268,621.80
	Transfer to intangible assets from investment properties	-	13,180,864.98	-	13,180,864.98
	Other increase	-12,195,906.71	-	12,195,906.71	-
	Closing balance	159,724,640.45	62,802,880.20	90,260,783.29	312,788,303.94
II.	**Accumulated depreciation and accumulated amortisation**				
	Opening balance	109,295,186.23	22,517,348.00	66,339,125.19	198,151,659.42
	Provision in the year	4,024,220.15	1,563,474.69	4,508,277.90	10,095,972.74
	Transfer to investment properties from fixed assets	-	-	77,962.58	77,962.58
	Transfer to fixed assets from investment properties	18,227,677.96	-	16,980,552.31	35,208,230.27
	Transfer to intangible assets from investment properties	-	4,952,144.66	-	4,952,144.66
	Other increase	-2,483,275.01	-	2,483,275.01	-
	Closing balance	92,608,453.41	19,128,678.03	56,428,088.37	168,165,219.81
III.	**Impairment provision**				
	Opening balance	-	-	-	-
	Closing balance	-	-	-	-
IV.	**Net amount**				
	Opening balance	84,466,635.22	53,466,397.18	36,054,515.73	173,987,548.13
	Closing balance	67,116,187.04	43,674,202.17	33,832,694.92	144,623,084.13

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

12. Investment properties (continued)

Investment properties measured at cost (continued)

2024

Item	Buildings	Land use rights	Terminal facilities	Total
I. Original value				
Opening balance	190,527,710.20	83,663,267.73	100,893,640.92	375,084,618.85
Purchase in the year	–	–	–	–
Transfer from construction in progress	5,698,474.78	–	1,500,000.00	7,198,474.78
Transfer to investment properties from intangible assets	–	26,963,446.82	–	26,963,446.82
Transfer to fixed assets from investment properties	2,464,363.53	–	–	2,464,363.53
Transfer to intangible assets from investment properties	–	34,642,969.37	–	34,642,969.37
Closing balance	193,761,821.45	75,983,745.18	102,393,640.92	372,139,207.55
II. Accumulated depreciation and accumulated amortisation				
Opening balance	99,635,651.72	16,618,756.59	67,363,265.07	183,617,673.38
Provision in the year	11,578,511.09	1,311,448.96	-1,024,139.88	11,865,820.17
Transfer to investment properties from intangible assets	–	4,587,142.45	–	4,587,142.45
Transfer to fixed assets from investment properties	1,918,976.58	–	–	1,918,976.58
Closing balance	109,295,186.23	22,517,348.00	66,339,125.19	198,151,659.42
III. Impairment provision				
Opening balance	–	–	–	–
Closing balance	–	–	–	–
IV. Net amount				
Opening balance	90,892,058.48	67,044,511.14	33,530,375.85	191,466,945.47
Closing balance	84,466,635.22	53,466,397.18	36,054,515.73	173,987,548.13

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

13. Fixed assets

Item	Closing balance	Opening balance
Fixed assets	**30,500,244,135.62**	32,241,947,178.03
Disposal of fixed assets	**18,933,731.78**	10,059,717.98
Total	**30,519,177,867.40**	32,252,006,896.01

(1) Fixed assets

1) Breakdown of fixed assets

FY2025

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Total
I. Original book value					
Opening balance	3,723,513,305.48	38,755,570,160.18	4,087,036,533.40	13,646,383,048.14	60,212,503,047.20
Purchase	1,949,196.93	18,141,659.03	53,924,856.91	67,705,009.33	141,720,722.20
Other increase	5,464,259.78	27,163,455.10	189,761.10	2,662,698.48	35,480,174.46
Transfer from construction in progress	-41,341.14	171,221,481.08	42,626,548.67	164,332,138.82	378,138,827.43
Transfer from investment properties	18,937,935.19	27,330,686.61	-	-	46,268,621.80
Disposal or obsolescence	416,404.97	7,258,283.25	33,688,605.21	276,806,783.66	318,170,077.09
Transfer to investment properties	-	319,738.88	-	-	319,738.88
Transfer to construction in progress	-	340,127,272.65	-	-	340,127,272.65
Other decrease	34,257,190.62	-	803,845.79	683,021.31	35,744,057.72
Closing balance	3,715,149,760.65	38,651,722,147.22	4,149,285,249.08	13,603,593,089.80	60,119,750,246.75
II. Accumulated depreciation					
Opening balance	1,578,308,777.29	14,228,595,581.67	2,581,706,530.21	9,468,754,725.72	27,857,365,614.89
Provision	163,183,172.76	1,035,704,168.24	178,482,445.57	620,941,820.19	1,998,311,606.76
Transfer from investment properties	16,554,387.95	18,653,842.32	-	-	35,208,230.27

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

1) Breakdown of fixed assets (continued)

FY2025 (continued)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Total
Other increase	1,524,771.44	4,179.33	36,334.67	8,846,338.92	10,411,624.36
Disposal or obsolescence	395,584.72	4,092,254.73	32,030,234.43	263,490,690.13	300,008,764.01
Transfer to investment properties	-	77,962.58	-	-	77,962.58
Transfer to construction in progress	-	89,155,313.27	-	-	89,155,313.27
Other decrease	40,210.95	8,847,647.90	695,388.19	1,079,067.37	10,662,314.41
Closing balance	1,759,135,313.77	15,180,784,593.08	2,727,499,687.83	9,833,973,127.33	29,501,392,722.01
III. Impairment provision					
Opening balance	-	113,190,254.28	-	-	113,190,254.28
Provision in the year	4,795,411.08	-	-	127,723.76	4,923,134.84
Closing balance	4,795,411.08	113,190,254.28	-	127,723.76	118,113,389.12
IV. Book value					
Opening balance	2,145,204,528.19	24,413,784,324.23	1,505,330,003.19	4,177,628,322.42	32,241,947,178.03
Closing balance	1,951,219,035.80	23,357,747,299.86	1,421,785,561.25	3,769,492,238.71	30,500,244,135.62
Net assets pledged at the end of the year	146,435,526.27	56,568,088.84	29,467.62	6,389,396.74	209,422,479.47

Note: The Company's subsidiary, Changxing Island Port, made mortgage loans, and as at 31 December 2025, its fixed assets with an aggregate book value of RMB146,934,784.49 were pledged; the Company's subsidiary, Changxing Island Port Investment and Development, made mortgage loans, and as at 31 December 2025, its fixed assets with an aggregate book value of RMB62,487,694.98 were pledged, as described in Note IX. 22.

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

1) Breakdown of fixed assets (continued)

FY2024

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Total
I. Original book value					
Opening balance	3,508,220,843.13	34,316,714,910.97	4,142,512,862.99	12,594,197,607.76	54,561,646,224.85
Purchase	1,659,562.62	16,684,068.82	16,016,220.76	130,151,087.49	164,510,939.69
Increase in scope of consolidation	260,598,694.75	4,294,927,097.27	19,281,159.29	868,705,419.38	5,443,512,370.69
Transfer from construction in progress	13,581,545.68	205,939,583.94	2,760,207.08	252,610,216.92	474,891,553.62
Transfer from investment properties	2,464,363.53	–	–	–	2,464,363.53
Disposal or obsolescence	5,104,129.55	21,447,347.65	84,340,612.02	123,630,133.37	234,522,222.59
Other decrease	57,907,574.68	57,248,153.17	9,193,304.70	75,651,150.04	200,000,182.59
Closing balance	3,723,513,305.48	38,755,570,160.18	4,087,036,533.40	13,646,383,048.14	60,212,503,047.20
II. Accumulated depreciation					
Opening balance	1,393,398,768.82	12,341,273,813.27	2,472,397,351.45	8,563,218,657.90	24,770,288,591.44
Provision	156,794,238.62	944,610,544.77	185,224,289.51	608,526,697.77	1,895,155,770.67
Increase in scope of consolidation	62,275,916.75	986,400,989.51	12,455,507.31	472,208,128.36	1,533,340,541.93
Transfer from investment properties	1,918,976.58	–	–	–	1,918,976.58
Disposal or obsolescence	4,575,047.12	14,015,270.08	79,669,031.07	108,853,377.50	207,112,725.77
Other decrease	31,504,076.36	29,674,495.80	8,701,586.99	66,345,380.81	136,225,539.96
Closing balance	1,578,308,777.29	14,228,595,581.67	2,581,706,530.21	9,468,754,725.72	27,857,365,614.89
III. Impairment provision					
Opening balance	–	44,992,613.52	–	–	44,992,613.52
Increase in scope of consolidation	–	68,197,640.76	–	–	68,197,640.76
Closing balance	–	113,190,254.28	–	–	113,190,254.28
IV. Book value					
Opening balance	2,114,822,074.31	21,930,448,484.18	1,670,115,511.54	4,030,978,949.86	29,746,365,019.89
Closing balance	2,145,204,528.19	24,413,784,324.23	1,505,330,003.19	4,177,628,322.42	32,241,947,178.03
Net assets pledged at the end of the year	154,504,688.07	60,891,074.68	29,467.62	7,496,158.77	222,921,389.14

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

2) Fixed assets leased out under operating leases

FY2025

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Total
I. Original book value					
Opening balance	21,635,910.11	1,323,754,258.22	1,151,948,250.75	800,305,818.11	3,297,644,237.19
Increase in the year	54,307,439.59	158,335,793.63	41,001,790.64	7,756,617.14	261,401,641.00
Decrease in the year	1,681,134.96	69,740,355.63	23,860,683.77	56,843,942.35	152,126,116.71
Closing balance	74,262,214.74	1,412,349,696.22	1,169,089,357.62	751,218,492.90	3,406,919,761.48
II. Accumulated depreciation					
Opening balance	9,742,886.49	698,160,051.11	594,178,305.24	618,787,484.83	1,920,868,727.67
Increase in the year	21,430,599.93	40,620,276.73	74,788,778.92	23,897,220.16	160,736,875.74
Decrease in the year	964,801.45	4,748,297.95	22,683,249.59	38,889,872.38	67,286,221.37
Closing balance	30,208,684.97	734,032,029.89	646,283,834.57	603,794,832.61	2,014,319,382.04
III. Book value					
Opening balance	11,893,023.62	625,594,207.11	557,769,945.51	181,518,333.28	1,376,775,509.52
Closing balance	44,053,529.77	678,317,666.33	522,805,523.05	147,423,660.29	1,392,600,379.44

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

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

FY2024

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Total
I. Original book value					
Opening balance	10,302,036.19	1,402,985,782.00	1,074,413,751.74	567,138,790.98	3,054,840,360.91
Increase in the year	15,168,618.67	64,543,261.29	129,530,764.18	305,981,987.65	515,224,631.79
Decrease in the year	3,834,744.75	143,774,785.07	51,996,265.17	72,814,960.52	272,420,755.51
Closing balance	21,635,910.11	1,323,754,258.22	1,151,948,250.75	800,305,818.11	3,297,644,237.19
II. Accumulated depreciation					
Opening balance	4,995,983.37	746,158,195.73	548,115,620.67	440,924,224.22	1,740,194,023.99
Increase in the year	7,477,829.51	4,611,048.25	95,623,812.53	232,108,067.46	339,820,757.75
Decrease in the year	2,730,926.39	52,609,192.87	49,561,127.96	54,244,806.85	159,146,054.07
Closing balance	9,742,886.49	698,160,051.11	594,178,305.24	618,787,484.83	1,920,868,727.67
III. Book value					
Opening balance	5,306,052.82	656,827,586.27	526,298,131.07	126,214,566.76	1,314,646,336.92
Closing balance	11,893,023.62	625,594,207.11	557,769,945.51	181,518,333.28	1,376,775,509.52

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

3) Fixed assets pending certificates of ownership

Item	Closing book value	Opening book value
Buildings	**777,233,963.99**	915,115,939.66

4) Details of impairment tests on fixed assets

As the economic performance of the assets has been lower than expected or the assets have been or will be discontinued, the Group conducted impairment tests on the long-term assets of Heilongjiang Suimu Dalian Port Logistics Co., Ltd., Dalian Jifa Shipping Management Co., Ltd., and Dalian Jifa Bohai Rim Container Lines Co., Ltd.

The recoverable amount is determined as the net of fair value less the cost of disposal:

Item	Book value	Recoverable amount	Impairment amount	Determination of fair value and cost of disposal	Key parameters	Basis for determining key parameters
Heilongjiang Suimu Dalian Port Logistics Co., Ltd. (Note)	11,477,742.33	6,554,607.48	4,923,134.85	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Compare the subject property being appraised with the comparable property, and determine the value of the subject property based on the market price of the comparable property

Note: Heilongjiang Suimu Dalian Port Logistics Co., Ltd., a subsidiary of the Group, conducted impairment tests on its fixed assets and intangible assets, and found that the book value of the fixed assets that were impaired was RMB11,477,742.33, and the intangible assets were not impaired.

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

13. Fixed assets (continued)

(1) Fixed assets (continued)

4) Details of impairment tests on fixed assets (continued)

Item	Book value	Recoverable amount	Impairment amount	Years of forecast period	Key parameters for the forecast period	Key parameters for the stabilization period	Basis for determining key parameters for the stabilization period
Dalian Jifa Shipping Management Co., Ltd. (Note 1)	315,159,686.59	442,266,067.63	–	5 years	Future business volume, budgeted gross margin, discount rate	Perpetual growth rate, discount rate	The perpetual growth rate takes into account the projected growth rate of the same industry and does not exceed the long-term average growth rate of the same industry; and the discount rate is a pre-tax rate that reflects the specific risks of the relevant asset group.
Dalian Jifa Bohai Rim Container Lines Co., Ltd. (Note 2)	51,815,448.79	309,571,445.98	–	5 years	Future business volume, budgeted gross margin, discount rate	Perpetual growth rate, discount rate	The perpetual growth rate takes into account the projected growth rate of the same industry and does not exceed the long-term average growth rate of the same industry; and the discount rate is a pre-tax rate that reflects the specific risks of the relevant asset group.

Note 1: The book value of Dalian Jifa Shipping Management Co., Ltd., a subsidiary of the Company, comprised the book value of fixed assets of RMB313,319,736.91, the book value of construction in progress of RMB61,500.00, the book value of right-of-use assets of RMB91,375.82, and the book value of intangible assets of RMB1,687,073.86.

Note 2: The book value of Dalian Jifa Bohai Rim Container Lines Co., Ltd., a subsidiary of the Company, comprised the book value of fixed assets of RMB25,803,376.57, the book value of construction in progress of RMB286,273.59, the book value of right-of-use assets of RMB19,429,426.37, and the book value of intangible assets of RMB6,296,372.26.

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

13. Fixed assets (continued)

(2) Disposal of fixed assets

Item	Closing balance	Opening balance
Buildings	**5,354,068.58**	5,642,098.54
Port and terminal facilities	**3,560,327.22**	513,185.65
Automobiles and ships	**676,126.17**	125,517.71
Machinery, furniture, appliances, and other equipment	**9,343,209.81**	3,778,916.08
Total	**18,933,731.78**	10,059,717.98

14. Construction in progress

(1) By category

Item	Closing balance	Opening balance
Construction in progress	**2,985,000,236.91**	2,665,465,286.76
Engineering materials	**37,926,871.47**	37,926,871.47
Total	**3,022,927,108.38**	2,703,392,158.23

(2) Construction in progress

	Closing balance			Opening balance		
Item	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Public Harbor Area No. 1-6 Berths	**762,482,264.96**	**43,887,620.81**	**718,594,644.15**	768,309,868.38	38,666,127.60	729,643,740.78
Dayao Bay No. 13-16 Berths in Phase II	**724,419,611.33**	**–**	**724,419,611.33**	722,465,600.62	–	722,465,600.62
No. 19-21 Berths Construction in Progress	**511,923,879.93**	**96,566,868.62**	**415,357,011.31**	519,858,654.93	96,566,868.62	423,291,786.31
Xingang No. 18-21 Berths	**345,586,321.18**	**42,429,726.80**	**303,156,594.38**	345,586,321.18	42,429,726.80	303,156,594.38
Dayao Bay North Shore Automotive Logistics Centre	**114,255,622.76**	**–**	**114,255,622.76**	114,255,622.76	–	114,255,622.76
Others	**715,243,488.98**	**6,026,736.00**	**709,216,752.98**	378,678,677.91	6,026,736.00	372,651,941.91
Total	**3,173,911,189.14**	**188,910,952.23**	**2,985,000,236.91**	2,849,154,745.78	183,689,459.02	2,665,465,286.76

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

14. Construction in progress (continued)

(2) Construction in progress (continued)

1) Book balance and changes of construction in progress at the end of the year

FY2025

Item	Budget	Opening balance	Increase in the year	Other increase	Transferred to fixed assets, intangible assets, investment properties and long-term prepaid expenses	Other decrease	Impairment provision	Closing balance	% of investment to budget	Progress of construction (%)	Accumulative amount of capitalised interests	Including: Interests capitalized in the year	Capitalisation rate (%)	Source of funds
Public Harbor Area No. 1-6 Berths	2,892,630,000.00	729,643,740.78	728,521.58	-	-	6,556,125.00	5,221,493.21	718,594,644.15	26.00	26.00	125,546,004.90	-	-	Self-owned funds and loans from financial institutions
Dayao Bay No. 13-16 Berths in Phase II	3,783,000,000.00	722,465,600.62	1,954,010.71	-	-	-	-	724,419,611.33	93.00	93.00	237,311,095.64	-	-	Self-owned funds, loans from financial institutions and other sources
No. 19-21 Berths Construction in Progress	2,515,823,200.00	423,291,786.31	-	-	-	7,934,775.00	-	415,357,011.31	21.00	21.00	70,396,661.32	-	-	Self-owned funds and loans from financial institutions
Xingang No. 18-21 Berths	413,770,000.00	303,156,594.38	-	-	-	-	-	303,156,594.38	73.00	86.00	83,522,029.54	-	-	Loans from financial institutions and other sources
Dayao Bay North Shore Automotive Logistics Centre	450,000,000.00	114,255,622.76	-	-	-	-	-	114,255,622.76	33.00	33.00	8,054,440.28	-	-	Self-owned funds and loans from financial institutions
Others	2,348,207,176.71	372,651,941.91	499,735,571.10	250,971,959.38	414,038,945.83	103,773.58	-	709,216,752.98	-	-	6,505,300.00	-	-	-
Total	12,403,430,376.71	2,665,465,286.76	502,418,103.39	250,971,959.38	414,038,945.83	14,594,673.58	5,221,493.21	2,985,000,236.91	-	-	531,335,531.68	-	-	-

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

14. Construction in progress (continued)

(2) Construction in progress (continued)

1) Book balance and changes of construction in progress at the end of the year (continued)

FY2024

Item	Budget	Opening balance	Impact of change in consolidation scope	Increase in the year	Transferred to fixed assets, intangible assets, investment properties and long-term prepaid expenses	Other decrease	Impairment provision	Closing balance	% of investment to budget	Progress of construction (%)	Accumulative amount of capitalised interests	Including: Interests capitalized in the year	Capitalisation rate (%)	Source of funds
Public Harbor Area No. 1-6 Berths	2,892,630,000.00	-	729,415,100.00	228,640.78	-	-	-	729,643,740.78	26.00	26.00	125,546,004.90	-	-	Self-owned funds and loans from financial institutions
Dayao Bay No. 13-16 Berths in Phase II	3,783,000,000.00	722,465,600.62	-	-	-	-	-	722,465,600.62	93.00	93.00	237,311,095.64	-	-	Self-owned funds, loans from financial institutions and other sources
No. 19-21 Berths Construction in Progress	2,515,823,200.00	423,291,786.31	-	-	-	-	-	423,291,786.31	21.00	21.00	70,396,661.32	-	-	Self-owned funds and loans from financial institutions
Xingang No. 18-21 Berths	413,770,000.00	351,516,342.18	-	-5,930,021.00	-	-	42,429,726.80	303,156,594.38	73.00	86.00	83,522,029.54	-	-	Loans from financial institutions and other sources
Dayao Bay North Shore Automotive Logistics Centre	450,000,000.00	114,255,622.76	-	-	-	-	-	114,255,622.76	33.00	33.00	8,054,440.28	-	-	Self-owned funds and loans from financial institutions
Others	2,171,896,839.04	199,846,633.96	34,215,127.83	644,938,737.55	506,348,557.43	-	-	372,651,941.91	-	-	6,505,300.00	-	-	—
Total	12,227,120,039.04	1,811,375,985.83	763,630,227.83	639,237,357.33	506,348,557.43	-	42,429,726.80	2,665,465,286.76	-	-	531,335,531.68	-	-	—

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

14. Construction in progress (continued)

(2) Construction in progress (continued)

2) Details of impairment tests on construction in progress

As there was no substantial progress of the construction in progress for many years, the Group conducted impairment tests on Dayao Bay No. 13-16 Berths in Phase II, No. 19-21 Berths Construction in Progress, Public Harbor Area No. 1-6 Berths, and Xingang No. 18-21 Berths during the year.

The recoverable amount is determined as the net of fair value less the cost of disposal:

	Book value (Note 1)	Recoverable amount	Impairment amount	Determination of fair value and cost of disposal	Key parameters	Basis for determining key parameters
Xingang No. 18-21 Berths Project	303,156,594.38	303,639,723.42	–	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances
Project of Dayao Bay No. 13-16 Berths in Phase II	724,419,611.33	775,923,296.80	–	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances
Public Harbor Area No. 1-6 Berths (Note 2)	723,816,137.36	718,594,644.15	5,221,493.21	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	The recoverable amount is determined as the net of the fair value of the asset less the cost of disposal
No. 19-21 Berths Project	415,357,011.31	496,261,887.95	–	Fair value is determined using the market approach, and the cost of disposal is the cost associated with the disposal of the asset	Valued unit price	Reference to recent transaction prices or average quoted prices in the market for assets similar to the evaluated asset, with adjustments and corrections for variances

Note 1: The book value represents the book value before the impairment provision testing was performed in the current year.

Note 2: In 2025, Changxing Island Port Investment and Development, a subsidiary of the Company, conducted an impairment test for the Public Harbor Area No. 1-6 Berths Project and made a provision for impairment of RMB5,221,493.21 for the construction in progress based on the estimated recoverable amount of its assets (31 December 2024: nil).

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

14. Construction in progress (continued)

(3) Details of engineering materials

	Closing balance			Opening balance		
Item	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Engineering materials	100,509,217.38	62,582,345.91	37,926,871.47	100,509,217.38	62,582,345.91	37,926,871.47
Total	100,509,217.38	62,582,345.91	37,926,871.47	100,509,217.38	62,582,345.91	37,926,871.47

15. Right-of-use assets

(1) Right-of-use assets

FY2025

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Others	Total
I. Original value						
Opening balance	137,583,242.20	3,840,295,835.47	16,090,565.99	10,321,401.74	1,658,973,058.29	5,663,264,103.69
Increase in the year	7,164,747.67	-	-	-	1,029,734.12	8,194,481.79
Decrease in the year	35,970,552.32	183,934,099.65	16,090,565.99	313,051.07	-	236,308,269.03
Closing balance	108,777,437.55	3,656,361,735.82	-	10,008,350.67	1,660,002,792.41	5,435,150,316.45
II. Accumulated depreciation						
Opening balance	38,323,704.98	738,083,936.80	8,056,289.52	1,959,357.48	329,529,176.59	1,115,952,465.37
Increase in the year	9,536,367.94	164,810,358.09	6,446,392.72	930,159.40	56,740,785.68	238,464,063.83
Decrease in the year	24,107,858.09	5,939,483.19	14,502,682.24	313,051.07	-	44,863,074.59
Closing balance	23,752,214.83	896,954,811.70	-	2,576,465.81	386,269,962.27	1,309,553,454.61
III. Impairment provision						
Opening balance	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
IV. Net amount						
Opening balance	99,259,537.22	3,102,211,898.67	8,034,276.47	8,362,044.26	1,329,443,881.70	4,547,311,638.32
Closing balance	85,025,222.72	2,759,406,924.12	-	7,431,884.86	1,273,732,830.14	4,125,596,861.84

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

15. Right-of-use assets (continued)

(1) Right-of-use assets (continued)

FY2024

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances, and other equipment	Others	Total
I. Original value						
Opening balance	172,359,934.86	3,845,400,837.59	848,826.88	2,120,525.96	1,646,573,596.25	5,667,303,721.54
Increase in the year	18,179,949.59	353,420.89	16,090,565.99	8,200,875.78	23,132,498.31	65,957,310.56
Decrease in the year	52,956,642.25	5,458,423.01	848,826.88	–	10,733,036.27	69,996,928.41
Closing balance	137,583,242.20	3,840,295,835.47	16,090,565.99	10,321,401.74	1,658,973,058.29	5,663,264,103.69
II. Accumulated depreciation						
Opening balance	67,858,736.37	571,989,109.79	565,884.71	924,847.56	282,219,297.76	923,557,876.19
Increase in the year	16,527,661.80	167,222,561.75	8,339,231.69	1,034,509.92	58,042,915.10	251,166,880.26
Decrease in the year	46,062,693.19	1,127,734.74	848,826.88	–	10,733,036.27	58,772,291.08
Closing balance	38,323,704.98	738,083,936.80	8,056,289.52	1,959,357.48	329,529,176.59	1,115,952,465.37
III. Impairment provision						
Opening balance	–	–	–	–	–	–
Closing balance	–	–	–	–	–	–
IV. Net amount						
Opening balance	104,501,198.49	3,273,411,727.80	282,942.17	1,195,678.40	1,364,354,298.49	4,743,745,845.35
Closing balance	99,259,537.22	3,102,211,898.67	8,034,276.47	8,362,044.26	1,329,443,881.70	4,547,311,638.32

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

15. Right-of-use assets (continued)

(2) Details of impairment tests on right-of-use assets

As the economic performance of the assets has been lower than expected, in 2025, the Group performed an impairment test on the right-of-use assets of Dalian Jifa Bohai Rim Container Lines Co., Ltd., a subsidiary of the Company, as described in Note IX. 13.

16. Intangible assets

(1) Intangible assets

FY2025

Item	Land use rights	Software	Port facility use rights	Others	Total
I. Original book value					
1. Opening balance	7,114,919,373.74	427,254,237.39	407,216,152.62	46,890,426.15	7,996,280,189.90
2. Increase in the year	13,180,864.98	41,703,291.08	–	–	54,884,156.06
(1) Purchase	–	4,858,446.39	–	–	4,858,446.39
(2) Transfer from construction in progress	–	36,844,844.69	–	–	36,844,844.69
(3) Transfer from investment properties	13,180,864.98	–	–	–	13,180,864.98
3. Decrease in the year	–	28,288,291.54	–	–	28,288,291.54
(1) Disposal	–	28,288,291.54	–	–	28,288,291.54
4. Closing balance	7,128,100,238.72	440,669,236.93	407,216,152.62	46,890,426.15	8,022,876,054.42
II. Accumulated amortisation					
1. Opening balance	1,346,949,264.03	279,338,256.38	170,492,496.98	46,029,734.32	1,842,809,751.71
2. Increase in the year	178,146,368.72	27,288,974.03	9,320,368.80	86,792.40	214,842,503.95
(1) Provision	173,194,224.06	27,288,974.03	9,320,368.80	86,792.40	209,890,359.29
(2) Transfer from investment properties	4,952,144.66	–	–	–	4,952,144.66
3. Decrease in the year	–	28,288,291.54	–	–	28,288,291.54
(1) Disposal	–	28,288,291.54	–	–	28,288,291.54
4. Closing balance	1,525,095,632.75	278,338,938.87	179,812,865.78	46,116,526.72	2,029,363,964.12

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

16. Intangible assets (continued)

(1) Intangible assets (continued)

FY2025 (continued)

Item	Land use rights	Software	Port facility use rights	Others	Total
III. Impairment provision					
1. Opening balance	-	-	-	-	-
2. Closing balance	-	-	-	-	-
IV. Book value					
1. Closing balance	5,603,004,605.97	162,330,298.06	227,403,286.84	773,899.43	5,993,512,090.30
2. Opening balance	5,767,970,109.71	147,915,981.01	236,723,655.64	860,691.83	6,153,470,438.19
Net assets pledged at the end of the year	378,999,687.34	-	-	-	378,999,687.34

Note: The Company's subsidiary, Changxing Island Port, made mortgage loans, and as at 31 December 2025, its intangible assets with an aggregate book value of RMB334,419,983.15 were pledged; the Company's subsidiary, Changxing Island Port Investment and Development, made mortgage loans, and as at 31 December 2025, its intangible assets with an aggregate book value of RMB44,579,704.19 were pledged, as described in Note IX. 22.

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

16. Intangible assets (continued)

(1) Intangible assets (continued)

FY2024

Item	Land use rights	Software	Port facility use rights	Others	Total
I. Original book value					
1. Opening balance	6,054,637,275.03	394,193,808.92	407,216,152.62	66,086,080.90	6,922,133,317.47
2. Increase in the year					
(1) Purchase	–	9,361,598.78	–	867,924.53	10,229,523.31
(2) Transfer from construction in progress	–	23,600,848.19	–	–	23,600,848.19
(3) Impact of change in consolidation scope	1,135,358,496.43	5,074,081.69	–	–	1,140,432,578.12
(4) Transfer from investment properties	34,642,969.37	–	–	–	34,642,969.37
(5) Other increase	–	8,725,673.85	–	–	8,725,673.85
3. Decrease in the year					
(1) Disposal	36,166,385.07	1,477,460.46	–	17,983,579.28	55,627,424.81
(2) Transfer to investment properties	26,963,446.82	–	–	–	26,963,446.82
(3) Other decrease	46,589,535.20	12,224,313.58	–	2,080,000.00	60,893,848.78
4. Closing balance	7,114,919,373.74	427,254,237.39	407,216,152.62	46,890,426.15	7,996,280,189.90
II. Accumulated amortisation					
1. Opening balance	1,090,356,667.14	254,427,610.77	161,172,128.18	66,086,080.90	1,572,042,486.99
2. Increase in the year					
(1) Provision	155,481,964.58	27,456,548.47	9,320,368.80	7,232.70	192,266,114.55
(2) Increase in scope of consolidation	132,094,115.45	3,202,699.69	–	–	135,296,815.14
(3) Other increase	–	7,892,809.79	–	–	7,892,809.79
3. Decrease in the year					
(1) Disposal	187,794.93	1,477,460.46	–	17,983,579.28	19,648,834.67
(2) Transfer to investment properties	4,587,142.45	–	–	–	4,587,142.45
(3) Other decrease	26,208,545.76	12,163,951.88	–	2,080,000.00	40,452,497.64
4. Closing balance	1,346,949,264.03	279,338,256.38	170,492,496.98	46,029,734.32	1,842,809,751.71

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

16. Intangible assets (continued)

(1) Intangible assets (continued)

FY2024 (continued)

Item	Land use rights	Software	Port facility use rights	Others	Total
III. Impairment provision					
1. Opening balance	–	–	–	–	–
2. Closing balance	–	–	–	–	–
IV. Book value					
1. Closing balance	5,767,970,109.71	147,915,981.01	236,723,655.64	860,691.83	6,153,470,438.19
2. Opening balance	4,964,280,607.89	139,766,198.15	246,044,024.44	–	5,350,090,830.48
Net assets pledged at the end of the year	388,278,106.06	–	–	–	388,278,106.06

(2) As at 31 December 2025, the Group did not have land use rights without the certificate of ownership.

(3) Details of impairment tests on intangible assets

In FY2025, as the economic performance of the assets has been lower than expected or the assets have been or will be discontinued, the Group conducted impairment tests on the intangible assets of DCT Logistics, Heilongjiang Suimu Dalian Port Logistics Co., Ltd., Dalian Jifa Shipping Management Co., Ltd., and Dalian Jifa Bohai Rim Container Lines Co., Ltd., as described in Note IX. 13.

17. Development expenditure

	Current year amount	Prior year amount
Employee benefits	**22,546,653.32**	19,508,678.20
Depreciation and amortisation	**22,786.91**	361,038.00
Others	**2,122,245.28**	356,501.27
Total	**24,691,685.51**	20,226,217.47
Including: Expensed development expenditure	**24,691,685.51**	20,226,217.47
Capitalized development expenditure	**–**	–

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

17. Development expenditure (Continued)

There was no development expenditure on research and development projects eligible for capitalization during the year.

The proportion of capitalized development expenditure in the current year to the total expenditure on the research and development projects of the year was 0.00% (FY2024: 0.00%).

No intangible assets were generated from the Company's internal research and development in the year (FY2024: nil).

18. Goodwill

(1) The breakdown of goodwill is as follows:

FY2025

Investee	Source	Opening balance	Increase in the year	Decrease in the year	Closing balance
Liaoning Con-Rail International Logistics Co., Ltd.	Business combination	4,398,401.85	–	–	4,398,401.85
Dalian Jiyi Logistics Co., Ltd. (Note)	Business combination	2,397,589.82	–	–	2,397,589.82
DCT Logistics	Business combination	6,218,460.29	–	–	6,218,460.29
Yingkou Ltd.	Business combination	219,133,513.00	–	–	219,133,513.00
Coal business, barge business and hydropower business in Yingkou Port Group	Business combination	97,144,359.35	–	–	97,144,359.35
Total		329,292,324.31	–	–	329,292,324.31
Provision for impairment of goodwill		103,362,819.64	4,398,401.85	–	107,761,221.49
Total net goodwill		225,929,504.67	-4,398,401.85	–	221,531,102.82

Note: Jifa Logistics completed the absorption and merger of the subsidiary Jiyi Logistics in November 2024. Prior to the absorption and merger, the book value of goodwill recognized for the subsidiary Jiyi Logistics in the consolidated financial statements was RMB2,397,589.82. After the absorption and merger, the asset group comprising the goodwill generates cash inflows independently. There is no substantive change in the management's approach to the use and disposal of the asset, and the asset group remains in its original status.

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

18. Goodwill (continued)

(1) The breakdown of goodwill is as follows: (continued)

FY2024

Investee	Source	Opening balance	Increase in the year	Decrease in the year	Closing balance
Liaoning Con-Rail International Logistics Co., Ltd.	Business combination	4,398,401.85	–	–	4,398,401.85
Dalian Jiyi Logistics Co., Ltd.	Business combination	2,397,589.82	–	–	2,397,589.82
DCT Logistics	Business combination	6,218,460.29	–	–	6,218,460.29
Yingkou Ltd.	Business combination	219,133,513.00	–	–	219,133,513.00
Coal business, barge business and hydropower business in Yingkou Port Group	Business combination	97,144,359.35	–	–	97,144,359.35
Total		329,292,324.31	–	–	329,292,324.31
Provision for impairment of goodwill		103,362,819.64	–	–	103,362,819.64
Total net goodwill		225,929,504.67	–	–	225,929,504.67

(2) Details of provision for impairment of goodwill are as follows:

FY2025

Item	Opening balance	Provision in the year	Decrease in the year	Closing balance
DCT Logistics	**6,218,460.29**	**–**	**–**	**6,218,460.29**
Coal business, barge business and hydropower business in Yingkou Port Group	**97,144,359.35**	**–**	**–**	**97,144,359.35**
Liaoning Con-Rail International Logistics Co., Ltd.	**–**	**4,398,401.85**	**–**	**4,398,401.85**
Total	**103,362,819.64**	**4,398,401.85**	**–**	**107,761,221.49**

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

18. Goodwill (continued)

(2) Details of provision for impairment of goodwill are as follows: (continued)

FY2024

Item	Opening balance	Provision in the year	Decrease in the year	Closing balance
DCT Logistics	6,218,460.29	–	–	6,218,460.29
Coal business, barge business and hydropower business in Yingkou Port Group	97,144,359.35	–	–	97,144,359.35
Total	103,362,819.64	–	–	103,362,819.64

(3) Information about the asset group or portfolio to which it belongs

Item	Composition basis of the asset group or portfolio to which it belongs	Operating segments to which it belongs and the basis	Whether consistent with prior years
Liaoning Con-Rail International Logistics Co., Ltd.	It principally consists of Liaoning Con-Rail International Logistics Co., Ltd. and generates cash inflows that are largely independent of those generated by other assets or asset groups	For the purpose of internal management, the portfolio of asset groups is categorized as container terminal and related logistics services based on the products and services provided	Yes
Dalian Jiyi Logistics Co., Ltd.	It principally consists of Dalian Jiyi Logistics Co., Ltd. and generates cash inflows that are largely independent of those generated by other assets or asset groups	For the purpose of internal management, the portfolio of asset groups is categorized as container terminal and related logistics services based on the products and services provided	Yes
Yingkou Ltd.	It principally consists of Yingkou Ltd. and generates cash inflows that are largely independent of those generated by other assets or asset groups	For the purpose of internal management, the portfolio of asset groups is categorized as oil/liquefied chemicals terminal and related logistics services, container terminal and related logistics services, bulk and general cargo terminal and related logistics services, bulk grain terminal and related logistics services and port value-added and ancillary services based on the products and services provided	Yes

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

18. Goodwill (continued)

(4) Specific determination method of recoverable amount

The recoverable amount is determined as the present value of the expected future cash flows:

Item	Book value	Recoverable amount	Impairment amount	Years of forecast period	Key parameters for the forecast period	Key parameters for the stabilization period	Basis for determining key parameters for the stabilization period
Liaoning Con-Rail International Logistics Co., Ltd.	15,095,479.78	10,340,536.49	4,754,943.29	5 years	Future business volume, budgeted gross margin, discount rate	Growth rate, discount rate	See Note for details
Dalian Jiyi Logistics Co., Ltd.	347,363,385.77	354,324,603.08	–	5 years	Future business volume, budgeted gross margin, discount rate	Growth rate, discount rate	See Note for details
Yingkou Ltd.	21,601,573,075.53	22,700,000,000.00	–	5 years	Future business volume, budgeted gross margin, discount rate	Growth rate, discount rate	See Note for details

Note: The recoverable amount of the asset group (Liaoning Con-Rail International Logistics Co., Ltd., Dalian Jiyi Logistics Co., Ltd. and Yingkou Ltd.) was determined according to the present value of expected future cash flows of the asset group. The expected future cash flows were based on financial budgets covering a five-year period approved by management. Cash flows beyond the five-year period are estimated on the basis of fixed growth rate (as described in the table below), and calculated using cash flows expectation method. The main assumptions for the recoverable amount for such asset groups are as follows:

	Liaoning Con-Rail International Logistics Co., Ltd.	Dalian Jiyi Logistics Co., Ltd.	Yingkou Ltd.
Discount rate	9.44%	9.44%	9.44%
Growth rate	0%	3.8%	2%

The discount rates adopted above are before-tax discount rates that reflect the specific risk related to the relevant asset group. The growth rates are determined with reference to the expected growth rate of the industry and do not exceed the average growth rate of the industry for the long term. The key assumptions made in determining cash flow projections also include budgetary gross margins, which are determined based on past experience and forecasts on market developments by the management.

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

18. Goodwill (continued)

(4) Specific determination method of recoverable amount (continued)

After testing, the management of the Group believes that any reasonable change in the assumptions for Yingkou Ltd. and Dalian Jiyi Logistics Co., Ltd. will not result in the book value of each asset group that generates goodwill being higher than its recoverable amount, so there is no need to make provisions for impairment of goodwill.

19. Long-term prepaid expenses

The long-term prepaid expenses are listed as follows by item:

FY2025

Item	Opening balance	Increase in the year	Amortisation in the year	Other decrease	Closing balance
Public facilities in a bonded port	2,178,879.63	–	726,419.46	–	1,452,460.17
Decoration of buildings	8,597,103.41	258,736.70	3,926,681.17	65,424.53	4,863,734.41
Site coverage expenses	1,485,279.95	–	1,485,279.95	–	–
Environmental reconstruction expenses	13,498,587.26	–	1,197,833.40	–	12,300,753.86
Berth dredging costs	62,158,789.39	638,349.45	30,080,607.88	686,402.65	32,030,128.31
Asset maintenance expenses	23,449,150.16	1,315,779.81	3,305,828.35	357,054.52	21,102,047.10
Others	4,617,084.55	–	1,335,618.54	–	3,281,466.01
Total	115,984,874.35	2,212,865.96	42,058,268.75	1,108,881.70	75,030,589.86

FY2024

Item	Opening balance	Impact of change in consolidation scope	Increase in the year	Amortisation in the year	Other decrease	Closing balance
Public facilities in a bonded port	2,905,173.39	–	–	726,293.76	–	2,178,879.63
Decoration of buildings	11,516,165.85	–	939,273.92	3,857,958.38	377.98	8,597,103.41
Site coverage expenses	3,105,584.99	–	–	1,620,305.04	–	1,485,279.95
Environmental reconstruction expenses	14,696,420.66	–	–	1,197,833.40	–	13,498,587.26
Berth dredging costs	17,168,458.27	–	77,209,407.57	32,219,076.45	–	62,158,789.39
Asset maintenance expenses	22,474,550.46	–	4,421,085.39	2,995,792.43	450,693.26	23,449,150.16
Others	2,229,266.91	3,363,636.33	–	975,818.69	–	4,617,084.55
Total	74,095,620.53	3,363,636.33	82,569,766.88	43,593,078.15	451,071.24	115,984,874.35

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

20. Deferred income tax

(1) Deferred tax assets before offsetting

Item	Closing balance		Opening balance	
	Deferred tax assets	Deductible temporary differences and deductible losses	Deferred tax assets	Deductible temporary differences and deductible losses
Lease liabilities	1,161,631,856.09	4,646,527,424.36	1,235,296,729.36	4,941,186,917.44
Depreciation of fixed assets	343,882,855.70	1,375,531,422.80	352,958,663.81	1,411,834,655.24
Provision for impairment of assets	107,340,316.82	429,361,267.28	120,940,066.85	483,760,267.40
Unrealized profits of purchases and sales within the Group	136,001,513.42	544,006,053.68	142,866,648.18	571,466,592.72
Business combination	73,277,032.72	293,108,130.88	74,789,504.93	299,158,019.72
Deferred income	37,646,831.65	150,587,326.60	34,119,523.50	136,478,094.00
Deductible losses	–	–	54,795,739.56	219,182,958.24
Changes in fair value of investments in other equity instruments	664,149.99	2,656,599.96	1,682,645.31	6,730,581.24
Others	165,674.97	662,699.88	3,951,486.18	15,805,944.72
Total	1,860,610,231.36	7,442,440,925.44	2,021,401,007.68	8,085,604,030.72

1) Deductible temporary differences and deductible losses that are not recognised as deferred tax assets

Item	Closing balance	Opening balance
Deductible losses	887,527,225.32	1,112,647,388.47
Deductible temporary differences	286,073,210.26	238,062,158.95
Total	1,173,600,435.58	1,350,709,547.42

2) Deductible losses that are not recognised as deferred tax assets will expire in the following years

Year	Closing balance	Opening balance
2025	–	108,339,061.03
2026	39,016,967.55	65,407,494.05
2027	177,396,463.22	201,951,405.03
2028	258,505,718.34	248,107,384.00
2029	284,897,249.11	488,842,044.36
2030	127,710,827.10	–
Total	887,527,225.32	1,112,647,388.47

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

20. Deferred income tax (continued)

(2) Deferred tax liabilities before offsetting

Item	Closing balance		Opening balance	
	Deferred tax liabilities	**Taxable temporary differences**	Deferred tax liabilities	Taxable temporary differences
Right-of-use assets	**1,027,827,210.59**	**4,111,308,842.35**	1,121,710,821.87	4,486,843,287.48
Business combination	**680,346,997.91**	**2,721,387,991.64**	719,806,924.68	2,879,227,698.72
Depreciation of fixed assets	**61,442,984.22**	**245,771,936.88**	64,737,240.85	258,948,963.40
Realisation of business combination in stages	**37,891,003.77**	**151,564,015.08**	37,891,003.77	151,564,015.08
Changes in fair value of investments in other equity instruments	**15,923,540.08**	**63,694,160.32**	23,169,558.02	92,678,232.08
Others	**6,313,309.23**	**25,253,236.93**	6,629,818.78	26,519,275.12
Total	**1,829,745,045.80**	**7,318,980,183.20**	1,973,945,367.97	7,895,781,471.88

(3) Deferred tax assets or liabilities presented at net amount after offsetting

Item	Closing balance		Opening balance	
	Offset amount of deferred tax assets and liabilities at the end of the year	**Remaining deferred tax assets or liabilities after offset at the end of the year**	Offset amount of deferred tax assets and liabilities at the beginning of the year	Remaining deferred tax assets or liabilities after offset at the beginning of the year
Deferred tax assets	**-1,602,843,399.33**	**257,766,832.03**	-1,714,422,420.73	306,978,586.95
Deferred tax liabilities	**-1,602,843,399.33**	**226,901,646.47**	-1,714,422,420.73	259,522,947.24

21. Other non-current assets

Item	Closing balance			Opening balance		
	Book balance	**Impairment provision**	**Book value**	Book balance	Impairment provision	Book value
Guarantee payment for land bidding	**1,860,000.00**	**–**	**1,860,000.00**	1,860,000.00	–	1,860,000.00
VAT input to be deducted	**2,252,923.60**	**–**	**2,252,923.60**	2,252,923.60	–	2,252,923.60
Construction prepayments	**2,479,768.15**	**–**	**2,479,768.15**	43,304,269.60	–	43,304,269.60
Prepayments for land use rights	**391,993,339. 60**	**–**	**391,993,339.60**	391,993,339.60	–	391,993,339.60
Sea area usage fees pending collection	**14,490,900.00**	**–**	**14,490,900.00**	–	–	–
Total	**413,076,931.35**	**–**	**413,076,931.35**	439,410,532.80	–	439,410,532.80

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

22. Assets with restricted ownership or use right

FY2025

Item	Book balance	Book value	Restriction type	Restriction status
Cash at bank and on hand	41,213,069.44	41,213,069.44	Frozen	Note 1
Notes receivable	2,613,270.16	2,613,270.16	Endorsed	Note 2
Fixed assets	209,422,479.47	209,422,479.47	Pledged	Note 3
Intangible assets	378,999,687.34	378,999,687.34	Pledged	Note 4
Other current assets	69,652,267.84	69,652,267.84	Frozen	Note 5
Financial assets held for trading	550,000.00	550,000.00	Others	Note 6
Total	702,450,774.25	702,450,774.25	–	–

FY2024

Item	Book balance	Book value	Restriction type	Restriction status
Cash at bank and on hand	29,778,820.80	29,778,820.80	Frozen	Note 1
Notes receivable	4,025,000.00	4,025,000.00	Endorsed	Note 2
Fixed assets	222,921,389.14	222,921,389.14	Pledged	Note 3
Intangible assets	388,278,106.06	388,278,106.06	Pledged	Note 4
Other current assets	75,190,019.25	74,181,616.04	Frozen	Note 5
Financial assets held for trading	550,000.00	550,000.00	Others	Note 6
Total	720,743,335.25	719,734,932.04	–	–

Note 1: As at 31 December 2025, a bank deposit of RMB11,421,610.62 (31 December 2024: RMB10,082,467.90) was pledged as the Group's project performance guarantee.

As at 31 December 2025, a bank deposit of RMB2,961,004.42 was pledged as the Group's guarantee deposits for construction quality (31 December 2024: nil).

As at 31 December 2025, the Group's bank deposit of RMB5,205,335.00 (31 December 2024: nil) was frozen by the court due to litigation.

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

22. Assets with restricted ownership or use right (continued)

As at 31 December 2025, no bank deposit (31 December 2024: RMB50,000.00) was pledged as the Group's wage guarantee for migrant workers.

As at 31 December 2025, the bank deposit of DCT Logistics, a subsidiary of the Group, with a book value of RMB21,624,119.40 (31 December 2024: RMB19,645,352.90) was frozen by the court due to litigation. See Note XIV. 1 for details.

As at 31 December 2025, the Company's subsidiary, Dalian International Container Services Co., Ltd., used bank deposits with a book value of RMB1,000.00 (31 December 2024: RMB1,000.00) as a security deposit for its vehicle ETC business.

Note 2: As at 31 December 2025, the Group's notes receivable with a book value of RMB2,613,270.16 (31 December 2024: RMB4,025,000.00) had been endorsed and transferred but not derecognized.

Note 3: As at 31 December 2025, the Company's subsidiary, Changxing Island Port Investment and Development, had borrowings secured by fixed assets with a book value of RMB62,487,694.98 (31 December 2024: RMB65,869,693.74).

As at 31 December 2025, the Company's subsidiary, Changxing Island Port, had borrowings secured by fixed assets with a book value of RMB146,934,784.49 (31 December 2024: RMB157,051,695.40).

Note 4: As at 31 December 2025, the Company's subsidiary, Changxing Island Port Investment and Development, had borrowings secured by intangible assets with a book value of RMB44,579,704.19 (31 December 2024: RMB45,634,680.59).

As at 31 December 2025, the Company's subsidiary, Changxing Island Port, had borrowings secured by intangible assets with a book value of RMB334,419,983.15 (31 December 2024: RMB342,643,425.47).

Note 5: As at 31 December 2024, other current assets of the Company's subsidiary Dalian Gangrun Gas Co., Ltd. with a book value of RMB322,900.00 were compulsorily preserved by the court pursuant to the ruling of the first instance, ((2023) Liao 0291 Min Chu No. 2688), issued by the People's Court of Dalian Economic and Technological Development Zone. As at 31 December 2025, Dalian Gangrun Gas Co., Ltd. had been taken over by the bankruptcy administrator and was no longer included in the scope of consolidation.

As at 31 December 2025, other current assets of DCT Logistics, a subsidiary of the Group, with a book value of RMB69,652,267.84 (31 December 2024: RMB73,858,716.04) were compulsorily preserved by the court due to litigation. See Note XIV. 1 for details.

Note 6: As at 31 December 2024, Dalian Jifa Bohai Rim Container Lines Co., Ltd., a subsidiary of the Company, obtained a trust loan of RMB55,000,000.00 from Zhongyuan Trust Co., Ltd. and, in accordance with the requirements of the trust loan contract and the management requirements of the trust industry's safeguard fund subscription contract, subscribed for a safeguard fund of RMB550,000.00 (31 December 2024: RMB550,000.00) based on the standard of 1% of the size of the trust project, and the subscribed funds and the proceeds can only be returned to the designated account of Dalian Jifa Bohai Rim Container Lines Co., Ltd. after the repayment of the trust loan. As at 31 December 2025, the trust loan had been paid off, and the subscribed funds and the proceeds were returned to the designated account on 2 February 2026.

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

23. Provision for asset impairment and provision for credit losses

31 December 2025

Item	Opening balance	Impact of change in consolidation scope	Provision in the year	Reversal in the year	Write-off in the year	Carry-forward in the year	Other changes	Closing balance
Provision for bad debts	350,806,804.00	-541,211.74	-77,920,475.60	-	-5,336,904.90	-	-	267,008,211.76
Provision for the decline in value of inventories	8,329,459.54	-706,230.32	7,198.00	-130,614.50	-	-1,442,701.98	-	6,057,110.74
Provision for impairment of long-term equity investments	31,177,663.08	-	8,642,750.52	-	-	-	-	39,820,413.60
Provision for impairment of fixed assets	113,190,254.28	-	4,923,134.84	-	-	-	-	118,113,389.12
Provision for impairment of construction in progress	246,271,804.93	-	5,221,493.21	-	-	-	-	251,493,298.14
Provision for impairment of goodwill	103,362,819.64	-	4,398,401.85	-	-	-	-	107,761,221.49
Provision for impairment of other current assets	11,609,755.91	-2,667,080.02	-	-	-	-	-	8,942,675.89
Total	864,748,561.38	-3,914,522.08	-54,727,497.18	-130,614.50	-5,336,904.90	-1,442,701.98	-	799,196,320.74

31 December 2024

Item	Opening balance	Impact of change in consolidation scope	Provision in the year	Reversal in the year	Write-off in the year	Carry-forward in the year	Other changes	Closing balance
Provision for bad debts	789,573,029.01	-10,852,237.93	-427,913,987.08	-	-	-	-	350,806,804.00
Provision for the decline in value of inventories	4,864,820.04	-	3,464,639.50	-	-	-	-	8,329,459.54
Provision for impairment of long-term equity investments	8,468,465.03	-	22,709,198.05	-	-	-	-	31,177,663.08
Provision for impairment of fixed assets	44,992,613.52	68,197,640.76	-	-	-	-	-	113,190,254.28
Provision for impairment of construction in progress	96,566,868.62	107,275,209.51	42,429,726.80	-	-	-	-	246,271,804.93
Provision for impairment of goodwill	103,362,819.64	-	-	-	-	-	-	103,362,819.64
Provision for impairment of other current assets	11,609,755.91	-	-	-	-	-	-	11,609,755.91
Total	1,059,438,371.77	164,620,612.34	-359,310,422.73	-	-	-	-	864,748,561.38

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

24. Short-term borrowings

Category	Closing balance	Opening balance
Credit borrowings	–	55,000,000.00
Interest payable	–	328,483.98
Total	–	55,328,483.98

25. Accounts payable

(1) Breakdown of accounts payable

	Closing balance		Opening balance	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year (including 1 year)	**247,914,770.66**	**80.62**	356,428,911.28	89.92
1 to 2 years (including 2 years)	**36,704,469.40**	**11.94**	27,330,600.31	6.90
2 to 3 years (including 3 years)	**17,948,176.48**	**5.84**	2,287,932.43	0.58
Over 3 years	**4,905,779.43**	**1.60**	10,304,958.59	2.60
Total	**307,473,195.97**	**100.00**	396,352,402.61	100.00

(2) As at 31 December 2025, the Group had no significant accounts payable aged over one year.

(3) Nature of amount

Nature	Closing balance	Opening balance
Vessel leasing fees and ocean freight	**86,322,260.64**	145,451,732.60
Payment for purchase of goods	**8,221,019.75**	14,373,449.20
Payment for purchase of auxiliary materials	**212,929,915.58**	236,527,220.81
Total	**307,473,195.97**	396,352,402.61

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

26. Advances from customers

(1) Breakdown of aging of advances from customers

	Closing balance		Opening balance	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year (including 1 year)	**4,879,690.49**	**96.86**	5,188,452.18	97.10
1 to 2 years (including 2 years)	**3,500.00**	**0.07**	–	–
2 to 3 years (including 3 years)	**–**	**–**	–	–
Over 3 years	**154,863.45**	**3.07**	154,863.45	2.90
Total	**5,038,053.94**	**100.00**	5,343,315.63	100.00

As at 31 December 2025, the Group had no significant advances from customers aged over one year.

(2) Nature of advances from customers

Nature	**Closing balance**	Opening balance
Rental fees	**4,794,958.42**	4,696,078.18
Others	**243,095.52**	647,237.45
Total	**5,038,053.94**	5,343,315.63

27. Contract liabilities

(1) Contract liabilities

Nature	**Closing balance**	Opening balance
All-in charges for port operations and port miscellaneous expenses	**254,235,268.18**	257,767,870.44
Freight	**2,743,613.07**	2,229,517.80
Others	**31,920,437.19**	25,025,754.50
Total	**288,899,318.44**	285,023,142.74

(2) Revenue recognized in the current year and included in the opening book value of contract liabilities

Revenue recognized in the current year and included in the opening book value of contract liabilities amounted to RMB252,211,416.99, including the income of RMB237,630,162.17 from miscellaneous expenses, the income of RMB1,094,746.57 from freight, and other income of RMB13,486,508.25 from contracts.

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

27. Contract liabilities (continued)

(3) Qualitative and quantitative analysis on relevant contract liabilities

Contract liabilities mainly represent payments received by the Group for providing port operation services to customers. The payments shall be collected in accordance with the payment time agreed in contracts. The Group recognizes contract revenue based on the progress of contract performance, and contract liabilities will be recognized as revenue after the Group has fulfilled its performance obligations. The increase of RMB3,876,175.70 in contract liabilities as at the end of the year was mainly due to that the increase in advances from customers of the bulk and general cargo terminal, container terminal, and related logistics business segments as at the end of the year.

(4) As at 31 December 2025, the Group had no significant contract liabilities aged over one year.

28. Employee benefits payable

(1) Classification of employee benefits payable

Item	Opening balance	Impact of change in consolidation scope	Increase in the year	Decrease in the year	Closing balance
I. Short-term employee benefits	388,285,190.75	-1,141.33	2,377,636,937.93	2,334,506,149.09	**431,414,838.26**
II. Post-employment benefits – defined contribution plan	2,279,129.49	–	298,090,228.68	299,436,614.00	**932,744.17**
III. Termination benefits	–	–	3,792,076.36	3,021,076.36	**771,000.00**
Total	390,564,320.24	-1,141.33	2,679,519,242.97	2,636,963,839.45	**433,118,582.43**

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

28. Employee benefits payable (continued)

(2) Short-term employee benefits

Item	Opening balance	Impact of change in consolidation scope	Increase in the year	Decrease in the year	Closing balance
I. Salaries, bonuses, allowances and subsidies	341,415,311.52	–	1,864,873,081.20	1,814,925,481.92	**391,362,910.80**
II. Staff welfare	–	–	100,198,103.34	100,198,103.34	**–**
III. Social insurance premiums	9,957,101.12	–	178,509,824.60	179,055,995.92	**9,410,929.80**
Including: Medical insurance and maternity insurance	9,926,961.14	–	155,037,094.10	155,583,265.42	**9,380,789.82**
Work-related injury insurance	30,139.98	–	19,271,426.90	19,271,426.90	**30,139.98**
Others	–	–	4,201,303.60	4,201,303.60	**–**
IV. Housing provident funds	15,284.00	–	178,064,059.06	178,034,587.06	**44,756.00**
V. Labour union funds and employee education funds	4,575,175.05	-1,141.33	33,350,266.58	32,821,309.24	**5,102,991.06**
VI. Other short-term employee benefits	32,322,319.06	–	22,641,603.15	29,470,671.61	**25,493,250.60**
Total	388,285,190.75	-1,141.33	2,377,636,937.93	2,334,506,149.09	**431,414,838.26**

(3) Defined contribution plans

Item	Opening balance	Impact of change in consolidation scope	Increase in the year	Decrease in the year	Closing balance
I. Basic endowment insurance	601,034.00	–	289,044,072.38	289,044,072.38	**601,034.00**
II. Unemployment insurance	31,710.17	–	9,046,156.30	9,046,156.30	**31,710.17**
III. Payment of annuity	1,646,385.32	–	–	1,346,385.32	**300,000.00**
Total	2,279,129.49	–	298,090,228.68	299,436,614.00	**932,744.17**

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

29. Taxes and dues payable

Item	Opening balance	Change in consolidation scope	Increase in the year	Decrease in the year	Closing balance
VAT	12,998,445.14	-21,120.00	154,902,298.51	160,261,905.31	**7,617,718.34**
Corporate income tax	79,762,362.88	–	579,229,873.16	518,826,121.00	**140,166,115.04**
City maintenance and construction tax	653,670.75	-1,478.39	9,297,828.75	9,546,753.77	**403,267.34**
Individual income tax	2,589,675.61	–	25,868,457.22	25,845,534.93	**2,612,597.90**
Educational surcharge	1,145,478.14	-1,055.99	6,645,277.74	7,442,671.23	**347,028.66**
Other taxes	19,514,538.36	-1,068.86	133,048,409.40	131,263,076.92	**21,298,801.98**
Total	116,664,170.88	-24,723.24	908,992,144.78	853,186,063.16	**172,445,529.26**

30. Other payables

Item	Closing balance	Opening balance
Interest payable	**228,879,916.55**	270,456,396.55
Dividends payable	**228,879,052.06**	187,293,731.99
Other payables	**682,667,549.78**	757,944,537.88
Total	**1,140,426,518.39**	1,215,694,666.42

(1) Interest payable

1) Details of interest payable

Item	Closing balance	Opening balance
Interest on inter-company loans with installment interest payments and principal repayment at maturity	**228,879,916.55**	270,456,396.55
Total	**228,879,916.55**	270,456,396.55

2) Significant overdue interest

Creditor	Amount overdue	Reason for overdue
PDA Group	228,879,916.55	Cash-strapped
Total	228,879,916.55	–

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

30. Other payables (continued)

(2) Dividends payable

Item	Name of entity	Closing balance	Opening balance
Dividends of ordinary shares	Singapore Dalian Port Investment Pte. Ltd.	**110,443,694.14**	79,060,154.92
	China Shipping Terminal Development Co., Ltd.	**46,683,699.95**	33,418,119.33
	Nippon Yusen Kabushiki Kaisha	**29,097,665.56**	20,829,310.05
	COSCO SHIPPING Ports (Dalian) Limited	**18,478,079.60**	13,227,372.07
	COSCO SHIPPING Ports Development Co., Ltd.	**15,547,073.87**	11,129,237.19
	Bonded Zhengtong	**5,779,554.22**	5,779,554.22
	United States Sankyo Holdings Limited	**1,456,335.52**	2,334,071.40
	NYK Bulk & Projects Carriers Ltd.	**1,165,068.40**	1,867,257.12
	Dalian Ling FENG ENERGY Co., Ltd.	**227,880.80**	–
	Dalian City Construction Investment Group Co., Ltd.	**–**	11,648,655.69
	Anshan Iron & Steel Group Co., Ltd.	**–**	8,000,000.00
Total	——	**228,879,052.06**	187,293,731.99

As at 31 December 2025, the balance of dividends payable aged over 1 year amounted to RMB7,429,973.78 (31 December 2024: RMB19,979,118.87), which was postponed to be paid.

(3) Other payables

1) Other payables presented by nature

Item	Closing balance	Opening balance
Project payment and quality guarantee	**391,139,666.77**	443,928,678.38
Land compensation	**7,500,000.00**	7,500,000.00
Deposits and margins	**112,726,695.93**	109,743,109.74
Others	**171,301,187.08**	196,772,749.76
Total	**682,667,549.78**	757,944,537.88

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

30. Other payables (continued)

(3) Other payables (continued)

2) Aging analysis of other payables

	Closing balance		Opening balance	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year (including 1 year)	**356,071,334.14**	**52.16**	458,169,370.40	60.45
1 to 2 years (including 2 years)	**82,463,464.06**	**12.08**	49,656,554.60	6.55
2 to 3 years (including 3 years)	**19,441,928.23**	**2.85**	17,711,093.19	2.34
Over 3 years	**224,690,823.35**	**32.91**	232,407,519.69	30.66
Total	**682,667,549.78**	**100.00**	757,944,537.88	100.00

3) Significant other payable aged over 1 year

Name of entity	Amount owed	Aging	Reason for non-payment
Ocean Harvest Container Co., Ltd.	49,474,450.28	Over 3 years	The condition for settlement is unsatisfied
Dalian Harbour Engineering Co., Ltd.	38,366,295.80	1 to 2 years, 2 to 3 years, and over 3 years	The condition for settlement is unsatisfied
Beijing Sino-Hypro Petrochemical Tech. Co., Ltd.	16,798,950.00	1 to 2 years	The condition for settlement is unsatisfied
IMC Shipyard & Engineering (China) Co., Ltd.	15,472,500.00	1 to 2 years, 2 to 3 years, and over 3 years	The condition for settlement is unsatisfied
Jiangsu Zhenjiang Construction Group Co., Ltd.	12,930,526.91	2-3 years, over 3 years	The condition for settlement is unsatisfied
SINOPEC Tenth Construction Co., Ltd.	10,096,743.65	Over 3 years	The condition for settlement is unsatisfied
Dalian Port Wantong Logistics Co., Ltd.	9,696,000.00	1 to 2 years	The condition for settlement is unsatisfied
No. 3 Engineering Company Ltd. of CCCC First Harbor Engineering Company Ltd.	9,555,772.84	Over 3 years	The condition for settlement is unsatisfied
Dalian Enesky International Trade Co., Ltd.	8,000,000.00	Over 3 years	The condition for settlement is unsatisfied
Dalian Changxing Island Gangxing Land Development Co., Ltd.	7,512,222.16	Over 3 years	The condition for settlement is unsatisfied
Dalian Beiliang Enterprise Group Co., Ltd.	7,500,000.00	Over 3 years	The condition for settlement is unsatisfied
CCCC Water Transportation Consultants Co., Ltd.	6,119,097.00	Over 3 years	The condition for settlement is unsatisfied
Total	191,522,558.64	—	—

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

31. Non-current liabilities due within one year

Item	Closing balance	Opening balance
Long-term borrowings due within one year	**118,431,679.32**	52,688,437.36
Including: Credit borrowings	**5,653,668.89**	2,458,333.33
Secured loan	**112,778,010.43**	50,230,104.03
Lease liabilities due within one year	**161,883,198.50**	168,114,934.03
Long-term payables due within one year	**–**	614,195,000.00
Bonds payable due within one year	**28,005,342.47**	2,061,949,643.62
Total	**308,320,220.29**	2,896,948,015.01

32. Other current liabilities

Item	Closing balance	Opening balance
All-in charges for port operations (Note)	**56,737,436.20**	–
Output VAT pending transfer	**14,701,850.52**	15,479,173.86
Endorsed notes receivable not yet due	**2,613,270.16**	–
Total	**74,052,556.88**	15,479,173.86

Note: All-in charges for port operations refer to the all-in charges for full-service logistics paid in advance to the Company by Chinatex Grains and Oils (Heilongjiang) Co., Ltd. See Note IX. 39 for details.

33. Long-term borrowings

Type of borrowings	Closing balance	Opening balance
Credit borrowings	**927,653,668.89**	600,458,333.33
Secured loan	**3,576,144,410.43**	3,623,463,304.03
Total	**4,503,798,079.32**	4,223,921,637.36
Less: Long-term borrowings due within one year (Note IX. 31)	**118,431,679.32**	52,688,437.36
Including: Credit borrowings	**5,653,668.89**	2,458,333.33
Secured loan	**112,778,010.43**	50,230,104.03
Long-term borrowings due after one year	**4,385,366,400.00**	4,171,233,200.00

As at 31 December 2025, the annual interest rate of the above borrowings was 2.24% to 2.98% (31 December 2024: 2.40% to 3.20%).

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

33. Long-term borrowings (continued)

The top five long-term borrowings by amount at the end of the year:

Lender	Start date of borrowing	Termination date of borrowing	Currency	Interest rate (%)	Closing balance		Opening balance	
					Foreign currency	Statutory currency	Foreign currency	Statutory currency
Industrial and Commercial Bank of China Limited Dalian Changxingdao Sub-branch	19 July 2024	14 July 2044	RMB	2.55	-	1,399,999,733.40	-	1,449,999,866.70
Industrial and Commercial Bank of China Limited Dalian Erqi Square Sub-branch	1 November 2024	30 October 2044	RMB	2.98	-	586,379,118.00	-	598,761,800.00
China Merchants Bank Co., Ltd. Dalian Branch	18 July 2024	14 July 2044	RMB	2.55	-	440,533,333.32	-	456,266,666.66
China Construction Bank Corporation Dalian Branch	1 November 2024	30 October 2044	RMB	2.98	-	360,720,882.00	-	368,338,200.00
China Construction Bank Corporation Dalian Branch	19 November 2025	19 November 2028	RMB	2.34	-	329,000,000.00	-	-

The maturity dates of long-term borrowings are analysed as follows:

Item	Closing balance	Opening balance
Expired within 1 year (including 1 year)	118,431,679.32	52,688,437.36
Expired within 2 years (including 2 years)	126,866,800.00	195,866,800.00
Expired within 3 to 5 years (including 3 years and 5 years)	1,334,600,400.00	911,600,400.00
Over 5 years	2,923,899,200.00	3,063,766,000.00
Total	4,503,798,079.32	4,223,921,637.36

34. Bonds payable

Item	Closing balance	Opening balance
Corporate bonds	999,133,182.99	998,550,456.06

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

34. Bonds payable (continued)

(1) Change in bonds payable

Name of bonds	Par value	Date of issuance	Bond term	Issue amount	Opening balance	Issued during the year	Accrued interest at par value	Amortisation of premium/discount	Current year reimbursement	Closing balance
Corporate bonds (Note 1)	100.00	20 April 2022	3 years	500,000,000.00	510,899,358.59	–	4,703,424.69	147,216.72	515,750,000.00	-
Corporate bonds (Note 1)	100.00	19 June 2023	2 years	1,500,000,000.00	1,523,044,942.56	–	20,941,643.82	713,413.62	1,544,700,000.00	-
Corporate bonds (Note 2)	100.00	10 January 2024	3 years	700,000,000.00	718,172,150.41	–	19,670,000.00	466,541.23	19,670,000.00	718,638,691.64
Corporate bonds (Note 2)	100.00	10 January 2024	5 years	300,000,000.00	308,383,648.12	–	9,150,000.00	116,185.70	9,150,000.00	308,499,833.82
Total	——	——	——	3,000,000,000.00	3,060,500,099.68	–	54,465,068.51	1,443,357.27	2,089,270,000.00	1,027,138,525.46
Less: Bonds payable due within one year	——	——	——	–	2,061,949,643.62	–	–	–	–	28,005,342.47
Bonds payable due after one year	——	——	——	–	998,550,456.06	–	–	–	–	999,133,182.99

Note 1: Pursuant to the CSRC Permission [2022] No. 658 document issued by the China Securities Regulatory Commission, the Company is approved to publicly issue corporate bonds with a total amount of not more than RMB8 billion (inclusive) to professional investors. The bonds are issued in installments. On 20 April 2022, the Company issued the first tranche of corporate bonds of RMB2 billion in aggregate, of which the corporate bonds with a total par value of RMB1.5 billion were issued for a term of 2 years, with the issuer's option to adjust the coupon rate and the investors' option to sell back at the end of the first year, and the interest was calculated and paid annually at a fixed annual interest rate of 2.68% by adopting the simple interest method. The relevant issuance expense amounted to RMB3,791,713.85. The Company settled such corporate bonds on 20 April 2023. The corporate bonds with a total par value of RMB500 million were issued for a term of 3 years, and the interest was calculated and paid annually at a fixed annual interest rate of 3.15% by adopting the simple interest method. The relevant issuance expense amounted to RMB1,347,237.95. The Company has settled this bond on 21 April 2025.

The Company issued the 2023 first tranche of corporate bonds with a total par value of RMB1.5 billion for a term of 2 years on 19 June 2023, and the interest was calculated and paid annually at a fixed annual interest rate of 2.98% by adopting the simple interest method. The relevant issuance expense amounted to RMB3,000,000.00. The Company settled such corporate bonds on 23 June 2025.

Note 2: On 10 January 2024, the Company issued the first tranche of 2024 corporate bonds of RMB1 billion in aggregate, of which the corporate bonds with a total par value of RMB700 million were issued for a term of 3 years, and the interest was calculated and paid annually at a fixed annual interest rate of 2.81% by adopting the simple interest method. The relevant issuance expense amounted to RMB1,400,000.00; and the corporate bonds with a total par value of RMB300 million were issued for a term of 5 years, and the interest was calculated and paid annually at a fixed annual interest rate of 3.05% by adopting the simple interest method. The relevant issuance expense amounted to RMB600,000.00.

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

35. Lease liabilities

(1) Lease liabilities

Item	Closing balance	Opening balance
Lease payments	**8,287,499,871.93**	9,069,853,205.63
Unrecognised finance costs	**3,625,551,044.24**	4,055,973,904.63
Less: Lease liabilities due within one year (Note IX. 31)	**161,883,198.50**	168,114,934.03
Lease liabilities due after one year	**4,500,065,629.19**	4,845,764,366.97

(2) Maturity of lease payments

Item	Closing balance	Opening balance
The first year after the balance sheet date	**396,311,247.84**	421,744,805.99
The second year after the balance sheet date	**392,324,162.04**	407,149,580.98
The third year after the balance sheet date	**384,157,342.75**	404,399,625.44
Years thereafter	**7,114,707,119.30**	7,836,559,193.22
Total	**8,287,499,871.93**	9,069,853,205.63

36. Long-term payables

Item	Closing balance	Opening balance
Equity repurchase (Note)	**17,500,000.00**	17,500,000.00
Related party borrowings	**–**	614,195,000.00
Total	**17,500,000.00**	631,695,000.00
Less: Long-term payables due within one year	**–**	614,195,000.00
Long-term payables due after one year	**17,500,000.00**	17,500,000.00

Note: China Development Fund made a capital contribution of RMB35,000,000.00 to Dalian Port Yidu Cold Chain Co., Ltd., a joint venture of Jifa Logistics, a subsidiary of the Company. After the capital increase, the shareholding percentage of Jifa Logistics decreased from 50% to 46.64%. According to the investment contract, Jifa Logistics began to assume the obligation to unconditionally repurchase the shares held by the China Development Fund based on the shareholding percentage before the capital increase on 10 December 2030. The Group recognised the long-term payable according to the repurchase obligation.

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

36. Long-term payables (continued)

The maturity dates of long-term payables are analysed as follows:

Item	Closing balance	Opening balance
Expired within 1 year (including 1 year)	–	614,195,000.00
Expired within 2 years (including 2 years)	–	–
Expired within 3 to 5 years (including 3 years and 5 years)	3,500,000.00	–
Over 5 years	14,000,000.00	17,500,000.00
Total	**17,500,000.00**	631,695,000.00

37. Provisions

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
Pending litigation (Note)	152,078,538.56	–	12,420,000.00	**139,658,538.56**

Note: DCT Logistics, a subsidiary of the Group, accrued a provision of RMB179,547,885.91 for pending litigations as at 31 December 2021. Due to the enforcement of the frozen cash at bank and on hand by the court, the provision was reduced by RMB12,420,000.00 for FY2025 (2024: RMB8,280,000.00). See Note XIV. 1 for details.

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

38. Deferred income

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
Government grants	505,050,028.68	82,290,900.00	43,675,904.95	**543,665,023.73**

Items involved in government grants are as follows:

Item	Opening balance	Increase in the year	Included in other income in the year	Included in non-operating income in the year	Other decrease	Closing balance	Related to assets/income
Relocation compensation	236,319,032.00	–	17,412,113.02	–	–	**218,906,918.98**	Related to assets
Production safety	20,724,225.11	–	1,271,978.56	–	–	**19,452,246.55**	Related to assets
Sea-rail combined transport subsidies	3,183,886.08	–	1,364,522.76	–	–	**1,819,363.32**	Related to assets
Transportation hub passenger terminal project	170,225,736.98	–	10,303,338.60	–	–	**159,922,398.38**	Related to assets
Operating subsidies	13,765,454.80	–	724,497.60	–	–	**13,040,957.20**	Related to assets
Special fund for energy conservation and emission reduction	3,237,572.36	–	883,212.90	–	–	**2,354,359.46**	Related to assets
Equipment upgrading subsidies	29,276,122.34	16,811,900.00	9,803,529.29	–	–	**36,284,493.05**	Related to assets
Incentives for multimodal transportation demonstration projects	26,286,450.92	26,279,000.00	1,163,972.89	–	–	**51,401,478.03**	Related to assets
Subsidy for wharf renovation projects	–	25,160,000.00	–	–	–	**25,160,000.00**	Related to assets
Subsidy for oil vapor recovery	–	14,040,000.00	203,831.40	–	–	**13,836,168.60**	Related to assets
Others	2,031,548.09	–	544,907.93	–	–	**1,486,640.16**	Related to assets
Total	505,050,028.68	82,290,900.00	43,675,904.95	–	–	**543,665,023.73**	—

39. Other non-current liabilities

Item	Closing balance	Opening balance
All-in charges for port operations (Note)	–	56,737,436.20
Total	–	56,737,436.20

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

39. Other non-current liabilities (continued)

Note: On 18 January 2013, the Company entered into a cooperation agreement with Chinatex Grains and Oils (Heilongjiang) Co., Ltd. Chinatex Grains and Oils (Heilongjiang) Co., Ltd. paid in advance the all-in charges for full-service logistics, including distribution services and port operations, to the Company with an amount of RMB112 million. The duration from the first to the seventh year after the agreement was signed represented the interest-bearing deduction period for the all-in charges for full-service logistics of the contract that were prepaid. The interest rate was in line with the People's Bank of China Loan Rate for that period and the duration from the eighth to the tenth year represented the preferential period. On 1 June 2016, the Company signed a supplementary agreement with Chinatex Grains and Oils (Heilongjiang) Co., Ltd., with an extension of three years for the cooperation period. The duration from the first to the seventh year represented the interest-bearing deduction period for the all-in charges for full-service logistics that were prepaid. The duration from the eighth to the tenth year represented the non-interest-bearing deduction period, and the duration from the eleventh to the thirteenth year represented the preferential period.

40. Share capital

Item	Opening balance		Increase in the year	Decrease in the year	Closing balance	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
RMB-denominated ordinary shares (Note 1)	18,746,758,670.00	78.42	–	333,707,456.00	**18,413,051,214.00**	**78.11**
Foreign shares listed overseas (Note 2)	5,158,715,999.00	21.58	–	–	**5,158,715,999.00**	**21.89**
Total	23,905,474,669.00	100.00	–	333,707,456.00	**23,571,767,213.00**	**100.00**

Note 1: Pursuant to the approval of the *Proposal on the Share Repurchase through Centralized Price Bidding of Liaoning Port Co., Ltd.* at the 2024 fifth extraordinary meeting of the seventh session of the Board of Directors of the Company held on 3 July 2024 and 2024 first extraordinary general meeting held on 1 August 2024, it was agreed that the Company repurchases the Company's shares through centralized price bidding, and all the shares repurchased will be used to cancel and reduce the registered capital of the Company.

Pursuant to the approval of the *Proposal on the Second Share Repurchase through Centralized Price Bidding of Liaoning Port Co., Ltd.* at the 2024 ninth extraordinary meeting of the seventh session of the Board of Directors of the Company held on 6 September 2024 and 2024 second extraordinary general meeting held on 24 September 2024, it was agreed that the Company repurchases the Company's shares through centralized price bidding, and all the shares repurchased will be used to cancel and reduce the registered capital of the Company.

As at 31 December 2025, the Company had repurchased a total of 415,298,603 shares, of which 81,591,147 repurchased shares completed the procedures for the cancellation of the repurchased shares at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited in 2024, and 333,707,456 repurchased shares completed the procedures for the cancellation of the repurchased shares at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited in 2025.

Note 2: Among foreign shares listed overseas, 722,166,000 shares were held by PDA Group through HKSCC Nominees Limited as at 31 December 2025 (31 December 2024: 722,166,000 shares).

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

41. Capital reserve

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
FY2025				
Share premium	8,807,747,058.11	–	222,280,938.08	8,585,466,120.03
Including: Ordinary shares invested by shareholders	8,827,459,539.57	–	–	8,827,459,539.57
Share repurchases and cancellations (Note 1)	-19,712,481.46	–	211,199,798.08	-230,912,279.54
Difference arising from the acquisition of minority interests (Note 2)	–	–	11,081,140.00	-11,081,140.00
Other capital reserve	175,416,474.24	906,751.60	–	176,323,225.84
Including: Other changes in owners' equity after deducting net profit or loss, profit distribution, change in other comprehensive income of investees under equity method (Note 3)	20,284,790.15	906,751.60	–	21,191,541.75
Others	155,131,684.09	–	–	155,131,684.09
Total	8,983,163,532.35	906,751.60	222,280,938.08	8,761,789,345.87
FY2024				
Share premium	8,827,459,539.57	–	19,712,481.46	8,807,747,058.11
Including: Ordinary shares invested by shareholders	8,827,459,539.57	–	–	8,827,459,539.57
Share repurchases and cancellations (Note 1)	–	–	19,712,481.46	-19,712,481.46
Other capital reserve	185,485,761.69	–	10,069,287.45	175,416,474.24
Including: Other changes in owners' equity after deducting net profit or loss, profit distribution, change in other comprehensive income of investees under equity method (Note 3)	30,354,077.60	–	10,069,287.45	20,284,790.15
Others	155,131,684.09	–	–	155,131,684.09
Total	9,012,945,301.26	–	29,781,768.91	8,983,163,532.35

Note 1: The Company canceled the repurchased shares, which resulted in a decrease in the Company's capital reserve by RMB211,199,798.08, as described in Note IX. 40 herein.

Note 2: The decrease in the year was attributable to the acquisition of minority interests of Dalian Jifa Bohai Rim Container Lines Co., Ltd., a subsidiary of the Company, by Dalian Port Container Development Co., Ltd., another subsidiary of the Company. See Note VIII. 4 for details.

Note 3: Changes in specific reserve of the Group's investments in joint ventures and associates during the year and disposals of equity method entities, etc. resulted in an increase in the Group's capital reserve by RMB906,751.60 (FY2024: RMB-10,069,287.45).

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

42. Treasury stock

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
Treasury stock (Note)	400,130,664.88	144,695,372.94	544,826,037.82	–
Total	400,130,664.88	144,695,372.94	544,826,037.82	–

Note: The change in treasury stock during the year was mainly due to the cancellation of repurchased shares by the Company, as detailed in Note IX. 40 herein.

43. Other comprehensive income

Cumulative balances of other comprehensive income attributable to the parent company on the consolidated balance sheet are as follows:

31 December 2025

Item	Opening balance	Increase or decrease	Closing balance
Changes in fair value of investments in other equity instruments	**63,154,478.40**	**-18,201,272.74**	**44,953,205.66**
Exchange differences on translation of foreign currency financial statements	**59,853,181.64**	**-236,599.15**	**59,616,582.49**
Total	**123,007,660.04**	**-18,437,871.89**	**104,569,788.15**

31 December 2024

Item	Opening balance	Increase or decrease	Closing balance
Changes in fair value of investments in other equity instruments	28,562,344.46	34,592,133.94	63,154,478.40
Exchange differences on translation of foreign currency financial statements	57,986,230.94	1,866,950.70	59,853,181.64
Total	86,548,575.40	36,459,084.64	123,007,660.04

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

43. Other comprehensive income (continued)

The current amounts of other comprehensive income in the consolidated income statement are as follows:

FY2025

Item	Amount incurred before tax	Less: Previously included in other comprehensive income, transferred to current profit and loss	Less: Previously included in other comprehensive income, transferred to current retained earnings	Less: Income tax	Attributable to shareholders of the parent company	Attributable to minority interests
Changes in fair value of investments in other equity instruments	-24,910,090.30	-	-	-6,227,522.61	-18,201,272.74	-481,294.95
Exchange differences on translation of foreign currency financial statements	-236,599.15	-	-	-	-236,599.15	-
Total	-25,146,689.45	-	-	-6,227,522.61	-18,437,871.89	-481,294.95

FY2024

Item	Amount incurred before tax	Less: Previously included in other comprehensive income, transferred to current profit and loss	Less: Previously included in other comprehensive income, transferred to current retained earnings	Less: Income tax	Attributable to shareholders of the parent company	Attributable to minority interests
Changes in fair value of investments in other equity instruments	46,182,442.55	–	–	11,545,610.64	34,592,133.94	44,697.97
Exchange differences on translation of foreign currency financial statements	1,866,950.70	–	–	–	1,866,950.70	–
Total	48,049,393.25	–	–	11,545,610.64	36,459,084.64	44,697.97

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

44. Specific reserve

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
31 December 2025				
Production safety fee	**180,458,609.68**	**85,125,020.63**	**109,931,457.53**	**155,652,172.78**
31 December 2024				
Production safety fee	180,604,889.52	117,015,947.81	117,162,227.65	180,458,609.68

45. Surplus reserve

Item	Opening balance	Increase in the year	Decrease in the year	Closing balance
FY2025				
Statutory surplus reserve	**1,724,163,249.78**	**149,934,766.60**	**–**	**1,874,098,016.38**
Reserve fund	**353,065.88**	**–**	**353,065.88**	**–**
Discretionary surplus reserve	**620,468.49**	**–**	**–**	**620,468.49**
Total	**1,725,136,784.15**	**149,934,766.60**	**353,065.88**	**1,874,718,484.87**
FY2024				
Statutory surplus reserve	1,598,777,988.34	125,385,261.44	–	1,724,163,249.78
Reserve fund	353,065.88	–	–	353,065.88
Discretionary surplus reserve	620,468.49	–	–	620,468.49
Total	1,599,751,522.71	125,385,261.44	–	1,725,136,784.15

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit to the statutory surplus reserve, and cease appropriation when the statutory surplus reserve accumulates to more than 50% of the registered capital of the Company.

After the Company makes an appropriation to the statutory surplus reserve, it can make an appropriation to the discretionary surplus reserve. The discretionary surplus reserve can be used to make up for the losses in previous years or increase the paid-in capital after approval.

Pursuant to the *Notice on Issues Related to Financial Treatment After the Implementation of the Company Law and the Foreign Investment Law* (Cai Zi [2025] No. 101) issued by the Ministry of Finance on 9 June 2025, the balance of the reserve fund is transferred to the statutory reserve for management and use. Accordingly, the Company's reserve fund of RMB353,065.88 was transferred to the statutory reserve.

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

46. Undistributed profits

Item	Current year amount	Prior year amount
Closing balance of the prior year	**5,280,547,190.84**	4,734,941,958.54
Add: Adjustment to undistributed profits at the beginning of the year	**–**	–
Opening balance	**5,280,547,190.84**	4,734,941,958.54
Increase in the year	**1,306,790,239.41**	1,143,973,474.80
Including: Net profit for the year attributable to the parent company	**1,306,790,239.41**	1,143,973,474.80
Decrease in the year	**712,946,937.11**	598,368,242.50
Including: Appropriation to statutory surplus reserve in the year	**149,581,700.72**	125,385,261.44
Profit distribution (Note)	**563,365,236.39**	458,152,957.09
Appropriation of employees' bonus and welfare fund in subsidiaries	**–**	7,818,030.02
Others	**–**	7,011,993.95
Closing balance of the current year	**5,874,390,493.14**	5,280,547,190.84

Note: According to the resolution of the Board meeting of the Company held on 27 March 2025, the profit distribution for the year 2024 shall be calculated based on the 23,638,388,474 shares (the total shares of the Company issued and outstanding, i.e., 23,905,474,669 shares minus 267,086,195 shares in the repurchase-specific securities account). A cash dividend of RMB0.239 per 10 shares (including tax) will be distributed to all shareholders, totaling RMB564,957,484.53. The above dividend distribution plan has been approved by the Company's shareholders' meeting held on 26 June 2025. From the date of disclosure of the Company's 2024 annual profit distribution plan to the date of the announcement regarding the adjustment to the total cash dividend amount for the 2024 profit distribution, due to the repurchase of the Company's shares through centralized competitive bidding, the actual number of shares involved in the distribution has changed, and the number of shares eligible for profit distribution has decreased from 23,638,388,474 shares to 23,571,767,213 shares. In accordance with the Company's 2024 annual profit distribution plan, and in line with the principle of maintaining the dividend per share unchanged, the total cash dividend for the fiscal year 2024 has been adjusted from RMB564,957,484.53 (including tax) to RMB563,365,236.39 (including tax).

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

47. Revenue and cost of sales

	Accumulated for the year		Accumulated for the prior year	
Item	**Revenue**	**Cost**	Revenue	Cost
Principal operations	**11,054,841,131.14**	**7,845,850,467.05**	10,616,059,636.08	8,295,010,831.42
Other operations	**304,069,756.61**	**262,633,153.26**	450,630,405.28	392,385,109.20
Total	**11,358,910,887. 75**	**8,108,483,620.31**	11,066,690,041.36	8,687,395,940.62

The breakdown of the revenue is as follows:

FY2025

Major operating region	**Goods**	**Labour or other services**	**Others**	**Total**
Within China	**60,862,708.18**	**10,954,384,805.31**	**343,663,374.26**	**11,358,910,887.75**
Total	**60,862,708.18**	**10,954,384,805.31**	**343,663,374.26**	**11,358,910,887.75**

Principal business segment	**Goods**	**Labour or other services**	**Others**	**Total**
Container terminal and related logistics services	**470,258.92**	**3,564,560,748.10**	**79,809,129.42**	**3,644,840,136.44**
Oil/liquefied chemicals terminal and related logistics services	**15,897,151.52**	**1,782,374,609.89**	**18,156,442.90**	**1,816,428,204.31**
Bulk and general cargo terminal and related logistics services	**275,333.44**	**3,624,100,971.90**	**15,842,595.43**	**3,640,218,900.77**
Bulk grain terminal and related logistics services	**–**	**742,443,450.87**	**11,609,394.21**	**754,052,845.08**
Passenger and roll-on/roll-off terminal and related logistics services	**961,616.35**	**164,834,447.69**	**17,345,010.40**	**183,141,074.44**
Port value-added and ancillary services	**43,258,347.95**	**962,398,392.17**	**81,703,032.15**	**1,087,359,772.27**
Automobile terminal and related logistics services	**–**	**62,184,635.03**	**4,738,057.77**	**66,922,692.80**
Others	**–**	**51,487,549.66**	**114,459,711.98**	**165,947,261.64**
Total	**60,862,708.18**	**10,954,384,805.31**	**343,663,374.26**	**11,358,910,887.75**

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

47. Revenue and cost of sales (continued)

The breakdown of the revenue is as follows: (continued)

FY2025 (continued)

Reportable segment	Goods	Labour or other services	Others	Total
Time of transferring goods				
Transfer at a point in time				
Revenue from sales of goods	60,862,708.18	–	–	60,862,708.18
Transfers within a certain period of time				
Revenue from logistics services	–	529,846,557.33	–	529,846,557.33
Revenue from project construction and supervision services	–	97,161,416.91	–	97,161,416.91
Revenue from transportation	–	1,173,969,104.93	–	1,173,969,104.93
Revenue from port operation services	–	8,642,824,645.56	–	8,642,824,645.56
Revenue from port management services	–	345,357,995.58	–	345,357,995.58
Revenue from tallying services	–	60,782,561.18	–	60,782,561.18
Revenue from information services	–	95,272,990.80	–	95,272,990.80
Others	–	9,169,533.02	117,274,641.75	126,444,174.77
Others				
Revenue from leasing services	–	–	226,388,732.51	226,388,732.51
Total	60,862,708.18	10,954,384,805.31	343,663,374.26	11,358,910,887.75

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

47. Revenue and cost of sales (continued)

The breakdown of the revenue is as follows: (continued)

FY2024

Major operating region	Goods	Labour or other services	Others	Total
Within China	140,954,150.20	10,483,913,300.89	441,822,590.27	11,066,690,041.36
Total	140,954,150.20	10,483,913,300.89	441,822,590.27	11,066,690,041.36

Principal business segment	Goods	Labour or other services	Others	Total
Container terminal and related logistics services	1,551,022.49	3,728,599,250.87	97,302,116.55	3,827,452,389.91
Oil/liquefied chemicals terminal and related logistics services	24,921,899.69	1,064,240,776.36	26,691,692.20	1,115,854,368.25
Bulk and general cargo terminal and related logistics services	2,235,656.74	3,694,564,422.71	12,805,811.98	3,709,605,891.43
Bulk grain terminal and related logistics services	6,558.73	677,939,748.78	11,850,189.57	689,796,497.08
Passenger and roll-on/roll-off terminal and related logistics services	6,039,306.12	192,395,845.41	17,428,494.55	215,863,646.08
Port value-added and ancillary services	106,199,706.43	1,012,099,368.07	105,179,968.70	1,223,479,043.20
Automobile terminal and related logistics services	–	60,989,814.42	4,128,464.72	65,118,279.14
Others	–	53,084,074.27	166,435,852.00	219,519,926.27
Total	140,954,150.20	10,483,913,300.89	441,822,590.27	11,066,690,041.36

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

47. Revenue and cost of sales (continued)

The breakdown of the revenue is as follows: (continued)

FY2024 (continued)

Reportable segment	Goods	Labour or other services	Others	Total
Time of transferring goods				
Transfer at a point in time				
Revenue from sales of goods	140,954,150.20	–	–	140,954,150.20
Transfers within a certain period of time				
Revenue from logistics services	–	800,230,116.37	–	800,230,116.37
Revenue from project construction and supervision services	–	108,725,580.46	–	108,725,580.46
Revenue from transportation	–	1,303,062,954.79	–	1,303,062,954.79
Revenue from port operation services	–	7,751,999,927.92	–	7,751,999,927.92
Revenue from port management services	–	334,612,984.07	–	334,612,984.07
Revenue from tallying services	–	53,894,973.69	–	53,894,973.69
Revenue from information services	–	122,377,805.90	–	122,377,805.90
Others	–	9,008,957.69	204,589,207.89	213,598,165.58
Others				
Revenue from leasing services	–	–	237,233,382.38	237,233,382.38
Total	140,954,150.20	10,483,913,300.89	441,822,590.27	11,066,690,041.36

The transaction price allocated to the unfulfilled (or partially unfulfilled) performance obligations at the end of the year and the estimated time for recognition as revenue are:

Item	Within 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
FY2025	**357,101,391.95**	**71,212,488.06**	**25,107,813.00**	**9,899,801.99**	**463,321,495.00**
FY2024	355,606,920.30	82,135,088.47	29,341,233.02	1,840,696.70	468,923,938.49

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

47. Revenue and cost of sales (continued)

The breakdown of the cost of sales is as follows:

FY2025

Major operating region	Goods	Labour or other services	Others	Total
Within China	45,976,491.18	7,723,512,919.08	338,994,210.05	8,108,483,620.31
Total	45,976,491.18	7,723,512,919.08	338,994,210.05	8,108,483,620.31

Principal business segment	Goods	Labour or other services	Others	Total
Container terminal and related logistics services	188,474.54	2,253,499,429.38	35,385,879.73	2,289,073,783.65
Oil/liquefied chemicals terminal and related logistics services	10,918,503.50	1,030,180,285.85	6,959,410.07	1,048,058,199.42
Bulk and general cargo terminal and related logistics services	115,146.57	2,845,622,316.91	7,639,973.97	2,853,377,437.45
Bulk grain terminal and related logistics services	–	558,674,736.35	10,608,958.79	569,283,695.14
Passenger and roll-on/roll-off terminal and related logistics services	864,121.63	140,949,216.96	15,269,609.03	157,082,947.62
Port value-added and ancillary services	33,890,244.94	766,535,751.40	7,273,060.96	807,699,057.30
Automobile terminal and related logistics services	–	45,022,330.33	3,578,527.07	48,600,857.40
Others	–	83,028,851.90	252,278,790.43	335,307,642.33
Total	45,976,491.18	7,723,512,919.08	338,994,210.05	8,108,483,620.31

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

47. Revenue and cost of sales (continued)

The breakdown of the cost of sales is as follows: (continued)

FY2025 (continued)

Reportable segment	Goods	Labour or other services	Others	Total
Time of transferring goods				
Transfer at a point in time				
Revenue from sales of goods	45,976,491.18	–	–	45,976,491.18
Transfers within a certain period of time				
Revenue from logistics services	–	547,791,028.38	–	547,791,028.38
Revenue from project construction and supervision services	–	79,571,676.43	–	79,571,676.43
Revenue from transportation	–	1,098,503,492.10	–	1,098,503,492.10
Revenue from port operation services	–	5,611,293,516.26	–	5,611,293,516.26
Revenue from port management services	–	281,827,822.90	–	281,827,822.90
Revenue from tallying services	–	34,407,677.46	–	34,407,677.46
Revenue from information services	–	70,117,705.55	–	70,117,705.55
Others	–	–	25,061,661.90	25,061,661.90
Others				
Revenue from leasing services	–	–	313,932,548.15	313,932,548.15
Total	45,976,491.18	7,723,512,919.08	338,994,210.05	8,108,483,620.31

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

47. Revenue and cost of sales (continued)

The breakdown of the cost of sales is as follows: (continued)

FY2025 (continued)

The information on the performance obligations of the Group is as follows:

	Time of satisfying performance obligations	Important payment terms	Nature of goods promised to transfer	Acting as a principal or not	Amounts borne and expected to be returned to customers	Type of warranty provided and related obligations
Sales of goods	When goods are delivered to customers	Payments are typically made within 30 to 90 days after the goods are delivered; for new customers, prepayment is usually required.	The quality of the goods provided to customers should meet contractual agreements.	Yes	Not applicable	Not applicable
Port operation services	Within the time frame of service provision	Payments are typically made after the operation is completed and confirmed by the customer; for new customers, prepayment is usually required.	Not applicable	Yes	Not applicable	Not applicable
Transportation services	Within the time frame of service provision	Payments are typically made after the transportation is completed and confirmed by the customer; for new customers, prepayment is usually required.	Not applicable	Yes	Not applicable	Not applicable
Logistics services	Within the time frame of service provision	Payments are typically made after the logistic service is completed and confirmed by the customer; for new customers, prepayment is usually required.	Not applicable	The Group acts as a principal if it can direct a third party to provide logistics services to customers on behalf of the Group, and the Group assumes the primary responsibility and has discretion in establishing the price, otherwise as an agent.	Not applicable	Not applicable
Project construction and supervision services	Within the time frame of service provision	Payments are typically made within 30 days after the settlement of each project node. Under general circumstance, the customer retains a certain percentage of guarantee deposit, which is usually paid after the expiration of the warranty period.	Not applicable	Yes	Not applicable	Usually the obligation to bear maintenance costs and other related losses of the customer caused by quality reasons during the warranty period.

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

48. Taxes and surcharges

Item	Accumulated for the year	Accumulated for the prior year
Land use tax	**78,748,458.64**	70,474,776.65
Property tax	**29,209,478.76**	26,714,199.33
City maintenance and construction tax	**9,297,828.75**	8,514,749.22
Educational surcharge	**6,645,277.74**	6,089,582.57
Stamp duty	**5,215,141.79**	4,584,233.84
Vehicle and vessel use tax	**3,159,806.03**	3,169,086.44
Green tax	**6,669,814.10**	9,220,512.63
Resource tax	**1,306,986.00**	–
Others	**7,124.40**	5,077.58
Total	**140,259,916.21**	128,772,218.26

49. Administrative expenses

Item	Accumulated for the year	Accumulated for the prior year
Employee benefits	**561,185,372. 55**	617,190,006.18
Labour cost	**16,613,606.86**	27,686,519.61
Depreciation and amortisation	**48,429,310.85**	42,617,146.46
Business entertainment expenses	**11,198,149.82**	16,406,816.82
Office charges	**5,572,761.44**	7,344,610.57
Agency engagement expenses	**19,906,154.82**	18,336,934.18
Including: Costs of auditing the annual accounts	**4,400,641.47**	4,523,487.55
Property insurance premium	**2,272,394.86**	6,506,855.11
Water, power, and other energy consumption cost	**2,034,686.90**	2,352,910.39
Telephone charges and internet access charges	**6,069,384.21**	5,520,005.86
Automobile expenses	**12,679,400.76**	13,675,026.01
Others	**69,322,791.28**	66,012,724.22
Total	**755,284,014.35**	823,649,555.41

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

50. Research and development expenses

Item	Accumulated for the year	Accumulated for the prior year
Employee benefits	**22,546,653.32**	19,508,678.20
Depreciation and amortisation	**22,786.91**	361,038.00
Others	**2,122,245.28**	356,501.27
Total	**24,691,685.51**	20,226,217.47

51. Financial expenses

Item	Accumulated for the year	Accumulated for the prior year
Interest expenses	**439,550,618.16**	447,276,518.35
Including: Bank and other borrowings	**141,138,301.37**	73,395,099.89
Interest on bonds	**55,908,425.78**	112,913,508.07
Interest expenses on lease liabilities	**242,503,891.01**	260,967,910.39
Less: Capitalized interest expenses	**–**	–
Less: Interest income	**52,739,035.90**	65,464,982.71
Net exchange loss (net gain represented by "-")	**-326,048.23**	342,047.73
Others	**473,152.34**	711,848.37
Total	**386,958,686.37**	382,865,431.74

52. Other income

Item	Accumulated for the year	Accumulated for the prior year
Government grants related to daily activities	**200,227,235.70**	197,065,254.69
Refund of commission for paying individual income tax	**622,949.42**	1,068,600.15
Refund of commission for paying corporate income tax	**180,708.80**	1,213.96
Additional deduction of VAT	**–**	234,935.37
Total	**201,030,893.92**	198,370,004.17

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

52. Other income (continued)

Government grants related to daily activities are as follows:

Item	Accumulated for the year	Accumulated for the prior year	Related to assets/ income
Relocation compensation	**17,412,113.02**	23,836,779.52	Related to assets
Production safety	**1,271,978.56**	1,271,978.56	Related to assets
Special fund for energy conservation and emission reduction	**883,212.90**	927,112.24	Related to assets
Equipment upgrading subsidies	**9,803,529.29**	9,117,011.82	Related to assets
Sea-rail combined transport subsidies	**1,364,522.76**	1,364,522.76	Related to assets
Transportation hub passenger terminal project	**10,303,338.60**	10,303,338.60	Related to assets
Incentives for multimodal transportation demonstration projects	**1,163,972.89**	713,549.08	Related to assets
Operating subsidies	**724,497.60**	-1,508,500.80	Related to assets
Subsidy for oil vapor recovery	**203,831.40**	–	Related to assets
Others related to assets	**544,907.93**	580,482.65	Related to assets
Operating subsidies	**156,365,969.80**	146,785,104.25	Related to income
Stable position subsidies	**33,723.03**	1,073,616.63	Related to income
Others related to income	**151,637.92**	2,600,259.38	Related to income
Total	**200,227,235.70**	197,065,254.69	——

53. Investment income

Item	Accumulated for the year	Accumulated for the prior year
Investment income from long-term equity investments under the equity method	**-47,008,188.12**	-31,283,955.86
Investment income from disposal of long-term equity investments	**2,849,803.22**	11,205,897.17
Gain on remeasurement of equity at fair value on acquisition of control	**–**	206,008,362.81
Income from investments in other equity instruments during the holding period	**14,708,362.81**	9,772,926.22
Investment income earned while holding financial assets held for trading	**–**	7,770.83
Others	**321,362.77**	9,466,373.59
Total	**-29,128,659.32**	205,177,374.76

There were no major restrictions on the repatriation of investment income of the Group.

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

54. Credit impairment loss

Item	Accumulated for the year	Accumulated for the prior year
Impairment losses on accounts receivable	**70,903,782.73**	380,064,168.69
Impairment losses on other receivables	**7,018,917.84**	61,049,818.39
Impairment losses on long-term receivables	**-2,224.97**	–
Impairment losses on non-current assets within one year	**–**	-13,200,000.00
Total	**77,920,475.60**	427,913,987.08

55. Asset impairment loss

Item	Accumulated for the year	Accumulated for the prior year
Loss on decline in value of inventories and impairment loss of contract performance costs	**123,416.50**	-3,464,639.50
Impairment loss on long-term equity investments	**-8,642,750.52**	-22,709,198.05
Impairment losses on fixed assets	**-4,923,134.84**	–
Impairment loss on construction in progress	**-5,221,493.21**	-42,429,726.80
Impairment losses on goodwill	**-4,398,401.85**	–
Total	**-23,062,363.92**	-68,603,564.35

56. Gains on disposals of assets

Item	Accumulated for the year	Accumulated for the prior year	Amount recognized as non-recurring profit or loss of the current period
Gain on disposal of non-current assets	**2,833,127.78**	16,310,464.53	2,833,127.78
Including: Gain on disposal of fixed assets	**-810,024.22**	2,038,984.03	-810,024.22
Gain on disposal of intangible assets	**–**	13,957,950.86	–
Gain on disposal of right-of-use assets	**3,643,152.00**	313,529.64	3,643,152.00
Total	**2,833,127.78**	16,310,464.53	2,833,127.78

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

57. Non-operating income

Item	Accumulated for the year	Accumulated for the prior year	Amount recognized as non-recurring profit or loss of the current period
Insurance claims	**69,408.41**	835,735.96	69,408.41
Revenue from disposal of waste and old materials	**4,407,136.87**	1,562,222.12	4,407,136.87
Payments no longer required	**205,588.56**	1,511,875.75	205,588.56
Forfeiture and penalty income	**565,847.77**	346,998.68	565,847.77
Government grants	**65,000.00**	284,532.58	65,000.00
Others	**7,359,697.41**	5,443,624.93	7,359,697.41
Total	**12,672,679.02**	9,984,990.02	12,672,679.02

Details of government grants not related to daily activities are as follows:

Item	Accumulated for the year	Accumulated for the prior year
Special fund for energy conservation and emission reduction	**–**	232,132.58
Maritime Search and Rescue Recognition Award	**65,000.00**	52,400.00
Total	**65,000.00**	284,532.58

58. Non-operating expenses

Item	Accumulated for the year	Accumulated for the prior year	Amount recognized as non-recurring profit or loss of the current period
Losses on obsolescence of fixed assets	**5,102,301.56**	13,316,637.94	5,102,301.56
Demurrage	**–**	268,604.51	–
Penalty for late payment	**3,536,254.16**	–	3,536,254.16
Others	**2,472,424.51**	2,085,686.27	2,472,424.51
Total	**11,110,980.23**	15,670,928.72	11,110,980.23

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

59. Income tax expenses

(1) Income tax expenses

Item	Accumulated for the year	Accumulated for the prior year
Current income tax expenses	**547,523,030.92**	441,481,298.35
Deferred income tax expenses	**22,817,976.77**	1,525,066.96
Total	**570,341,007.69**	443,006,365.31

(2) The reconciliation of the accounting profit to the income tax expenses

Item	Accumulated for the year	Accumulated for the prior year
Total profit	**2,173,126,563.51**	1,795,031,049.50
Income tax expenses at the rate of 25% (2024: 25%)	**543,281,640.88**	448,757,762.38
Effect of non-deductible costs, expenses and losses	**8,576,921.34**	18,708,194.63
Impact of income not subject to tax	**3,646,202.37**	-103,681,045.29
Impact of deductible temporary differences or deductible losses not recognised as deferred tax assets in the year	**26,839,357.17**	83,505,754.30
Impact of utilisation of deductible losses not recognised as deferred tax assets in previous periods	**-22,953,994.56**	-10,355,950.60
Effect of different tax rates applicable to subsidiaries	**-3,410,565.13**	-4,549,465.60
Change in the opening balance of deferred tax assets/liabilities due to tax rate adjustments	**-1,594,834.37**	–
Supplement (refund) tax charges of the former year	**21,065,735.21**	4,697,280.61
Others	**-5,109,455.22**	5,923,834.88
Income tax expenses	**570,341,007.69**	443,006,365.31

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

60. Leases

(1) Lessor of operating leases

Item	Current year amount	Prior year amount
I. Income		
Leasing income	**226,388,732.51**	237,233,382.38
II. Undiscounted lease receipts that will be received annually during the five consecutive fiscal years after the balance sheet date		
The first year	**187,288,526.15**	177,650,384.21
The second year	**23,490,179.32**	39,437,252.98
The third year	**21,151,906.47**	30,474,405.31
The fourth year	**20,542,659.62**	21,756,606.67
The fifth year	**19,634,000.00**	21,690,000.00

1) The Group leases part of buildings for a lease term of 0.5 to 30 years, forming an operating lease. According to the lease contract, the rental is required to be adjusted every year according to the market fluctuations of rental. The Group also leases part of vessels, storage facilities, machinery and equipment, land use rights, etc., for a lease term of 1 to 30 years, forming an operating lease.

2) The Group is of the view that there was no improper use of leased assets, and the unguaranteed balance of such assets will not expose significant risks to the Group.

3) Income related to operating leases for the year amounted to RMB226,388,732.51 (2024: RMB237,233,382.38). There was no income related to variable lease payments that were not included in the lease receipts.

(2) Lessee of leases

Item	Current year amount	Prior year amount
Interest expenses on lease liabilities	**242,503,891.01**	260,967,910.39
Short-term lease expenses included in the current profit or loss	**124,475,781.95**	170,779,613.55
Low-value asset lease expenses	**7,674.53**	4,884.96
Total cash outflows related to leases	**483,422,613.89**	495,459,746.82

Fixed assets under operating leases include buildings and land use rights, warehouses, vehicles, port and terminal facilities and other equipment leased from related parties and third parties by the Group. The Group has the option to renew or terminate the lease. The lease term includes the period covered by an option to renew the lease.

Please refer to “Note IX. 15” for details of right-of-use assets, “Note IV. 27” for details of short-term leases and low-value asset leases using simplified treatment, and “Note IX. 35” for details of lease liabilities.

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

61. Earnings per share ("EPS")

The basic EPS is calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue.

The calculation of the basic EPS is as follows:

Item	Current year amount	Prior year amount
Income		
Net profit for the period attributable to the parent company		
Continuing operations	**1,306,790,239.41**	1,143,973,474.80
Shares		
Weighted average number of ordinary shares in issues	**23,843,352,738.83**	23,964,342,573.00
Basic earnings per share	**0.05**	0.05

As at 31 December 2025 and 31 December 2024, there were no potentially dilutive ordinary shares in issue of the Company.

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

62. Items of the consolidated cash flow statement

(1) Other cash received/paid relating to operating/investing/financing activities

Item	Accumulated for the year	Accumulated for the prior year
Other cash received relating to operating activities		
Advances received	**125,443,289.86**	171,937,193.46
Interest income from bank deposits received	**47,575,511.07**	66,862,728.96
Deposits and margins received	**21,223,331.69**	76,273,150.60
Government grants received	**125,724,254.32**	83,936,277.49
Others	**116,472,284.47**	28,893,984.66
Total	**436,438,671.41**	427,903,335.17
Other cash paid relating to operating activities		
Payment of cost of sales, administrative expenses and other daily expenses	**97,808,420.23**	195,677,727.54
Payment of advances	**125,443,289.86**	171,937,193.46
Payment of deposits and margins	**65,861,362.62**	78,684,773.42
Payment of restricted cash with financial institutions	**1,978,766.50**	134,354.97
Others	**184,454,216.89**	111,160,093.40
Total	**475,546,056.10**	557,594,142.79
Other cash received relating to investing activities		
Recovery of restricted cash with financial institutions	**–**	8,234,930.00
Related party borrowings	**–**	23,000,000.00
Net cash received from the acquisition of subsidiaries	**–**	34,451,090.30
Others	**–**	43,155,520.05
Total	**–**	108,841,540.35
Other cash paid relating to investing activities		
Payment of restricted cash with financial institutions	**–**	12,429,270.37
Net cash paid on disposal of subsidiaries	**169.92**	1,092,732.74
Related party borrowings	**22,230,000.00**	–
Others	**37,855,798.62**	–
Total	**60,085,968.54**	13,522,003.11
Other cash paid relating to financing activities		
Share repurchase expenses paid	**144,781,462.18**	501,452,514.18
Lease expenses paid	**358,939,157.41**	324,675,248.31
Purchase of minority interests in subsidiaries	**11,437,022.76**	–
Total	**515,157,642.35**	826,127,762.49

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

62. Items of the consolidated cash flow statement (continued)

(2) Changes in liabilities arising from financing activities:

		Increase in the year		Decrease in the year		
	Opening balance	Cash flow	Non-cash flow	Cash flow	Non-cash flow	**Closing balance**
Short-term borrowings	55,328,483.98	–	2,802,949.30	58,131,433.28	–	**-**
Dividends payable	187,293,731.99	–	817,184,270.27	767,598,950.20	8,000,000.00	**228,879,052.06**
Non-current liabilities due within one year	2,896,948,015.01	–	682,187,157.76	3,213,372,147.36	57,442,805.12	**308,320,220.29**
Bonds payable	998,550,456.06	–	582,726.93	–	–	**999,133,182.99**
Long-term borrowings	4,171,233,200.00	930,000,000.00	50,857,862.06	766,724,662.06	–	**4,385,366,400.00**
Lease liabilities	4,845,764,366.97	–	11,874,528.67	357,573,266.45	–	**4,500,065,629.19**

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

62. Items of the consolidated cash flow statement (continued)

(3) Supplementary information to the cash flow statement

Item	Accumulated for the year	Accumulated for the prior year
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	**1,602,785,555.82**	1,352,024,684.19
Add: Credit impairment loss	**-77,920,475.60**	-427,913,987.08
Asset impairment loss	**23,062,363.92**	68,603,564.35
Depreciation of fixed assets	**1,998,311,606.76**	1,895,155,770.67
Depreciation of investment properties	**10,095,972.74**	11,865,820.17
Amortisation of intangible assets	**209,890,359.29**	192,266,114.55
Provision for depreciation of right-of-use assets	**238,464,063.83**	251,166,880.26
Amortisation of long-term prepaid expenses	**42,058,268.75**	43,593,078.15
Amortisation of deferred income	**43,675,904.95**	46,838,407.01
Losses from disposal of fixed assets, intangible assets and other long-term assets (gain represented by "-")	**-2,833,127.78**	-16,310,464.53
Losses on obsolescence of fixed assets (gain represented by "-")	**5,102,301.56**	13,316,637.94
Financial expenses (gain represented by "-")	**438,459,065.38**	449,149,429.54
Losses on investment (gain represented by "-")	**29,128,659.32**	-205,177,374.76
Decrease in deferred tax assets (increase represented by "-")	**48,193,259. 60**	26,589,265.89
Increase in deferred tax liabilities (decrease represented by "-")	**-25,375,282.83**	-25,064,198.93
Decrease in inventories (increase represented by "-")	**2,358,192.52**	4,563,134.94
Increase in specific reserve (decrease represented by "-")	**-24,806,436.90**	-7,158,273.79
Decrease in operating receivables (increase represented by "-")	**1,275,365,886.85**	613,151,975.46
Increase in operating payables (decrease represented by "-")	**-157,943,253.46**	687,881.73
Net cash flows from operating activities	**5,678,072,884.72**	4,287,348,345.76
2. Major non-cash transactions of investing activities and financing activities:		
Acquisition of assets and businesses paid by bills	**–**	–
Acquisition of assets paid by bills	**154,255,694.32**	97,263,618.99
Lease liabilities paid by bills	**57,442,805.12**	134,548,716.82
3. Net changes in cash and cash equivalents:		
Closing balance of cash	**6,656,185,332.77**	5,248,560,887.43
Less: Opening balance of cash	**5,248,560,887.43**	5,199,599,767.48
Net increase in cash and cash equivalents	**1,407,624,445.34**	48,961,119.95

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

63. Cash and cash equivalents

Item	Closing balance	Opening balance
Cash and cash equivalents	**6,656,185,332.77**	5,248,560,887.43
Including: Cash on hand	**–**	7,741.02
Bank deposits that can be readily drawn on demand	**6,656,185,332.77**	5,248,553,146.41
Other cash at bank and on hand that can be readily drawn on demand	**–**	–

Monetary funds not classified as cash and cash equivalents

Item	Closing balance	Opening balance	Reason for not being classified as cash and cash equivalents
Cash at bank and on hand	**41,213,069.44**	29,778,820.80	See "Note IX. 22" for details
Interest receivable	**379,770.86**	1,891,425.55	Interest on bank deposits accrued but not yet received

64. Monetary items denominated in foreign currencies

Item	Closing balance of foreign currency	Exchange rate	Equivalent RMB balance at year-end
Cash at bank and on hand	–	–	31,691,595.59
Including: USD	4,508,485.60	7.0288	31,689,243.59
JPY	52,500.00	0.0448	2,352.00
Accounts receivable	–	–	7,305,770.85
Including: USD	1,039,405.14	7.0288	7,305,770.85
Other receivables	–	–	20,135,137.39
Including: USD	2,864,662.16	7.0288	20,135,137.39
Accounts payable	–	–	127,219.10
Including: USD	18,099.69	7.0288	127,219.10
Other payables	–	–	56,070,461.27
Including: USD	7,977,245.23	7.0288	56,070,461.27

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

65. Segment information

Operating segments

For management purposes, the Group is organised into business units based on its products and services and has seven reportable segments as follows:

(1)	Oil/liquefied chemicals terminal and related logistics services	Loading and discharging, storage and transshipment of oil products and liquefied chemicals, and port management services;
(2)	Container terminal and related logistics services	Loading and discharging, storage and transshipment of containers, leasing of terminals and various container logistics services and sales of properties;
(3)	Bulk and general cargo terminal and related logistics services	Loading and discharging of ore, general cargo and provision of related logistics services;
(4)	Bulk grain terminal and related logistics services	Loading and discharging of grains and provision of related logistics services;
(5)	Passenger and roll-on/roll-off terminal and related logistics services	Passenger transportation, general cargo roll-on and roll-off shipping and provision of related logistics services;
(6)	Port value-added and ancillary services	Tallying, tugging, transportation, power supply, information technology and construction services;
(7)	Automobile terminal and related logistics services	Loading and discharging of automobiles and provision of related logistics services.

Management monitors the results of each of the Group's business units separately for the purpose of decision-making on resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted total profit. The adjusted total profit is measured consistently with the Group's total profit except for certain revenue and expenses attributable to the headquarters. Segment assets and liabilities exclude certain assets and liabilities attributable to the headquarters of the Company as they are centrally managed by the Group.

The Group takes the above reportable segments as the basis to report its segment information and no operating segments have been aggregated to form the above reportable segments.

Inter-segment revenue is eliminated on consolidation. Inter-segment sales and purchases are conducted in accordance with the terms mutually agreed between the parties to the transactions.

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

65. Segment information (continued)

Reportable segment information

FY2025

Item	Oil/liquefied chemicals terminal and related logistics services RMB'000	Container terminal and related logistics services RMB'000	Bulk and general cargo terminal and related logistics services RMB'000	Bulk grain terminal and related logistics services RMB'000	Passenger and roll-on/ roll-off terminal and related logistics services RMB'000	Port value-added and ancillary services RMB'000	Automobile terminal and related logistics services RMB'000	Others RMB'000	Inter-segment elimination RMB'000	Total RMB'000
Revenue										
Revenue from external customers	1,816,428	3,644,840	3,640,219	754,053	183,141	1,087,360	66,923	165,947	-	11,358,911
Inter-segment revenue	3,002	2,889	5,756	5,226	166	1,080,798	-	180,947	-1,278,784	-
Total revenue of the segment	1,819,430	3,647,729	3,645,975	759,279	183,307	2,168,158	66,923	346,894	-1,278,784	11,358,911
Cost of sales	1,048,058	2,289,074	2,853,377	569,284	157,083	807,699	48,601	335,308	-	8,108,484
Taxes and surcharges	27,547	22,037	22,326	3,225	4,085	7,741	2,892	50,406	-	140,259
Selling expenses	-	-	-	-	-	-	-	1,262	-	1,262
Administrative expenses	75,098	156,381	102,998	34,454	26,952	176,129	13,829	169,444	-	755,285
Research and development expenses	-	1,107	-	-	-	23,580	-	4	-	24,691
Financial expenses	140,750	9,541	160,047	2,462	431	10,935	-180	62,973	-	386,959
Asset impairment loss	-5,221	-11,166	-	-	-	-4,398	123	-2,400	-	-23,062
Credit impairment loss	68,286	-3,981	13,700	-	-234	5,490	-4	-5,338	-	77,919
Investment income	65,512	-139,723	1,547	3,509	3,824	19,488	16,714	-	-	-29,129
Including: Investment income from associates and joint ventures	62,662	-153,225	1,445	2,999	3,824	18,792	16,494	-	-	-47,009
Gains on disposals of assets	-	-	-	161	-	987	-	1,685	-	2,833
Other income	19,234	159,640	676	112	10,782	141	6	10,441	-	201,032
Operating profit	672,786	1,171,470	517,394	148,410	8,962	82,984	18,620	-449,062	-	2,171,564
Non-operating income	136	2,948	1,400	1,245	463	6,283	98	100	-	12,673
Non-operating expenses	139	1,694	867	52	183	4,783	-	3,393	-	11,111
Total profit	672,783	1,172,724	517,927	149,603	9,242	84,484	18,718	-452,355	-	2,173,126
Income tax	174,623	324,106	167,756	37,512	2,542	13,136	392	-149,727	-	570,340
Net profit	498,160	848,618	350,171	112,091	6,700	71,348	18,326	-302,628	-	1,602,786
Total assets	12,170,423	10,902,368	13,451,696	2,583,370	1,622,180	2,453,936	789,877	16,565,831	-2,966,002	57,573,679
Total liabilities	4,975,306	1,094,697	4,150,058	294,133	205,579	563,732	12,833	5,211,729	-2,966,002	13,542,065

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

65. Segment information (continued)

Reportable segment information (continued)

FY2025 (continued)

Item	Oil/liquefied chemicals terminal and related logistics services RMB'000	Container terminal and related logistics services RMB'000	Bulk and general cargo terminal and related logistics services RMB'000	Bulk grain terminal and related logistics services RMB'000	Passenger and roll-on/ roll-off terminal and related logistics services RMB'000	Port value-added and ancillary services RMB'000	Automobile terminal and related logistics services RMB'000	Others RMB'000	Inter-segment elimination RMB'000	Total RMB'000
Supplementary information										
Depreciation and amortisation expenses	511,981	533,097	664,218	153,458	53,166	263,797	13,121	305,981	-	2,498,819
Long-term equity investments in associates and joint ventures	1,107,433	658,603	17,469	178,684	274,085	218,279	325,105	-	-	2,779,658
Capital expenditures (i)	115,363	84,660	114,497	47,194	15,068	39,864	112	242,647	-	659,405

(i) Capital expenditures include the capital expenditures of fixed assets, construction in progress, intangible assets, long-term prepaid expenses, investment properties, and right-of-use assets.

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

65. Segment information (continued)

Reportable segment information (continued)

FY2024

Item	Oil/liquefied chemicals terminal and related logistics services RMB'000	Container terminal and related logistics services RMB'000	Bulk and general cargo terminal and related logistics services RMB'000	Bulk grain terminal and related logistics services RMB'000	Passenger and roll-on/ roll-off terminal and related logistics services RMB'000	Port value-added and ancillary services RMB'000	Automobile terminal and related logistics services RMB'000	Others RMB'000	Inter-segment elimination RMB'000	Total RMB'000
Revenue										
Revenue from external customers	1,115,854	3,827,452	3,709,606	689,796	215,864	1,223,479	65,118	219,520	–	11,066,689
Inter-segment revenue	49,218	168,620	34,399	4,130	1,688	1,009,827	–	125,999	-1,393,881	–
Total revenue of the segment	1,165,072	3,996,072	3,744,005	693,926	217,552	2,233,306	65,118	345,519	-1,393,881	11,066,689
Cost of sales	1,081,480	2,759,053	2,817,064	579,997	164,690	853,085	50,930	381,096	–	8,687,395
Taxes and surcharges	21,363	21,474	22,646	3,796	3,791	6,832	2,889	45,981	–	128,772
Selling expenses	–	–	–	–	–	–	–	2,232	–	2,232
Administrative expenses	61,007	164,083	83,885	29,991	30,305	187,271	14,002	253,105	–	823,649
Research and development expenses	–	2,833	–	–	–	17,386	–	7	–	20,226
Financial expenses	96,718	15,321	122,759	1,664	-723	6,684	-1,973	142,415	–	382,865
Asset impairment loss	–	-1,287	–	–	–	-2,591	-873	-63,852	–	-68,603
Credit impairment loss	378,796	209	13,792	3	-102	2,538	–	32,677	–	427,913
Investment income	167,241	54,573	30,425	-73,401	-6,378	16,930	14,716	1,072	–	205,178
Including: Investment income from associates and joint ventures	78,336	33,724	-94,137	-73,887	-6,378	16,342	14,716	–	–	-31,284
Gains on disposals of assets	–	2,036	–	–	–	–	56	14,218	–	16,310
Other income	25,530	147,248	230	112	10,870	1,139	2,565	10,675	–	198,369
Operating profit	426,853	1,067,467	707,699	1,062	22,191	170,237	15,734	-610,526	–	1,800,717
Non-operating income	51	4,129	1,053	851	130	2,266	5	1,501	–	9,986
Non-operating expenses	–	1,180	1,717	22	–	1,087	67	11,598	–	15,671
Total profit	426,904	1,070,416	707,035	1,891	22,321	171,416	15,672	-620,623	–	1,795,032
Income tax	61,774	272,556	192,849	188	6,894	50,723	155	-142,134	–	443,005
Net profit	365,130	797,860	514,186	1,703	15,427	120,693	15,517	-478,489	–	1,352,027
Total assets	14,536,068	11,517,224	14,537,868	2,673,218	1,289,533	2,626,041	820,531	15,219,949	-3,433,502	59,786,930
Total liabilities	5,178,898	1,575,823	4,439,621	344,627	215,078	607,801	15,581	7,439,907	-3,433,502	16,383,834

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

65. Segment information (continued)

Reportable segment information (continued)

FY2024 (continued)

Item	Oil/liquefied chemicals terminal and related logistics services RMB'000	Container terminal and related logistics services RMB'000	Bulk and general cargo terminal and related logistics services RMB'000	Bulk grain terminal and related logistics services RMB'000	Passenger and roll-on/ roll-off terminal and related logistics services RMB'000	Port value-added and ancillary services RMB'000	Automobile terminal and related logistics services RMB'000	Others RMB'000	Inter-segment elimination RMB'000	Total RMB'000
Supplementary information										
Depreciation and amortisation expenses	403,756	549,119	638,062	151,836	49,790	260,196	12,902	328,387	–	2,394,048
Long-term equity investments in associates and joint ventures	1,132,350	844,612	16,024	175,633	270,260	214,522	321,126	–	–	2,974,527
Capital expenditures (i)	129,178	115,156	161,577	57,362	21,828	64,110	3,197	410,097	–	962,505

(i) Capital expenditures include the capital expenditures of fixed assets, construction in progress, intangible assets, long-term prepaid expenses and investment properties.

X. Interests in other entities

1. Interests in subsidiaries are discussed in "Note VIII. 1".

2. Interests in joint ventures and associates are discussed in "Note IX. 10".

XI. Relationships and transactions with related parties

1. Related parties with controlling relationship

Name of related party	Relationships with related parties
China Merchants Group	Ultimate controlling party
Liaoning Port Group	Indirect controlling shareholder
PDA Group	Indirect controlling shareholder
Yingkou Port Group	Parent company

2. For related information on subsidiaries, please refer to "Note VIII. 1".

3. For related information on joint ventures and associates, please refer to "Note IX. 10".

4. Main related parties that transacted with the Group but without controlling relationship:

Name of related party	Relationships with related parties
Yingkou Port Fairy Island Pier Co., Ltd.	Subsidiary of the parent company
Panjin Port Group Co., Ltd.	Subsidiary of the parent company
Suizhong Port Group Co., Ltd.	Subsidiary of the parent company
Yingkou Port Shipping Agency Co., Ltd.	Subsidiary of the parent company
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent company
Panjin Port Logistics Development Co., Ltd.	Subsidiary of the parent company
Yingkou Gangtong E-Commerce Co., Ltd.	Subsidiary of the parent company
China Merchants Gangrong Big Data Co., Ltd.	Subsidiary of the parent company
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	Subsidiary of the parent company
Liaoning Harbour Industry Finance Investment Group Co., Ltd.	Subsidiary of the parent company
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd.	Subsidiary of the parent company
Yingkou Hongyun Port Container Development Co., Ltd.	Subsidiary of the parent company
Yingkou Port Real Estate Development Co., Ltd.	Subsidiary of the parent company
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent company
Liaoning Huiyuan Photovoltaic Co., Ltd.	Subsidiary of the parent company
Shenyang Yingkougang Logistics Co., Ltd.	Subsidiary of the parent company
Yingkou Ocean Shipping Agency Co., Ltd. (Note 1)	Subsidiary of the parent company
Yingkou Bayuquan District Port and Shipping Development Co., Ltd.	Subsidiary of the parent company

XI. Relationships and transactions with related parties (continued)

4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related party	Relationships with related parties
Yingkou Bayuquan District Hangqiao Development Co., Ltd.	Subsidiary of the parent company
Yingkou Bayuquan District Hangzheng Development Co., Ltd.	Subsidiary of the parent company
Yingkou Bayuquan District Hangfu Development Co., Ltd.	Subsidiary of the parent company
Shenyang Port Group Co., Ltd.	Subsidiary of the parent company
Faku Yinggang Logistics Co., Ltd.	Subsidiary of the parent company
Suizhong Port Shipping Agency Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Container Lines Overseas Company Limited	Controlled by the same ultimate controlling party
Dandong Port Group Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Container Lines Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Taiping Bay Port Company Limited	Controlled by the same ultimate controlling party
China Merchants Investment Development Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Petroleum & Chemical Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants International Technology Company Limited	Controlled by the same ultimate controlling party
Dalian Harbour Building Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Hongyu Building Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Container Lines (Hainan) Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Logistics Group (Tianjin) Co., Ltd.	Controlled by the same ultimate controlling party
Guangdong Shunkong Lingang Development and Construction Co., Ltd.	Controlled by the same ultimate controlling party
Chongqing Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Hambantota International Port Group Pvt Ltd.	Controlled by the same ultimate controlling party
Dalian Port North Shore Investment and Development Co., Ltd.	Controlled by the same ultimate controlling party
Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Port Group Co., Ltd.	Controlled by the same ultimate controlling party
Dongguan Shenchiwan Wharf Co., Ltd.	Controlled by the same ultimate controlling party
Dongguan Shenchiwan Port Affairs Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Taiping Bay Development Investment Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Port Service (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling party
Shenzhen Chiwan Port Development Co., Ltd.	Controlled by the same ultimate controlling party
Shantou China Merchants Port Group Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Wantong Logistics Co., Ltd.	Controlled by the same ultimate controlling party
China Yangtze Shipping Group Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port City Comprehensive Development Co., Ltd.	Controlled by the same ultimate controlling party
Zhangzhou China Merchants Port Co., Ltd.	Controlled by the same ultimate controlling party
China Marine Shipping Agency Liaoning Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Wanfeng Properties Co., Ltd.	Controlled by the same ultimate controlling party

XI. Relationships and transactions with related parties (continued)

4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related party	Relationships with related parties
Dalian Port North Shore Automobile Terminal Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Zhixiang Road Technology (Chongqing) Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans North China Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Sinotrans International Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Guangdong Yide Port Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Investment and Financing Holding Group Co., Ltd.	Controlled by the same ultimate controlling party
Zhangzhou China Merchants Xiamen Port Affairs Co., Ltd.	Controlled by the same ultimate controlling party
Panjin Ocean Shipping Tally Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Security Services Co., Ltd.	Controlled by the same ultimate controlling party
Panjin Port Vessel Fuel Supply Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Real Estate Co., Ltd.	Controlled by the same ultimate controlling party
Dalian International Shipping Center Building Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port North Shore Container Terminal Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Group Finance Co., Ltd.	Controlled by the same ultimate controlling party
PDA Group (Jinzhou) Liaoxi Port Investment and Development Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port and Shipping Small Loan Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Northeastern Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Yongdeyi Housing Development Co., Ltd.	Controlled by the same ultimate controlling party
Dalian United King Port Auto Trade Co., Ltd.	Controlled by the same ultimate controlling party
China Communications Import & Export Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Port Real Estate Group Co., Ltd.	Controlled by the same ultimate controlling party
Shenyang Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Jinzhou Dagang Land Property Co., Ltd.	Controlled by the same ultimate controlling party
Yingkou Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Controlled by the same ultimate controlling party
CSC Cargo Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Jianwan Collaborative Development Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Taiping Bay New Energy Industrial Park Construction & Development Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Hubei Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans South China Company Limited	Controlled by the same ultimate controlling party
Nanjing Tanker Corporation	Controlled by the same ultimate controlling party
Dalian Taiping Bay Investment & Development Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd. (Note 2)	Controlled by the same ultimate controlling party
Panjin Ocean Shipping Agency Co., Ltd. (Note 1)	Controlled by the same ultimate controlling party
China Merchants Daojiahui Technology (Zhejiang) Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Property Management Co., Ltd.	Controlled by the same ultimate controlling party

XI. Relationships and transactions with related parties (continued)

4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related party	Relationships with related parties
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Food (China) Co., Limited	Controlled by the same ultimate controlling party
China Merchants Jiyu Property Management Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Group Shared Services Co., Ltd.	Controlled by the same ultimate controlling party
H T (Shanghai) Technology Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Securities Co., Ltd.	Controlled by the same ultimate controlling party
Shenzhen Merchants Culture Art Development Co., Ltd.	Controlled by the same ultimate controlling party
Shenzhen Haiqin Engineering Supervision & Management Company Limited	Controlled by the same ultimate controlling party
Shenzhen Merchants Apartment Development Co., Ltd.	Controlled by the same ultimate controlling party
Nanjing Changjiang Oil Transportation Longtan Shipping Engineering Co., Ltd.	Controlled by the same ultimate controlling party
AVIC Property Management Co., Ltd.	Controlled by the same ultimate controlling party
Hoi Tung (Shanghai) Company Limited	Controlled by the same ultimate controlling party
China Merchants Financial Technology Co., Ltd.	Controlled by the same ultimate controlling party
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Controlled by the same ultimate controlling party
Sinotrans Yantai International Logistics Co., Ltd.	Controlled by the same ultimate controlling party
Hambantota International Port Services Pvt Ltd.	Controlled by the same ultimate controlling party
Sinotrans Central China Company Limited	Controlled by the same ultimate controlling party
Sinotrans Landbridge Transportation Co., Ltd.	Controlled by the same ultimate controlling party
Ocean Harvest Container Co., Ltd.	Controlled by the same ultimate controlling party
Shenzhen Merchants Ping'an Asset Management Co., Ltd.	Controlled by the same ultimate controlling party
China Merchants Chongqing Communications Technology Research & Design Institute Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Chewang Zhilian New Energy Technology Co., Ltd. (Note 4)	Controlled by the same ultimate controlling party
Zhanjiang Port (Group) Co., Ltd.	Controlled by the same ultimate controlling party
Yingkou Port Tank Cleaning Co., Ltd.	Joint venture of the parent company
Huaneng Yingkou Port Co., Ltd.	Joint venture of the parent company
Yingkou COSCO Shipping Agency Co., Ltd.	Joint venture of the parent company
Yingkou Duty Free Foreign Supply Port Service Company Limited	Joint venture of the parent company
Yingkou Gangyue Sugar Storage Co., Ltd.	Joint venture of the parent company
Yingkou Port Gaizhou Logistics Co., Ltd.	Joint venture of the parent company
Beidahuang Logistics Co., Ltd.	Joint venture of the parent company
Liaoning Shenha Hongyun Logistics Co., Ltd.	Associate of the parent company
Yingkou Ranggong Petrochemical Sales Co., Ltd. (Note 3)	Associate of the parent company
Yingkou Wanying Logistics Co., Ltd. (Note 5)	Associate of the parent company

XI. Relationships and transactions with related parties (continued)

4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related party	Relationships with related parties
Yingkou Huifeng Logistics Co., Ltd.	Associate of the parent company
Yingkou Zhonglian Tally Co., Ltd.	Associate of the parent company
Yingkou Yinlong Port Co., Ltd.	Associate of the parent company
Quanzhou Antong Logistics Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Taiping Bay New Energy Investment & Development Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Quanzhou Ansheng Shipping Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Creative Industry Project Development Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
China Grain Reserves (Panjin) Storage and Transportation Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Hospital	Associate of the company controlled by the same ultimate controlling party
Dalian Zhonghai Harbour Investment Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Jinzhou Port Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Yingkou Port Hospital	Associate of the company controlled by the same ultimate controlling party
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Liaoning Foreign Transport Everlasting Transport Service Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Gangming Port Automobile Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Yuhang International Forwarding Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Beiyin Qiche Logistics Information Consulting Co., Ltd.	Associate of the company controlled by the same ultimate controlling party

XI. Relationships and transactions with related parties (continued)

4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related party	Relationships with related parties
Liaoning Shenha Hongyun Logistics Panjin Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Xingyun Digital Clustering (Beijing) Technology Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
China Merchants Bank Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Ganghe Trading Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Ganghe (Shanghai) Economic and Trade Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
COFCO Merchants (Shenzhen) Grain Electronic Trading Center Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Wanpeng Foundation Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party

Note 1: As of 31 December 2024, Yingkou Port Group obtained control of China Yingkou Ocean Shipping Agency Co., Ltd. and Panjin Ocean Shipping Agency Co., Ltd. As a result, as of 31 December 2024, the relationship between China Yingkou Ocean Shipping Agency Co., Ltd. and the Group changed from a joint venture of the parent company to a subsidiary of the parent company, and the relationship between Panjin Ocean Shipping Agency Co., Ltd. and the Group changed from a joint venture of the company controlled by the same ultimate controlling party to an entity controlled by the same ultimate party.

Note 2: In December 2024, Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd. entered into the liquidation proceedings and was no longer included in the scope of consolidation of PDA Group. As of 31 December 2024, Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd. was not affiliated with the Group.

Note 3: As of 31 December 2025, Yingkou Port Vessel Fuel Supply Co., Ltd. had been renamed Yingkou Ranggong Petrochemical Sales Co., Ltd.

Note 4: In November 2024, Shenzhen China Merchants Innovation Investment Fund Center (Limited Partnership) withdrew from its investment in China Merchants State Grid Green Energy Technology Co., Ltd., after which the latter ceased to be an affiliate of the Group and was renamed Beijing Chewang Zhilian New Energy Technology Co., Ltd.

Note 5: On 8 September 2025, Yingkou Port Group transferred its 49% equity interest in Yingkou Wanying Logistics Co., Ltd., after which the latter ceased to be an affiliate of the Group.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year:

(1) Revenue and expenses

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Yingkou Port Group	Parent company	Revenue	Comprehensive services	Agreement	**17,287,249.56**	15,954,452.20
Liaoning Port Group	Indirect controlling shareholder	Revenue	Comprehensive services	Agreement	**29,341,049.71**	32,774,862.71
PDA Group	Indirect controlling shareholder	Revenue	Comprehensive services	Agreement	**20,635,593.81**	22,799,122.86
Yingkou Port Fairy Island Pier Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**19,747,109.94**	25,658,793.32
Panjin Port Group Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**12,530,685.42**	10,396,050.01
Suizhong Port Group Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**4,333,846.18**	2,085,231.73
Yingkou Port Shipping Agency Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**3,711,591.06**	7,426,660.13
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**1,827,335.42**	1,075,382.06
Panjin Port Logistics Development Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**1,081,277.58**	622,062.13
Yingkou Gangtong E-Commerce Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**896,193.83**	733,780.75
China Merchants Gangrong Big Data Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**676,239.17**	598,218.83
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**433,812.20**	315,155.78
Yingkou Ocean Shipping Agency Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**289,247.86**	12,020.80
Liaoning Harbour Industry Finance Investment Group Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**207,844.10**	263,332.45
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**161,969.18**	276,519.39
Yingkou Hongyun Port Container Development Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**105,714.79**	90,785.64
Yingkou Port Real Estate Development Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**88,436.15**	92,163.66
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**76,547.72**	67,085.87
Liaoning Huiyuan Photovoltaic Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**19,941.92**	19,107.22
Shenyang Yingkougang Logistics Co., Ltd.	Subsidiary of the parent company	Revenue	Comprehensive services	Agreement	**14,150.94**	14,150.94
China Oil Dock Management (Dalian) Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**39,636,594.22**	39,571,005.09
Dalian Port Yidu Cold Chain Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**35,805,778.51**	38,116,517.11
Yingkou Container Terminals Company Limited	Joint venture	Revenue	Comprehensive services	Agreement	**9,708,242.65**	9,511,530.51
VTTI Terminals Dalian Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**5,805,819.22**	8,742,001.02
Sinograin Yingkou Storage and Transportation Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**3,379,118.69**	4,635,484.10
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**3,361,402.75**	395,583.83
Weifang Weida Container Service Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**3,145,068.51**	3,678,990.78
Ha'ou International Logistics Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**2,409,922.99**	4,694,588.10

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
China United International Rail Containers (Dalian) Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**1,950,062.28**	2,336,813.31
Dalian Dagang Container Terminal Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**1,868,942.23**	1,901,486.82
China United Tally (Dalian) Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**1,110,708.18**	968,815.02
Dalian Port PetroChina International Terminal Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**688,897.66**	682,555.74
Liaoning Electronic Port Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**613,758.00**	689,278.33
Dalian United International Shipping Agency Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**357,448.84**	632,047.99
Dalian Gangyu Logistics Supply Chain Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**40,944.11**	42,149.57
Zhonghai Ganglian Navigation Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	**3,184.18**	1,653,913.96
Changxing Island Port Investment and Development (Note)	Joint venture	Revenue	Comprehensive services	Agreement	**-**	8,962,684.91
Changxing Island Port (Note)	Joint venture	Revenue	Comprehensive services	Agreement	**-**	3,208,170.34
Vanguard International	Joint venture	Revenue	Comprehensive services	Agreement	**-**	1,909,911.94
Dalian Automobile Terminal Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**41,194,806.63**	55,464,843.62
Ansteel Yingkou Port Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**8,396,226.45**	12,957,486.84
Taicang Xinggang Tug Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**3,789,622.64**	3,740,458.49
Dalian North Oil Petroleum Logistics Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**2,059,627.47**	1,979,053.87
Dalian Singamas International Container Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**1,827,936.13**	1,593,326.53
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**1,491,133.27**	1,621,837.09
Dalian Puji Storage Facility Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**1,442,186.51**	1,575,233.81
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**584,856.21**	584,856.21
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	**124,042.66**	106,322.88
Yingkou Port Tank Cleaning Co., Ltd.	Joint venture of the parent company	Revenue	Comprehensive services	Agreement	**203,245.63**	311,527.60
Huaneng Yingkou Port Co., Ltd.	Joint venture of the parent company	Revenue	Comprehensive services	Agreement	**130,480.66**	45,552.02
Yingkou COSCO Shipping Agency Co., Ltd.	Joint venture of the parent company	Revenue	Comprehensive services	Agreement	**57,413.05**	12,673,377.38
Yingkou Duty Free Foreign Supply Port Service Company Limited	Joint venture of the parent company	Revenue	Comprehensive services	Agreement	**165.32**	23,672.67

Note: As of 30 September 2024, the Company obtained control of Changxing Island Port Investment and Development and Changxing Island Port. These companies were changed from joint ventures of the Group to subsidiaries within the scope of consolidation of the Group.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Yingkou Gangyue Sugar Storage Co., Ltd.	Joint venture of the parent company	Revenue	Comprehensive services	Agreement	-	8,165.76
Liaoning Shenha Hongyun Logistics Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	1,582,189.91	1,400,971.79
Yingkou Ranggong Petrochemical Sales Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	620,557.81	656,100.56
Yingkou Wanying Logistics Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	180,323.47	245,026.46
Yingkou Huifeng Logistics Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	102,587.87	671,829.28
Yingkou Zhonglian Tally Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	87,227.46	99,719.48
Yingkou Yinlong Port Co., Ltd.	Associate of the parent company	Revenue	Comprehensive services	Agreement	25,626.67	25,682.87
Sinotrans Container Lines Overseas Company Limited	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	35,566,450.83	19,913,164.79
Dandong Port Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	11,550,220.40	26,725,818.76
Sinotrans Container Lines Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	10,123,215.30	17,695,078.80
Dalian Taiping Bay Port Company Limited	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	3,902,962.75	5,111,046.46
China Merchants Investment Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	3,716,981.14	2,312,264.16
Dalian Port Petroleum & Chemical Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	3,605,010.49	3,184,029.66
China Merchants International Technology Company Limited	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	2,804,260.07	1,169,027.66
Dalian Harbour Building Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	2,427,360.94	930,340.65
Dalian Hongyu Building Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	2,393,394.75	2,060,253.39
Dalian Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	1,874,431.38	1,967,690.17
Sinotrans Container Lines (Hainan) Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	1,732,901.15	574,420.61
China Merchants Logistics Group (Tianjin) Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	1,428,110.09	3,947,903.05

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Guangdong Shunkong Lingang Development and Construction Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**1,323,277.91**	1,651,790.19
Chongqing Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**1,106,780.26**	43,111,542.27
Hambantota International Port Group Pvt Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**982,803.14**	10,504,318.87
Dalian Port North Shore Investment and Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**957,428.84**	1,602,653.54
Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**939,853.49**	1,072,123.26
China Merchants Port Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**713,097.31**	–
Dongguan Shenchiwan Wharf Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**619,528.30**	506,886.79
Dongguan Shenchiwan Port Affairs Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**619,528.30**	506,886.79
China Merchants Taiping Bay Development Investment Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**514,985.34**	1,449,134.70
China Merchants Port Service (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**413,018.87**	337,924.53
Shenzhen Chiwan Port Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**413,018.87**	337,924.53
Shantou China Merchants Port Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**333,042.64**	278,493.02
Dalian Port Wantong Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**230,168.49**	–
China Yangtze Shipping Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**223,018.87**	2,830.19
Dalian Port City Comprehensive Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**200,063.21**	289,134.76
Zhangzhou China Merchants Port Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**122,641.52**	122,641.52
China Marine Shipping Agency Liaoning Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**112,550.92**	–

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Dalian Wanfeng Properties Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**112,349.72**	138,617.75
Dalian Port North Shore Automobile Terminal Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**107,450.65**	244,323.75
China Merchants Zhixiang Road Technology (Chongqing) Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**106,022.45**	–
Sinotrans North China Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**96,323.43**	354,158.32
Dalian Sinotrans International Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**88,269.43**	52,463.93
Suizhong Port Shipping Agency Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**84,905.66**	70,754.72
Guangdong Yide Port Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**84,905.66**	–
Dalian Port Investment and Financing Holding Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**67,224.26**	42,315.81
Zhangzhou China Merchants Xiamen Port Affairs Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**62,264.16**	66,406.03
Panjin Ocean Shipping Tally Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**55,101.86**	49,719.82
Dalian Port Security Services Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**53,651.90**	52,613.09
Panjin Port Vessel Fuel Supply Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**50,227.68**	50,515.85
Dalian Port Real Estate Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**33,332.36**	38,155.53
Dalian International Shipping Center Building Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**33,290.25**	36,919.47
Dalian Port North Shore Container Terminal Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**28,584.86**	30,141.46
China Merchants Group Finance Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**27,932.10**	26,174.31
PDA Group (Jinzhou) Liaoxi Port Investment and Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**21,532.96**	22,393.78

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Dalian Port and Shipping Small Loan Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**20,900.46**	566.04
Sinotrans Northeastern Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**20,551.90**	13,982,942.35
Dalian Yongdeyi Housing Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**15,978.30**	13,207.55
Dalian United King Port Auto Trade Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**15,855.46**	12,669.94
Panjin Ocean Shipping Agency Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**13,492.47**	13,565.60
China Communications Import & Export Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**5,127.39**	72,158.77
Dalian Port Real Estate Group Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**4,339.62**	61,720.92
Shenyang Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**2,983.02**	4,293.39
Jinzhou Dagang Land Property Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**1,886.79**	7,547.17
Yingkou Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**1,374.47**	755.38
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**566.04**	1,841.06
CSC Cargo Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	1,484,617.56
Zhanjiang Port (Group) Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	1,028,301.89
Dalian Jianwan Collaborative Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	710,809.29
Dalian Taiping Bay New Energy Industrial Park Construction & Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	164,351.10
Sinotrans Hubei Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	145,867.41
Sinotrans South China Company Limited	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	58,392.66

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Nanjing Tanker Corporation	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	-	22,936.88
Dalian Taiping Bay Investment & Development Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	-	2,001.77
Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd.	Controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	-	1,132.08
Quanzhou Antong Logistics Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	190,193,926.27	174,394,185.25
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	297,038.33	367,678.52
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	231,415.28	340,906.19
Dalian Taiping Bay New Energy Investment & Development Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	47,234.15	47,241.51
Quanzhou Ansheng Shipping Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	18,810.68	-
China Grain Reserves (Panjin) Storage and Transportation Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	5,660.38	-
Dalian Jingda International Freight Forwarding Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	-	76.41
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	8,815,946.49	8,511,635.18
Dalian Port Hospital	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	2,692,750.88	2,604,164.63

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Dalian Zhonghai Harbour Investment Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**345,939.91**	861,803.41
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**339,796.14**	624,348.21
Jinzhou Port Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**226,415.10**	-
Yingkou Port Hospital	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**117,789.04**	119,301.53
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**81,882.69**	17,800.00
Liaoning Foreign Transport Everlasting Transport Service Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**4,926.34**	8,929.25
Dalian Gangming Port Automobile Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**3,846.76**	2,953.21
Dalian Yuhang International Forwarding Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**1,943.39**	1,594.35
Dalian Beiyin Qiche Logistics Information Consulting Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**488.06**	514.65
Liaoning Shenha Hongyun Logistics Panjin Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	**-**	14,716.98
Total					**582,844,326.15**	703,742,036.99

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Yingkou Port Group	Parent company	Expenses	Comprehensive services	Agreement	85,367,174.76	90,872,215.90
PDA Group	Indirect controlling shareholder	Expenses	Comprehensive services	Agreement	43,662,190.21	50,139,341.35
Yingkou Gangtong E-Commerce Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	17,106,674.96	13,338,432.47
Yingkou Hongyun Port Container Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	11,679,911.24	10,379,086.24
Yingkou Port Shipping Agency Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	8,496,662.22	9,722,389.26
Liaoning Huiyuan Photovoltaic Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	6,039,067.25	5,781,527.45
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	5,742,238.60	5,799,843.03
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	864,150.93	883,962.27
Yingkou Bayuquan District Port and Shipping Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	813,901.84	-
Yingkou Bayuquan District Hangqiao Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	754,005.65	-
Yingkou Bayuquan District Hangzheng Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	691,520.58	-
Yingkou Bayuquan District Hangfu Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	691,390.94	-
Panjin Port Group Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	504,311.20	1,048,328.99
China Merchants Gangrong Big Data Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	479,622.64	1,849,056.60
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	98,375.49	-
Yingkou Port Fairy Island Pier Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	45,414.81	20,882.33
Yingkou Ocean Shipping Agency Co., Ltd.	Subsidiary of the parent company	Expenses	Comprehensive services	Agreement	-	740,671.93
China United International Rail Containers (Dalian) Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	21,708,608.24	30,972,794.76
Sinograin Yingkou Storage and Transportation Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	9,168,861.74	21,181,668.37
Weifang Weida Container Service Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	2,976,830.66	9,746,377.04
China United Tally (Dalian) Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	1,918,151.33	2,544,588.69
Dalian United International Shipping Agency Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	1,765,527.20	23,978,873.75
Dalian Port Yidu Cold Chain Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	35,808.47	24,300.48

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Ha'ou International Logistics Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	**12,572.07**	–
Changxing Island Port Investment and Development	Joint venture	Expenses	Comprehensive services	Agreement	**-**	143,462,264.17
Vanguard International	Joint venture	Expenses	Comprehensive services	Agreement	**-**	1,056,590.65
Yingkou Container Terminals Company Limited	Joint venture	Expenses	Comprehensive services	Agreement	**-**	244,046.38
Dalian North Oil Petroleum Logistics Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	**7,065,155.72**	1,872,266.31
Dalian Automobile Terminal Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	**1,939,870.75**	1,268,231.49
Dalian Singamas International Container Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	**1,246,962.66**	1,930,501.46
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	**1,080,784.90**	338,237.74
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	**-**	2,915,094.34
Yingkou Port Tank Cleaning Co., Ltd.	Joint venture of the parent company	Expenses	Comprehensive services	Agreement	**3,673,490.45**	5,538,075.98
Yingkou Port Gaizhou Logistics Co., Ltd.	Joint venture of the parent company	Expenses	Comprehensive services	Agreement	**3,679.25**	499,433.96
Yingkou Ranggong Petrochemical Sales Co., Ltd.	Associate of the parent company	Expenses	Comprehensive services	Agreement	**77,841,111.75**	50,149,642.95
Yingkou Huifeng Logistics Co., Ltd.	Associate of the parent company	Expenses	Comprehensive services	Agreement	**47,939,129.58**	42,135,859.54
Liaoning Shenha Hongyun Logistics Co., Ltd.	Associate of the parent company	Expenses	Comprehensive services	Agreement	**23,196,167.94**	37,263,665.47
China Merchants Daojiahui Technology (Zhejiang) Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**33,561,301.35**	–
China Merchants Property Management Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**32,154,367.90**	30,303,851.78
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**14,284,377.13**	31,003,446.15
Dalian Port Security Services Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**11,564,818.26**	10,431,484.50

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Dalian Hongyu Building Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**6,039,737.99**	6,135,909.87
China Merchants Investment Development Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**5,790,849.13**	3,366,492.05
China Merchants International Technology Company Limited	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**4,783,679.21**	4,413,584.96
China Communications Import & Export Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**2,847,263.90**	238,188.83
Dalian Harbour Building Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**2,782,378.64**	2,395,083.41
China Merchants Food (China) Co., Limited	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**1,874,328.57**	1,694,431.66
China Merchants Jiyu Property Management Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**1,805,096.96**	1,460,613.25
China Merchants Group Shared Services Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**1,792,512.94**	–
Dandong Port Group Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**1,492,149.14**	2,104,757.01
H T (Shanghai) Technology Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**808,282.69**	459,355.76
Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**415,094.34**	415,094.34
China Merchants Securities Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**330,188.68**	1,084,905.66
Shenzhen Merchants Culture Art Development Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**138,000.00**	111,320.75
Shenzhen Haiqin Engineering Supervision & Management Company Limited	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**134,887.09**	331,829.89
China Marine Shipping Agency Liaoning Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**132,672.00**	211,338.00
Dalian Sinotrans International Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**97,486.03**	103,743.41
Sinotrans North China Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**40,990.87**	–

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Shenzhen Merchants Apartment Development Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**3,492.61**	–
Dalian Port City Comprehensive Development Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**2,889.89**	1,513.76
Nanjing Changjiang Oil Transportation Longtan Shipping Engineering Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	2,592,831.85
Hoi Tung (Shanghai) Company Limited	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	866,387.35
Dalian Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	717,403.74
China Merchants Financial Technology Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	542,452.83
Dalian United King Port Auto Trade Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	49,056.60
AVIC Property Management Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	13,704.82
Dalian Port North Shore Investment and Development Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	11,320.75
Sinotrans Container Lines Co., Ltd.	Controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**-**	3,560.00
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**62,788,128.38**	72,476,973.90
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**16,309,084.31**	15,580,574.09
Quanzhou Antong Logistics Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**6,281,157.71**	3,146,231.98
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	**41,393,386.60**	45,414,476.24

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(1) Revenue and expenses (continued)

Name of related party	Relationships	Type of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Accumulated for the year	Accumulated for the prior year
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	12,130,530.22	9,735,962.37
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	7,352,982.58	7,610,241.91
Yingkou Port Hospital	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	4,590,493.00	2,598,487.00
Dalian Port Hospital	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	2,355,109.56	1,895,292.46
Liaoning Foreign Transport Everlasting Transport Service Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	100,600.00	511,661.00
Jinzhou Port Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	427,358.49	380,377.36
Xingyun Digital Clustering (Beijing) Technology Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	59,981.10	29,969.85
Total					661,274,983.30	828,142,162.49

Note 1: Comprehensive services include loading and discharging, storage, tallying, information, container-related ancillary services, equipment and technology maintenance, water and electricity supply and other services.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts

Item	Name of related party	Closing balance	Opening balance
Cash at bank and on hand	China Merchants Group Finance Co., Ltd.	**2,229,158,424.07**	1,367,696,045.64
Cash at bank and on hand	China Merchants Bank Co., Ltd.	**1,110,208,633.66**	1,044,877,460.97
Total		**3,339,367,057.73**	2,412,573,506.61
Accounts receivable	Huaneng Yingkou Port Co., Ltd.	**48,401,396.48**	59,721,556.80
Accounts receivable	Quanzhou Antong Logistics Co., Ltd.	**13,281,585.16**	13,405,024.64
Accounts receivable	Dalian Automobile Terminal Co., Ltd.	**9,906,079.63**	19,411,148.80
Accounts receivable	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**9,201,612.50**	12,133,176.30
Accounts receivable	Panjin Port Group Co., Ltd.	**8,042,624.82**	4,521,391.75
Accounts receivable	Yingkou Ocean Shipping Agency Co., Ltd.	**5,601,968.59**	11,083.06
Accounts receivable	PDA Group	**5,180,532.02**	1,183,429.17
Accounts receivable	Suizhong Port Group Co., Ltd.	**4,376,184.01**	2,285,789.50
Accounts receivable	Dalian Port Design and Research Institute Co., Ltd.	**4,209,215.34**	5,810,968.14
Accounts receivable	China Marine Shipping Agency Liaoning Co., Ltd.	**3,544,662.00**	1,490,018.30
Accounts receivable	Dandong Port Group Co., Ltd.	**2,832,215.01**	3,088,595.15
Accounts receivable	China Merchants Gangrong Big Data Co., Ltd.	**2,551,853.70**	1,236,380.60
Accounts receivable	Dalian Port Yidu Cold Chain Co., Ltd.	**2,532,267.96**	6,707,087.40
Accounts receivable	Liaoning Port Group	**2,464,429.43**	2,215,299.43
Accounts receivable	China Oil Dock Management (Dalian) Co., Ltd.	**2,063,325.00**	1,086,953.00
Accounts receivable	China Merchants International Technology Company Limited	**1,899,276.00**	5,038,794.09
Accounts receivable	Dalian Port Petroleum & Chemical Co., Ltd.	**1,735,806.13**	103,000.00
Accounts receivable	Sinotrans Container Lines Overseas Company Limited	**1,432,488.00**	1,205,849.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts receivable	Dalian Shunde Jifa Supply Chain Management Co., Ltd.	**1,398,145.77**	1,398,145.77
Accounts receivable	Ansteel Yingkou Port Co., Ltd.	**1,050,000.00**	–
Accounts receivable	Dalian Taiping Bay Port Company Limited	**1,034,084.91**	–
Accounts receivable	Dalian United International Shipping Agency Co., Ltd.	**922,156.61**	540,226.55
Accounts receivable	China Merchants Port Group Co., Ltd.	**755,883.15**	174,626.50
Accounts receivable	Dalian Ganghe Trading Co., Ltd.	**662,834.00**	662,834.00
Accounts receivable	Yingkou Port Fairy Island Pier Co., Ltd.	**638,703.18**	1,310,757.28
Accounts receivable	VTTI Terminals Dalian Co., Ltd.	**617,731.90**	–
Accounts receivable	Sinotrans Container Lines Co., Ltd.	**507,233.00**	451,965.00
Accounts receivable	Yingkou Port Group	**462,208.35**	1,737,654.52
Accounts receivable	China Merchants Logistics Group (Tianjin) Co., Ltd.	**388,905.00**	52,600.00
Accounts receivable	Sinograin Yingkou Storage and Transportation Co., Ltd.	**314,098.37**	362,732.33
Accounts receivable	China Merchants Investment Development Co., Ltd.	**298,000.00**	493,000.00
Accounts receivable	Dalian Hongyu Building Co., Ltd.	**294,190.69**	700.00
Accounts receivable	Dalian Harbour Building Co., Ltd.	**291,175.39**	440.00
Accounts receivable	Dalian Jilong Logistics Co., Ltd.	**272,115.23**	272,115.23
Accounts receivable	Ha'ou International Logistics Co., Ltd.	**222,468.48**	–
Accounts receivable	Shantou China Merchants Port Group Co., Ltd.	**176,512.60**	176,512.60
Accounts receivable	Yingkou Port Shipping Agency Co., Ltd.	**146,521.65**	137,489.25
Accounts receivable	Dalian Sinotrans Logistics Co., Ltd.	**144,687.00**	210.00
Accounts receivable	Sinotrans Container Lines (Hainan) Co., Ltd.	**133,510.00**	134,671.20
Accounts receivable	Yingkou Gangtong E-Commerce Co., Ltd.	**129,854.03**	7,884.58

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts receivable	China Merchants Taiping Bay Development Investment Co., Ltd.	**118,440.00**	580,808.08
Accounts receivable	Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	**117,880.17**	80,753.00
Accounts receivable	Weifang Weida Container Service Co., Ltd.	**92,244.00**	170,158.00
Accounts receivable	Yingkou Container Terminals Company Limited	**80,500.00**	888,750.00
Accounts receivable	Dalian Port City Comprehensive Development Co., Ltd.	**72,394.95**	4,000.00
Accounts receivable	Guangdong Yide Port Co., Ltd.	**45,000.00**	29,000.00
Accounts receivable	Yingkou Ranggong Petrochemical Sales Co., Ltd.	**44,198.70**	44,279.24
Accounts receivable	Dongguan Shenchiwan Wharf Co., Ltd.	**35,820.00**	–
Accounts receivable	Dongguan Shenchiwan Port Affairs Co., Ltd.	**35,820.00**	–
Accounts receivable	Yingkou Ocean Shipping Tally Co., Ltd.	**33,719.80**	55,299.97
Accounts receivable	Zhangzhou China Merchants Xiamen Port Affairs Co., Ltd.	**33,000.00**	–
Accounts receivable	China Merchants Port Service (Shenzhen) Co., Ltd.	**23,880.00**	–
Accounts receivable	Shenzhen Chiwan Port Development Co., Ltd.	**23,880.00**	–
Accounts receivable	Dalian Port North Shore Automobile Terminal Co., Ltd.	**19,230.80**	1,100.00
Accounts receivable	Dalian Port Wantong Logistics Co., Ltd.	**10,822.00**	518,898.93
Accounts receivable	China Merchants Zhixiang Road Technology (Chongqing) Co., Ltd.	**10,511.84**	–
Accounts receivable	Dalian Wanfeng Properties Co., Ltd.	**6,800.00**	191,963.39
Accounts receivable	Yingkou Port Hospital	**5,893.06**	4,885.29

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts receivable	Yingkou Port Tank Cleaning Co., Ltd.	**5,856.29**	5,609.68
Accounts receivable	Yingkou Zhonglian Tally Co., Ltd.	**5,659.10**	5,044.67
Accounts receivable	Panjin Port Logistics Development Co., Ltd.	**5,200.00**	5,600.00
Accounts receivable	Dalian Port North Shore Investment and Development Co., Ltd.	**4,450.00**	4,950.00
Accounts receivable	Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	**4,415.60**	3,944.55
Accounts receivable	Dalian United King Port Auto Trade Co., Ltd.	**4,200.00**	–
Accounts receivable	China United International Rail Containers (Dalian) Co., Ltd.	**4,060.00**	20,755.00
Accounts receivable	Dalian Port Real Estate Co., Ltd.	**3,000.00**	4,000.00
Accounts receivable	Yingkou Port Real Estate Development Co., Ltd.	**2,195.30**	2,556.90
Accounts receivable	PDA Group (Jinzhou) Liaoxi Port Investment and Development Co., Ltd.	**1,680.00**	1,900.00
Accounts receivable	Dalian Port North Shore Container Terminal Co., Ltd.	**1,650.00**	1,650.00
Accounts receivable	Dalian Port Investment and Financing Holding Group Co., Ltd.	**1,370.00**	3,500.00
Accounts receivable	Yingkou Port Engineering Supervision Consulting Co., Ltd.	**1,300.00**	1,233.11
Accounts receivable	Liaoning Harbour Industry Finance Investment Group Co., Ltd.	**1,000.00**	1,016.97
Accounts receivable	Panjin Port Vessel Fuel Supply Co., Ltd.	**920.00**	950.00
Accounts receivable	Yingkou Hongyun Port Container Development Co., Ltd.	**833.75**	1,581.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts receivable	Yingkou Huifeng Logistics Co., Ltd.	**801.45**	52,709.54
Accounts receivable	Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd.	**640.00**	741.00
Accounts receivable	Dalian International Shipping Center Building Co., Ltd.	**450.00**	2,060.00
Accounts receivable	Panjin Ocean Shipping Tally Co., Ltd.	**350.00**	400.00
Accounts receivable	Yingkou Yinlong Port Co., Ltd.	**190.00**	187.00
Accounts receivable	Panjin Ocean Shipping Agency Co., Ltd.	**182.00**	–
Accounts receivable	Dalian Creative Industry Project Development Co., Ltd.	**–**	5,336,904.90
Accounts receivable	Guangdong Shunkong Lingang Development and Construction Co., Ltd.	**–**	950,547.15
Accounts receivable	Dalian Taiping Bay New Energy Industrial Park Construction & Development Co., Ltd.	**–**	174,212.17
Accounts receivable	Liaoning Shenha Hongyun Logistics Co., Ltd.	**–**	58,066.93
Accounts receivable	Yingkou Wanying Logistics Co., Ltd.	**–**	16,886.25
Accounts receivable	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.	**–**	20,000.00
Accounts receivable	Dalian Singamas International Container Co., Ltd.	**–**	6,609.00
Accounts receivable	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	**–**	3,018.00
Accounts receivable	Yingkou COSCO Shipping Agency Co., Ltd.	**–**	3,000.00
Accounts receivable	Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	**–**	2,728.00
Accounts receivable	Vanguard International	**–**	838.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts receivable	Liaoning Huiyuan Photovoltaic Co., Ltd.	–	202.00
Accounts receivable	Yingkou Duty Free Foreign Supply Port Service Company Limited	–	104.50
Total		**140,978,979.90**	157,833,512.16
Advances to suppliers	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	**1,200,666.03**	1,171,875.41
Advances to suppliers	China United International Rail Containers (Dalian) Co., Ltd.	**1,049,423.10**	833,538.80
Advances to suppliers	Yingkou Port Group	**261,619.05**	–
Advances to suppliers	Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	**100,000.00**	100,000.00
Advances to suppliers	Yingkou Ranggong Petrochemical Sales Co., Ltd.	**35,799.25**	35,799.25
Advances to suppliers	China Communications Import & Export Co., Ltd.	**22,572.60**	149,545.78
Advances to suppliers	China Marine Shipping Agency Liaoning Co., Ltd.	**16,658.00**	21,906.00
Advances to suppliers	Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	**12,000.00**	11,428.58
Advances to suppliers	Xingyun Digital Clustering (Beijing) Technology Co., Ltd.	**10,731.37**	–
Advances to suppliers	Dalian United International Shipping Agency Co., Ltd.	–	14,218.00
Advances to suppliers	Vanguard International	–	5,093.25
Total		**2,709,469.40**	2,343,405.07
Dividends receivable	Dalian Port Yidu Cold Chain Co., Ltd.	**63,917,796.35**	72,317,796.35
Dividends receivable	Dalian Jilong Logistics Co., Ltd.	**22,507,539.23**	22,507,539.23

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Dividends receivable	Dalian Automobile Terminal Co., Ltd.	**11,200,000.00**	12,800,000.00
Dividends receivable	Dalian Singamas International Container Co., Ltd.	**1,580,826.26**	3,049,158.68
Dividends receivable	Dalian Dagang Container Terminal Co., Ltd.	**1,257,845.68**	1,457,312.29
Dividends receivable	Weifang Weida Container Service Co., Ltd.	**159,560.75**	–
Dividends receivable	Dalian United International Shipping Agency Co., Ltd.	**–**	8,569,000.00
Dividends receivable	Ha'ou International Logistics Co., Ltd.	**–**	2,641,218.93
Dividends receivable	Dalian Wanpeng Port Engineering Testing Co., Ltd.	**–**	40,000.00
Total		**100,623,568.27**	123,382,025.48
Other receivables	Liaoning Port Group	**8,002,025.00**	8,016,801.70
Other receivables	Dalian United International Shipping Agency Co., Ltd.	**1,125,231.27**	467,085.00
Other receivables	China Marine Shipping Agency Liaoning Co., Ltd.	**1,090,434.00**	1,344,686.00
Other receivables	Hambantota International Port Group Pvt Ltd.	**967,106.65**	2,135,894.50
Other receivables	Dalian Port Machinery and Electric Co., Ltd.	**725,155.53**	725,155.53
Other receivables	PDA Group	**565,164.87**	686,851.52
Other receivables	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**352,000.00**	280,000.00
Other receivables	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	**275,000.00**	280,566.17
Other receivables	Weifang Weida Container Service Co., Ltd.	**268,896.08**	243,230.00
Other receivables	Ansteel Yingkou Port Co., Ltd.	**100,000.00**	–
Other receivables	Dalian Port Yidu Cold Chain Co., Ltd.	**80,101.05**	–
Other receivables	Dalian Port Design and Research Institute Co., Ltd.	**76,387.74**	218,332.39

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Other receivables	Dalian Hongyu Building Co., Ltd.	**59,772.00**	58,404.00
Other receivables	Sinotrans Yantai International Logistics Co., Ltd.	**50,000.00**	–
Other receivables	Dalian Harbour Building Co., Ltd.	**44,243.96**	–
Other receivables	Sinotrans Container Lines Co., Ltd.	**42,819.00**	52,332.00
Other receivables	China Merchants International Technology Company Limited	**37,172.20**	72,918.87
Other receivables	Dalian Port North Shore Investment and Development Co., Ltd.	**33,957.70**	78,610.93
Other receivables	Hambantota International Port Services Pvt Ltd.	**32,893.35**	–
Other receivables	VTTI Terminals Dalian Co., Ltd.	**29,951.97**	5,000.00
Other receivables	Dalian Jilong Logistics Co., Ltd.	**20,000.00**	20,000.00
Other receivables	Yingkou Port Group	**20,000.00**	20,000.00
Other receivables	Dalian North Oil Petroleum Logistics Co., Ltd.	**18,700.00**	–
Other receivables	Dandong Port Group Co., Ltd.	**10,000.00**	17,500.00
Other receivables	Dalian Automobile Terminal Co., Ltd.	**9,030.00**	82,457.25
Other receivables	Dalian Taiping Bay Port Company Limited	**8,783.65**	8,783.65
Other receivables	Sinotrans Northeastern Co., Ltd.	**6,681.26**	–
Other receivables	Dalian Port North Shore Automobile Terminal Co., Ltd.	**4,161.42**	4,161.42
Other receivables	Quanzhou Antong Logistics Co., Ltd.	**3,236.40**	2,386.80
Other receivables	Sinotrans Central China Company Limited	**1,106.00**	–
Other receivables	China Merchants Gangrong Big Data Co., Ltd.	**1,000.00**	1,000.00
Other receivables	Dalian Port Machinery Co., Ltd.	**–**	1,151,978.05
Other receivables	Yingkou Ocean Shipping Tally Co., Ltd.	**–**	155,028.80
Other receivables	Dalian Sinotrans Logistics Co., Ltd.	**–**	80,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Other receivables	Dalian Sinotrans International Logistics Co., Ltd.	–	50,000.00
Other receivables	Yingkou Port Fairy Island Pier Co., Ltd.	–	49,657.10
Other receivables	Dalian Port PetroChina International Terminal Co., Ltd.	–	24,345.68
Other receivables	Sinotrans Landbridge Transportation Co., Ltd.	–	18,000.00
Other receivables	Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	–	6,000.00
Other receivables	Panjin Port Group Co., Ltd.	–	4,288.08
Other receivables	Dalian Port City Comprehensive Development Co., Ltd.	–	1,847.43
Other receivables	China Oil Dock Management (Dalian) Co., Ltd.	–	1,200.00
Other receivables	Dalian Port Petroleum & Chemical Co., Ltd.	–	650.44
Total		**14,061,011.10**	16,365,153.31
Long-term receivables	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**22,249,717.50**	–
Total		**22,249,717.50**	–
Other non-current assets	Dalian Port Design and Research Institute Co., Ltd.	**240,600.00**	934,680.00
Other non-current assets	China Merchants Chongqing Communications Technology Research & Design Institute Co., Ltd.	–	17,209,363.80
Other non-current assets	Dalian Port Machinery Co., Ltd.	–	581,425.80
Total		**240,600.00**	18,725,469.60

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts payable	Dalian Port Design and Research Institute Co., Ltd.	**4,016,118.53**	5,635,112.98
Accounts payable	Yingkou Huifeng Logistics Co., Ltd.	**3,606,163.98**	2,358,753.25
Accounts payable	Huaneng Yingkou Port Co., Ltd.	**3,100,000.00**	–
Accounts payable	Yingkou Port Group	**2,930,000.00**	2,784,000.00
Accounts payable	Yingkou Port Engineering Supervision Consulting Co., Ltd.	**2,420,020.00**	1,057,760.38
Accounts payable	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	**2,264,343.64**	2,991,299.20
Accounts payable	Yingkou Port Tank Cleaning Co., Ltd.	**1,640,000.00**	827,610.07
Accounts payable	Yingkou Ranggong Petrochemical Sales Co., Ltd.	**1,520,587.17**	1,834,027.79
Accounts payable	Quanzhou Antong Logistics Co., Ltd.	**1,031,262.45**	2,311,219.46
Accounts payable	Dalian Wanpeng Port Engineering Testing Co., Ltd.	**989,891.00**	56,688.00
Accounts payable	China United International Rail Containers (Dalian) Co., Ltd.	**851,514.91**	660,127.35
Accounts payable	Dalian Port Machinery and Electric Co., Ltd.	**588,497.69**	280,337.00
Accounts payable	China Merchants Property Management Co., Ltd.	**574,000.00**	310,664.86
Accounts payable	Dalian Automobile Terminal Co., Ltd.	**452,048.12**	234,860.39
Accounts payable	China Merchants International Technology Company Limited	**432,000.00**	432,000.00
Accounts payable	Dalian Port Machinery Co., Ltd.	**393,745.00**	585,020.00
Accounts payable	Liaoning Electronic Port Co., Ltd.	**391,509.43**	–
Accounts payable	Dandong Port Group Co., Ltd.	**234,031.64**	2,491,159.60
Accounts payable	China United Tally (Dalian) Co., Ltd.	**227,163.75**	418,945.60
Accounts payable	Dalian Singamas International Container Co., Ltd.	**222,816.41**	517,032.62

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts payable	Weifang Weida Container Service Co., Ltd.	**213,698.00**	181,640.66
Accounts payable	China Merchants Group Shared Services Co., Ltd.	**212,632.16**	–
Accounts payable	China Merchants Daojiahui Technology (Zhejiang) Co., Ltd.	**164,853.23**	–
Accounts payable	Liaoning Huiyuan Photovoltaic Co., Ltd.	**150,000.00**	240,000.00
Accounts payable	Yingkou Ocean Shipping Agency Co., Ltd.	**115,422.36**	164,189.36
Accounts payable	Shenzhen Haiqin Engineering Supervision & Management Company Limited	**113,237.91**	200,991.87
Accounts payable	Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	**94,817.12**	198,250.00
Accounts payable	Jinzhou Port Co., Ltd.	**77,300.00**	54,600.00
Accounts payable	Yingkou Gangtong E-Commerce Co., Ltd.	**70,540.00**	–
Accounts payable	Dalian Sinotrans Logistics Co., Ltd.	**63,494.21**	–
Accounts payable	Panjin Port Group Co., Ltd.	**49,617.26**	246,077.32
Accounts payable	China Communications Import & Export Co., Ltd.	**38,313.82**	–
Accounts payable	China Merchants Investment Development Co., Ltd.	**10,369.75**	150,345.47
Accounts payable	Xingyun Digital Clustering (Beijing) Technology Co., Ltd.	**8,727.28**	33,582.49
Accounts payable	Dalian Jilong Logistics Co., Ltd.	**7,375.47**	7,375.47
Accounts payable	Dalian Port Hospital	**6,761.30**	115,244.00
Accounts payable	Yingkou Port Gaizhou Logistics Co., Ltd.	**5,895.00**	632,995.00
Accounts payable	China Merchants Jiyu Property Management Co., Ltd.	**3,500.00**	–
Accounts payable	Liaoning Shenha Hongyun Logistics Co., Ltd.	**–**	9,759,865.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Accounts payable	Sinograin Yingkou Storage and Transportation Co., Ltd.	–	4,106,615.96
Accounts payable	Sinotrans Container Lines Overseas Company Limited	–	476,159.62
Accounts payable	Yingkou Port Shipping Agency Co., Ltd.	–	448,119.57
Accounts payable	China Merchants Financial Technology Co., Ltd.	–	379,716.98
Accounts payable	PDA Group	–	117,133.79
Accounts payable	Vanguard International	–	61,200.00
Accounts payable	Yingkou Ocean Shipping Tally Co., Ltd.	–	8,000.00
Accounts payable	China Marine Shipping Agency Liaoning Co., Ltd.	–	4,760.00
Accounts payable	Shenzhen China Merchants Daojiahui Technology Co., Ltd.	–	4,019.00
Accounts payable	Ha'ou International Logistics Co., Ltd.	–	3,600.00
Total		**29,292,268.59**	43,381,100.11
Advances from customers	Yingkou Huifeng Logistics Co., Ltd.	**249,333.92**	162,609.05
Advances from customers	Dalian United International Shipping Agency Co., Ltd.	**15,653.00**	–
Advances from customers	China Merchants Property Management Co., Ltd.	–	681,315.93
Total		**264,986.92**	843,924.98
Contract liabilities	Dalian Port Wantong Logistics Co., Ltd.	**11,281,830.19**	16,311,093.81
Contract liabilities	China Merchants International Technology Company Limited	**6,610,805.78**	5,686,277.48

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Contract liabilities	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**4,994,089.26**	5,258,644.79
Contract liabilities	Sinotrans Northeastern Co., Ltd.	**4,080,844.33**	12,410,490.15
Contract liabilities	Yingkou Huifeng Logistics Co., Ltd.	**3,115,219.00**	1,498,244.83
Contract liabilities	Yingkou Port Shipping Agency Co., Ltd.	**1,854,289.85**	967,482.92
Contract liabilities	Yingkou Ocean Shipping Agency Co., Ltd.	**1,792,113.05**	497,410.07
Contract liabilities	Liaoning Port Group	**1,319,091.58**	2,173,584.89
Contract liabilities	China Yangtze Shipping Group Co., Ltd.	**1,135,849.06**	–
Contract liabilities	China Merchants Gangrong Big Data Co., Ltd.	**809,660.38**	–
Contract liabilities	Panjin Port Logistics Development Co., Ltd.	**771,220.75**	–
Contract liabilities	Dalian United International Shipping Agency Co., Ltd.	**750,390.84**	99,548.94
Contract liabilities	PDA Group	**366,596.33**	366,596.33
Contract liabilities	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	**331,978.77**	331,978.77
Contract liabilities	Dalian Port Design and Research Institute Co., Ltd.	**227,514.16**	–
Contract liabilities	Yingkou Gangtong E-Commerce Co., Ltd.	**198,320.20**	–
Contract liabilities	Dalian Port Yidu Cold Chain Co., Ltd.	**188,679.25**	–
Contract liabilities	Dalian Sinotrans Logistics Co., Ltd.	**144,908.41**	144,908.41
Contract liabilities	Dandong Port Group Co., Ltd.	**119,408.76**	438,868.72
Contract liabilities	China Merchants Taiping Bay Development Investment Co., Ltd.	**118,867.92**	–
Contract liabilities	Dalian Singamas International Container Co., Ltd.	**50,632.39**	56,032.39
Contract liabilities	Yingkou Container Terminals Company Limited	**49,716.98**	–

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Contract liabilities	Dalian Wanpeng Port Engineering Testing Co., Ltd.	**46,831.81**	19,611.36
Contract liabilities	China Marine Shipping Agency Liaoning Co., Ltd.	**42,781.89**	52,588.50
Contract liabilities	Dalian Automobile Terminal Co., Ltd.	**28,959.70**	139,667.66
Contract liabilities	Ganghe (Shanghai) Economic and Trade Co., Ltd.	**25,178.30**	25,178.30
Contract liabilities	Dalian Puji Storage Facility Co., Ltd.	**7,511.96**	7,028.55
Contract liabilities	Dalian Sinotrans International Logistics Co., Ltd.	**3,243.00**	3,464.00
Contract liabilities	VTTI Terminals Dalian Co., Ltd.	**2,809.91**	2,809.91
Contract liabilities	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	**2,764.88**	2,764.88
Contract liabilities	Yingkou Zhonglian Tally Co., Ltd.	**2,235.93**	2,952.45
Contract liabilities	Shenyang Sinotrans Logistics Co., Ltd.	**1,200.00**	–
Contract liabilities	Liaoning Foreign Transport Everlasting Transport Service Co., Ltd.	**447.17**	1,891.51
Contract liabilities	Sinotrans Container Lines Co., Ltd.	**386.00**	–
Contract liabilities	Liaoning Shenha Hongyun Logistics Co., Ltd.	**9.42**	599,691.18
Contract liabilities	Beidahuang Logistics Co., Ltd.	**2.70**	2.70
Contract liabilities	COFCO Merchants (Shenzhen) Grain Electronic Trading Center Co., Ltd.	**0.01**	0.01
Contract liabilities	Dalian Port Petroleum & Chemical Co., Ltd.	**–**	933,962.26
Contract liabilities	China Merchants Investment Development Co., Ltd.	**–**	562,264.15
Contract liabilities	Vanguard International	**–**	17,407.55
Contract liabilities	Quanzhou Antong Logistics Co., Ltd.	**–**	10,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Contract liabilities	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	–	2,161.47
Contract liabilities	Dalian Jingda International Freight Forwarding Co., Ltd.	–	343.40
Total		**40,476,389.92**	48,624,952.34
Interest payable	PDA Group	**228,879,916.55**	270,456,396.55
Total		**228,879,916.55**	270,456,396.55
Other payables	Ocean Harvest Container Co., Ltd.	**49,474,450.28**	50,597,845.78
Other payables	Dalian Port Machinery and Electric Co., Ltd.	**18,464,944.80**	10,116,096.53
Other payables	Dalian Port Design and Research Institute Co., Ltd.	**17,634,232.84**	15,676,836.28
Other payables	Dalian Port Wantong Logistics Co., Ltd.	**17,341,200.00**	8,080,000.00
Other payables	Dandong Port Group Co., Ltd.	**9,559,771.00**	916,499.00
Other payables	PDA Group	**7,202,889.50**	1,389,994.50
Other payables	China Merchants Property Management Co., Ltd.	**3,302,539.99**	3,302,539.99
Other payables	Dalian Port Machinery Co., Ltd.	**3,273,001.63**	2,901,327.61
Other payables	Yingkou Huifeng Logistics Co., Ltd.	**2,511,700.00**	2,301,700.00
Other payables	Hoi Tung (Shanghai) Company Limited	**2,172,250.00**	5,956,000.00
Other payables	China Merchants International Technology Company Limited	**1,725,150.00**	1,725,150.00
Other payables	Dalian Port Yidu Cold Chain Co., Ltd.	**1,711,255.00**	293,388.00
Other payables	Dalian United International Shipping Agency Co., Ltd.	**1,131,730.15**	6,921,828.63
Other payables	Yingkou Port Gaizhou Logistics Co., Ltd.	**1,000,000.00**	1,000,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Other payables	Yingkou Gangtong E-Commerce Co., Ltd.	**1,000,000.00**	–
Other payables	Quanzhou Antong Logistics Co., Ltd.	**850,100.00**	854,004.00
Other payables	China Communications Import & Export Co., Ltd.	**341,362.67**	–
Other payables	Yingkou COSCO Shipping Agency Co., Ltd.	**340,000.00**	440,000.00
Other payables	Sinotrans Northeastern Co., Ltd.	**335,000.00**	335,000.00
Other payables	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**280,000.00**	–
Other payables	Yingkou Port Engineering Supervision Consulting Co., Ltd.	**267,583.00**	72,613.00
Other payables	Weifang Weida Container Service Co., Ltd.	**236,470.00**	182,510.00
Other payables	Dalian Sinotrans Logistics Co., Ltd.	**172,073.59**	170,800.00
Other payables	China Marine Shipping Agency Liaoning Co., Ltd.	**171,739.68**	23,000.00
Other payables	Dalian Singamas International Container Co., Ltd.	**139,808.00**	74,648.00
Other payables	Yingkou Ocean Shipping Agency Co., Ltd.	**120,000.00**	100,000.00
Other payables	China Merchants Group Shared Services Co., Ltd.	**117,873.83**	–
Other payables	Yingkou Port Group	**117,191.91**	114,810.75
Other payables	Dalian Zhonghai Harbour Investment Co., Ltd.	**100,001.00**	100,001.00
Other payables	Yingkou Port Shipping Agency Co., Ltd.	**100,000.00**	100,000.00
Other payables	Sinotrans Yantai International Logistics Co., Ltd.	**100,000.00**	–
Other payables	Yingkou Ranggong Petrochemical Sales Co., Ltd.	**70,000.00**	70,000.00
Other payables	China United International Rail Containers (Dalian) Co., Ltd.	**50,000.00**	20,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Other payables	Liaoning Foreign Transport Everlasting Transport Service Co., Ltd.	**50,000.00**	–
Other payables	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	**43,500.00**	22,700.00
Other payables	Ganghe (Shanghai) Economic and Trade Co., Ltd.	**30,000.00**	30,000.00
Other payables	Yingkou Port Tank Cleaning Co., Ltd.	**29,000.00**	29,000.00
Other payables	China United Tally (Dalian) Co., Ltd.	**6,400.00**	56,400.00
Other payables	Yingkou Port Hospital	**6,000.00**	6,000.00
Other payables	Dalian Ganghe Trading Co., Ltd.	**5,000.00**	–
Other payables	Xingyun Digital Clustering (Beijing) Technology Co., Ltd.	**3,023.50**	13,757.77
Other payables	China Merchants Gangrong Big Data Co., Ltd.	**3,000.00**	95,000.00
Other payables	Huaneng Yingkou Port Co., Ltd.	**1,000.00**	1,000.00
Other payables	Dalian North Oil Petroleum Logistics Co., Ltd.	**1,000.00**	1,000.00
Other payables	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	**1,000.00**	1,000.00
Other payables	Dalian Sinotrans International Logistics Co., Ltd.	**970.00**	–
Other payables	Yingkou Sinotrans Logistics Co., Ltd.	**500.00**	500.00
Other payables	China Merchants Bank Co., Ltd.	**20.00**	20.00
Other payables	Dalian Wanpeng Foundation Engineering Co., Ltd.	**0.03**	0.03
Other payables	Dalian Harbour Building Co., Ltd.	**–**	764,838.76
Other payables	Dalian Wanpeng Port Engineering Testing Co., Ltd.	**–**	304,749.91
Other payables	Shenzhen China Merchants Daojiahui Technology Co., Ltd.	**–**	277,337.45
Other payables	Liaoning Shenha Hongyun Logistics Co., Ltd.	**–**	100,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Other payables	China Merchants Financial Technology Co., Ltd.	–	94,610.00
Other payables	Dalian Jingda International Freight Forwarding Co., Ltd.	–	5,000.00
Other payables	Yingkou Yinlong Port Co., Ltd.	–	2,835.00
Other payables	China Merchants Investment Development Co., Ltd.	–	4,000.00
Other payables	Yingkou Duty Free Foreign Supply Port Service Company Limited	–	1,000.00
Other payables	Vanguard International	–	920.00
Total		**141,594,732.40**	115,648,261.99
Long-term borrowings due within one year	China Merchants Bank Co., Ltd.	**16,088,841.14**	8,277,940.37
Long-term borrowings due within one year	China Merchants Group Finance Co., Ltd.	–	220,000.00
Total		**16,088,841.14**	8,497,940.37
Long-term payables due within one year	PDA Group	–	614,195,000.00
Total		–	614,195,000.00
Lease liabilities due within one year	Yingkou Port Group	**107,690,495.24**	104,169,131.02
Lease liabilities due within one year	PDA Group	**23,534,598.44**	22,569,670.59
Lease liabilities due within one year	Dalian Port PetroChina International Terminal Co., Ltd.	**15,195,387.68**	16,407,957.32
Lease liabilities due within one year	Dalian Harbour Building Co., Ltd.	**1,504,650.00**	1,051,016.32
Lease liabilities due within one year	Yingkou Port Shipping Agency Co., Ltd.	**1,219,274.02**	1,628,282.86

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(2) Balances of major claims and debts (continued)

Item	Name of related party	Closing balance	Opening balance
Lease liabilities due within one year	Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	**1,106,436.37**	1,052,113.90
Lease liabilities due within one year	Dalian Hongyu Building Co., Ltd.	**61,610.99**	58,479.00
Lease liabilities due within one year	Dalian Port Wantong Logistics Co., Ltd.	**–**	9,565,379.89
Total		**150,312,452.74**	156,502,030.90
Long-term borrowings	China Merchants Bank Co., Ltd.	**440,533,333.32**	456,266,666.66
Long-term borrowings	China Merchants Group Finance Co., Ltd.	**–**	300,000,000.00
Total		**440,533,333.32**	756,266,666.66
Lease liabilities	Yingkou Port Group	**2,096,065,352.42**	2,223,714,887.29
Lease liabilities	Dalian Port PetroChina International Terminal Co., Ltd.	**1,187,490,136.99**	1,366,967,476.11
Lease liabilities	PDA Group	**1,130,524,540.65**	1,153,048,335.12
Lease liabilities	Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	**55,267,503.31**	56,358,514.81
Lease liabilities	Dalian Harbour Building Co., Ltd.	**13,559,437.46**	15,881,261.68
Lease liabilities	Dalian Hongyu Building Co., Ltd.	**1,464,940.52**	1,526,197.32
Lease liabilities	Yingkou Port Shipping Agency Co., Ltd.	**–**	1,704,781.41
Total		**4,484,371,911.35**	4,819,201,453.74

Except for long-term receivables, long-term borrowings due within one year, long-term payables due within one year, lease liabilities due within one year, long-term borrowings, lease liabilities, and cash at bank and on hand, other payables to and other receivables from related parties are non-interest-bearing, unsecured and have no fixed repayment terms.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(3) Leasing with related parties

The Group as the lessor

Name of lessee	Type of the leased assets	Pricing method and decision-making procedure of related transactions	Leasing income recognised in the current year	Leasing income recognised in the prior year
Yingkou Container Terminals Company Limited	Berth and stock yard/Buildings/ Machinery and equipment	Agreement-based pricing	**94,816,571.28**	91,100,942.92
Quanzhou Antong Logistics Co., Ltd.	Vessels	Agreement-based pricing	**27,213,871.16**	24,440,127.96
China Oil Dock Management (Dalian) Co., Ltd.	Berth and stock yard	Agreement-based pricing	**14,260,000.00**	14,260,000.00
China United International Rail Containers (Dalian) Co., Ltd.	Warehouse/Machinery and equipment	Agreement-based pricing	**4,961,294.28**	4,387,607.23
Dalian Port Petroleum & Chemical Co., Ltd.	Berth/Storage	Agreement-based pricing	**3,437,611.92**	3,437,611.92
Dalian Port Yidu Cold Chain Co., Ltd.	Field bridge/Stock yard	Agreement-based pricing	**3,031,948.45**	3,874,680.14
Dalian Sinotrans Logistics Co., Ltd.	Stock yard/Buildings	Agreement-based pricing	**1,789,682.55**	1,962,993.34
Yingkou Port Group	Machinery and equipment/Buildings	Agreement-based pricing	**1,629,331.78**	1,516,188.76
Panjin Port Group Co., Ltd.	Port and terminal facilities	Agreement-based pricing	**1,064,658.44**	4,532,323.02
China Merchants Property Management Co., Ltd.	Vehicles	Agreement-based pricing	**681,315.93**	681,315.93
Yingkou Ranggong Petrochemical Sales Co., Ltd.	Port and terminal facilities	Agreement-based pricing	**602,400.00**	602,400.00
Yingkou Huifeng Logistics Co., Ltd.	Buildings	Agreement-based pricing	**596,233.13**	487,827.14
Yingkou Hongyun Port Container Development Co., Ltd.	Port and terminal facilities	Agreement-based pricing	**314,669.72**	314,669.72
Liaoning Shenha Hongyun Logistics Co., Ltd.	Machinery and equipment	Agreement-based pricing	**272,115.81**	362,821.08
Dalian Dagang Container Terminal Co., Ltd.	Port and terminal facilities	Agreement-based pricing	**233,009.76**	235,776.42
Dalian North Oil Petroleum Logistics Co., Ltd.	Oil pipe and tank	Agreement-based pricing	**217,612.10**	211,904.76
Dalian Port Wantong Logistics Co., Ltd.	Stock yard	Agreement-based pricing	**190,171.43**	155,028.59
Dalian Automobile Terminal Co., Ltd.	Automobile test line	Agreement-based pricing	**126,794.73**	39,478.21
Yingkou Gangtong E-Commerce Co., Ltd.	Machinery and equipment/Buildings	Agreement-based pricing	**79,798.92**	–
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Machinery and equipment	Agreement-based pricing	**42,308.57**	42,308.57
Dalian Port Machinery and Electric Co., Ltd.	Land/buildings	Agreement-based pricing	**27,479.24**	32,241.15
Dalian United King Port Auto Trade Co., Ltd.	Buildings	Agreement-based pricing	**23,507.34**	26,182.38
Yingkou Ocean Shipping Tally Co., Ltd.	Buildings	Agreement-based pricing	**21,207.49**	–
PDA Group	Buildings	Agreement-based pricing	**19,047.62**	5,714.29
China United Tally (Dalian) Co., Ltd.	Buildings/Automobile	Agreement-based pricing	**14,314.29**	57,257.16
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Automobile	Agreement-based pricing	**12,876.11**	–
Shenyang Port Group Co., Ltd.	Automobile	Agreement-based pricing	**8,849.56**	–
Liaoning Port Group	Automobile	Agreement-based pricing	**4,646.02**	–
Sinotrans Container Lines (Hainan) Co., Ltd.	Vessels	Agreement-based pricing	**-**	3,035,863.80
Dalian Dagang Container Terminal Co., Ltd.	Machinery and equipment	Agreement-based pricing	**-**	1,605,504.60
Total			**155,693,327.63**	157,408,769.09

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(3) Leasing with related parties (continued)

The Group as the lessee

FY2025

Name of lessor	Type of the leased assets	Rental charges for short-term leases and leases of low-value assets for simplified processing	Variable lease payments not included in the measurement of lease liabilities	Rental paid	Interest expense on lease liabilities assumed	Increased right-of-use assets
Dalian Port Wantong Logistics Co., Ltd.	Vessels	-	-	-	218,256.04	-
Huaneng Yingkou Port Co., Ltd.	Machinery and equipment	5,619,469.02	-	5,619,469.02	-	-
Yingkou Port Group	Stock yard/Automobile/ Land/Terminal facilities	4,618,646.25	-	222,626,380.62	115,203,590.50	1,029,734.12
PDA Group	Buildings/Land/Port and terminal facilities	1,943,321.84	-	84,455,711.97	59,554,260.79	1,399,262.72
Dalian Hongyu Building Co., Ltd.	Buildings	289,786.59	-	419,855.19	71,943.84	-
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Buildings/Parking lot	627,838.93	-	4,568,154.06	2,887,943.23	15,682.87
Dalian Harbour Building Co., Ltd.	Buildings	507,400.72	-	2,769,571.91	845,238.66	1,947,087.96
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Buildings	47,428.59	-	47,428.59	-	-
Panjin Port Group Co., Ltd.	Vehicles	399,710.87	-	399,710.87	-	-
Dalian Port PetroChina International Terminal Co., Ltd.	Port and terminal facilities	-	-	76,460,560.32	62,024,508.94	-
Yingkou Port Shipping Agency Co., Ltd.	Buildings	-	-	1,239,082.57	55,321.37	-
Faku Yinggang Logistics Co., Ltd.	Machinery and equipment	442,477.92	-	442,477.92	-	-
Yingkou Yinlong Port Co., Ltd.	Port and terminal facilities	4,285,714.32	-	4,285,714.32	-	-
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	Vessels	460,677.89	-	460,677.89	-	-
Shenzhen Merchants Apartment Development Co., Ltd.	Buildings	44,794.67	-	44,794.67	-	-
Yingkou Port Fairy Island Pier Co., Ltd.	Buildings	36,508.37	-	36,508.37	-	-
Liaoning Shenha Hongyun Logistics Co., Ltd.	Machinery and equipment	663,706.17	-	663,706.17	-	-
Dalian United King Port Auto Trade Co., Ltd.	Vehicles	66,898.02	-	66,898.02	-	-
Sinotrans Container Lines Overseas Company Limited	Vessels	2,572,381.19	-	2,572,381.19	-	-
Total		22,626,761.36	-	407,179,083.67	240,861,063.37	4,391,767.67

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(3) Leasing with related parties (continued)

The Group as the lessee (continued)

FY2024

Name of lessor	Type of the leased assets	Rental charges for short-term leases and leases of low-value assets for simplified processing	Variable lease payments not included in the measurement of lease liabilities	Rental paid	Interest expense on lease liabilities assumed	Increased right-of-use assets
Dalian Port Wantong Logistics Co., Ltd.	Vessels	–	–	–	625,256.40	16,090,565.99
Huaneng Yingkou Port Co., Ltd.	Machinery and equipment	5,670,363.78	–	5,670,363.78	–	–
Shenyang Sinotrans & CSC Logistics Development Co., Ltd.	Buildings	2,965,403.80	–	2,965,403.80	–	–
Quanzhou Antong Logistics Co., Ltd.	Vessels	4,466,659.96	–	4,466,659.96	–	–
Yingkou Port Group	Stock yard/Automobile/ Land/Terminal facilities	5,012,922.90	–	225,611,489.19	121,479,029.34	25,769,137.77
PDA Group	Buildings/Land/Port and terminal facilities	442,807.39	–	82,618,990.56	60,845,529.14	2,128,173.43
Dalian Hongyu Building Co., Ltd.	Buildings	439,955.61	–	570,378.45	76,178.85	1,638,920.31
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Buildings/Parking lot	490,670.33	–	4,431,989.40	2,946,652.86	6,540,181.94
Dalian Harbour Building Co., Ltd.	Buildings	469,978.56	–	2,387,130.42	909,670.55	–
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Buildings	72,400.00	–	72,400.00	–	–
Vanguard International	Buildings	25,611.41	–	25,611.41	–	–
Panjin Port Group Co., Ltd.	Vehicles	15,802.64	–	15,802.64	–	–
Dalian Port PetroChina International Terminal Co., Ltd.	Port and terminal facilities	–	–	87,142,857.12	71,512,770.44	–
Yingkou Port Shipping Agency Co., Ltd.	Buildings	–	–	1,690,583.87	187,928.37	–
Dalian United King Port Auto Trade Co., Ltd.	Vehicles	76,199.34	–	76,199.34	–	–
Faku Yinggang Logistics Co., Ltd.	Machinery and equipment	437,720.38	–	437,720.38	–	–
Yingkou Yinlong Port Co., Ltd.	Port and terminal facilities	4,285,714.32	–	4,285,714.32	–	–
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	Vessels	756,278.13	–	756,278.13	–	–
Sinotrans Container Lines Co., Ltd.	Vessels	1,331,884.96	–	1,331,884.96	–	–
Sinotrans Container Lines Overseas Company Limited	Vessels	4,454,748.38	–	4,454,748.38	–	–
Total		31,415,121.89	–	429,012,206.11	258,583,015.95	52,166,979.44

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(4) Related party borrowings and lending

Borrowings from related parties

FY2025

During the year, the Group did not borrow any funds from related parties.

FY2024

Related party	Borrowing and lending amounts	Commencement date	Maturity date
Shenzhen Merchants Ping'an Asset Management Co., Ltd.	55,000,000.00	10 September 2024	9 September 2025

Repayment of borrowings from related parties

Item	**Accumulated for the year**	Accumulated for the prior year
PDA Group	**613,920,000.00**	578,700,000.00
China Merchants Group Finance Co., Ltd.	**300,000,000.00**	1,416,000,000.00
Shenzhen Merchants Ping'an Asset Management Co., Ltd.	**55,000,000.00**	639,000,000.00
China Merchants Bank Co., Ltd.	**7,866,666.67**	–
Dalian Port Investment and Financing Holding Group Co., Ltd.	**–**	25,000,000.00
Total	**976,786,666.67**	2,658,700,000.00

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(4) Related party borrowings and lending (continued)

Borrowings from related parties (continued)

Interest expenses of borrowings from related parties

Item	Accumulated for the year	Accumulated for the prior year
China Merchants Bank Co., Ltd.	**12,140,637.62**	–
PDA Group	**9,715,584.90**	6,756,908.73
China Merchants Group Finance Co., Ltd.	**3,881,027.25**	26,159,916.65
Shenzhen Merchants Ping'an Asset Management Co., Ltd.	**2,271,434.86**	3,860,981.78
Dalian Port Investment and Financing Holding Group Co., Ltd.	**–**	131,250.01
Total	**28,008,684.63**	36,909,057.17

The interest rates of the funds borrowed by the Group from the above related companies were determined by negotiation between the parties to the transactions with reference to the interest rates stipulated by the People's Bank of China for the same type of loans.

Lending to related parties

FY2025

Related party	Borrowing and lending amounts	Commencement date	Maturity date
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**22,230,000.00**	**23 October 2025**	**23 October 2028**

FY2024

There was no lending to related parties by the Group during the year.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(4) Related party borrowings and lending (continued)

Lending to related parties (continued)

Repayment of lending to related parties

Item	Accumulated for the year	Accumulated for the prior year
Vanguard International	–	23,000,000.00
Total	–	23,000,000.00

Interest income on lending to related parties

Related party	Accumulated for the year	Accumulated for the prior year
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**101,988.98**	–
Changxing Island Port	–	1,071,960.37
Vanguard International	–	936,002.29
Total	**101,988.98**	2,007,962.66

The interest rates of the funds borrowed from or lent to related companies by the Group were determined by negotiation between the parties to the transactions with reference to the interest rates stipulated by the People's Bank of China for the same type of loans.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(5) Transfer of assets of related parties

Acquisition of assets

Related party	Content of transactions	Accumulated for the year	Accumulated for the prior year
Dandong Port Group Co., Ltd.	Purchase of equipment	**59,507,800.00**	–
China Merchants Chongqing Communications Technology Research & Design Institute Co., Ltd.	Engineering construction	**44,732,450.05**	307,924.53
Dalian Port Design and Research Institute Co., Ltd.	Purchase of equipment/ engineering construction	**39,884,078.24**	81,212,375.92
Dalian Port Machinery and Electric Co., Ltd.	Purchase of equipment/ engineering construction	**20,816,038.27**	28,394,637.15
Dalian Port Machinery Co., Ltd.	Purchase of equipment/ engineering construction	**3,586,545.55**	9,571,856.99
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Purchase of equipment/ engineering construction	**2,204,356.63**	1,857,094.36
China Merchants International Technology Company Limited	Engineering construction	**665,099.35**	–
China Merchants Daojiahui Technology (Zhejiang) Co., Ltd.	Purchase of software	**122,804.41**	–
Hoi Tung (Shanghai) Company Limited	Purchase of equipment	**–**	11,924,778.76
Beijing Chewang Zhilian New Energy Technology Co., Ltd.	Purchase of equipment/ engineering construction	**–**	1,222,619.00
China Merchants Financial Technology Co., Ltd.	Engineering construction	**–**	892,547.17
Dalian United King Port Auto Trade Co., Ltd.	Purchase of equipment	**–**	614,513.29
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Engineering construction	**–**	347,245.37
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Purchase of equipment/ engineering construction	**–**	82,612.39
Total		**171,519,172.50**	136,428,204.93

(6) Remuneration of key management

Item	Accumulated for the year	Accumulated for the prior year
Remuneration of key management	**5,196,980.22**	5,892,978.24

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(7) Commitment between the Group and related parties

Leases

Item	Closing balance	Opening balance
As lessee		
Yingkou Port Group	**113,774,014.63**	108,402,389.12
PDA Group	**25,301,634.55**	24,051,886.78
Dalian Port PetroChina International Terminal Co., Ltd.	**15,195,387.68**	16,407,957.32
Dalian Port Wantong Logistics Co., Ltd.	**6,640,353.96**	9,565,379.89
Huaneng Yingkou Port Co., Ltd.	**5,619,469.03**	–
Yingkou Yinlong Port Co., Ltd.	**4,057,142.86**	4,285,714.29
Dalian Harbour Building Co., Ltd.	**2,208,091.19**	1,432,075.36
Yingkou Port Shipping Agency Co., Ltd.	**1,219,274.02**	1,628,282.86
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	**1,208,919.89**	1,520,351.38
Faku Yinggang Logistics Co., Ltd.	**241,581.42**	442,477.88
Dalian Hongyu Building Co., Ltd.	**61,610.99**	58,479.00
Yingkou Port Fairy Island Pier Co., Ltd.	**26,077.40**	–
Panjin Port Group Co., Ltd.	**12,955.75**	156,454.16
Yingkou Port Foreign Economic Cooperation Development Co., Ltd.	**–**	492,449.62
Dalian United King Port Auto Trade Co., Ltd.	**–**	107,323.02
Dandong Port Group Co., Ltd.	**–**	18,275.23
Total	**175,566,513.37**	168,569,495.91

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(7) Commitment between the Group and related parties (continued)

Leases (continued)

Item	Closing balance	Opening balance
As lessor		
Yingkou Container Terminals Company Limited	**94,801,129.69**	95,954,377.01
China Oil Dock Management (Dalian) Co., Ltd.	**14,260,000.00**	14,160,000.00
Quanzhou Antong Logistics Co., Ltd.	**9,005,302.66**	28,421,346.61
China United International Rail Containers (Dalian) Co., Ltd.	**4,961,294.28**	4,961,294.23
Dalian Port Petroleum & Chemical Co., Ltd.	**3,437,611.94**	3,437,611.92
Dalian Port Yidu Cold Chain Co., Ltd.	**2,868,970.00**	3,030,782.31
Dalian Sinotrans Logistics Co., Ltd.	**1,789,682.55**	–
Yingkou Port Group	**1,514,595.88**	1,523,137.05
Yingkou Ranggong Petrochemical Sales Co., Ltd.	**602,400.00**	–
Yingkou Hongyun Port Container Development Co., Ltd.	**314,669.72**	314,669.72
Dalian North Oil Petroleum Logistics Co., Ltd.	**217,612.10**	217,612.10
Yingkou Gangtong E-Commerce Co., Ltd.	**239,396.76**	–
Dalian Dagang Container Terminal Co., Ltd.	**233,009.76**	1,838,514.30
Dalian Automobile Terminal Co., Ltd.	**169,524.08**	169,524.08
Panjin Port Group Co., Ltd.	**160,508.88**	2,340,628.52
Dalian Port Wantong Logistics Co., Ltd.	**46,857.14**	190,171.43
China United Tally (Dalian) Co., Ltd.	**42,826.67**	14,314.29
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	**42,308.57**	42,308.57
Dalian Gangyu Logistics Supply Chain Co., Ltd.	**28,571.43**	–
Dalian United King Port Auto Trade Co., Ltd.	**28,390.28**	73,669.72
Dalian Port Machinery and Electric Co., Ltd.	**27,479.24**	27,479.24
PDA Group	**19,047.62**	19,047.62
Shenyang Port Group Co., Ltd.	**8,849.56**	–
Liaoning Shenha Hongyun Logistics Co., Ltd.	**–**	362,821.05
China Merchants Property Management Co., Ltd.	**–**	336,531.86
Yingkou Ocean Shipping Tally Co., Ltd.	**–**	6,697.10
Total	**134,820,038.81**	157,442,538.73

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(7) Commitment between the Group and related parties (continued)

Capital commitments

Item	Closing balance	Opening balance
Acquisition of assets		
Dalian Wanpeng Port Engineering Testing Co., Ltd.	–	50,000.00
Total	–	50,000.00

(8) Centralized fund management

Item	Closing balance	Opening balance
China Merchants Group Finance Co., Ltd.	**2,229,158,424.07**	1,367,696,045.64
China Merchants Bank Co., Ltd.	**1,110,208,633.66**	1,044,877,460.97
Total	**3,339,367,057.73**	2,412,573,506.61

The annual interest rate for deposits in FY2025 was 0.05%-2.05% (FY2024: 0.10%-2.30%). The Group obtained deposit interest income of RMB28,666,134.55 (FY2024: RMB41,638,603.73) from the related parties.

As at 31 December 2025, the Group had no accrued interest on cash at bank and on hand deposited with the related parties (31 December 2024: RMB1,822,292.22).

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(9) Related party trusteeship

The Company's trusteeship is analysed as follows:

Name of entrusting party	Name of entrusted party	Type of entrustment	Commencement date of the trusteeship	Termination date of the trusteeship	Pricing basis for the income from trusteeship	Income from trusteeship recognised in the current year
Liaoning Port Group, PDA Group, and Yingkou Port Group (Note 1)	Liaoning Port	Operation management	1 July 2022	Upon expiration of the custodianship period, if neither party raises any written objection, the term of this agreement shall be automatically extended for three years, and so on.	Fixed entrustment fee	7,547,169.80
PDA Group (Note 2)	Liaoning Port	Operation management	30 September 2024	Termination on the date of signing a written termination agreement	Fixed entrustment fee	188,679.28

Note 1: As reviewed and approved at the Board meeting held on 2 June 2022 by the Company, the Company has entered into the custodial service agreements with Liaoning Port Group, PDA Group and Yingkou Port Group, respectively. According to agreements, Liaoning Port Group, PDA Group and Yingkou Port Group entrusted the operation management rights of some of their subsidiaries to the Company for a term commencing from the effective date of the respective agreement to 31 December 2025. Upon expiration of the custodianship period, if neither party raises any written objection, the term of this agreement shall be automatically extended for three years, and so on. Liaoning Port Group shall pay to the Company a fixed entrustment fee of RMB8,000,000.00 per annum (inclusive of tax) in aggregate for all of the entrusted management services under the custodial service agreement, which includes all fees and corresponding taxes required by the Company to complete custodial matters under the custodial service agreements each year.

Note 2: As reviewed and approved at the Board meeting held on 26 August 2024 by the Company, the Company has entered into the custodial service agreements with PDA Group. According to the agreement, PDA Group entrusted the exercise of the operation and management rights of Changxing Island Port and Changxing Island Port Investment and Development to the Company for a custodianship period commencing from 30 September 2024 to the date of signing of the written termination agreement. PDA Group shall pay to the Company a fixed entrustment fee of RMB200,000.00 per annum (inclusive of tax) in aggregate for all of the entrusted management services under the custodial service agreement, which includes all fees and corresponding taxes required by the Company to complete custodial matters under the custodial service agreements each year.

(10) Equity transactions

The Group had no equity transactions with related parties during the year.

XI. Relationships and transactions with related parties (continued)

5. The Group had the following significant related transactions with the above related parties during the year: (continued)

(11) Other related transactions

Some related parties of the Group are engaged in port freight forwarding business, that is, the related parties are entrusted by the third-party freight companies to arrange cargo handling in the port area, including signing port operation contracts with the Group and settlement of port handling charges, etc. Such related parties are the agents of the third-party freight companies, so the Group didn't recognise the income arising from port handling in such businesses as the related transactions income with the related parties. Setting out below are the amounts settled between related agencies (on behalf of non-related third parties) and the Group:

Related party	Accumulated for the year	Accumulated for the prior year
China Merchants Gangrong Big Data Co., Ltd.	**504,781,363.87**	479,212,581.87
Yingkou Port Shipping Agency Co., Ltd.	**212,737,279.63**	197,837,540.00
Sinotrans Northeastern Co., Ltd.	**137,999,070.31**	65,641,176.33
Yingkou Ocean Shipping Agency Co., Ltd.	**99,559,689.42**	104,171,132.03
Yingkou Huifeng Logistics Co., Ltd.	**70,031,831.17**	30,974,818.67
China Marine Shipping Agency Liaoning Co., Ltd.	**65,321,780.63**	54,036,476.77
Huaneng Yingkou Port Co., Ltd.	**64,520,636.10**	76,193,094.18
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	**43,749,827.65**	128,913,341.61
Dalian United International Shipping Agency Co., Ltd.	**24,756,220.04**	19,422,244.88
Dalian Port Wantong Logistics Co., Ltd.	**24,159,393.05**	43,269,115.33
Yingkou Gangtong E-Commerce Co., Ltd.	**10,577,076.96**	2,587,681.82
Liaoning Shenha Hongyun Logistics Co., Ltd.	**615,629.09**	22,465,643.29
CSC Cargo Co., Ltd.	**259,689.97**	–
Yingkou COSCO Shipping Agency Co., Ltd.	**549.09**	2,798,716.86
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd.	**–**	1,627,246.23
Total	**1,259,070,036.98**	1,229,150,809.87

Save for the above port freight forwarding business, the Group received business receivables through e-commerce platform for port and shipping industry of China Merchants Gangrong. The Group received business receivables totaling RMB1,287,046,715.23 through China Merchants Gangrong for the FY2025 (FY2024: RMB1,891,440,224.09).

XII. Government grants

As at 31 December 2025, other receivables included a balance of RMB421,334,932.86 (31 December 2024: RMB307,413,298.21) in government grants receivable.

Refer to "Note IX. 38" for liability items as of 31 December 2025 involving government grants.

Government grants recognized in profit or loss are as follows:

	Accumulated for the year	Accumulated for the prior year
Asset-related government grants		
Recognized in other income	**43,675,904.95**	46,606,274.43
Recognized in non-operating income	**–**	232,132.58
Income-related government grants		
Recognized in other income	**156,551,330.75**	150,458,980.26
Recognized in non-operating income	**65,000.00**	52,400.00
Total	**200,292,235.70**	197,349,787.27

XIII. Financial instruments and risk management

The major financial instruments of the Group include cash at bank and on hand, financial assets held for trading, notes receivable, accounts receivable, receivables financing, other receivables, long-term receivables, investments in other equity instruments, short-term borrowings, accounts payable, other payables, non-current liabilities due within one year, bonds payable, lease liabilities, long-term borrowings, long-term payables, and so on. For a detailed description of each financial instrument, please refer to the notes to each item above. The risks associated with these financial instruments and the risk management policies adopted by the Group to mitigate these risks are summarized as follows. The management of the Group manages and monitors these risk exposures to ensure that the above risks are controlled within a limited scope.

1. Classification of financial instruments

As of 31 December 2025, the amount of financial assets at fair value through other comprehensive income totaled RMB458,953,036.68 (31 December 2024: RMB508,491,418.14), which are mainly presented in receivables financing and investments in other equity instruments; the amount of financial assets at fair value through profit or loss totaled RMB550,000.00 (31 December 2024: RMB550,000.00); the amount of financial assets at amortized cost totaled RMB9,132,262,209.00 (31 December 2024: RMB8,815,063,492.77), which are mainly presented in cash at bank and on hand, notes receivable, accounts receivable, other receivables, and long-term receivables; the amount of financial liabilities at amortized cost totaled RMB11,658,285,146.83 (31 December 2024: RMB14,597,371,591.05), which are mainly presented in short-term borrowings, accounts payable, other payables, non-current liabilities due within one year, long-term borrowings, bonds payable, lease liabilities, and long-term payables.

XIII. Financial instruments and risk management (continued)

2. Transfer of financial assets

Transfer method	Nature of financial assets transferred	Amount of financial assets transferred	Status of derecognition	Basis for determining derecognition
Bill endorsement	Notes receivable	2,613,270.16	Not derecognised	Substantially all of its risks and rewards are retained, including the risk of default associated with it.
Bill endorsement	Receivables financing	97,474,152.56	Continuous involvement	Substantially all the risks and rewards of ownership of the financial asset are neither transferred nor retained and control over the underlying financial asset is retained.

Financial assets transferred but not fully derecognized

As at 31 December 2025, the Group endorsed suppliers a bank acceptance for settlement of other payables but not derecognized with a book value of RMB2,613,270.16 (31 December 2024: RMB4,025,000.00). The Group is of the opinion that the Group retains nearly all the risks and rewards, including default risk related to it. Therefore, such other payables and other related payables settled will continuously be recognized in full. Subsequent to the endorsement, the Group will no longer retain use rights, including the rights for selling, transferring or pledging such assets to other third parties. As at 31 December 2025, the book value of payables settled by the Group totaled RMB2,613,270.16 (31 December 2024: RMB4,025,000.00).

Financial assets transferred and derecognized fully but with continuous involvement

As at 31 December 2025, the Group endorsed suppliers a bank acceptance for settlement of payables with a book value of RMB97,474,152.56 (31 December 2024: RMB165,484,578.24). As at 31 December 2025, the bank acceptance is due within 1 to 6 months. If acceptance banks dishonor the notes, the holders shall have the right to turn to the Group for recourse ("Continuous Involvement") according to the *Law of Bill*. The Group considered that substantially all the risks and rewards of the notes have been transferred. Therefore, the Group has derecognised in full the notes and the related payable that have been settled. The maximum loss and the undiscounted cash flow of Continuous Involvement and repurchase are equal to the book values of the notes. The Group believes that the fair value of Continuous Involvement is insignificant.

In FY2025, the Group did not recognise gains or losses on the date of its transfer. The Group had no current or accumulated income or expense related to Continuous Involvement of financial assets which had been derecognised. Endorsement is recorded evenly during the year.

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management

The Group is exposed to risks from various financial instruments in day-to-day operation, mainly including market risk (including foreign exchange risk, interest rate risk, and price risk of investments in equity instruments), credit risk, and liquidity risk. The major financial instruments of the Group include cash at bank and on hand, equity investments, debt investments, borrowings, notes receivable, accounts receivable, and accounts payable. Risks in connection with such financial instruments, and the risk management strategies adopted by the Group to mitigate such risks are summarized as follows.

The Board of Directors is responsible for planning and establishing a risk management structure for the Group, and developing risk management policies and the related guidelines across the Group, and supervising the performance of risk management measures. The Group has developed risk management policies to identify and analyze risks affecting the Group. These risk management policies have clear regulations over specific risks, and cover various aspects, including market risk, credit risk, and liquidity risk. The Group will evaluate the market environment and changes of the Group's operating activities on a regular basis to decide whether it is needed to update the risk management policies and systems. Risk management of the Group is carried out by the Risk Management Committee based on the policies as approved by the Board of Directors. Risk Management Committee identifies, evaluates, and mitigates related risks by working closely with other business divisions of the Group. The Internal Audit Department of the Group will review the risk management control and process regularly, and submit the review results to the Audit Committee of the Group.

The Group diversifies risks of financial instruments through appropriate diversified investment and business portfolios, and mitigates concentration risk in any single sector, specific region, or certain counterparties by formulating corresponding risk management policies.

(1) Market risk

1) Foreign exchange risk

The Group is exposed to trading exchange risk. Such risk arises from operating entities carrying out sales or purchases with currency other than their functional currency. Approximately 1% (2024: 2%) of sales of the Group are denominated in currency other than the functional currency of operating entities, while around 1% (2024: 4%) of cost is denominated in currency other than the functional currency of operating entities.

The table below is a sensitivity analysis of exchange rate risk. It reflects the impact on net profit or loss and other comprehensive income, net of tax, when a reasonably possible change in exchange rate of foreign currency occurs, with all other variables held constant.

		FY2025		FY2024	
Item	**Change in exchange rate**	**Impact on profit**	**Impact on shareholders' equity**	Impact on profit	Impact on shareholders' equity
RMB	Strengthens by 1% against USD	**-21,993.54**	**-21,993.54**	-45,157.97	-45,157.97
RMB	Weakens by 1% against USD	**21,993.54**	**21,993.54**	45,157.97	45,157.97
RMB	Strengthens by 1% against JPY	**-17.64**	**-17.64**	5,930.84	5,930.84
RMB	Weakens by 1% against JPY	**17.64**	**17.64**	-5,930.84	-5,930.84
RMB	Strengthens by 1% against KRW	**–**	**–**	-2,626.39	-2,626.39
RMB	Weakens by 1% against KRW	**–**	**–**	2,626.39	2,626.39

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(1) Market risk (continued)

2) Risk of change in interest rate

The risk of changes in market interest rate to which the Group is exposed is primarily related to its liabilities at variable interest rates.

In terms of management of interest rate risks, the Group's policy is to manage its interest cost using a mix of fixed and variable rate debts to avoid interest rate risks.

The table below is a sensitivity analysis of interest rate risk. It reflects the impact on net profit or loss (through the impact on floating rate borrowings) and shareholders' equity when a reasonably possible change in interest rates occurs, with all other variables held constant.

		FY2025		FY2024	
Item	**Increase of basis points**	**Increase of net profit or loss**	**Increase of shareholders' equity**	Increase of net profit or loss	Increase of shareholders' equity
RMB	50	**-16,875,874.50**	**-16,875,874.50**	-16,031,874.75	-16,031,874.75
RMB	-50	**16,875,874.50**	**16,875,874.50**	16,031,874.75	16,031,874.75

3) Price risk of investment in equity instruments

The price risk of investment in equity instruments is the risk that fair value of equity securities is reduced due to changes in the stock index and the value of individual stock. On 31 December 2025, the Group is exposed to the price risk of investment in equity instruments arising from an individual equity instrument investment classified as an equity instrument investment at fair value through profit or loss and an equity instrument investment at fair value through other comprehensive income.

The following table demonstrates the sensitivity of net profit or loss and other comprehensive income, net of tax, to every 1% increase in the fair values (based on the book value on the balance sheet date) of the equity instrument investments of the Group, with all other variables held constant.

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(1) Market risk (continued)

3) Price risk of investment in equity instruments (continued)

	Equity instrument investments Book value	Increase of net profit or loss	Increase in other comprehensive income net of tax	Total increase in shareholders' equity
31 December 2025				
Equity instrument investments				
Unlisted equity instrument investments at fair value – equity instrument investment at fair value through other comprehensive income	**192,600,251.97**	**–**	**1,444,501.89**	**1,444,501.89**
31 December 2024				
Equity instrument investments				
Unlisted equity instrument investments at fair value – equity instrument investment at fair value through other comprehensive income	217,510,342.27	–	1,631,327.57	1,631,327.57

4) Capital management

The Group's capital management mainly aims to ensure its ability to operate as a going concern, and maintain a healthy capital ratio to support its business development and maximize shareholders' value.

The Group manages and adjusts the capital structure based on changes in the economic situation and risk characteristics of related assets. To maintain or adjust the capital structure, the Group may adjust the profit distributed to shareholders, refund capital to shareholders, or issue new shares. The Group is not subject to external mandatory capital requirements. There were no changes in the objectives, policies, or procedures for capital management in FY 2025 and FY 2024.

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(1) Market risk (continued)

4) Capital management (continued)

The Group manages its capital using the leverage ratio, which is calculated by dividing net liabilities by the sum of adjusted capital and net liabilities. The net liabilities represent short-term borrowings, non-current liabilities due within one year, long-term borrowings, bonds payable, long-term payables, lease liabilities, and other non-current liabilities less cash at bank and on hand. The Group's leverage ratio on the balance sheet date is as follows:

Item	Closing balance	Opening balance
Short-term borrowings	–	55,328,483.98
Non-current liabilities due within one year	**308,320,220.29**	2,896,948,015.01
Long-term borrowings	**4,385,366,400.00**	4,171,233,200.00
Bonds payable	**999,133,182.99**	998,550,456.06
Long-term payables	**17,500,000.00**	17,500,000.00
Lease liabilities	**4,500,065,629.19**	4,845,764,366.97
Other non-current liabilities	–	56,737,436.20
Less: Cash at bank and on hand	**6,697,778,173.07**	5,280,231,133.78
Net liabilities	**3,512,607,259.40**	7,761,830,824.44
Shareholders' equity	**44,031,614,995.15**	43,403,096,890.01
Capital and net liabilities	**47,544,222,254.55**	51,164,927,714.45
Leverage ratio	**7.39%**	15.17%

(2) Credit risk

The Group only has trade with recognized third parties with good credit standing. Based on the Group's policies, customers who conduct credit transactions will be subject to credit review. In addition, the Group will continuously monitor the balance of accounts receivable to ensure that it will not be exposed to a significant risk of bad debts.

Since counterparties of cash at bank and on hand and bank acceptance notes receivables are banks and related parties with good reputations and high credit ratings, the credit risk arising from these financial instruments is insignificant.

Other financial assets of the Group comprise accounts receivable, receivables financing, other receivables, and long-term receivables. Credit risk from such financial assets is from default of counterparties, and its maximum risk exposure is equivalent to the book value of such instruments.

The Group's maximum credit risk exposure at each balance sheet date is the total amount charged to customers less the amount of impairment provision.

Credit risk concentration is managed based on customers. As of 31 December 2025, the Group is exposed to certain credit risk concentrations, as 71% (31 December 2024: 80%) and 77% (31 December 2024: 84%) of accounts receivable are respectively from the customer with the largest balance of accounts receivable and the top five customers. Save as the amount of RMB1,346,246,099.00 (31 December 2024: RMB2,601,614,716.00) due from Dalian Enaisikai International Trading Co., Ltd., the Group does not hold any security or other credit increment over the balance of other receivables.

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(2) Credit risk (continued)

Criteria for determining a significant increase in credit risk

The Group will evaluate whether credit risk in connection with financial instruments has increased significantly from initial recognition on each balance sheet date. When determining whether credit risk has increased significantly after initial recognition, the Group will consider obtaining reasonable information with a supporting basis without paying extra cost or effort, including qualitative and quantitative analysis of the historical data of the Group, external credit risk ratings, and forward-looking information. Based on a single financial instrument or group of financial instruments with similar credit risk characteristics, the Group will determine estimated changes in default risks of financial instruments during the period of existence, by comparing the default risk of financial instruments on the balance sheet date and that upon initial recognition.

When one or more of the following quantitative and qualitative standards are triggered, the Group believes that credit risk in connection with financial instruments has increased significantly:

1) For quantitative standards, the probability of default in the remaining existence period after the reporting date has increased to a certain proportion as compared with that upon initial recognition;

2) For qualitative standards, there are significant adverse changes in the operation or financial position of debtors and early-warning customer list.

Definition of assets with credit impairment

To determine whether there is credit impairment, the defining standards adopted by the Group are consistent with the objective of internal credit risk management for related financial instruments, by reference to the quantitative and qualitative indicators. When debtors are evaluated for credit impairment, the following factors will be taken into account:

1) significant financial difficulty of issuers or debtors;

2) breach of contract by debtors, such as default or overdue payment in interest or principal repayment;

3) a concession granted by the creditor to the debtor due to economic or contractual considerations related to the debtor's financial difficulty, which will not be granted under any other circumstances;

4) possible bankruptcy or other financial reorganization of the debtors;

5) disappearance of an active market for the financial asset due to financial difficulty of the issuer or the debtor;

6) purchase or creation of a financial asset at a significant discount reflecting the fact of credit loss.

Credit impairment of financial assets may be a joint result of multiple events, rather than a single identifiable event.

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(2) Credit risk (continued)

Credit risk exposure

Risk exposure of accounts receivable classified based on the internal rating of credit risk:

31 December 2025

	Unsecured			Secured		
	Book balance	Credit loss provision	Book value	Book balance	Credit loss provision	Book value
Accounts receivable	563,236,896.57	64,711,384.86	498,525,511.71	1,346,246,099.00	108,682,763.77	1,237,563,335.23
Including: A	355,370,246.45	36,807.81	355,333,438.64	–	–	–
B	121,577,771.33	133,167.76	121,444,603.57	–	–	–
C	27,750,426.81	6,214,934.44	21,535,492.37	1,346,246,099.00	108,682,763.77	1,237,563,335.23
D	58,538,451.98	58,326,474.85	211,977.13	–	–	–
Other receivables	663,017,697.27	93,611,838.16	569,405,859.11	–	–	–
Including: A	506,053,294.26	21,434,842.30	484,618,451.96	–	–	–
B	79,465,843.51	15,712,923.68	63,752,919.83	–	–	–
C	32,196,575.52	11,467,847.88	20,728,727.64	–	–	–
D	45,301,983.98	44,996,224.30	305,759.68	–	–	–

31 December 2024

	Unsecured			Secured		
	Book balance	Credit loss provision	Book value	Book balance	Credit loss provision	Book value
Accounts receivable	654,826,859.41	76,965,978.41	577,860,881.00	2,601,614,716.00	173,209,957.85	2,428,404,758.15
Including: A	375,479,644.99	38,827.42	375,440,817.57	–	–	–
B	116,492,865.02	156,628.13	116,336,236.89	–	–	–
C	91,651,878.43	5,826,786.14	85,825,092.29	2,601,614,716.00	173,209,957.85	2,428,404,758.15
D	71,202,470.97	70,943,736.72	258,734.25	–	–	–
Other receivables	537,645,336.32	100,630,867.74	437,014,468.58	–	–	–
Including: A	370,095,572.82	16,068,531.90	354,027,040.92	–	–	–
B	74,375,445.74	15,698,934.13	58,676,511.61	–	–	–
C	40,105,504.03	15,958,019.25	24,147,484.78	–	–	–
D	53,068,813.73	52,905,382.46	163,431.27	–	–	–

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(2) Credit risk (continued)

Credit risk exposure (continued)

Note: As at 31 December 2025, the book balance of the Group's secured accounts receivable amounted to RMB1,346,246,099.00 (31 December 2024: RMB2,601,614,716.00), which was mainly the Group's warehousing costs due from Dalian Enesky International Trade Co., Ltd. Based on the relevant agreement signed by the Group and Dalian Enesky International Trade Co., Ltd., this company shall not transfer its goods equivalent to such accounts receivable stored in the Group until the outstanding amount is settled.

(3) Liquidity risk

When managing the liquidity risks, the management of the Group believes that sufficient cash and cash equivalents should be maintained and monitored to meet the operating needs of the Group and reduce the impact of cash flow fluctuations. The management of the Group monitors the use of bank borrowings and ensures compliance with loan agreements.

The maturity analysis of the Group's financial liabilities at undiscounted contractual cash flows is as follows:

31 December 2025

Item	Book value	Within 1 year	1-5 years	Over 5 years	Total
Non-derivative financial assets and liabilities					
Short-term borrowings	-	-	-	-	-
Accounts payable	307,473,195.97	307,473,195.97	-	-	307,473,195.97
Other payables	1,140,426,518.39	1,140,426,518.39	-	-	1,140,426,518.39
Non-current liabilities due within one year	308,320,220.29	510,908,469.78	-	-	510,908,469.78
Long-term borrowings	4,385,366,400.00	-	1,548,857,197.80	2,923,899,200.00	4,472,756,397.80
Lease liabilities	4,500,065,629.19	-	1,461,467,200.00	6,368,766,273.40	7,830,233,473.40
Bonds payable	999,133,182.99	-	1,019,168,547.95	-	1,019,168,547.95
Long-term payables	17,500,000.00	-	3,500,000.00	14,000,000.00	17,500,000.00
Total	11,658,285,146.83	1,958,808,184.14	4,032,992,945.75	9,306,665,473.40	15,298,466,603.29

XIII. Financial instruments and risk management (continued)

3. Objectives and policies of risk management (continued)

(3) Liquidity risk (continued)

31 December 2024

Item	Book value	Within 1 year	1-5 years	Over 5 years	Total
Non-derivative financial assets and liabilities					
Short-term borrowings	55,328,483.98	56,307,650.65	–	–	56,307,650.65
Accounts payable	396,352,402.61	396,352,402.61	–	–	396,352,402.61
Other payables	1,215,694,666.42	1,215,694,666.42	–	–	1,215,694,666.42
Non-current liabilities due within one year	2,896,948,015.01	3,198,932,285.08	–	–	3,198,932,285.08
Long-term borrowings	4,171,233,200.00	–	1,107,467,200.00	3,063,766,000.00	4,171,233,200.00
Lease liabilities	4,845,764,366.97	–	1,602,458,426.74	7,045,649,972.90	8,648,108,399.64
Bonds payable	998,550,456.06	14,291,561.64	1,062,516,986.30	–	1,076,808,547.94
Long-term payables	17,500,000.00	–	–	17,500,000.00	17,500,000.00
Total	14,597,371,591.05	4,881,578,566.40	3,772,442,613.04	10,126,915,972.90	18,780,937,152.34

4. Fair value

(1) Assets and liabilities measured at fair value

31 December 2025

	Input used in fair value measurement			
Item	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Continuous fair value measurement				
Financial assets held for trading	–	–	**550,000.00**	**550,000.00**
Receivables financing	–	–	**266,352,784.71**	**266,352,784.71**
Investments in other equity instruments	–	–	**192,600,251.97**	**192,600,251.97**
Total	–	–	**459,503,036.68**	**459,503,036.68**

XIII. Financial instruments and risk management (continued)

4. Fair value (continued)

(1) Assets and liabilities measured at fair value (continued)

31 December 2024

	Input used in fair value measurement			
Item	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Continuous fair value measurement				
Financial assets held for trading	–	–	550,000.00	550,000.00
Receivables financing	–	–	290,981,075.87	290,981,075.87
Investments in other equity instruments	–	–	217,510,342.27	217,510,342.27
Total	–	–	509,041,418.14	509,041,418.14

(2) Level 3 fair value measurements

Management has assessed the cash at bank and on hand, notes receivable, accounts receivable, other receivables, short-term borrowings, accounts payable, and non-current liabilities due within one year, etc. Their fair values approximate their book values as the residual maturities of these instruments are not long.

The financial department of the Group is led by the financial manager and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial director and the Audit Committee. At each balance sheet date, the financial department analyses the movements in the fair value of the financial instrument and determines the major input applicable to the valuation. The valuation must be reviewed and approved by the financial manager. For the purposes of preparing interim and annual financial statements, the financial department discusses the valuation process and results with the Audit Committee twice a year.

The fair value of financial assets and financial liabilities is determined based on the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction, other than in a forced or liquidation sale. The following methods and assumptions were used in the estimate of fair value.

The fair value of long-term borrowings is calculated by discounting the future cash flows using the market yield currently available for other financial instruments with similar contract terms, credit risk and residual term as the discount rate. As at 31 December 2025 and 31 December 2024, the Group's exposure to non-performance risk associated with the long-term borrowings is assessed as insignificant.

The fair value of unlisted equity instrument investments is estimated using the market approach based on unobservable market prices or interest rate assumptions. The Group is required to identify comparable listed companies based on industry, size, leverage and strategy, and calculate the appropriate market multiplier for each comparable listed company identified. Adjustments are made based on specific facts and circumstances, taking into account factors such as liquidity and size differences from comparable listed companies. The Group believes that the fair value estimated using valuation techniques and its change are reasonable, and is the most applicable value on the balance sheet date.

For the fair value of the unlisted equity instrument investments, the Group estimated the potential impact of adopting other reasonable and possible assumptions as input in the valuation model.

XIII. Financial instruments and risk management (continued)

4. Fair value (continued)

(2) Level 3 fair value measurements (continued)

The following table summarises significant unobservable inputs for level 3 fair value measurement:

Item	Fair value at end of year	Valuation techniques	Unobservable inputs	Range (weighted average mean)
Financial assets held for trading	31 December 2025: 550,000.00	Cash flows discount method	Prepayment rate	31 December 2025: 0%
		Cash flows discount method	Default probability	31 December 2025: 0%
		Cash flows discount method	Default loss rate	31 December 2025: 0%
	31 December 2024: 550,000.00	Cash flows discount method	Prepayment rate	31 December 2024: 0%
		Cash flows discount method	Default probability	31 December 2024: 0%
		Cash flows discount method	Default loss rate	31 December 2024: 0%
Receivables financing	31 December 2025: 266,352,784.71	Cash flows discount method	Prepayment rate	31 December 2025: 0%
		Cash flows discount method	Default probability	31 December 2025: 0%
		Cash flows discount method	Default loss rate	31 December 2025: 0%
	31 December 2024: 290,981,075.87	Cash flows discount method	Prepayment rate	31 December 2024: 0%
		Cash flows discount method	Default probability	31 December 2024: 0%
		Cash flows discount method	Default loss rate	31 December 2024: 0%
Equity instrument investments	31 December 2025: 192,600,251.97	Listed company comparison method	Liquidity discount	31 December 2025: 18-37%
	31 December 2024: 217,510,342.27	Listed company comparison method	Liquidity discount	31 December 2024: 19-33%

XIII. Financial instruments and risk management (continued)

4. Fair value (continued)

(3) Fair value of financial instruments

The reconciliation of continuous fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

	Opening balance	Transfer into Level 3	Transfer out of Level 3	Total gain or loss for the year: Included in profit or loss	Total gain or loss for the year: Included in other comprehensive income	Purchase	Issue	Sale	Settlement	Closing balance	Assets held at the end of the year: Change in unrealised gain or loss at the end of the year included in profit or loss
31 December 2025											
Financial assets held for trading	**550,000.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**550,000.00**	**-**
Receivables financing	**290,981,075.87**	**-**	**-**	**-**	**-**	**769,081,025.18**	**-**	**793,709,316.34**	**-**	**266,352,784.71**	**-**
Equity instrument investments	**217,510,342.27**	**-**	**-**	**-**	**-24,910,090.30**	**-**	**-**	**-**	**-**	**192,600,251.97**	**-**
31 December 2024											
Financial assets held for trading	-	-	-	-	-	550,000.00	-	-	-	550,000.00	-
Receivables financing	244,381,797.52	-	-	-	-	809,969,242.71	-	763,369,964.36	-	290,981,075.87	-
Equity instrument investments	171,327,899.72	-	-	-	46,182,442.55	-	-	-	-	217,510,342.27	-

XIV. Contingencies

1. As of 31 December 2025, the status of the Group's pending lawsuits and arbitrations

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

From January 2020 to February 2021, Shunde (Dalian) Supply Chain Management Co., Ltd. (hereinafter referred to as "Shunde"), the independent third party of the Company, carried out cooperation with certain companies including Qingdao Kaitou International Trade Co., Ltd. (hereinafter referred to as "Qingdao Kaitou"), China Chengtong International Co., Ltd. (hereinafter referred to as "Chengtong"), Zhejiang Metals and Materials Co. (hereinafter referred to as "Zhejiang Metals"), Fujian Rongjiang Import & Export Co., Ltd. (hereinafter referred to as "Rongjiang"), and Qingdao Zhong Yan Trading Co., Ltd. (hereinafter referred to as "Qingdao Zhong Yan") and other companies (hereinafter referred to as "Import Agents" or "Warehousing Clients") by entering into Import Agent Agreement or Agent Procurement Contract with such Import Agents, pursuant to which the Import Agents agreed to license Shunde's import of goods and opening of letters of credit in the name of the Import Agents for the payment of imported goods, and the risks and liabilities of related imported goods shall be borne by Shunde. Meanwhile, the Import Agents signed a Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement with DCT Logistics, a subsidiary of the Group, agreeing that DCT Logistics handled import goods customs declaration, goods warehousing, and custody services for the Import Agents.

In practical operations, the costs incurred under the Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement shall be settled by Shunde in accordance with the agreed rates under the Packing and Unpacking (Packing up) Agreement it signed with DCT Logistics. As Shunde failed to make part of the import letter of credit payment to the Import Agents as scheduled, such Import Agents filed lawsuits against DCT Logistics in Dalian Maritime Court and other people's courts separately, requesting DCT Logistics and Shunde return the relevant goods under the Customs Declaration Logistics Warehousing Agreement or the Import Freight Forwarding Agreement signed with DCT Logistics. In May 2021, DCT Logistics was approved by the Dalian Maritime Court to file a pre-litigation property preservation against Shunde. After thorough consultation and negotiation among the parties to the litigation, one of the Warehousing Clients settled with Shunde and withdrew its lawsuit against Shunde and DCT Logistics, and this settlement did not involve any compensation obligation for DCT Logistics. The total claims of the other Warehousing Clients amounted to RMB1.06 billion. On 18 December 2023, Dalian Maritime Court issued a first instance judgement ((2022) Liao 72 Min Chu No. 1342 II) regarding the lawsuit case, holding that the case was suspected of involving economic crimes and should be transferred to the public security organs for investigation, thus it ruled to reject the prosecution of DCT Logistics.

On 24 November 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1428) regarding the lawsuit case of Chengtong against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB109.6946 million to Chengtong and the interest, based on the amount, to be calculated at the prime rate for the corresponding period as announced by the National Interbank Funding Center from 23 March 2021 up to the date of full payment. Other litigation claims from Chengtong were dismissed. On 9 December 2021, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Chengtong. On 1 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 21), rejecting all the claims of DCT Logistics. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6364), rejecting the retrial application. On 12 October 2022, Dalian Jifa Port Logistics Co., Ltd. received the assistance execution notice ((2022) Zhe 72 Zhi No. 286) issued by the Ningbo Maritime Court, requiring Dalian Jifa Port Logistics Co., Ltd. to deposit the lease payment payable to DCT Logistics into the account designated by the Ningbo Maritime Court. During the year, Dalian Jifa Port Logistics Co., Ltd. paid lease payments of RMB12.42 million into the account designated by the Ningbo Maritime Court. As of the date of issuance of this report, a total of RMB31.05 million in lease payments have been paid into the account designated by the Ningbo Maritime Court.

XIV. Contingencies (continued)

1. As of 31 December 2025, the status of the Group's pending lawsuits and arbitrations (continued)

Pending litigation and arbitration concerning DCT Logistics, a subsidiary of the Group (continued)

On 30 December 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1205) regarding the lawsuit case of Zhejiang Metals against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB10.2634 million to Zhejiang Metals and the interest, based on the amount, to be calculated at the benchmark borrowing rate as announced by the National Interbank Funding Center from 1 September 2021 up to the date of full payment. Other litigation claims from Zhejiang Metals were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Zhejiang Metals. On 11 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 129), rejecting all the claims of DCT Logistics. On 25 May 2022, Ningbo Maritime Court deducted RMB8.8393 million from the bank deposits of DCT Logistics according to the judgments and rulings in force. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6365), rejecting the retrial application.

On 31 December 2021, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 352) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB299.3826 million to Qingdao Kaitou and the interest, based on the amount, to be calculated at the prime rate for the corresponding period as announced by the National Interbank Funding Center from 27 March 2021 up to the date of full payment. Other litigation claims from Qingdao Kaitou were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Kaitou. On 16 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 715) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 352 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1348 I) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics, rejecting the litigation of Qingdao Kaitou. On 11 January 2024, Qingdao Kaitou appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued Civil Ruling No. (2024) Liao Min Zhong No. 610: revoking one of the civil rulings of the Dalian Maritime Court No. (2022) Liao 72 Min Zhong No. 1348, and directing the Dalian Maritime Court to hear the case. On 30 June 2025, Dalian Maritime Court issued a judgment with the number of (2025) Liao 72 Min Chu No. 114, ruling that: 1) Within ten days after the effective date of this judgment, DCT Logistics should compensate Qingdao Kaitou for the loss of goods of RMB319.2237 million and the interest for the amount to be calculated at the loan prime rate of the same period as announced by the National Interbank Funding Center from 27 March 2021 up to the date of actual payment; 2) Within ten days after the effective date of this judgment, DCT Logistics should compensate Qingdao Kaitou for the attorney's fees of RMB1.40 million, the preservation guarantee fees of RMB146,500, and the translation fees of RMB7,000; 3) Other litigation claims against DCT Logistics from Qingdao Kaitou were dismissed; 4) The litigation claim against Shunde from Qingdao Kaitou was dismissed. On 19 August 2025, Dalian Maritime Court issued the execution notice (2025) Liao 72 Zhi No. 382, ordering DCT Logistics to immediately perform the following obligations: 1) Pay Qingdao Kaitou RMB370,458,500 plus interest for late payment; 2) Pay execution fees of RMB437,900. On 18 December 2025, Dalian Maritime Court issued the execution ruling (2025) Liao 72 Zhi No. 382-1, ordering the lifting of all enforcement measures against the property held by the judgment debtor, DCT Logistics, and terminating the execution proceedings in case (2025) Liao 72 Zhi No. 382.

XIV. Contingencies (continued)

1. As of 31 December 2025, the status of the Group's pending lawsuits and arbitrations (continued)

Pending litigation and arbitration concerning DCT Logistics, a subsidiary of the Group (continued)

On 27 January 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 372) regarding the lawsuit case of Rongjiang against DCT Logistics. The judgement ruled that DCT Logistics should compensate Rongjiang for the loss of goods of RMB336.0810 million and the interest, based on the amount, to be calculated at the prime rate as announced by the National Interbank Funding Center from 7 April 2021 up to the date of full payment, and DCT Logistics should compensate Rongjiang for liability insurance fees of preservation of RMB254,800. Other litigation claims from Rongjiang were dismissed. On 1 March 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Rongjiang. On 4 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 642) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 372 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1189 l) regarding the lawsuit case of Rongjiang against DCT Logistics, rejecting the litigation of Rongjiang. On 9 January 2024, Rongjiang appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued Civil Ruling No. (2024) Liao Min Zhong No. 569: revoking one of the civil rulings of the Dalian Maritime Court No. (2022) Liao 72 Min Zhong No. 1189, and directing the Dalian Maritime Court to hear the case. On 30 June 2025, Dalian Maritime Court issued a judgment with the number of (2025) Liao 72 Min Chu No. 317, ruling that: 1) Within ten days after the effective date of this judgment, DCT Logistics should compensate Rongjiang for the loss of goods of RMB336.0810 million and the interest for the amount to be calculated at the loan prime rate of the same period as announced by the National Interbank Funding Center from 7 April 2021 up to the date of full payment; 2) Within ten days after the effective date of this judgment, DCT Logistics should compensate Rongjiang for the attorney's fees of RMB2.57 million and the preservation guarantee fees of RMB254,800. On 5 September 2025, Dalian Maritime Court issued the execution notice (2025) Liao 72 Zhi No. 393, ordering DCT Logistics to immediately perform the following obligations: 1) Pay Rongjiang RMB391,358,700 plus interest for late payment; 2) Pay execution fees of RMB458,800.

On 19 June 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 808) regarding the lawsuit case of Qingdao Zhong Yan against DCT Logistics. The judgement ruled that DCT Logistics should compensate Qingdao Zhong Yan for the loss of goods of RMB169.2464 million and the interest, based on the amount, to be calculated at the prime rate as announced by the National Interbank Funding Center from 9 April 2021 up to the date of full payment, and DCT Logistics should compensate Qingdao Zhong Yan for liability insurance fees of preservation of RMB134,700. Other litigation claims from Qingdao Zhong Yan were dismissed. On 3 July 2023, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Zhong Yan. On 24 December 2024, the Higher People's Court of Liaoning Province Civil Judgment (2023) Liao Min Zhong No. 1787 was received: the appeal was rejected and the original judgment was upheld. On 4 March 2025, Dalian Maritime Court's execution notice (2025) Liao 72 Zhi No. 133 was received, ordering DCT Logistics to pay Qingdao Zhong Yan RMB169.3861 million plus interest, and bear the execution fees of RMB236,800.

XIV. Contingencies (continued)

1. As of 31 December 2025, the status of the Group's pending lawsuits and arbitrations (continued)

Pending litigation and arbitration concerning DCT Logistics, a subsidiary of the Group (continued)

On 30 December 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041) regarding the lawsuit case of Xinwen Mining Group Material Supply and Marketing Co., Ltd. (hereinafter referred to as "Xinwen Mining") against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB12.5291 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB12.5291 million and RMB2.3585 million, to be calculated at the prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of full payment, and DCT Logistics should pay RMB45,000 to Xinwen Mining for liability insurance fees of preservation. Other litigation claims from Xinwen Mining were dismissed. On 18 January 2023, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Xinwen Mining. On 17 August 2023, the Higher People's Court of Liaoning Province issued a civil ruling ((2023) Liao Min Zhong No. 881) as follows: the civil judgment of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041 was changed to "rule that DCT Logistics should pay RMB11.8276 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB11.8276 million and RMB2.3585 million, to be calculated at prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of full payment", and the original judgment was upheld for other matters. On 7 September 2023, Dalian Maritime Court issued the execution notice (2023) Liao 72 Zhi No. 600, ordering DCT Logistics to pay Xinwen Mining RMB14,236,100 and to pay execution fees of RMB81,600. On 29 April 2025, Dalian Maritime Court issued the execution notice (2025) Liao 72 ZhiHui No. 50, ordering DCT Logistics to pay Xinwen Mining RMB14,236,100 plus interest, and to bear execution fees of RMB81,600.

In May 2022, Chongqing Yu Feng Imp. & Exp. Co., Ltd. (hereinafter referred to as "Chongqing Yu Feng") filed a lawsuit with Wuhan Maritime Court against DCT Logistics, demanding DCT Logistics to compensate it RMB120.2513 million and the loss of interest on that capital amount. On 6 September 2022, Wuhan Maritime Court issued a first instance judgement (Wuhan Maritime Court (2021) E 72 Min Chu No. 820) regarding the lawsuit case of Chongqing Yu Feng against DCT Logistics. The judgement ruled that DCT Logistics should pay Chongqing Yu Feng RMB120.2513 million and the loss of interest, based on that amount, to be calculated at the prime rate as announced by the National Interbank Funding Center from 20 March 2021 up to the date of the actual performance of the effective judgement. Other litigation claims from Chongqing Yu Feng were dismissed. On 16 September 2022, DCT Logistics appealed to the Higher People's Court of Hubei Province against the first instance judgment regarding the case of Chongqing Yu Feng. On 16 May 2023, the Higher People's Court of Hubei Province issued a civil ruling ((2022) E Min Zhong No. 1361), rejecting all the claims of DCT Logistics. On 17 November 2023, the Wuhan Maritime Court issued a ruling ((2023) E 72 Zhi No. 447 I) on the case regarding Chongqing Yu Feng's application for the compulsory execution against DCT Logistics, terminating the current enforcement proceedings.

XIV. Contingencies (continued)

1. As of 31 December 2025, the status of the Group's pending lawsuits and arbitrations (continued)

Pending litigation and arbitration concerning DCT Logistics, a subsidiary of the Group (continued)

Having fully considered the amount of claims involved by DCT Logistics, the judgment issued by the court and the opinions of internal and external legal advisors, and taking into account that DCT Logistics is a limited company and that the Company and other subsidiaries of the Group do not have guarantee liability or joint and several liabilities over any such liability of DCT Logistics, on 31 December 2021, the Group made provisions for estimated liabilities of RMB180 million as of 31 December 2021 which was equivalent to the recoverable amount of the book value of the net assets of DCT Logistics as of the same date. Due to the transfer of the bank deposits of DCT Logistics ordered by the court, the estimated liabilities for the current year decreased by RMB12.42 million (2024: RMB8.28 million). As of 31 December 2025, the balance of the estimated liabilities for these litigation cases was RMB140 million.

As DCT Logistics was unable to pay its outstanding debts and lacked the ability to settle them, its general meeting passed a resolution on 30 September 2025 approving the company's application to the court for bankruptcy liquidation. On 16 December 2025, the People's Court of Dalian Economic and Technological Development Zone issued a civil ruling (2025) Liao 0291 PoShen No. 5, formally accepting the bankruptcy liquidation application filed by DCT Logistics. On 28 January 2026, the People's Court of Dalian Economic and Technological Development Zone issued a civil ruling (2026) Liao 0291 Po No. 1, appointing Dalian Wanlong Tianxin Certified Public Accountants Co., Ltd. as the bankruptcy administrator of DCT Logistics. As of the date of issuance of this report, the handover procedures are underway.

Save for the above contingencies, as at 31 December 2025, the Group did not have other major guarantees and other contingencies required to be specified.

XV. Non-adjustments in events after the balance sheet date

1. Distribution of profits after the balance sheet date

As considered and approved by the Board of Directors of the Company at the meeting held on 26 March 2026, the 2025 profit distribution plan proposes to distribute a cash dividend of RMB0.286 (including tax) per 10 shares to all shareholders based on the Company's current total issued share capital of 23,571,767,213 shares, totaling RMB674,152,542.29 in cash dividends. If the total share capital of the Company changes prior to the record date for the implementation of the rights and interests distribution, the total distribution amount will be adjusted by the Company in accordance with the principle of unchanged dividend per share. This proposal is subject to the approval of the general meeting of the Company.

XVI. Significant capital commitments

As of 31 December 2025, the Group had no significant capital commitments.

XVII. Emoluments of directors, supervisors and senior management

Item	Accumulated for the year	Accumulated for the prior year
Director's fee	**650,000.00**	650,000.00
Other emoluments:		
Salaries and allowances	**5,348,219.04**	6,862,126.42
Pension plan contribution, etc.	**960,796.83**	365,334.24
Total	**6,959,015.87**	7,877,460.66

1. Independent non-executive directors

The fees paid to independent non-executive directors are as follows:

	Accumulated for the year	Accumulated for the prior year
Chan Wai Hei	**250,000.00**	250,000.00
Liu Chunyan	**200,000.00**	200,000.00
Cheng Chaoying	**200,000.00**	200,000.00
Total	**650,000.00**	650,000.00

XVII. Emoluments of directors, supervisors and senior management (continued)

2. Executive directors, non-executive directors and supervisors

	Accumulated for the year	Accumulated for the prior year
Salaries and allowances:		
Executive directors:		
Wei Minghui	**694,944.04**	1,111,528.04
Wang Zhixian*	**–**	–
Li Guofeng**	**–**	–
Non-executive directors:		
Zhang Hong**	**88,514.50**	–
Li Guofeng*	**–**	–
Liu Bin	**–**	–
Wang Zhu***	**–**	–
Yang Bing	**–**	–
Huang Zhenzhou**	**–**	–
XU Xin***	**–**	–
Li Yubin***	**–**	–
Supervisors:****		
Kuang Zhiguo	**–**	–
Cui Beiqiang	**–**	–
Zhang Hong	**460,529.00**	621,618.00
Gao Shicheng	**362,609.00**	530,830.50
Ding Kai	**50,000.00**	100,000.00
Total	**1,656,596.54**	2,363,976.54

XVII. Emoluments of directors, supervisors and senior management (continued)

2. Executive directors, non-executive directors and supervisors (continued)

	Accumulated for the year	Accumulated for the prior year
Pension plan contribution, etc.:		
Executive directors:		
Wei Minghui	**115,487.40**	41,016.96
Wang Zhixian*	**–**	–
Li Guofeng**	**–**	–
Non-executive directors:		
Zhang Hong**	**29,001.45**	–
Li Guofeng*	**–**	–
Liu Bin	**–**	–
Wang Zhu***	**–**	–
Yang Bing	**–**	–
Huang Zhenzhou**	**–**	–
XU Xin***	**–**	–
Li Yubin***	**–**	–
Supervisors:****		
Zhang Hong	**57,044.40**	41,016.96
Gao Shicheng	**64,337.30**	41,016.96
Ding Kai	**–**	–
Cui Beiqiang	**–**	–
Kuang Zhiguo	**–**	–
Total	**265,870.55**	123,050.88

* Wang Zhixian resigned as the chairman, executive director of the Company in May 2025; Li Guofeng resigned as a non-executive director of the Company in May 2025.

** Li Guofeng has served as the chairman, executive director of the Company since May 2025; Huang Zhenzhou has served as a non-executive director of the Company since February 2025; Zhang Hong has served as an employee representative director of the Company since October 2025.

*** XU Xin served as a non-executive director of the Company from June 2023 to April 2024; Li Yubin served as a non-executive director of the Company from December 2023 to November 2024; Wang Zhu served as a non-executive director of the Company from June 2024 to October 2025.

**** It is based on the proposal on revising the *Articles of Association of Liaoning Port Co., Ltd.* approved at the 2024 Annual General Meeting held on 26 June 2025, specifying that "Article 135 An Audit Committee is established under the Board of Directors of the Company to exercise the power of the Board of Supervisors as stipulated in the *Company Law*." The Company will not set up the Board of Supervisors.

XVII. Emoluments of directors, supervisors and senior management (continued)

3. Senior management

	Accumulated for the year	Accumulated for the prior year
Salaries and allowances:		
Wei Minghui	**694,944.04**	1,111,528.04
Li Guodong**	**647,437.50**	251,447.50
Wang Huiying	**632,558.00**	697,158.00
Guan Lihui	**616,250.50**	738,710.50
Tang Ming**	**597,098.00**	378,891.00
Yin Kaiyang*	**528,393.50**	701,558.00
Luo Dongxi*	**452,584.50**	711,658.00
Li Shuibo***	**152,940.50**	–
Meng Tiexiang***	**64,360.00**	–
Lee, Kin Yu Arthur*	**–**	849,126.88
Tai Jingang*	**–**	169,600.00
Total	**4,386,566.54**	5,609,677.92
Pension plan contribution, etc.:		
Wei Minghui	**115,487.40**	41,016.96
Guan Lihui	**119,980.00**	41,016.96
Wang Huiying	**115,487.40**	41,016.96
Tang Ming**	**115,487.40**	41,016.96
Li Guodong**	**122,322.78**	27,344.64
Yin Kaiyang*	**86,485.95**	41,016.96
Luo Dongxi*	**67,492.70**	41,016.96
Li Shuibo***	**48,335.75**	–
Meng Tiexiang***	**19,334.30**	–
Tai Jingang*	**–**	9,853.92
Total	**810,413.68**	283,300.32

During the year, there was no agreement for a director, supervisor or senior management to waive or agree to waive the emoluments for the year (FY2024: Nil).

The ratio of the number of directors, supervisors and senior management departures during the year to the total number of directors, supervisors and senior management at the beginning of the year was 38.10% (FY2024: 19.05%).

XVII. Emoluments of directors, supervisors and senior management (continued)

3. Senior management (continued)

* Yin Kaiyang resigned as a deputy general manager of the Company in November 2025; Luo Dongxi resigned as a deputy general manager of the Company in July 2025; Tai Jingang resigned as a deputy general manager of the Company in April 2024; Lee, Kin Yu Arthur left the Company in September 2024 as joint company secretary and qualified accountant of the Company.

** Tang Ming has been the chief financial director of the Company since January 2024; Li Guodong has been a deputy general manager of the Company since April 2024.

*** Li Shuibo has served as a deputy general manager of the Company since August 2025; Meng Tiexiang has served as a deputy general manager of the Company since December 2025.

4. The top five highest paid individuals

The top five highest paid individuals of the Group in FY2025 included 1 director (the top five highest paid individuals of the Group in FY2024 included 1 director). The aggregate emoluments are as follows:

	Accumulated for the year	Accumulated for the prior year
Salaries and allowances	**3,494,074.54**	4,221,157.87
Social security	**584,272.38**	576,973.41
Total	**4,078,346.92**	4,798,131.28

Emolument bands

	Accumulated for the year	Accumulated for the prior year
RMB0 – RMB1,000,000	**5 persons**	4 persons
RMB1,000,000 – RMB1,500,000	**0 persons**	1 persons

XVIII. Notes to key items in the parent company's financial statements

1. Accounts receivable

(1) General information on accounts receivable

Item	Closing balance	Opening balance
Accounts receivable	**1,374,245,290.79**	3,402,415,783.12
Less: Credit loss provision	**130,441,429.60**	202,816,140.42
Total	**1,243,803,861.19**	3,199,599,642.70

(2) Overall aging of accounts receivable

	Closing balance			Opening balance		
Item	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	**493,489,403.79**	**35.91**	**34,147,539.74**	756,283,845.47	22.22	679,402.68
1 to 2 years (including 2 years)	**10,793,483.00**	**0.79**	**2,244,388.20**	627,992,350.00	18.46	43,708,397.53
2 to 3 years (including 3 years)	**625,887,330.00**	**45.54**	**55,522,107.45**	611,018,386.86	17.96	46,625,421.49
Over 3 years	**244,075,074.00**	**17.76**	**38,527,394.21**	1,407,121,200.79	41.36	111,802,918.72
Total	**1,374,245,290.79**	**100.00**	**130,441,429.60**	3,402,415,783.12	100.00	202,816,140.42

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

	Opening balance	Provision in the year	Recovery or reversal during the year	Write-off in the year	Other changes	Closing balance
FY2025	**202,816,140.42**	**-67,037,805.92**	**–**	**-5,336,904.90**	**–**	**130,441,429.60**
FY2024	572,090,840.08	-369,274,699.66	–	–	–	202,816,140.42

XVIII. Notes to key items in the parent company's financial statements (continued)

1. Accounts receivable (continued)

(4) Details of accounts receivable of which provision for bad debts is made are as follows:

As at 31 December 2025, details of the Company's accounts receivable of which provision for bad debts is made according to its credit risk rating are as follows:

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	**70,219,130.79**	**7,021.91**	**0.00-0.10**
B	**362,550.00**	**362.55**	**0.10-0.30**
C	**1,279,153,584.00**	**106,167,401.24**	**0.30-50.00**
D	**24,510,026.00**	**24,266,643.90**	**50.00-100.00**
Total	**1,374,245,290.79**	**130,441,429.60**	**–**

As at 31 December 2024, details of the Company's accounts receivable of which provision for bad debts is made according to its credit risk rating are as follows:

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	725,112,748.08	72,511.26	0.00-0.10
B	34,362,041.16	49,302.39	0.10-0.30
C	2,613,364,110.23	173,797,427.56	0.30-50.00
D	29,576,883.65	28,896,899.21	50.00-100.00
Total	3,402,415,783.12	202,816,140.42	–

XVIII. Notes to key items in the parent company's financial statements (continued)

1. Accounts receivable (continued)

(5) Information on the top five entities by the amounts of accounts receivable

Name of entity	Relationship with the Group	Amount	Aging	Credit loss provision	Percentage of total accounts receivable (%)
Dalian Enesky International Trade Co., Ltd.	Client	1,256,081,784.00	1-2 years, 2-3 years, and over 3 years	101,403,777.44	91.40
Beiliang Port Customs of the People's Republic of China	Government agency	23,030,000.00	1 to 2 years, 2 to 3 years	4,761,533.80	1.68
Changxing Island Port	Related party	11,201,303.82	2 to 3 years, over 3 years	11,041,303.82	0.82
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Related party	8,470,705.50	Within 1 year	847.07	0.62
Northeast Asia Spot Commodity Exchange Co., Ltd.	Client	6,616,810.61	Over 3 years	6,616,810.61	0.48
Total	——	1,305,400,603.93	——	123,824,272.74	95.00

2. Other receivables

Item	Closing balance	Opening balance
Interest receivable	**203,695.46**	5,053,433.31
Dividends receivable	**1,839,219,420.54**	2,240,817,539.75
Other receivables	**699,976,386.12**	52,314,920.31
Total	**2,539,399,502.12**	2,298,185,893.37

(1) Interest receivable

1) Classification of due interest receivable

Item	Closing balance	Opening balance
Subsidiary and related party borrowings	**6,089,335.44**	10,728,085.59
Less: Credit loss provision	**5,885,639.98**	5,674,652.28
Book value	**203,695.46**	5,053,433.31

As at 31 December 2025, there was no significant amount of overdue interest (31 December 2024: Nil).

XVIII. Notes to key items in the parent company's financial statements (continued)

2. Other receivables (continued)

(1) Interest receivable (continued)

2) Provision for credit loss of interest receivable

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	4,813.38	–	5,669,838.90	5,674,652.28
Opening balance for the year:	–	–	–	–
– Transferred into Stage III				
Provision in the year	-4,813.38	–	215,801.08	210,987.70
Other changes	–	–	–	–
Closing balance	–	–	5,885,639.98	5,885,639.98

The provision for bad debts in 2025 amounted to RMB210,987.70 (2024: RMB4,332,181.98), and no recovery or reversal of the provision for bad debts was recorded (2024: nil).

(2) Dividends receivable

1) Presentation of dividends receivable

Investee	Closing balance	Opening balance
Dalian Port Container Development Co., Ltd.	**1,118,108,457.70**	1,406,138,252.12
Yingkou Ltd.	**693,089,600.46**	818,611,143.62
Dalian Automobile Terminal Co., Ltd.	**11,200,000.00**	12,800,000.00
Dalian Port Oil Terminal Co., Ltd.	**8,784,699.45**	–
China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	**5,004,708.18**	–
Dalian Port Haiheng Ship Management Co., Ltd.	**1,503,374.89**	1,250,964.55
Dalian International Container Services Co., Ltd.	**1,186,758.66**	2,017,179.46
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	**341,821.20**	–
Total	**1,839,219,420.54**	2,240,817,539.75
Less: Credit loss provision	**–**	–
Book value	**1,839,219,420.54**	2,240,817,539.75

XVIII. Notes to key items in the parent company's financial statements (continued)

2. Other receivables (continued)

(2) Dividends receivable (continued)

2) Material dividends receivable aged over 1 year

Investee	Closing balance	Opening balance	Reasons for being unsettled	Closing balance of credit loss provision
Dalian Port Container Development Co., Ltd.	**860,000,000.00**	1,140,000,000.00	Delay of payment	–
Total	**860,000,000.00**	1,140,000,000.00	——	–

3) Movements in provision for credit losses on dividends receivable

In FY2025, there was no provision for bad debts (2024: Nil), and no recovery or reversal of bad debt provision was recorded (2024: Nil).

(3) Other receivables

1) Analysis by nature

Nature of amount	Closing balance	Opening balance
Receivables from income of entrusted management services	**59,775,308.22**	69,424,500.00
Others	**665,971,600.65**	10,986,785.90
Subtotal	**725,746,908.87**	80,411,285.90
Less: Credit loss provision	**25,770,522.75**	28,096,365.59
Total	**699,976,386.12**	52,314,920.31

XVIII. Notes to key items in the parent company's financial statements (continued)

2. Other receivables (continued)

(3) Other receivables (continued)

2) Aging analysis

	Closing balance			Opening balance		
Item	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	673,908,777.15	92.86	578,806.29	19,692,403.38	24.50	2,016,929.87
1 to 2 years (including 2 years)	2,685,977.25	0.37	2,358,892.53	2,400,000.00	2.98	2,160,000.00
2 to 3 years (including 3 years)	2,400,000.00	0.33	2,280,000.00	3,893,990.85	4.84	3,339,596.34
Over 3 years	46,752,154.47	6.44	20,552,823.93	54,424,891.67	67.68	20,579,839.38
Total	725,746,908.87	100.00	25,770,522.75	80,411,285.90	100.00	28,096,365.59

3) Details of the Company's other receivables for which provision for bad debts is made according to its credit risk rating portfolio are as follows:

31 December 2025

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	672,980,323.07	67,304.52	0.00-0.10
B	392,133.33	392.13	0.05-0.30
C	30,000,000.00	3,800,669.46	0.30-50.00
D	22,374,452.47	21,902,156.64	50.00-100.00
Total	725,746,908.87	25,770,522.75	–

31 December 2024

Rating	Book balance	Impairment provision	Accrual ratio (%)
A	17,371,426.13	1,797.14	0.00-0.10
B	–	–	0.10-0.30
C	41,550,205.30	7,357,538.98	0.30-50.00
D	21,489,654.47	20,737,029.47	50.00-100.00
Total	80,411,285.90	28,096,365.59	—

XVIII. Notes to key items in the parent company's financial statements (continued)

2. Other receivables (continued)

(3) Other receivables (continued)

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

31 December 2025

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	**1,797.14**	**7,357,538.98**	**20,737,029.47**	**28,096,365.59**
Opening balance for the year:	**–**	**–**	**–**	**–**
– Transferred into Stage II	**–**	**–**	**–**	**–**
– Transferred into Stage III	**–**	**-28,347.73**	**28,347.73**	**–**
– Transferred back to Stage II	**–**	**–**	**–**	**–**
– Transferred back to Stage I	**–**	**–**	**–**	**–**
Provision in the year	**65,899.51**	**-3,528,521.79**	**1,136,779.44**	**-2,325,842.84**
Closing balance	**67,696.65**	**3,800,669.46**	**21,902,156.64**	**25,770,522.75**

31 December 2024

Credit loss provision	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	42,012.46	604,242.04	78,485,154.47	79,131,408.97
Opening balance for the year:	–	–	–	–
– Transferred into Stage II	–	–	–	–
– Transferred into Stage III	-35.00	–	35.00	–
– Transferred back to Stage II	–	60,077,000.00	-60,077,000.00	–
– Transferred back to Stage I	60,000.00	–	-60,000.00	–
Provision in the year	-100,180.32	-53,323,703.06	2,388,840.00	-51,035,043.38
Closing balance	1,797.14	7,357,538.98	20,737,029.47	28,096,365.59

XVIII. Notes to key items in the parent company's financial statements (continued)

2. Other receivables (continued)

(3) Other receivables (continued)

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

In FY2025, the provision for bad debts amounted to RMB-2,325,842.84 (2024: RMB-51,035,043.38). There was no recovery or reversal of provision for bad debts (2024: Nil), and no provision for bad debts written off (2024: Nil).

5) Other receivables of the top five debtors by closing balances

Name of entity	Book balance	Aging	Percentage of total other receivables (%)	Credit loss provision	Nature or content
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	360,229,410.00	Within 1 year	49.64	36,022.94	Others
Dalian Port Oil Terminal Co., Ltd.	150,556,486.27	Within 1 year	20.75	15,055.64	Others
Dalian International Logistics Park Development Co., Ltd.	105,000,000.00	Within 1 year	14.47	10,500.00	Others
Jifa Logistics	46,011,500.00	Within 1 year	6.34	4,601.15	Others
Changxing Island Port Investment and Development	30,000,000.00	Over 5 years	4.13	3,800,669.46	Receivables from income of entrusted management services
Total	691,797,396.27	—	95.33	3,866,849.19	—

3. Long-term receivables

(1) Overall situation of long-term receivables

Item	Closing balance			Opening balance		
	Book balance	Credit loss provision	Book value	Book balance	Credit loss provision	Book value
Inter-company borrowings receivable	**4,025,687,217.50**	**402,568.72**	**4,025,284,648.78**	4,370,694,624.99	545,105.36	4,370,149,519.63
Less: Long-term receivables due within one year	**3,002,520,833.34**	**300,252.08**	**3,002,220,581.26**	3,369,777,958.33	445,013.69	3,369,332,944.64
Long-term receivables due after one year	**1,023,166,384.16**	**102,316.64**	**1,023,064,067.52**	1,000,916,666.66	100,091.67	1,000,816,574.99

XVIII. Notes to key items in the parent company's financial statements (continued)

3. Long-term receivables (continued)

(2) The movements of provision for bad debts of long-term receivables are as follows:

	Opening balance	Provision in the year	Other changes	Recovery or reversal during the year	Write-off in the year	Closing balance
FY2025	**545,105.36**	**–**	**–**	**-142,536.64**	**–**	**402,568.72**
FY2024	13,652,409.80	–	–	-13,107,304.44	–	545,105.36

4. Long-term equity investments

(1) Classification of long-term equity investments

Item	Opening balance	Increase in the year	Decrease in the year	Other increase (decrease)	Closing balance
Investment in subsidiaries	20,760,327,526.32	**1,888,975,867.98**	**-1,420,244,460.41**	**–**	**21,229,058,933.89**
Investment in joint ventures	524,631,578.00	**2,400,000.00**	**–**	**-81,268,017.22**	**445,763,560.78**
Investment in associates	1,284,293,808.53	**–**	**–**	**68,159,267.39**	**1,352,453,075.92**
Subtotal	22,569,252,912.85	**1,891,375,867.98**	**-1,420,244,460.41**	**-13,108,749.83**	**23,027,275,570.59**
Less: Provision for impairment of long-term equity investments	47,267,137.23	**2,400,000.00**	**-5,100,000.00**	**–**	**44,567,137.23**
Total	22,521,985,775.62	**1,888,975,867.98**	**-1,415,144,460.41**	**-13,108,749.83**	**22,982,708,433.36**

XVIII. Notes to key items in the parent company's financial statements (continued)

4. Long-term equity investments (continued)

(2) Breakdown of long-term equity investments

31 December 2025

Investee	Opening balance	Movements for the year								Closing balance	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Others		
Subsidiaries											
Yingkou Ltd.	15,821,491,793.59	-	-	-	-	-	-	-	-	15,821,491,793.59	-
Dalian Port Container Development Co., Ltd.	3,201,948,622.38	-	-1,338,989,460.41	-	-	-	-	-	-	1,862,959,161.97	-
Asia Pacific Ports Company Limited	76,155,000.00	-	-76,155,000.00	-	-	-	-	-	-	-	-
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	6,629,301.65	-	-	-	-	-	-	-	-	6,629,301.65	-
Dalian Jifa Shipping Management Co., Ltd.	419,011,554.73	-	-	-	-	-	-	-	-	419,011,554.73	-
Dalian Ocean Shipping Tally Co., Ltd.	14,259,172.03	-	-	-	-	-	-	-	-	14,259,172.03	-
Dalian Port Construction Supervision & Consultation Co., Ltd.	18,278,125.97	-	-	-	-	-	-	-	-	18,278,125.97	-
Dalian Port Communication Engineering Co., Ltd.	6,137,212.61	-	-	-	-	-	-	-	-	6,137,212.61	-
Dalian Golden Bay Grain Logistics Co., Ltd.	53,156,426.75	-	-	-	-	-	-	-	-	53,156,426.75	-
Dalian Port Lvshun Harbour Service Co., Ltd.	217,580,000.00	-	-	-	-	-	-	-	-	217,580,000.00	-
Dalian Harbour ECL Logistics Co., Ltd.	31,931,668.81	-	-	-	-	-	-	-	-	31,931,668.81	-
Dalian Port Grain and Oil Trading Co., Ltd.	25,000,000.00	-	-	-	-	-	-	-	-	25,000,000.00	-
Dalian Gangrun Gas Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-
Dalian Haijia Automobile Terminal Co., Ltd.	200,000,000.00	-	-	-	-	-	-	-	-	200,000,000.00	-
Dalian Dilangsirui Caravan Co., Ltd.	30,255,458.00	-	-	-	-	-	-	-	-	30,255,458.00	20,744,542.00
Dalian Zhuanghe Gangxing Investment Co., Ltd.	80,000,000.00	-	-	-	-	-	-	-	-	80,000,000.00	-
Dalian Port Haiheng Ship Management Co., Ltd.	4,825,626.54	-	-	-	-	-	-	-	-	4,825,626.54	-
Dalian Port Power Supply Co., Ltd.	121,205,097.79	-	-	-	-	-	-	-	-	121,205,097.79	-
Dalian International Container Services Co., Ltd.	6,724,057.22	-	-	-	-	-	-	-	-	6,724,057.22	-
Dalian Port Logistics Network Co., Ltd.	43,318,173.41	-	-	-	-	-	-	-	-	43,318,173.41	-
Changxing Island Port	-	-	-	-	-	-	-	-	-	-	-
Changxing Island Port Investment and Development	295,604,225.12	-	-	-	-	-	-	-	-	295,604,225.12	-
China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	60,971,467.72	-	-	-	-	-	-	-	-	60,971,467.72	-
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	-	67,345,151.04	-	-	-	-	-	-	-	67,345,151.04	-
Jifa Logistics	-	1,271,644,309.37	-	-	-	-	-	-	-	1,271,644,309.37	-
Dalian Port Oil Terminal Co., Ltd.	-	529,986,407.57	-	-	-	-	-	-	-	529,986,407.57	-
Dalian Changgang Tugboat Service Co., Ltd.	-	20,000,000.00	-	-	-	-	-	-	-	20,000,000.00	-
Subtotal	20,734,482,984.32	1,888,975,867.98	-1,415,144,460.41	-	-	-	-	-	-	21,208,314,391.89	20,744,542.00

XVIII. Notes to key items in the parent company's financial statements (continued)

4. Long-term equity investments (continued)

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

31 December 2025 (continued)

Investee	Opening balance	Movements for the year								Closing balance	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Others		
Joint ventures											
VTTI Terminals Dalian Co., Ltd.	158,506,162.88	-	-	7,946,901.12	-	-	-7,000,000.00	-	-	159,453,064.00	-
Dalian Port PetroChina International Terminal Co., Ltd.	211,172,797.21	-	-	21,445,112.57	-	-	-30,000,000.00	-	-	202,617,909.78	-
China United Tally (Dalian) Co., Ltd.	3,826,128.80	-	-	833,749.74	-	80,390.71	-822,964.88	-	-	3,917,304.37	-
China Oil Dock Management (Dalian) Co., Ltd.	21,427,826.70	-	-	3,695,957.95	-	-	-8,740,090.28	-	-	16,383,694.37	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	16,023,885.99	-	-	1,445,004.56	-	-	-	-	-	17,468,890.55	-
Odfjell Changxing Terminals (Dalian) Co., Ltd.	-	2,400,000.00		-	-	-	-	2,400,000.00	-	-	10,060,214.03
Dalian Gangyu Logistics Supply Chain Co., Ltd.	34,323,854.84	-	-	1,538,628.84	-	-	-	-	-	35,862,483.68	-
Zhonghai Ganglian Navigation Co., Ltd.	57,928,326.35	-	-	-4,690,260.30	-	-	-	-	-53,238,066.05	-	-
Subtotal	503,208,982.77	2,400,000.00	-	32,215,094.48	-	80,390.71	-46,563,055.16	2,400,000.00	-53,238,066.05	435,703,346.75	10,060,214.03
Associates											
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	63,078,006.09	-	-	20,337,306.54	-	-	-26,483,802.40	-	-	56,931,510.23	-
Taicang Xinggang Tug Co., Ltd.	8,966,572.34	-	-	2,919,007.33	-	156,997.87	-2,099,997.90	-	-	9,942,579.64	-
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	610,122,248.16	-	-	4,563,973.89	-	-841,616.37	-8,957,650.23	-	-	604,886,955.45	-
Dalian North Oil Petroleum Logistics Co., Ltd.	68,042,461.40	-	-	4,672,977.99	-	44,552.84	-5,600,000.00	-	-	67,159,992.23	-
Sino Rail Bohai Train Ferry Co., Ltd.	212,331,918.85	-	-	8,967,608.53	-	-	-	-	-	221,299,527.38	-
CDC International Logistics Co., Ltd.	140,021,567.16	-	-	5,721,673.24	-	-	-1,500,000.00	-	-	144,243,240.40	-
Dalian Automobile Terminal Co., Ltd.	181,104,168.07	-	-	10,772,592.88	-	184,946.80	-11,200,000.00	-	-	180,861,707.75	-
Liaoning Electronic Port Co., Ltd.	626,866.46	-	-	-46,856.22	-	-	-	-	-	580,010.24	-
Zhonghai Ganglian Navigation Co., Ltd.	-	-	-	-452,894.65	-	-	-	-	53,238,066.05	52,785,171.40	13,762,381.20
Subtotal	1,284,293,808.53	-	-	57,455,389.53	-	-455,118.86	-55,841,450.53	-	53,238,066.05	1,338,690,694.72	13,762,381.20
Total	22,521,985,775.62	1,891,375,867.98	-1,415,144,460.41	89,670,484.01	-	-374,728.15	-102,404,505.69	2,400,000.00	-	22,982,708,433.36	44,567,137.23

XVIII. Notes to key items in the parent company's financial statements (continued)

4. Long-term equity investments (continued)

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

31 December 2024

Investee	Opening balance	Movements for the year							Closing balance	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment		
Subsidiaries										
Yingkou Ltd.	15,821,491,793.59	-	-	-	-	-	-	-	15,821,491,793.59	-
Dalian Port Container Development Co., Ltd.	3,201,948,622.38	-	-	-	-	-	-	-	3,201,948,622.38	-
Asia Pacific Ports Company Limited	76,155,000.00	-	-	-	-	-	-	-	76,155,000.00	-
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	6,629,301.65	-	-	-	-	-	-	-	6,629,301.65	-
Dalian Jifa Shipping Management Co., Ltd.	419,011,554.73	-	-	-	-	-	-	-	419,011,554.73	-
Dalian Ocean Shipping Tally Co., Ltd.	14,259,172.03	-	-	-	-	-	-	-	14,259,172.03	-
Dalian Port Construction Supervision & Consultation Co., Ltd.	18,278,125.97	-	-	-	-	-	-	-	18,278,125.97	-
Dalian Port Communication Engineering Co., Ltd.	6,137,212.61	-	-	-	-	-	-	-	6,137,212.61	-
Dalian Golden Bay Grain Logistics Co., Ltd.	53,156,426.75	-	-	-	-	-	-	-	53,156,426.75	-
Dalian Port Lvshun Harbour Service Co., Ltd.	217,580,000.00	-	-	-	-	-	-	-	217,580,000.00	-
Dalian Harbour ECL Logistics Co., Ltd.	31,931,668.81	-	-	-	-	-	-	-	31,931,668.81	-
Dalian Port Grain and Oil Trading Co., Ltd.	25,000,000.00	-	-	-	-	-	-	-	25,000,000.00	-
Dalian Gangrun Gas Co., Ltd.	-	-	-	-	-	-	-	-	-	5,100,000.00
Dalian Haijia Automobile Terminal Co., Ltd.	200,000,000.00	-	-	-	-	-	-	-	200,000,000.00	-
Dalian Dilangsirui Caravan Co., Ltd.	30,422,632.77	-	-	-	-	-	-	167,174.77	30,255,458.00	20,744,542.00
Dalian Zhuanghe Gangxing Investment Co., Ltd.	80,000,000.00	-	-	-	-	-	-	-	80,000,000.00	-
Dalian Port Haiheng Ship Management Co., Ltd.	4,825,626.54	-	-	-	-	-	-	-	4,825,626.54	-
Dalian Port Power Supply Co., Ltd.	121,205,097.79	-	-	-	-	-	-	-	121,205,097.79	-
Dalian International Container Services Co., Ltd.	6,724,057.22	-	-	-	-	-	-	-	6,724,057.22	-
Yingkou Gangxin Technology Co., Ltd.	27,187,091.79	-	-27,187,091.79	-	-	-	-	-	-	-
Dalian Port Logistics Network Co., Ltd.	43,318,173.41	-	-	-	-	-	-	-	43,318,173.41	-
Changxing Island Port	-	-	-	-	-	-	-	-	-	-
Changxing Island Port Investment and Development	-	295,604,225.12	-	-	-	-	-	-	295,604,225.12	-
China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	-	60,971,467.72	-	-	-	-	-	-	60,971,467.72	-
Subtotal	20,405,261,558.04	356,575,692.84	-27,187,091.79	-	-	-	-	167,174.77	20,734,482,984.32	25,844,542.00

XVIII. Notes to key items in the parent company's financial statements (continued)

4. Long-term equity investments (continued)

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

31 December 2024 (continued)

		Movements for the year								
Investee	Opening balance	Increase in investment	Decrease in investment	Investment gains or losses recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment	Closing balance	Closing balance of impairment provision
Joint ventures										
VTTI Terminals Dalian Co., Ltd.	158,461,749.61	-	-	10,228,911.65	-	-184,498.38	-10,000,000.00	-	158,506,162.88	-
Dalian Port PetroChina International Terminal Co., Ltd.	215,786,201.46	-	-	25,386,595.75	-	-	-30,000,000.00	-	211,172,797.21	-
China United Tally (Dalian) Co., Ltd.	3,018,771.40	-	-	874,222.54	-	77,145.78	-144,010.92	-	3,826,128.80	-
China Oil Dock Management (Dalian) Co., Ltd.	20,910,673.47	-	-	8,778,168.01	-	-	-8,261,014.78	-	21,427,826.70	-
Changxing Island Port	96,912,816.77	-	-	-96,773,828.49	-	-138,988.28	-	-	-	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	13,388,880.55	-	-	2,636,613.04	-	-1,607.60	-	-	16,023,885.99	-
Changxing Island Port Investment and Development	304,448,198.08	-	-295,604,225.12	-8,672,837.63	-	-171,135.33	-	-	-	-
Odfjell Changxing Terminals (Dalian) Co., Ltd.	7,736,387.48	-	-	-76,173.45	-	-	-	7,660,214.03	-	7,660,214.03
Dalian Gangyu Logistics Supply Chain Co., Ltd.	37,441,360.21	-	-	-3,117,505.37	-	-	-	-	34,323,854.84	-
Zhonghai Ganglian Navigation Co., Ltd.	75,835,624.05	-	-	-4,144,916.50	-	-	-	13,762,381.20	57,928,326.35	13,762,381.20
Subtotal	933,940,663.08	-	-295,604,225.12	-64,880,750.45	-	-419,083.81	-48,405,025.70	21,422,595.23	503,208,982.77	21,422,595.23
Associates										
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	62,218,453.92	-	-	26,571,108.95	-	-	-25,711,556.78	-	63,078,006.09	-
Taicang Xinggang Tug Co., Ltd.	10,415,104.10	-	-	2,340,893.23	-	67,714.01	-3,857,139.00	-	8,966,572.34	-
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd.	616,202,701.57	-	-	12,820,208.66	-	-2,184,710.84	-16,715,951.23	-	610,122,248.16	-
Dalian North Oil Petroleum Logistics Co., Ltd.	68,676,632.22	-	-	3,299,715.98	-	66,113.20	-4,000,000.00	-	68,042,461.40	-
Sino Rail Bohai Train Ferry Co., Ltd.	215,264,584.72	-	-	-2,232,665.87	-	-700,000.00	-	-	212,331,918.85	-
CDC International Logistics Co., Ltd.	134,940,276.50	-	-	5,081,290.66	-	-	-	-	140,021,567.16	-
Dalian Automobile Terminal Co., Ltd.	184,073,446.57	-	-	9,634,497.09	-	196,224.41	-12,800,000.00	-	181,104,168.07	-
Liaoning Electronic Port Co., Ltd.	669,275.39	-	-	-42,408.93	-	-	-	-	626,866.46	-
Subtotal	1,292,460,474.99	-	-	57,472,639.77	-	-2,554,659.22	-63,084,647.01	-	1,284,293,808.53	-
Total	22,631,662,696.11	356,575,692.84	-322,791,316.91	-7,408,110.68	-	-2,973,743.03	-111,489,672.71	21,589,770.00	22,521,985,775.62	47,267,137.23

XVIII. Notes to key items in the parent company's financial statements (continued)

5. Revenue and cost of sales

	Accumulated for the year		Accumulated for the prior year	
Item	**Revenue**	**Cost**	Revenue	Cost
Principal operations	**2,066,700,591.78**	**1,692,770,662.09**	2,328,137,450.90	2,206,202,102.87
Other operations	**320,280,987.90**	**120,125,444.59**	293,285,197.22	178,916,423.76
Total	**2,386,981,579.68**	**1,812,896,106.68**	2,621,422,648.12	2,385,118,526.63

6. Investment income

Item	**Accumulated for the year**	Accumulated for the prior year
Investment income from long-term equity investments under the cost method	**1,020,916,496.44**	1,171,512,226.81
Investment income from long-term equity investments under the equity method	**89,670,484.01**	-7,408,110.68
Income from inter-company borrowings	**114,500,967.02**	124,776,046.52
Total	**1,225,087,947.47**	1,288,880,162.65

There are no material restrictions on the repatriation of investment income of the Company.

XVIII. Notes to key items in the parent company's financial statements (continued)

7. Supplementary information to the statement of cash flows of parent company

Item	Accumulated for the year	Accumulated for the prior year
1. Reconciliation of net profit to cash flows from operating activities		
Net profit	**1,495,817,007.20**	1,253,852,614.40
Add: Asset impairment loss	**2,400,000.00**	69,856,222.47
Credit impairment loss	**-69,295,197.70**	-429,084,865.50
Depreciation of fixed assets	**585,126,179.85**	613,325,465.70
Depreciation of investment properties	**216,810.12**	65,568.16
Depreciation of right-of-use assets	**50,010,271.49**	79,865,035.66
Amortisation of intangible assets	**22,326,669.27**	21,147,196.21
Amortisation of long-term prepaid expenses	**7,671,320.73**	9,474,019.85
Losses on obsolescence of fixed assets (gain represented by "-")	**-2,855,221.85**	109,665.00
Financial expenses (gain represented by "-")	**138,806,793.11**	260,510,245.94
Losses on investment (gain represented by "-")	**-1,225,087,947.47**	-1,288,880,162.65
Decrease in deferred tax assets (increase represented by "-")	**109,938,948.88**	30,927,499.89
Amortisation of deferred income	**-33,132,647.21**	-39,111,873.20
Decrease in inventories (increase represented by "-")	**1,944,679.59**	11,165,205.45
Increase in specific reserve (decrease represented by "-")	**-21,286,199.12**	-3,825,220.23
Decrease in operating receivables (increase represented by "-")	**1,968,588,252.05**	16,308,272.76
Increase in operating payables (decrease represented by "-")	**-285,730,902.91**	1,315,031.15
Net cash flows from operating activities	**2,745,458,816.03**	607,019,921.06
2. Net changes in cash and cash equivalents:		
Closing balance of cash	**3,794,657,728.44**	2,428,471,502.53
Less: Opening balance of cash	**2,428,471,502.53**	2,195,556,026.51
Net increase in cash and cash equivalents	**1,366,186,225.91**	232,915,476.02

XIX. Other important matters

The Group has no other important matters that need to be disclosed in the year.

XX. Approval of financial statements

These financial statements were approved by the Board of Directors of the Company on 26 March 2026.

Supplementary Information to the Financial Statements

For the year ended 31 December 2025
Unit: RMB

I. Statement of non-recurring profit or loss

The Group recognizes non-recurring profit or loss items in accordance with the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit/Loss* (CSRC Announcement [2023] No. 65). The non-recurring profit or loss for FY2025 of the Group is set out as follows:

Item	Accumulated for the year
Profit or loss on disposal of non-current assets	5,682,931.00
Government grants charged to profit or loss for the current period (other than government grants that are closely related to corporate business, in line with national policies, enjoyed according to specified standards, and having a continuous impact on profit or loss)	4,478,447.32
Capital occupation fee charged to non-financial enterprises included in current profits and losses	101,988.98
Custodian fee income earned from trustee operations	7,735,849.08
The cost of investments in subsidiaries, associates and joint ventures acquired by an enterprise is less than its share of the gain arising from the fair value of the investee's identifiable net assets at the time of investment acquisition	–
Non-operating income and expenses other than aforesaid items	1,496,698.79
Gains or losses arising from the remeasurement of equity interests held prior to the acquisition-date at fair value	–
Other profit or loss item under the definition of non-recurring profit or loss	219,373.79
Subtotal	19,715,288.96
Effect of income tax	3,817,703.79
Effect of minority interests (after tax)	-662,212.11
Total	16,559,797.28

II. Return on net assets and earnings per share

In accordance with the provisions of the *Compilation Rules No. 9 for Information Disclosures by Companies Offering Securities to the Public – Calculation and Disclosure of Return on Net Assets and Earnings Per Share (Revised in 2010)* of the China Securities Regulatory Commission, the Group's weighted average return on net assets, basic earnings per share, and diluted earnings per share for FY2025 are as follows:

Item	Weighted average return on net assets	Basic earnings per share
Net profit attributable to ordinary shareholders of the Company	3.26%	0.05
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	3.22%	0.05

No dilutive potential ordinary shares have been issued by the Company.

Financial highlights for the past five accounting years

For the year ended 31 December 2025
In RMB

RMB'000	2025	2024	2023	2022	2021
Revenue and Profit					
Revenue	**11,358,911**	11,066,690	12,219,879	12,167,472	12,347,555
Gross profit	**3,250,427**	2,379,294	3,390,095	3,177,602	3,829,224
Operating profit	**2,171,565**	1,800,717	2,005,350	1,909,694	2,865,175
Total profit	**2,173,127**	1,795,031	2,034,993	1,939,787	2,654,437
Net profit	**1,602,786**	1,352,025	1,507,251	1,472,619	2,078,196
Net profit attributable to shareholders of the parent company	**1,306,790**	1,143,973	1,343,109	1,317,655	1,916,076
Basic earnings per share (RMB)	**0.054807**	0.047854	0.055993	0.054932	0.083852
Assets and Liabilities					
Bank balances and cash	**6,697,778**	5,280,231	5,228,415	5,285,807	4,682,838
Current assets	**9,805,932**	9,676,423	10,116,584	9,728,644	8,683,979
Non-current assets	**47,767,747**	50,110,508	46,236,356	48,147,405	49,129,271
Borrowings	**5,544,872**	7,886,820	5,797,537	7,550,282	4,692,337
Current liabilities	**2,729,774**	5,377,398	5,181,189	6,583,990	7,689,659
Non-current liabilities	**10,812,290**	11,006,437	8,442,560	9,389,675	9,069,849
Total assets	**57,573,679**	59,786,932	56,352,940	57,876,049	57,813,250
Net assets	**44,031,615**	43,403,097	42,729,191	41,902,385	41,053,742
Share Capital and Equity					
Share capital	**23,571,767**	23,905,475	23,987,066	23,987,066	23,987,066
Equity attributable to shareholders of the parent company	**40,342,887**	39,797,658	39,601,858	38,791,813	37,946,034
Minority interests	**3,688,727**	3,605,439	3,127,333	3,110,572	3,107,707
Shareholders' equity	**44,031,61**	43,403,097	42,729,191	41,902,385	41,053,742
Net assets per share (RMB)	**1.71**	1.66	1.65	1.62	1.58

辽宁港口股份有限公司
LIAONING PORT CO., LTD.

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code：2880)