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Qingdao Port International Co., Ltd.

青島港國際股份有限公司

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

(Stock Code: 06198)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2024:

- Net profit attributable to shareholders of the Company was RMB2,642 million, representing an increase of 3.05% as compared to the same period in the prior year;
- Investment income from joint ventures and associated companies amounted to RMB826 million, representing an increase of 8.33% as compared to the same period in the prior year; and
- Basic earnings per share was RMB0.41, representing an increase of 5.13% as compared to the same period in the prior year.

The Board is pleased to announce the unaudited interim consolidated results of the Group for the six months ended 30 June 2024. The interim results have been reviewed by the audit committee of the Board. The Group's unaudited interim consolidated balance sheet, unaudited interim consolidated income statement and the notes 1 to 11 as presented below are extracted from the Group's unaudited interim consolidated financial information for the six months ended 30 June 2024.

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2024

(All amounts in RMB Yuan unless otherwise stated)

ASSETS	Note	30 June 2024 (Unaudited)	31 December 2023
Current assets			
Cash at bank and on hand		11,478,409,180	10,934,026,950
Financial assets held for trading		84,823,593	284,562,083
Notes receivable		70,628,832	83,814,533
Accounts receivable	4	2,203,129,128	1,952,312,395
Financing receivables		321,386,207	314,538,178
Advances to suppliers		231,043,793	126,611,960
Other receivables		899,121,675	668,058,871
Inventories		51,276,103	51,604,817
Contract assets		176,730,736	89,441,090
Held for sale assets		-	84,925,902
Non-current assets due within one year		1,834,409	4,184,479
Other current assets		351,928,802	197,410,270
Total current assets		15,870,312,458	14,791,491,528
Non-current assets			
Long-term receivables		32,454,127	31,217,303
Long-term equity investments		14,844,022,240	14,045,730,100
Other non-current financial assets		393,840,402	393,840,402
Investment properties		280,056,319	208,311,370
Fixed assets		23,196,073,587	23,728,480,297
Construction in progress		2,161,550,031	1,757,339,288
Right-of-use assets		505,026,182	555,717,415
Intangible assets		3,009,435,536	3,070,313,078
Development costs		43,835,139	42,279,529
Goodwill		28,014,688	28,014,688
Long-term prepaid expenses		54,319,478	61,493,616
Deferred tax assets		921,185,360	910,182,364
Other non-current assets		604,668,429	621,449,665
Total non-current assets		46,074,481,518	45,454,369,115
TOTAL ASSETS		61,944,793,976	60,245,860,643

CONSOLIDATED BALANCE SHEET (CONT'D)**AS AT 30 JUNE 2024**

(All amounts in RMB Yuan unless otherwise stated)

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	30 June 2024 (Unaudited)	31 December 2023
Current liabilities			
Short-term borrowings		95,318,731	126,411,604
Notes payable		441,601,886	917,624,305
Accounts payable	5	1,377,210,351	1,870,122,136
Advances from customers		38,345,605	5,482,745
Contract liabilities		324,376,928	315,410,460
Employee benefits payable		622,891,310	669,288,869
Taxes payable		384,432,353	353,882,889
Other payables		5,866,926,731	3,815,970,467
Non-current liabilities due within one year		376,901,910	452,224,323
Other current liabilities		28,918,791	27,621,665
Total current liabilities		9,556,924,596	8,554,039,463
Non-current liabilities			
Long-term borrowings		1,959,064,697	1,791,983,620
Lease liabilities		283,132,363	289,111,936
Long-term payables		286,276,025	205,376,025
Long-term employee benefits payable		2,389,927,630	2,394,130,000
Deferred income		329,252,110	336,794,453
Deferred tax liabilities		55,202,553	55,371,959
Other non-current liabilities		1,979,815,159	2,080,390,497
Total non-current liabilities		7,282,670,537	7,153,158,490
Total liabilities		16,839,595,133	15,707,197,953
Shareholders' equity			
Share capital		6,491,100,000	6,491,100,000
Capital surplus		11,736,551,621	11,734,763,579
Other comprehensive income		(182,778,137)	(185,948,952)
Specific reserve		21,020,458	8,474,502
Surplus reserve		2,802,635,193	2,802,635,193
Undistributed profits		20,167,857,887	19,426,032,436
Total equity attributable to shareholders of the Company		41,036,387,022	40,277,056,758
Minority interests		4,068,811,821	4,261,605,932
Total shareholders' equity		45,105,198,843	44,538,662,690
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		61,944,793,976	60,245,860,643

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2024
(All amounts in RMB Yuan unless otherwise stated)

Item	Note	For the six months ended 30 June 2024 (Unaudited)	For the six months ended 30 June 2023 (Unaudited)
1. Revenue	7	9,067,374,436	9,157,526,190
Less: Cost of sales	7	(5,690,675,883)	(5,781,389,194)
Taxes and surcharges	8	(85,331,243)	(79,789,217)
Selling and distribution expenses		(35,360,697)	(69,072,948)
General and administrative expenses		(478,754,706)	(496,909,039)
Research and development expenses		(66,769,524)	(50,752,626)
Financial expenses		(23,600,716)	(52,767,006)
Including: Interest expenses		(59,239,223)	(79,019,717)
Interest income		68,971,646	59,101,367
Add: Other income		62,119,654	58,991,626
Investment income		839,607,507	782,224,533
Including: Investment income from associates and joint ventures		826,215,526	762,711,885
Gains on changes in fair value		482,738	(1,018,336)
Credit impairment losses		(22,379,662)	57,780,724
Asset impairment losses		(217,453)	912,911
Gains on disposal of assets		21,849,533	4,906,263
2. Operating profit		3,588,343,984	3,530,643,881
Add: Non-operating income		1,492,272	2,023,367
Less: Non-operating expenses		(114,318)	(270,718)
3. Total profit		3,589,721,938	3,532,396,530
Less: Income tax expenses	9	(662,469,599)	(664,890,289)
4. Net profit		2,927,252,339	2,867,506,241
Classified by continuity of operations			
Net profit from continuing operations		2,927,252,339	2,867,506,241
Net profit from discontinued operations		-	-
Classified by ownership of the equity			
Attributable to shareholders of the Company		2,641,770,421	2,563,527,124
Minority interests		285,481,918	303,979,117

CONSOLIDATED INCOME STATEMENT (CONT'D)
FOR THE SIX MONTHS ENDED 30 JUNE 2024
(All amounts in RMB Yuan unless otherwise stated)

Item	Note	For the six months ended 30 June 2024 (Unaudited)	For the six months ended 30 June 2023 (Unaudited)
5. Other comprehensive income, net of tax		3,170,815	(90,050,693)
Attributable to shareholders of the Company, net of tax		3,170,815	(87,283,525)
Other comprehensive income items which will not be subsequently reclassified to profit or loss		-	(95,392,832)
Changes in remeasurement of defined benefit plan obligations		-	(95,392,832)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		-	-
Other comprehensive income items which will be subsequently reclassified to profit or loss		3,170,815	8,109,307
Other comprehensive income that will be transferred subsequently to profit or loss under the equity methods		3,170,815	8,109,307
Changes in fair value of other debt investments		-	-
Attributable to minority shareholders, net of tax		-	(2,767,168)
6. Total comprehensive income		2,930,423,154	2,777,455,548
Attributable to shareholders of the Company		2,644,941,236	2,476,243,599
Attributable to minority interests		285,481,918	301,211,949
7. Earnings per share	10		
Basic earnings per share (RMB)		0.41	0.39
Diluted earnings per share (RMB)		0.41	0.39

Notes

1 General Information of the Company

The Company is a joint stock limited company incorporated in Qingdao of Shandong Province of PRC on 15 November 2013 (the “**Company’s Date of Incorporation**”) by Qingdao Port Group, as the leading promoter, together with Malai Storage (Shenzhen) Co., Ltd., Qingdao Ocean Shipping Co., Ltd. (now renamed as COSCO Shipping (Qingdao) Co., Ltd.), China Shipping Terminal Development, Everbright (Qingdao) Financial Leasing Co., Ltd. and Qingdao International Investment Co., Ltd., with its current registered address at No. 12 Jingba Road, Huangdao District, Qingdao, Shandong Province, PRC.

The H shares of the Company were listed on the main board of the Hong Kong Stock Exchange on 6 June 2014.

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

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

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

As at 30 June 2024, the total share capital of the Company was 6,491,100,000 shares with a par value of RMB1.00 per share, including 5,392,075,000 A shares and 1,099,025,000 H shares, accounting for 83.07% and 16.93% of the total share capital of the Company, respectively, among which, Qingdao Port Group held 55.77% equity interests of the Company in total, directly and indirectly. The Company’s controlling shareholder is Qingdao Port Group, the Company’s ultimate parent company is Shandong Port Group, and the Company’s de facto controller is Shandong SASAC.

1 General Information (Cont'd)

The scope of business of the Group mainly includes port and port-related business such as stevedoring, stacking, logistics of containers, metal ores, coal, crude oil, grains and break bulk cargo and other imported and exported goods, and port ancillary business such as towing, and ocean shipping tallying.

2 Preparation basis of financial statements

The financial statements are prepared in accordance with *the Accounting Standard for Business Enterprises - Basic Standard*, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods (hereinafter collectively referred to as the “**Accounting Standards for Business Enterprises**”); and are also prepared in accordance with *the Public Information Disclosure and Compilation Rules for Public Offering of Securities No. 15 - General Provisions for Financial Reporting* issued by CSRC.

The financial statements are prepared on a going concern basis.

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

(1) Preparation basis of consolidated financial statements

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

2 Preparation basis of financial statements (Cont'd)

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

(2) Preparation basis of the Company's financial statements

At preparation of the Company's financial statements, the assets and liabilities of Qingdao Port Group that were contributed into the Company are recognized based on the appraisal values approved by the state-owned assets management authorities, stated on the Company's balance sheet.

3 Significant changes in accounting policies

Nil.

4 Accounts receivable

	30 June 2024	31 December 2023
	(Unaudited)	
Accounts receivable	2,368,297,357	2,103,632,270
Less: Bad debt provision	(165,168,229)	(151,319,875)
Total	<u>2,203,129,128</u>	<u>1,952,312,395</u>

The Group's certain businesses are settled in form of cash, advances from customers, bank acceptance notes or trade acceptance notes. Remaining businesses are settled primarily with credit terms between 30 and 90 days.

The aging of accounts receivables based on their recording dates is analyzed as follows:

	30 June 2024	31 December 2023
	(Unaudited)	
Within 1 year	2,154,552,144	1,909,996,335
1 to 2 years	110,378,713	127,824,667
2 to 3 years	46,720,169	36,175,845
Over 3 years	56,646,331	29,635,423
Total	<u>2,368,297,357</u>	<u>2,103,632,270</u>

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

5 Accounts payable

	30 June 2024	31 December 2023
	(Unaudited)	
Subcontract handling expenses payable	379,710,836	731,135,637
Transportation expenses payable	203,665,538	254,000,724
Subcontract agency fee payable	165,312,298	223,852,316
Repair expenses payable	207,491,301	218,940,240
Material expenditure payable	170,228,116	136,915,940
Warehousing expenses payable	9,182,600	111,725,076
Subcontract costs payable	118,061,558	94,346,218
Rental expenses payable	48,806,958	36,712,204
Others	74,751,146	62,493,781
Total	<u>1,377,210,351</u>	<u>1,870,122,136</u>

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

	30 June 2024 (Unaudited)	31 December 2023
Within 1 year	1,175,622,898	1,638,349,762
Over 1 year	<u>201,587,453</u>	<u>231,772,374</u>
Total	<u>1,377,210,351</u>	<u>1,870,122,136</u>

As at 30 June 2024, accounts payable over one year amounted to RMB201,587,453 (31 December 2023: RMB231,772,374), which were mainly the subcontract handling expenses and subcontract costs for works for which final settlement has not yet been made, owing to the fact that the amount has not reached the agreed payment period or the final settlement of the works has not yet been carried out.

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

6 Dividends

According to the resolution of the Board on 28 March 2024 and the resolution of the annual general meeting of the Company on 6 June 2024, the Company has distributed cash dividend for 2023 to all shareholders with RMB292.7 (tax inclusive) for per thousand shares. Based on the 6,491,100,000 shares issued, the distributed cash dividend was RMB1,899.9450 million (tax inclusive).

For the six months ended 30 June 2024, the Board has not declared to distribute interim dividends (for the six months ended 30 June 2023: nil).

7 Revenue and cost of sales

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Revenue from main operations	8,425,545,587	8,452,159,742
Revenue from other operations	641,828,849	705,366,448
	<u>9,067,374,436</u>	<u>9,157,526,190</u>

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Cost of sales from main operations	(5,251,685,719)	(5,324,551,784)
Cost of sales from other operations	(438,990,164)	(456,837,410)
	<u>(5,690,675,883)</u>	<u>(5,781,389,194)</u>

8 Taxes and surcharges

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Land use tax	35,375,642	36,237,725
City maintenance and construction tax	14,776,375	12,157,840
Property tax	11,360,797	11,656,247
Educational surcharge	10,554,553	8,684,171
Stamp duty	3,489,864	4,410,383
Other tax charges	9,774,012	6,642,851
	<u>85,331,243</u>	<u>79,789,217</u>

9 Income tax expenses

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Current income tax	673,642,001	615,773,722
Deferred income tax	(11,172,402)	49,116,567
	<u>662,469,599</u>	<u>664,890,289</u>

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

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Total consolidated profit of the period	<u>3,589,721,938</u>	<u>3,532,396,530</u>
Income tax expenses calculated at the statutory/applicable tax rate	897,430,485	883,099,133
Effect of different tax rates applied by subsidiaries	(13,113,180)	(51,133,593)
Effect of adjusting income taxes of prior periods	1,447,299	-
Effect of non-taxable income	(216,531,192)	(190,677,971)
Additional deduction of employee benefits of the disabled	-	(473,739)
Effect of non-deductible costs, expenses, and losses	2,208,610	19,942,532

Effect of using deductible losses not recognized as deferred tax assets in prior periods	(9,096,464)	(1,804,262)
Effect of deductible temporary differences or deductible losses not recognized as deferred tax assets in the current year	124,041	5,938,189
Income tax expenses	<u>662,469,599</u>	<u>664,890,289</u>

10 Earnings per share

(1) Basic earnings per share

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

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the Company	2,641,770,421	2,563,527,124
Weighted average number of ordinary shares outstanding	<u>6,491,100,000</u>	<u>6,491,100,000</u>
Basic earnings per share	<u>0.41</u>	<u>0.39</u>
Including:		
- Basic earnings per share from continuing operations	0.41	0.39
- Basic earnings per share from discontinued operations	-	-

(2) Diluted earnings per share

Diluted earnings per share are calculated by dividing net profit attributable to ordinary shareholders of the Company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of ordinary shares outstanding. As there were no dilutive potential ordinary shares for the six months ended 30 June 2024 (for the six months ended 30 June 2023: nil), diluted earnings per share was equal to basic earnings per share.

11 Segment information

The Group's management assesses the Group's performance and determines reportable segments by service category. Different service categories require different technologies and marketing strategies, the Group, therefore, separately manages the production and operation of each reportable segment and evaluates their operating results respectively, in order to make decisions on resources allocation to these segments and to assess their performance.

The Group identified five reportable segments as follows:

- Container handling and ancillary services: engaged in stevedoring and storage of containers, port management and other business;
- Metal ore, coal and other cargo handling and ancillary services: engaged in stevedoring and storage of metal ore, coal, grains, break bulk cargo and other cargoes, port management and other business;
- Liquid bulk handling and ancillary services: engaged in stevedoring, storage, transportation of crude oil and other liquid bulk, port management and other business;
- Logistics and port value-added services: engaged in CFS business, logistics and transportation, freight forwarding, towing, tallying and other business; and
- Port ancillary services: engaged in supplying electricity power and fuel for port area and other business.

The Group's major operational activities are carried out in mainland China. The Group's management does not separately manage the production and operation by region. Therefore, the Group's segment performance is not separately presented by region.

Inter-segment transfer prices are mutually agreed with reference to the market price. The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment.

11 Segment information (Cont'd)

(1) Segment information for the six months ended 30 June 2024 and as at 30 June 2024 is listed as follows (Unaudited):

	Container handling and ancillary services	Metal ore, coal and other cargo handling and ancillary services	Liquid bulk handling and ancillary services	Logistics and port value-added services	Port ancillary services	Unallocated	Elimination among segments	Total
Revenue from external customers	755,806,915	2,092,589,030	1,953,257,124	3,537,703,358	728,018,009	-	-	9,067,374,436
Inter-segment revenue	121,524,942	131,987,701	1,312,155	26,684,757	532,206,074	-	(813,715,629)	-
External cost of sales	(157,735,756)	(1,648,524,875)	(726,050,994)	(2,642,203,947)	(516,160,311)	-	-	(5,690,675,883)
Inter-segment cost of sales	(104,624,277)	(149,943,673)	(16,406,526)	(31,036,908)	(443,724,729)	-	745,736,113	-
Interest income	6,925,810	2,768,833	13,558,215	15,160,876	2,769,964	27,787,948	-	68,971,646
Interest expenses	(10,794,465)	(22,276,791)	(64,810,965)	(7,091,569)	(687,249)	(1,696,686)	48,118,502	(59,239,223)
Investment income from associates and joint ventures	543,854,661	15,362,627	106,770,648	66,862,889	86,151,068	-	7,213,633	826,215,526
Other investment income	1,487,826	-	-	(100,337)	-	53,412,152	(41,407,660)	13,391,981
Asset impairment losses	-	-	-	(217,453)	-	-	-	(217,453)
Credit impairment losses	(829,065)	(306,485)	1,566,543	(11,956,918)	(10,853,737)	-	-	(22,379,662)
Depreciation of right-of-use assets	(32,685)	(3,521,125)	(9,263,434)	(42,288,854)	(6,619,529)	(17,001,855)	-	(78,727,482)
Depreciation and amortization	(27,487,315)	(147,182,404)	(241,808,694)	(75,658,525)	(114,161,469)	(18,913,615)	-	(625,212,022)
Total Profit	1,083,245,625	296,903,566	1,243,209,724	840,797,963	279,885,360	(118,567,079)	(35,753,221)	3,589,721,938
Income tax expenses	(129,186,875)	(12,414,391)	(213,443,749)	(177,483,399)	(27,469,280)	(102,471,905)	-	(662,469,599)
Net Profit	954,058,750	284,489,175	1,029,765,975	663,314,564	252,416,080	(221,038,984)	(35,753,221)	2,927,252,339
Total assets	11,631,852,575	10,606,209,532	17,547,429,898	6,804,924,779	8,243,350,874	10,014,609,074	(2,903,582,756)	61,944,793,976
Total liabilities	828,483,106	2,700,775,894	4,946,019,110	2,174,932,104	4,886,542,657	4,155,862,594	(2,853,020,332)	16,839,595,133
Non-cash expenses other than depreciation and amortization	501,150	1,954,706	7,595,057	17,358,321	6,899,380	39,552,879	-	73,861,493
Long-term equity investments in associates and joint ventures	8,428,362,933	1,223,362,105	2,094,719,054	681,755,774	2,415,822,374	-	-	14,844,022,240
Additions of non-current assets (i)	3,785,868	280,223,249	189,042,206	69,167,209	98,288,229	8,935,302	(16,680,894)	632,761,169

(i) Non-current assets do not include financial assets, long-term equity investments and deferred tax assets.

11 Segment information (Cont'd)

(2) Segment information for the six months ended 30 June 2023 and as at 31 December 2023 is listed as follows (Unaudited):

	Container handling and ancillary services	Metal ores, coal and other cargo handling and ancillary services	Liquid bulk handling and ancillary services	Logistics and port value-added services	Port ancillary services	Unallocated	Elimination among segments	Total
Revenue from external customers	601,136,120	2,137,401,727	2,031,383,431	3,599,819,866	787,785,046	-	-	9,157,526,190
Inter-segment revenue	84,263,571	84,338,949	71,367,342	43,213,039	544,234,442	-	(827,417,343)	-
External cost of sales	(125,771,534)	(1,624,188,854)	(767,002,965)	(2,735,696,585)	(528,729,256)	-	-	(5,781,389,194)
Inter-segment cost of sales	(84,263,571)	(93,136,518)	(85,461,397)	(42,167,081)	(493,917,516)	-	798,946,083	-
Interest income	3,568,518	3,285,495	12,170,105	15,232,420	5,187,954	19,656,875	-	59,101,367
Interest expenses	(12,207,793)	(35,238,952)	(70,740,086)	(10,870,410)	(543,558)	(3,279,641)	53,860,723	(79,019,717)
Investment income from associates and joint ventures	478,833,716	14,541,543	139,379,913	43,611,574	95,266,087	(15,392,498)	6,471,550	762,711,885
Other investment income	3,616,381	-	-	(73,305)	5,401,724	64,428,571	(53,860,723)	19,512,648
Asset impairment losses	-	-	192,558	-	720,353	-	-	912,911
Credit impairment losses	-	(529,001)	1,635,961	(18,010,682)	74,684,446	-	-	57,780,724
Depreciation of right-of-use assets	-	(2,380,851)	(10,445,911)	(42,811,934)	(1,752,885)	(17,679,276)	-	(75,070,857)
Depreciation and amortisation	(33,234,706)	(155,266,848)	(267,423,244)	(67,078,020)	(115,604,019)	(27,648,358)	-	(666,255,195)
Total Profit	880,056,629	329,071,422	1,290,702,639	784,851,383	359,589,178	(89,875,011)	(21,999,710)	3,532,396,530
Income tax expenses	(85,621,146)	(18,706,607)	(206,120,687)	(177,983,647)	(47,869,722)	(128,588,480)	-	(664,890,289)
Net Profit	794,435,483	310,364,815	1,084,581,952	606,867,736	311,719,456	(218,463,491)	(21,999,710)	2,867,506,241
Total assets	10,880,889,095	10,797,874,117	18,427,906,683	6,773,634,249	8,510,665,494	7,565,589,323	(2,710,698,318)	60,245,860,643
Total liabilities	773,717,021	2,517,017,537	5,721,313,002	2,031,147,339	4,736,310,838	2,691,813,178	(2,764,120,962)	15,707,197,953
Non-cash expenses other than depreciation and amortisation	736,751	22,398,099	8,143,363	11,678,673	6,279,065	2,545,518	-	51,781,469
Long-term equity investment to associates and joint ventures	7,610,613,926	1,221,830,848	1,984,429,487	650,146,530	2,309,601,673	269,107,636	-	14,045,730,100
Additions of non-current assets (i)	1,262,758	460,233,507	1,465,590,485	164,266,288	291,779,646	17,775,074	(19,376,493)	2,381,531,265

(i) Non-current assets do not include financial assets, long-term equity investments and deferred tax assets

MANAGEMENT DISCUSSION AND ANALYSIS

I. INTERNATIONAL AND DOMESTIC SITUATION

1. General Situation

So far this year, with the increasing adverse effects of external environmental changes and the challenge of insufficient domestic effective demand, PRC has strengthened macroeconomic regulation and effectively responded to risks and challenges, and the operation of economy remained stable overall while at the same time securing progress, and continued to keep a recovery and upturn momentum. In the first half of 2024, the gross domestic product (GDP) of PRC increased by 5% as compared to the same period in the prior year, the total value of imports and exports of cargo increased by 6.1% as compared to the same period in the prior year, of which exports increased by 6.9% as compared to the same period in the prior year, and imports increased by 5.2% as compared to the same period in the prior year, and the trade structure optimized continuously (source: National Bureau of Statistics).

2. Operation of the Port Industry

In the first half of 2024, cargo throughput of the coastal ports in China increased by 4.4% as compared to the same period in the prior year, among which, the container throughput increased by 8.6% as compared to the same period in the prior year (source: Ministry of Transport of the PRC). In the first half of 2024, the cargo throughput and container throughput of the port of Qingdao both ranked fourth among the national coastal ports in China, and continued to rank second among the coastal ports in China and first among northern ports in China in terms of foreign trade throughput (source: Ministry of Transport of the PRC).

II. REVIEW OF BUSINESS AND FINANCIAL RESULTS OF THE GROUP

1. Overall Review

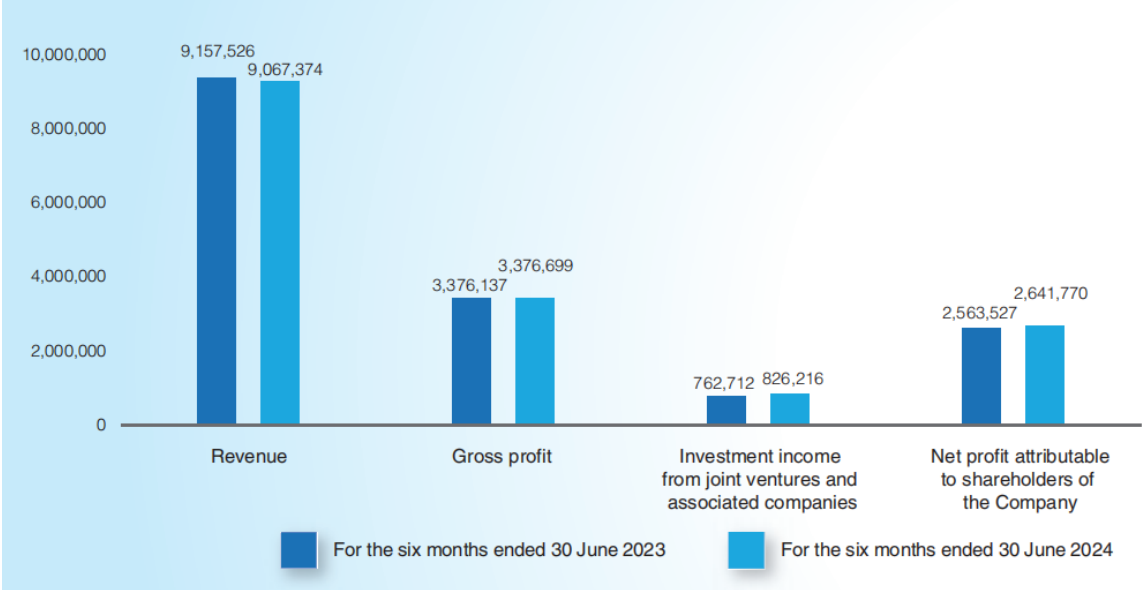
So far this year, in the face of the severe and complex external situation, the Group has adhered to the construction of a comprehensive supply chain service system as the main line, given full play to the advantages of the port, seized the opportunity of policies such as the Shandong Free Trade Zone,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

For the six months ended 30 June 2024, the cargo throughput of the Group (without taking into account the respective shareholding percentages held by the Company in its joint ventures and associated companies) reached 354.44 million tons, representing an increase of 6.7% as compared to the same period in the prior year; among which, the container throughput reached 15.82 million TEUs, representing an increase of 9.0% as compared to the same period in the prior year.

The details of major operating indicators were as follows :

Comparison of Major Operating Results Indicators

Unit: RMB'000



For the six months ended 30 June 2024, the Group recorded a revenue of RMB9,067 million, representing a decrease of RMB90 million, or 0.98%, as compared to the same period in the prior year.

For the six months ended 30 June 2024, the Group recorded a cost of sales of RMB5,691 million, representing a decrease of RMB91 million, or 1.57%, as compared to the same period in the prior year.

For the six months ended 30 June 2024, the Group recorded a gross profit of RMB3,377 million, remaining basically unchanged as compared to the same period in the prior year.

For the six months ended 30 June 2024, the Group’s investment income from joint ventures and associated companies amounted to RMB826 million, representing an increase of RMB64 million, or 8.33%, as compared to the same period in the prior year, mainly due to the increase in the investment income from the container handling and ancillary services segment.

For the six months ended 30 June 2024, the financial expenses of the Group amounted to RMB24 million, representing a decrease of RMB29 million, or 55.27%, as compared to the same period in the prior year, mainly due to a decrease in interest charges arising from reducing the scale of interest-bearing liabilities and lowering borrowing rates.

For the six months ended 30 June 2024, the Group recorded a net profit attributable to shareholders of the Company of RMB2,642 million, representing an increase of RMB78 million, or 3.05%, as compared to the same period in the prior year, mainly due to the increase in the profit from the container handling and ancillary services segment.

2. Segment Review

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

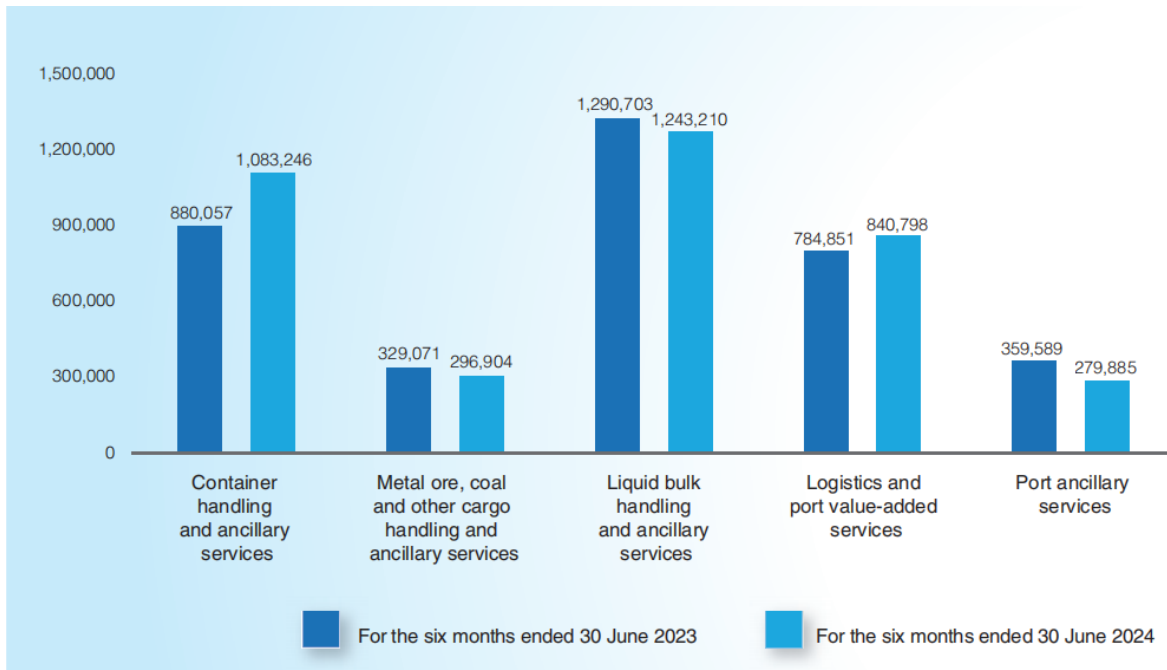
Proportion of Each Business Segment Results

Unit: RMB'000

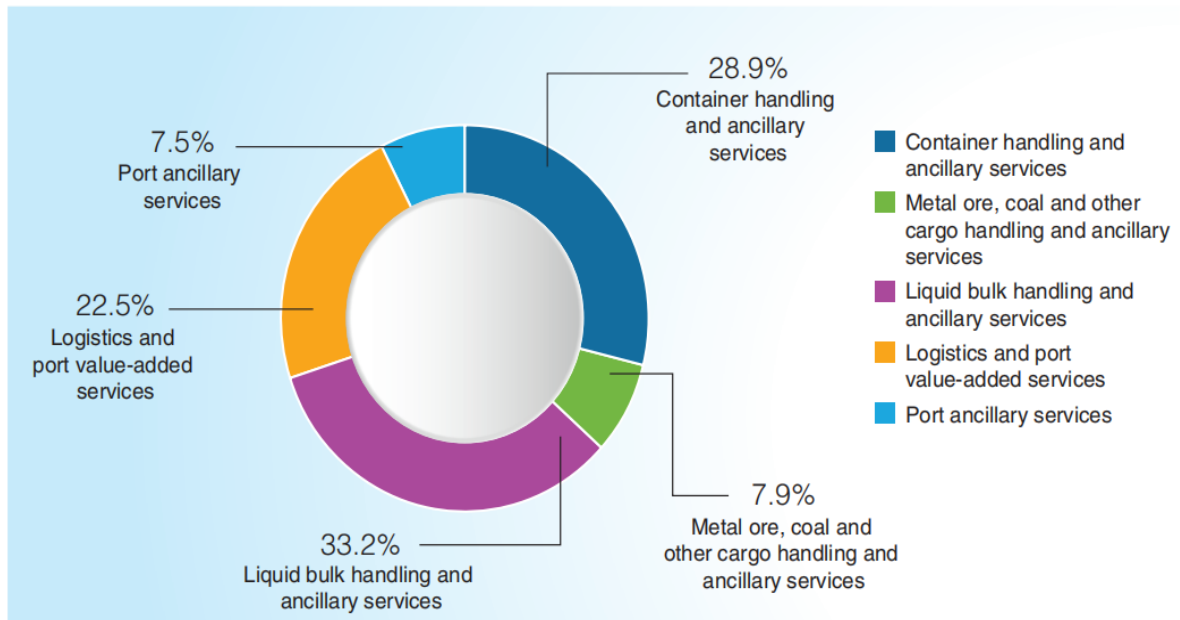
Business Segments	For the six months ended 30 June				Percentage Changed
	2024		2023		
	Amount	Proportion	Amount	Proportion	
Container handling and ancillary services	1,083,246	28.9%	880,057	24.2%	23.1%
Metal ore, coal and other cargo handling and ancillary services	296,904	7.9%	329,071	9.0%	-9.8%
Liquid bulk handling and ancillary services	1,243,210	33.2%	1,290,703	35.4%	-3.7%
Logistics and port value-added services	840,798	22.5%	784,851	21.5%	7.1%
Port ancillary services	279,885	7.5%	359,589	9.9%	-22.2%
Total results before inter-segment elimination	3,744,043	100.0%	3,644,271	100.0%	2.7%

Comparison of Each Business Segment Results

Unit: RMB'000



Breakdown of each business segment for the six months ended 30 June 2024



The business segment results were specifically as follows:

(1) Container handling and ancillary services

Unit: RMB'000

Item	For the six months		Amount Changed	Percentage Changed
	ended 30 June 2024	2023		
Consolidated Group Companies				
Revenue	755,807	601,136	154,671	25.7%
Cost of sales	157,736	125,772	31,964	25.4%
Gross profit	598,071	475,364	122,707	25.8%
Profit of Consolidated Group Companies				
	539,391	401,223	138,168	34.4%
A Joint Venture and An Associated Company				
Revenue	2,909,629	2,642,999	266,630	10.1%
Cost of sales	1,062,817	1,026,294	36,523	3.6%
Investment Income from A Joint Venture and An Associated Company				
	543,855	478,834	65,021	13.6%
Segment Result	1,083,246	880,057	203,189	23.1%

Note: Amounts of Note: Amounts of revenue and cost of sales of a joint venture and an associated company represent the total amount of revenue and cost of sales in the financial information of QQCT and Weihai Hailian Container Co., Ltd. (威海海聯集裝箱有限公司), without taking into account the respective shareholding percentages held by the Company and its subsidiary in the joint venture and the associated company.*

For the six months ended 30 June 2024, the Group adhered to the land-sea linkage, seawards, to open shipping routes and promote transshipment services; landwards, to open more freight trains and expand cargo categories, accelerating the construction of “International Shipping Hub in Northeast Asia” with full efforts. The main breakthroughs achieved were as follows:

- a. the Group continued to promote the expansion of seawards market, cooperated with shipping companies to expand the route network, newly opened 8 container shipping routes and recorded an increase of 14.2% as compared to the same period in the prior year in transshipment volume, accelerating to build an international hub port. In response to the shortage of shipping space and other conditions caused by the Red Sea crisis and other factors, the Group coordinated with shipping companies to increase more than 450 additional voyages to meet the shipment needs of foreign trade enterprises; and

- b. the Group leveraged on the advantages of land-sea linkage, continued to expand land channels, added up 9 inland ports, opened 6 sea-rail intermodal trains to accomplish sea-rail intermodal containers of 1.31 million TEUs with an increase of 13.4% as compared to the same period in the prior year in the first half of 2024, and the inland radiation service capability continuously enhanced.

For the six months ended 30 June 2024, the revenue of container handling and ancillary services was RMB756 million, representing an increase of RMB155 million, or 25.7%, as compared with the same period in the prior year; the segment results recorded RMB1,083 million, representing an increase of RMB203 million, or 23.1%, as compared with the same period in the prior year, mainly due to the increase in revenue and profit benefiting from the increase of container volume. The investment income from the joint venture and the associated company amounted to RMB544 million, representing an increase of RMB65 million, or 13.6%, as compared with the same period in the prior year, mainly due to the increase of container handling volume and the optimization of container type structure.

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

Unit: RMB' 000

Item	QQCT		Amount Changed	Percentage Changed
	For the six months ended 30 June			
	2024	2023		
Revenue	2,878,953	2,611,102	267,851	10.3%
Cost of sales	1,037,101	1,000,224	36,877	3.7%
Investment income	78,949	60,181	18,768	31.2%
Total profit	1,417,170	1,255,039	162,131	12.9%
Income tax expenses	303,718	292,619	11,099	3.8%
Net profit attributable to				
shareholders of the joint venture	1,096,129	947,561	148,568	15.7%
Shareholding percentage held by				
the Company	51%	51%	-	-
Investment income of the Group	558,836	481,553	77,283	16.1%

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

Unit: RMB'000

Item	For the six months ended 30 June		Amount Changed	Percentage Changed
	2024	2023		
Consolidated Group Companies				
Revenue	2,092,589	2,137,402	-44,813	-2.1%
Cost of sales	1,648,525	1,624,189	24,336	1.5%
Gross profit	444,064	513,213	-69,149	-13.5%
Profit of Consolidated Group Companies				
	281,541	314,529	-32,988	-10.5%
Joint Ventures				
Revenue	1,123,967	1,059,854	64,113	6.0%
Cost of sales	954,317	883,667	70,650	8.0%
Investment Income from Joint Ventures				
	15,363	14,542	821	5.6%
Segment Result	296,904	329,071	-32,167	-9.8%

Note: Amounts of revenue and cost of sales of joint ventures represent the total amount of revenue and cost of sales in the financial information of joint ventures of the Company such as QDOT and West United, without taking into account the respective shareholding percentages held by the Company in those joint ventures.

For the six months ended 30 June 2024, the Group actively responded to changes in the macro situation, innovated marketing, deepened strategic cooperation with key customers, proactively expanded new hinterland markets and conducted value-added services. The main breakthroughs achieved were as follows:

- a. the Group leveraged on joint marketing to expand the customer group of dry bulk cargo, and developed a total of 11 new customers in the first half of 2024, achieving an increase of cargo source of more than 1.40 million tons;
- b. the Group guided by personalized mining needs of customers, focused on attracting traders to land non-mainstream mines to the port, with an increase of nearly 3 million tons as compared to the same period in the prior year in supply volume; and

- c. the Group vigorously expanded the markets in Shaanxi and Shanxi province, and opened five new logistics channels transported by the railway in the first half of 2024, with a cumulative shipment of approximately 1.20 million tons of bauxite, and continuing to increase the markets share over the hinterland.

For the six months ended 30 June 2024, the revenue of metal ore, coal and other cargo handling and ancillary services amounted to RMB2,093 million, representing a decrease of RMB45 million, or 2.1%, as compared with the same period in the prior year; the segment results recorded RMB297 million, representing a decrease of RMB32 million, or 9.8%, as compared with the same period in the prior year, mainly due to a decrease in revenue and profit arising from the increase in the proportion of low rate business volume.

(3) Liquid bulk handling and ancillary services

Unit: RMB'000

Item	For the six months		Amount Changed	Percentage Changed
	ended 30 June 2024	2023		
Consolidated Group Companies				
Revenue	1,953,257	2,031,383	-78,126	-3.8%
Cost of sales	726,051	767,003	-40,952	-5.3%
Gross profit	1,227,206	1,264,380	-37,174	-2.9%
Profit of Consolidated Group Companies				
	1,136,439	1,151,323	-14,884	-1.3%
Joint Ventures				
Revenue	622,266	819,647	-197,381	-24.1%
Cost of sales	322,548	391,664	-69,116	-17.6%
Investment Income from Joint Ventures				
	106,771	139,380	-32,609	-23.4%
Segment Result	1,243,210	1,290,703	-47,493	-3.7%

Note: Amounts of revenue and cost of sales of joint ventures represent the total amount of revenue and cost of sales in the financial information of joint ventures of the Company such as Qingdao Shihua and Haiwan Liquid Chemical without taking into account the respective shareholding percentages held by the Company in those joint ventures.

For the six months ended 30 June 2024, the Group continued to increase the efficiency of terminals, storage tanks and oil pipelines and other resources, continuously enriching business formats. The main breakthroughs achieved were as follows:

- a. the Group fully utilized the crude oil futures delivery warehouse with a new approved storage capacity of 800,000 cubic meters. In the first half of 2024, the Group completed warehousing and delivery of 2.84 million barrels (approximately 400,000 tons) of future crude oil, achieving the increase in volume and profits of future warehousing business; and
- b. the market outside Shandong province, such as Hebei, Shaanxi and other provinces in China, has achieved significant breakthroughs. By relying on the whole process logistics services of sea transportation and railway transshipment, the cargo throughput increased 2.6 million tons.

For the six months ended 30 June 2024, the revenue of liquid bulk handling and ancillary services business amounted to RMB1,953 million, representing a decrease of RMB78 million, or 3.8%, as compared with the same period in the prior year; the segment results recorded RMB1,243 million, representing a decrease of RMB47 million, or 3.7%, as compared with the same period in the prior year, mainly due to the decrease of revenue and profit affected by the factors including new crude oil terminals put into operation from the neighboring ports and the decrease of production in refinery. The investment income from joint ventures amounted to RMB107 million, representing a decrease of RMB33 million, or 23.4%, as compared with the same period in the prior year, mainly due to the profit decrease in joint ventures resulting from the decrease in business volume.

The financial information of the major subsidiaries in this business segment was summarized as follows:

Unit: RMB'000

Item	Qingdao Shihua			Dongjiakou Oil			Shandong Port Lianhua		
	For the six months ended 30 June		Percentage Changed	For the six months ended 30 June		Percentage Changed	For the six months ended 30 June		Percentage Changed
	2024	2023		2024	2023		2024	2023	
Revenue	562,661	738,140	-23.8%	309,531	461,775	-32.97%	660,560	749,350	-11.8%
Cost of sales	271,414	347,501	-21.9%	143,416	158,106	-9.29%	231,581	295,534	-21.6%
Net profit	214,041	258,990	-17.4%	118,020	239,478	-50.72%	301,128	314,899	-4.4%
Shareholding percentage held by the Company	50%	50%	–	70%	70%	–	51%	51%	–
Investment income of the Group	109,248	131,723	-17.1%	–	–	–	–	–	–

(4) Logistics and port value-added services

Unit: RMB'000

Item	For the six months ended 30 June		Amount Changed	Percentage Changed
	2024	2023		
Consolidated Group Companies				
Revenue	3,537,703	3,599,820	-62,117	-1.7%
Cost of sales	2,642,204	2,735,697	-93,493	-3.4%
Gross profit	895,499	864,123	31,376	3.6%
Profit of Consolidated Group Companies				
	773,935	741,239	32,696	4.4%
Joint Ventures and Associated Companies				
Revenue	478,678	397,713	80,965	20.4%
Cost of sales	334,252	280,740	53,512	19.1%
Investment Income from Joint Ventures and Associated Companies				
	66,863	43,612	23,251	53.3%
Segment Result	840,798	784,851	55,947	7.1%

Note: Amounts of revenue and cost of sales of joint ventures and associated companies represent the total amount of revenue and cost of sales in the financial information of joint ventures and associated companies of the Company providing logistics and port value-added services, without taking into account the respective shareholding percentages held by the Company in those joint ventures and associated companies.

For the six months ended 30 June 2024, the Group vigorously developed its modern logistics business and achieved breakthroughs in market development, project achievement, and business innovation:

- a. the Group continued to strengthen cooperation with major shipping companies and consolidated its market share. In the first half of 2024, the export operation volume of CFS business amounted to 2.13 million TEUs, with an increase of 8.6% as compared to the same period in the prior year;
- b. the Group accelerated to expand the market, successfully developed more than 40 new customers, added bauxite, manganese ore and other goods, and completed 22.91 million tons of freight forwarding business; and
- c. the Group has actively visited shipping companies, increased 6 new shipping routes such as east coast of the United States service of Maersk and South America of MSC, and achieved 94 additional shipping agency business and shipping space agency of 170 voyages in total.

For the six months ended 30 June 2024, the revenue of logistics and port value-added services business amounted to RMB3,538 million, representing a decrease of RMB62 million, or 1.7%, as compared with the same period in the prior year, mainly due to the decrease of revenue by using net method to account arising from the change in business models of the transportation and distribution business. The investment income from joint ventures and associated companies amounted to RMB67 million, representing an increase of RMB23 million, or 53.3%, as compared with the same period in the prior year, mainly due to the profit increase arising from the investment income from equity disposal of an associated company. The segment results recorded RMB841 million, representing an increase of RMB56 million, or 7.1%, as compared with the same period in the prior year, mainly due to the increase in volume and profit from CFS business.

(5) Port ancillary services

Unit: RMB'000

Item	For the six months ended 30 June		Amount Changed	Percentage Changed
	2024	2023		
Consolidated Group Companies				
Revenue	728,018	787,785	-59,767	-7.6%
Cost of sales	516,160	528,729	-12,569	-2.4%
Gross profit	211,858	259,056	-47,198	-18.2%
Profit of Consolidated Group Companies	193,734	264,323	-70,589	-26.7%
Joint Ventures and Associated Companies				
Revenue	2,303,065	2,395,341	-92,276	-3.9%
Cost of sales	1,529,116	1,668,592	-139,476	-8.4%
Investment Income from Joint Ventures and Associated Companies	86,151	95,266	-9,115	-9.6%
Segment Result	279,885	359,589	-79,704	-22.2%

*Note: Amounts of revenue and cost of sales of the joint ventures and associated companies represent the amount of those in the financial statement of Qingdao Port Equipment, Qingdao Port Engineering, Shandong Port Finance Company, Qingdao Qingyin Financial Leasing Co., Ltd. * (青島青銀金融租賃有限公司) and other joint ventures and associated companies of the Company, without taking into account of the respective shareholding percentages held by the Company in these joint ventures and associated companies.*

For the six months ended 30 June 2024, the revenue of port ancillary services amounted to RMB728 million, representing a decrease of RMB60 million, or 7.6%, as compared with the same period in the prior year, mainly due to a decrease of revenue arising from the decrease of certain ancillary service business. The investment income from joint ventures and associated companies amounted to RMB86 million, representing a decrease of RMB9 million, or 9.6%, as compared with the same period in the prior year, mainly due to the decrease of profit in the associated company which is engaged in project construction service. The segment results recorded RMB280 million, representing a decrease of RMB80 million, or 22.2%, as compared with the same period in the prior year, mainly resulting from reversal of credit impairment loss due to recovery of port equipment construction payments in the same period of last year.

3. Financial Position Analysis

Unit: RMB'000

Item	As at 30 June 2024	As at 31 December 2023	Amount Changed	Percentage Changed
Financial assets held for trading	84,824	284,562	-199,738	-70.2%
Advances to suppliers	231,044	126,612	104,432	82.5%
Other receivables	899,122	668,059	231,063	34.6%
Contract assets	176,731	89,441	87,290	97.6%
Held for sale assets	-	84,926	-84,926	-100.0%
Other current assets	351,929	197,410	154,519	78.3%
Notes payable	441,602	917,624	-476,022	-51.9%
Other payables	5,866,927	3,815,970	2,050,957	53.7%

As at 30 June 2024, the Group's financial assets held for trading decreased by RMB200 million, or 70.2%, as compared to the beginning of this year, mainly due to the redemption of structured deposit at maturity.

As at 30 June 2024, the Group's advances to suppliers increased by RMB104 million, or 82.5%, as compared to the beginning of this year, mainly due to the increase of prepaid transportation fees.

As at 30 June 2024, the Group's other receivables increased by RMB231 million, or 34.6%, as compared to the beginning of this year, mainly due to the increase of receivable transportation agency fees.

As at 30 June 2024, the Group's contract assets increased by RMB87 million, or 97.6%, as compared to the beginning of this year, mainly due to the increase of the amount of receivables in power supply engineering projects which do not meet the collection conditions.

As at 30 June 2024, the Group's held for sale assets decreased by RMB85 million, or 100%, as compared to the beginning of this year, mainly due to that the assets held for sale at the end of last year have been sold in this period.

As at 30 June 2024, the Group's other current assets increased by RMB155 million, or 78.3%, as compared to the beginning of this year, mainly due to the increase in input tax to be deducted from value-added tax in this period.

As at 30 June 2024, the Group's notes payable decreased by RMB476 million, or 51.9%, as compared to the beginning of this year, mainly due to the payment of notes at maturity.

As at 30 June 2024, the Group's other payables increased by RMB2,051 million, or 53.7%, as compared to the beginning of this year, and the main increase is the cash dividends declared by the Company but not yet be paid.

4. Cash Flow Analysis

For the six months ended 30 June 2024, the Group's net cash inflow amounted to RMB844 million, among which:

- (1) the net cash inflow from operating activities amounted to RMB1,717 million, which was mainly derived from the net cash inflow from the operating activities of the Consolidated Group Companies;
- (2) the net cash outflow from investing activities amounted to RMB536 million, which mainly comprised of the net inflow of RMB465 million arising from the redemption of the structured deposit and the fixed deposit with more than three months purchased at maturity, the payment of RMB87 million from investments, financing and other dividend income, and the payment of RMB1,208 million arising from the purchase of fixed assets and construction in progress; and
- (3) the net cash outflow from financing activities amounted to RMB337 million, which mainly comprised of receiving borrowings of RMB427 million, the repayment of borrowings of RMB263 million, the repayment of debt interests of RMB50 million, and the payment of RMB359 million for distribution of dividends by subsidiaries.

5. Working Capital and Financial Resources

As at 30 June 2024, the Group's cash at bank and on hand amounted to RMB11,478 million, the structured deposit amounted to RMB80 million. The Group's total interest-bearing liabilities amounted to RMB2,565 million, among which, liabilities bearing interest at floating rates amounted to RMB1,681 million.

6. Capital Structure

As at 30 June 2024, the total shareholders' equity of the Group amounted to RMB45,105 million, representing an increase of RMB567 million as compared to the beginning of this year, among which, the equity interests attributable to the shareholders of the Company increased by RMB759 million and the equity interests of minority shareholders decreased by RMB193 million. The increase in the equity interests attributable to the shareholders of the Company was mainly due to the increase of RMB2,642 million in operating profit during the reporting period and the decrease of RMB1,900 million in the Company's declared dividends to distribute for the year 2023; and the decrease in the equity interests of minority shareholders was mainly due to the increase of RMB285 million in operating profit during the reporting period and the decrease of RMB480 million in declared dividends of the subsidiaries of the Company to distribute for the year 2023.

As at 30 June 2024, the Company had issued 6,491,100,000 shares, comprising of 5,392,075,000 A shares and 1,099,025,000 H shares, representing 83.07% and 16.93% of the total issued shares of the Company, respectively. The A share market capitalization and H share market capitalization of the Company were RMB51,548 million and HKD6,550 million, respectively (which were calculated based on the closing price of RMB9.56 per share on the Shanghai Stock Exchange and the closing price of HKD5.96 per share on the Hong Kong Stock Exchange as at 28 June 2024).

7. Gearing Ratio

As at 30 June 2024, the Group's cash at bank and on hand exceeded interest-bearing liabilities.

8. Interest Rate and Exchange Rate Risks

As at 30 June 2024, the Group did not have cash at bank and on hand and receivables with floating interest rate, the amount payable with floating interest rates was RMB1,681 million. The Group assessed the interest rate risk and anticipated that interest rate fluctuation would have no material impact on the Group.

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

The Group will continue to closely monitor interest rate and exchange rate risks. The Group did not enter into any hedging arrangements to hedge against exposures to interest rate and exchange rate risks for the six months ended 30 June 2024.

9. Financial Indicators

Indicators	For the six months		Change (+/-)
	ended 30 June		
	2024	2023	
Return on total assets	4.79%	4.87%	-0.08 percentage point
Weighted average return on net assets	6.50%	6.63%	-0.13 percentage point
Interest coverage ratio	59.56	44.84	+14.72 times
Current ratio	1.66	1.42	+0.24

For the six months ended 30 June 2024, the return on total assets of the Group was 4.79%, representing a decrease of 0.08 percentage point as compared to the same period in the prior year; the weighted average return on net assets was 6.50%, representing a decrease of 0.13 percentage point as compared to the same period in the prior year, mainly due to that the crude oil reserves and other projects which were newly put into production last year did not fully released productivity. The interest coverage ratio of the Group was 59.56 times, representing an increase of 14.72 times as compared to the same period in the prior year, mainly due to the increase in profit before interest and tax and the decrease of interest charges. The current ratio of the Group was 1.66, representing an increase of 0.24 as compared to the same period in the previous year, mainly due to that the cash and cash equivalents and other current assets at the end of the reporting period was more than those at the end of the same period of the prior year.

III. CAPITAL INVESTMENT

For the six months ended 30 June 2024, the significant capital investment of the Group was RMB448 million, mainly invested in the general-use terminal grain silo phase III project, liquid chemical terminal tank area project in Dongjiakou port area and other projects.

IV. SIGNIFICANT ENTRUSTED WEALTH MANAGEMENT

For the six months ended 30 June 2024, the Group did not have the entrusted wealth management with a single investment amount more than RMB200 million.

V. SIGNIFICANT ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATED COMPANIES

For the six months ended 30 June 2024, the Group did not have any significant acquisition and disposal of subsidiaries, joint ventures and associated companies.

VI. MORTGAGE AND PLEDGE OF ASSETS

As at 30 June 2024, none of the Group's assets was mortgaged or pledged.

VII. CONTINGENT LIABILITIES

As at 30 June 2024, the Group did not have any significant contingent liabilities.

VIII. EMPLOYEES

As at 30 June 2024, the Company engaged 3,019 employees, and the Company's principal subsidiaries engaged 6,340 employees. The employees' remunerations of the Group include basic salaries and performance incentives. The growth of employees' remunerations is determined by their working performance, economic environment, and supply and demand conditions of human resource market, under the "two matches" principle to match the employees' income growth with the growth of the Company's results and the increase of production rate. Meanwhile, the Group's remuneration policy is reviewed on a regular basis as well. Adhering to its "people-centered" philosophy and safeguarding the legitimate rights and interests of employees, the Group contributes social insurances, enterprise annuity and supplementary medical insurance as required by the relevant regulations of the PRC to provide extra welfare scheme to its employees. The Company provides regular trainings for employees to keep them abreast of the latest news and developments in the industry, in the form of both internal trainings and external trainings.

IX. DESCRIPTION OF OTHER OPERATING MATTERS

As the Company plans to construct an international port for cruise liners by transforming and upgrade, the business of Dagang Port Area will be gradually relocated to Dongjiakou Port Area and Qianwan Port Area. In March 2020, Qingdao international home port for cruise liners started construction and the construction was gradually carried on as planned. As at 30 June 2024, the construction of international port for cruise liners had no effect on the main business of Dagang Port Area.

The government of Qingdao Economic and Technological Development Zone is in the process of adopting a new urban planning scheme that may relocate the port operations in Huangdao Oil Port Area and operations of certain clients around Huangdao Oil Port Area to Dongjiakou Port Area. As at 30 June 2024, the Group did not receive any relocation plan or relevant notice, and did not obtain any information in relation to such relocation of clients and businesses to Dongjiakou Port Area, hence the operation of Huangdao Oil Port Area was not affected.

X. SUBSEQUENT EVENTS

On 30 June 2023, the Company entered into original asset purchase agreements with Rizhao Port Group and Yantai Port Group, respectively, to acquire Original Target Assets. Due to the scope adjustment of the Original Target Assets involved in the above transaction, on 12 July 2024, the Company entered into (i) the Asset Purchase Agreement I with Rizhao Port Group, pursuant to which, the Company conditionally agreed to purchase 100% equity interests in Rizhao Port Oil Terminal Co., Ltd. (日照港油品碼頭有限公司) and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd. (日照實華原油碼頭有限公司) held by Rizhao Port Group; and (ii) the Asset Purchase Agreement II with Yantai Port Group, pursuant to which, the Company conditionally agreed to purchase 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd. (山東聯合能源管道輸送有限公司) and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd. (山東港源管道物流有限公司) held by Yantai Port Group. Please refer to the Company's announcements dated 27 June 2023, 30 June 2023, 27 December 2023, 9 July 2024 and 12 July 2024 and the circular dated 15 August 2024 for details. As at the date of the announcement, the transactions above have not been completed.

Save as disclosed above, there is no material subsequent event of the Group after 30 June 2024.

XI. OUTLOOK FOR THE SECOND HALF OF 2024

In the second half of 2024, the global economic situation is complex and complicated, and the external environment is unstable and uncertain, but the economy of China bears great tenacity, potential and vitality, and its long-term positive fundamentals have not changed. At present, the Group is in a situation where business development opportunities and challenges coexist, it will take advantage of the opportunity of integrated reform of Shandong Port to build an international shipping hub in Northeast Asia as its goal, seize policy benefits, continue to deepen reform, focus on performance, and create greater value for the shareholders of the Company and the society.

Firstly, the Group will focus more on the upgrading of the hub energy level. We will set the goals to construct the world-class marine port group and build the great international logistic channel, grasp the good momentum of the development of container business, increase shipping routes, expand shipping space, and make every effort to cement the unassailable position of an international container hub in Northeast Asia. We will construct inland ports, open trains, and create the most important, most economical and most convenient outlet to the sea along the Yellow River Basin, and the volume of sea-rail intermodal containers will remain the first among the industry. We will concentrate on the upgrading of port facilities and accelerate the operation of key engineering projects early.

Secondly, the Group will focus more on the construction of new quality productive forces. We will accelerate the intelligent and green port construction, and build the industry's first digital and intelligent integration platform. We will accelerate the promotion and application of the intelligent management and control system for the fully automated container terminal, and lead the fully automated container terminal in the world. We will make every effort to build a "zero-carbon" terminal and take the lead in launching "carbon footprint" services among other ports in the country. We will strive to become the first container "Five-star Green Port Area" and one of the first batch of "Four-star Green Ports" in terms of break bulk cargo terminals in China.

Thirdly, the Group will focus more on the upgrading of management efficiency. We will optimize the internal control operation system, improve the risk prevention and control mechanism, and raise the quality of intrinsic safety management. We will improve the modern enterprise governance system, deepen the quality-first concept, and promote advanced quality management concepts and methods. We will innovate people-oriented management, expand the career development channels for employees, strengthen staff training, and make every effort to build our core team and talents with strong comprehensive ability.

CORPORATE GOVERNANCE PRACTICES

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

The Company has complied with all code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Hong Kong Listing Rules for the six months ended 30 June 2024.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code of Appendix C3 to the Hong Kong Listing Rules as its own code of conduct for securities transactions by Directors and Supervisors. Specific enquiry has been made to all the Directors and Supervisors and each of the Directors and Supervisors has confirmed that he/she has complied with the Model Code for the six months ended 30 June 2024.

REVIEW OF FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE

The audit committee of the Board has reviewed the unaudited interim results and the interim report of the Company for the six months ended 30 June 2024.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

No purchase, sale or redemption of any listed securities of the Company was made by the Company or any of its subsidiaries for the six months ended 30 June 2024 (including sale of the treasury shares).

As at 30 June 2024, there were no treasury shares held by the Company.

ISSUANCE OF NEW A SHARES

The Company intends to issue new A shares to no more than 35 (including 35) qualified and specified investors for the purpose of raising ancillary funds for the Proposed Restructuring. The Company will disclose the issue price per share, net price per share available, number of issues and total par value of the new A shares in due course.

Please refer to the Company's announcements dated 27 June 2023, 30 June 2023, 27 December 2023, 9 July 2024 and 12 July 2024 and the circular dated 15 August 2024 for details and the definitions of the above new A share issuance.

USE OF PROCEEDS

The net proceeds from the H Shares Placing of the Company in 2017 were approximately HKD1,035 million, equivalent to approximately RMB912 million. As at 31 December 2023, approximately HKD508 million (which was calculated based on the exchange rate of 31 December 2023, including accumulated interest income) was carried over to this year. For the six months ended 30 June 2024, the Company had invested the proceeds of approximately HKD206.9702 million (which was calculated based on the exchange rate of 28 June 2024) in the way as disclosed in the announcements of the Company dated 28 October 2022 and 23 December 2022 and the circular of the Company dated 18 November 2022. The remaining proceeds were HKD302.5273 million (which was calculated based on the exchange rate of 28 June 2024, including accumulated interest income). The Company will use the remaining proceeds in accordance with the progress of the investment projects and business development, which are expected to be used up in the second half of 2024.

As of 30 June 2024, the use of proceeds from the Company's H Shares Placing is set out below:

Unit: HKD0'000

	Payment for equity acquisition of COSCO SHIPPING Ports (Abu Dhabi) Limited	Engineering construction investment	Among which, (a) Dongjiakou port area terminal construction project	(b) Dongjiakou port area oil storage construction project	(c) Other construction projects
Intended investment amount	46,045.00	61,649.50	18,649.50	38,000.00	5,000.00
Used amount during the years of 2017-2019	–	–	–	–	–
Used amount during the year of 2020	46,045.00	–	–	–	–
Used amount during the year of 2021	–	–	–	–	–
Used amount during the year of 2022	–	–	–	–	–
Used amount during the year of 2023	–	10,875.57	4,556.18	2,843.29	3,476.10
Used amount during the first half of 2024 ^{note1}	–	20,697.02	7,165.05	12,809.79	722.18
Unused amount as at 30 June 2024 (including interest income)	–	30,252.73 ^{note2}	7,104.08 ^{note 2}	22,346.92	801.72
Expected completion time of the use of proceeds	–	the year of 2024	the year of 2024	the year of 2024	the year of 2024

Note1: the amount used in the reporting period was calculated based on the exchange rate of 28 June 2024.

Note2: the data includes interest income.

The net proceeds from the initial public offering of A shares of the Company were approximately RMB1,979 million. As at 31 December 2023, approximately RMB353 million (including accumulated interest income) was carried over to this year. For the six months ended 30 June 2024, approximately RMB63 million of the proceeds had been used into the investment projects in the way as disclosed in the Company's initial public offering of A shares prospectus and the Company's

announcements dated 26 March 2020, 10 June 2020, 24 May 2021 and 28 June 2021 and circulars dated 26 May 2020 and 27 May 2021, which was mainly used for construction of the project of multi-purpose berths and north jetty II rear ancillary stacking yards in Dongjiakou port area and the Datang terminal phase II project in Dongjiakou port area. The Company shall use the remaining proceeds in accordance with the payment progress of the investment projects and business development, which are expected to be used up in the second half of 2024.

As of 30 June 2024, the use of proceeds from the Company's A shares is set out below:

Unit: RMB0'000

	Multi-purpose berths and North Jetty II rear ancillary stacking yards in Dongjiakou Port Area	Qingdao Port Intelligent Port Area Upgrading Project	Qingdao Port Area Equipment Procurement Project	Datang Terminal Phase II Project in Dongjiakou Port Area	Supplementing working capital
Intended investment amount	31,283.00	20,000.00	48,210.00	68,717.00	29,682.98
Used amount during the year of 2019	19,358.43	8,308.62	18,569.02	—	29,682.98
Used amount during the year of 2020	3,429.46	4,193.94	1,661.26	—	—
Used amount during the year of 2021	1,065.30	8,223.67	8,203.30	9,474.34	—
Used amount during the year of 2022	5,832.07	436.07	18,985.80	22,993.50	—
Used amount during the year of 2023	246.29	—	3,575.44	13,757.34	—
Used amount during the first half of 2024	2,090.61	—	—	4,247.93	—
Unused amount as at 30 June 2024 (including interest income)	8,159.21	—	—	21,174.80	—
Expected completion time of the use of proceeds	the year of 2024	—	—	the year of 2024	—

DIVIDENDS

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2024.

PUBLICATION OF INTERIM REPORT

The interim report for the six months ended 30 June 2024 of the Company will be published on the websites of Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.qingdao-port.com).

By order of the Board
Qingdao Port International Co., Ltd.
SU Jianguang
Chairman

Qingdao, the PRC, 29 August 2024

As at the date of this announcement, the executive Directors are Mr. SU Jianguang and Mr. Zhang Baohua; the non-executive Directors are Mr. LI Wucheng, Mr. ZHU Tao, Mr. CUI Liang and Ms. WANG Fuling; and the independent non-executive Directors are Ms. LI Yan, Mr. JIANG Min and Mr. LAI Kwok Ho.

Definitions

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

“A share(s)” share(s) with a nominal value of RMB1.00 each issued by the Company, which are listed on the main board of the Shanghai Stock Exchange and traded in RMB (stock code: 601298)

“A Share Offering” the Company’s public offering 454,376,000 A shares, which are listed on the main board of the Shanghai Stock Exchange

“Asset Purchase Agreement I” Agreement on the Acquisition of Equity Interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) by Qingdao Port International Co., Ltd.* (青島港國際股份有限公司) from Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Rizhao Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Rizhao Port Group, both dated 12 July 2024

“Asset Purchase Agreement II” Agreement on the Acquisition of Equity Interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Yantai Port Group, both dated 12 July 2024

“Board” the board of Directors

“CFS”	container freight station, of which, container freight station at loading ports refers to the location designated by carriers for the receiving of cargo to be loaded into containers by the carrier, while container freight station at discharge or destination ports refers to the location designated by carriers for de-vanning of containerized cargo
“China Shipping Terminal Development”	China Shipping Terminal Development Co., Ltd.* (中海碼頭發展有限公司), a company established in March 2001 in the PRC with limited liability and a wholly-owned subsidiary of COSCO Shipping Ports Development Co., Ltd.* (中遠海運港口發展有限公司)
“Company”	Qingdao Port International Co., Ltd.* (青島港國際股份有限公司), a joint stock company established in November 2013 in the PRC with limited liability
“Consideration Shares”	new A shares to be issued by the Company to Yantai Port Group under the Asset Purchase Agreement II and the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations as part of the total consideration of the Target Assets
“Consolidated Group Companies”	the Company’s subsidiaries (including its branches) which are consolidated into the consolidated financial statements of the Company
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“CSRC”	China Securities Regulatory Commission* (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company

“Dongjiakou Oil”	Qingdao Port Haiye Dongjiakou Oil Co., Ltd.* (青島港海業董家口油品有限公司, formerly known as Qingdao Haiye Mercuria Oil Terminal Co., Ltd.* (青島海業摩科瑞倉儲有限公司)), a company established in May 2011 in the PRC with limited liability and a subsidiary in which the Company holds 70% equity interests, which is mainly engaged in the business of terminal stevedoring and warehousing services of liquid bulk
“Group”	the Company and its branches and subsidiaries; when references are made to operational data such as throughput, including joint ventures and associated companies of the Company
“H share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the main board of the Hong Kong Stock Exchange (stock code: 06198) and are traded in HKD
“H Share(s) Placing”	the Company issued the 243,000,000 H shares by way of placing and has been listed on the main board of the Hong Kong Stock Exchange
“Haiwan Liquid Chemical”	Qingdao Haiwan Liquid Chemical Port Operation Co., Ltd.* (青島海灣液體化工港務有限公司), a company established in August 2011 in the PRC with limited liability and a joint venture in which the Company holds 35% equity interests, which is mainly engaged in the business of providing liquid bulk handling and ancillary services
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“MSC”	Mediterranean Shipping Company S.A.
“Original Target Assets”	100% equity interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司), 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司), 100% equity interests in Rizhao Gangrong Port Co., Ltd.* (日照港融港口服務有限公司) held by Rizhao Port Group, and 67.56% equity interests in Yantai Port Co., Ltd.* (煙台港股份有限公司), 60.00% equity interests in Yantai Port Group Laizhou Port Co., Ltd.* (煙台港集團萊州港有限公司), 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司), 64.91% equity interests in Yantai Ganghang Investment Development Co., Ltd.* (煙台港航投資發展有限公司) and 100% equity interests in Yantai Port Operation Guarantee Co., Ltd.* (煙台港運營保障有限公司) held by Yantai Port Group
“PRC” or “China”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan
“Proposed Restructuring”	the purchase of the Target Assets by the Company by way of issuance of Consideration Shares and cash payments under the Asset Purchase Agreement I and the Asset Purchase Agreement II, pursuant the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations
“QDOT”	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.* (青島港董家口礦石碼頭有限公司), a company established in January 2014 in the PRC with limited liability and a joint venture in which the Company holds 30% equity interests, which is mainly engaged in the business of ore, coal and other cargo handling and ancillary services

“Qingdao Port Engineering”	Qingdao Port (Group) Engineering Co., Ltd.* (青島港（集團）港務工程有限公司), a company established in May 1992 in the PRC with limited liability and an associated company in which the Company holds 49% equity interests, which is mainly engaged in the business of construction engineering, architectural decoration and engineering design services, etc.
“Qingdao Port Equipment”	Qingdao Port Equipment Manufacturing Co., Ltd.* (青島港口裝備製造有限公司), a company established in the PRC with limited liability in November 2020 and an associated company in which the Company holds 49% equity interests, which is mainly engaged in port equipment manufacturing, engineering construction, maintenance and repair and other business
“Qingdao Port Group”	Shandong Port Qingdao Port Group Co., Ltd.* (山東港口青島港集團有限公司), a company established in August 1988 in the PRC with limited liability, the controlling shareholder of the Company, holding approximately 55.77% equity interests in the Company as at 30 June 2024
“Qingdao SASAC”	the State-owned Assets Supervision & Administration Commission of Qingdao Municipal Government* (青島市人民政府國有資產監督管理委員會)
“Qingdao Shihua”	Qingdao Shihua Crude Oil Terminal Co., Ltd.* (青島實華原油碼頭有限公司), a company established in February 2006 in the PRC with limited liability and a joint venture in which the Company holds 50% equity interests, which is mainly engaged in the business of liquid bulk handling and ancillary services
“QQCT”	Qingdao Qianwan Container Terminal Co., Ltd.* (青島前灣集裝箱碼頭有限責任公司), a company established in May 2000 in the PRC with limited liability and a joint venture in which the Company holds 51% equity interests, which is mainly engaged in the business of container handling and ancillary services

“RCEP”	Regional Comprehensive Economic Partnership
“Rizhao Port Group”	Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司), a company established in February 2004 in the PRC with limited liability and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in port operation, port industry investment, port infrastructure construction, port and shipping ancillary services and other businesses at the port of Rizhao
“RMB”	Renminbi, the lawful currency of the PRC
“Shandong Free Trade Zone”	China (Shandong) Pilot Free Trade Zone
“Shandong Port Finance Company”	Shandong Port Group Finance Co., Ltd.* (山東港口集團財務有限責任公司), a company established in the PRC with limited liability in July 2014 and an associated company in which the Company holds 34.63% equity interests, which is mainly engaged in the business of the depository services, credit granting services, financial and financing advisory services, credit assurance services and relevant consulting and agency services, trade receivables collection and payment services; internal fund transfer and settlement services formulation of proposals for the corresponding settlement and clearing services and other financial services
“Shandong Port Group”	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), a company established in August 2019 in the PRC with limited liability with Shandong SASAC as the de facto controller, holding 100% equity interests in Qingdao Port Group
“Shandong Port Lianhua”	Shandong Port Lianhua Pipeline Petroleum Transportation Co., Ltd* (山東港聯化管道石油輸送有限公司), a company established in December 2015 in the PRC with limited liability and a subsidiary in which the Company holds 51% equity interests, which is mainly engaged in the business of liquid bulk handling and ancillary services

“Shandong Port Shipping Group”	SHANDONG MARINE CORPORATION* (山東遠洋海運集團股份有限公司, formerly known as Shandong Port Shipping Group Co., Ltd.* (山東港口航運集團有限公司)), a company established in March 2020 in the PRC with limited liability, which is mainly engaged in container transportation, oil transportation, dry bulk cargo transportation, passenger roll-on/roll-off (container) liner transportation and other businesses
“Shandong SASAC”	State-owned Assets Supervision and Administration Commission of the People’s Government of Shandong Province* (山東省人民政府國有資產監督管理委員會), which is the de facto controller of the Company
“Shanghai China Shipping Terminal”	Shanghai China Shipping Terminal Development Co., Ltd.* (上海中海碼頭發展有限公司), a company established in February 2008 in the PRC with limited liability and a wholly-owned subsidiary of China Shipping Terminal Development, holding approximately 15.64% equity interests in the Company as at 30 June 2024
“Shanghai Cooperation Demonstration Zone”	China-Shanghai Cooperation Organization Local Economic and Trade Cooperation Demonstration Zone
“Supervisor(s)”	the supervisor(s) of the Company
“Target Assets”	100% equity interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) held by Rizhao Port Group, and 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) held by Yantai Port Group
“TEU”	an abbreviation of Twenty-Foot Equivalent Unit, an international measuring unit with the standard a container with a length of 20 feet, a width of 8 feet and a height of 8 feet and 6 inches, also known as the international unit of standard container

“Weihai Port”

Shandong Port Weihai Port Co., Ltd.* (山東港口威海港有限公司), a company established in the PRC with limited liability in November 1997 and a wholly-owned subsidiary of Qingdao Port Group, which is mainly engaged in the handling of international express, passenger and vehicle, warehousing, transportation, agency services and other businesses

“Weihai Port Development Company”

Shandong Weihai Port Development Co., Ltd.* (山東威海港發展有限公司), a company established in the PRC with limited liability in December 2001 and the Company and Weihai Port hold 51% equity interests and 49% equity interests of it, respectively, which is mainly engaged in the business of handling of containers and dry bulk cargo warehousing, road transportation and other businesses

“West United”

Qingdao Qianwan West Port United Terminal Co., Ltd.* (青島前灣西港聯合碼頭有限責任公司), a company established in June 2010 in the PRC with limited liability and a joint venture in which the Company holds 51% equity interests, which is mainly engaged in the business of dry bulk cargo and break bulk cargo handling and ancillary services

“Yantai Port Group”

Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司), a company established in the PRC with limited liability in November 1984 and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in the business of handling of containers, liquid bulk, dry bulk, logistics services and other businesses

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

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