



CHINA MERCHANTS PORT GROUP CO., LTD.

ANNUAL REPORT 2024

Date of disclosure: 3 April 2025

Chairman's Statement

Dear Shareholders,

I hereby present to you the annual report of China Merchants Port Group Co., Ltd. and its subsidiaries (the Company or CMPort) for the year ended 31 December 2024. On behalf of the Board of Directors, I would like to extend our heartfelt gratitude to all shareholders for your enduring support to the Company.

As the core enterprise within the transportation and logistics sector of China Merchants Group and a key enabler of its mission to build a "world-class enterprise," the Company has invested in and operates 51 ports across 26 countries and regions. We play an active role in ensuring the smooth operation of international and domestic logistics supply chains and have established ourselves as a global leader in port investment, development, and operation.

By implementing new development concepts based on the new development stage and building a new development pattern, CMPort will strive to promote its high-quality development and become a "world-leading port service provider". While cultivating innovative businesses with a focus on core port businesses, strengthening the supporting role of scientific and technological innovation and building an independent and controllable terminal operating system, it will strive to build a smart and diverse port ecosystem. By actively exploring and participating in global port resource integration opportunities, optimizing the port network system on a continuous basis and strengthening external and internal coordination, we will provide customers with more economical, higher-quality, and more efficient service solutions and deepen strategic cooperation with customers, thus creating greater value for the Company and more returns for shareholders, and making an important contribution to maintaining the safety, stability, and smoothness of the supply chain.

REVIEW FOR THE YEAR

In 2024, though the development of the global economy showed resilience with steady economic growth, global economic recovery experienced pressure from intensifying geopolitical situation, rising trade protectionism and more rapid increase in global debt size. In the context of significant regional differences in global economic growth, the developed economies continued to diverge from emerging markets in terms of performance with relatively weak anticipated growth. The rising uncertainties brought challenges regarding enterprise daily operation and management. In the face of the complicated external environment, the Company has taken "high-quality development" as the main line and "Global Presence", "Lean Management" and "Innovative Transformation" as the drivers to consolidate its fundamental feature of homebase ports with effective implementation of lean management. It has been breaking new grounds adopting collaborative innovation and upgrade of digital intelligence in contribution to full achievement of all efficiency targets.

Financial performance: In 2024, the Company achieved an operating income of RMB16,131 million, up by 2.41% year-on-year. The net profit attributable to the listed company's shareholders reached RMB4,516 million, up by 26.44% year-on-year.

Business performance: In terms of container business, the Company handled a total container throughput of 195.16 million TEUs in 2024, an increase of 8.3% year-on-year. Looking into the

regional performance, Mainland China contributed an aggregate container throughput of 152.30 million TEUs, representing a year-on-year increase of 8.5%; Hong Kong and Taiwan, China, handled 6.023 million TEUs, representing a year-on-year increase of 3.4%; and overseas operations delivered a container throughput of 36.84million TEUs, up by 8.1% year-on year. In terms of bulk cargo business, the Company handled a bulk cargo volume of 1,262 million tonnes in 2024, representing an increase of 0.6% year-on-year.

In terms of key priorities: Firstly, the homeport business improved constantly. In 2024 container throughput of the West Shenzhen Port Zone and CICT in Sri Lanka both achieved record highs with steady improvement in operational indicators, achieving milestone results in the progress of building world's leading ports. Secondly, the overseas expansion of China Merchants Port, the Company's holding subsidiary, has also been solidly promoted, as the completion of the acquisition of 51% equity interest in NPH in Indonesia, the first step in Indonesia market to further expand the layout in Southeast Asia. As the overseas existing projects have shown positive developments in multiple aspects, business volume of the overseas controlling terminals, CICT, TCP and LCT, in Sri Lanka, Brazil and Togo, respectively, hit record highs, underscoring the Company's strengths in global presence and internationalized operations. Thirdly, the performance of lean management is remarkable. Insisting in "cost leadership" to enhance profitability and management quality, the Company established an innovative and integrated working mechanism to realize value empowerment. Fourthly, fruitful results were achieved for digital intelligence. Mawan Smart Port have passed the on-site assessment of "Five-Star China's Smart Port". "CMCore" CTOS was launched at two container terminals in Italy. Up to a total of 27 corporate customers in 8 countries have been served. Fifthly, as for the ESG construction, the Company made outstanding achievements again. In 2024, the Company received an "AA" rating in the ESG ratings published by WIND and was consecutively included in the "Central Enterprises ESG Pioneer 100 Index (央企 ESG 先锋 100 指数)" MSCI, an international ESG rating agency, upgraded the ESG rating for China Merchants Port, the holding subsidiary of the Company, to "BBB", being the highest rating among A-share and H-share listed port companies. Both CICT and HIPG in Sri Lanka were honored with the title of "Sri Lanka's Most Significant Foreign Direct Investment Contributors" by the Board of Investment of Sri Lanka (BOI).

FUTURE PROSPECTS

Looking forward to 2025, the global economic landscape continues to undergo profound adjustments. Major international events, such as the Russia-Ukraine conflict, the Palestinian Israeli conflict and the Red Sea crisis are expected to persist. The issue of global divergence has been growing, especially in emerging markets and developing economies, and regional divergence has become increasingly obvious. The stable recovery of the global economy is facing challenges amidst the persistent adjustment cycle. 2025 is the final year of the "14th Five-Year Plan" and also critical for the deepening of comprehensive reform. It is expected that the gradual implementation of various economic stabilization policies and the sustained effect of various trade agreements will enhance the momentum of commodity import and export, boosting cross-national trade. As the economy and trade will also operate within a reasonable range, the port industry is expected to evolve steadily.

Striving for success with practical actions, the Company will forge ahead to embark on a new journey. 2025 is the first year of the “15th Five-Year Plan”. Driven by the three-drivers model of “Global Presence”, “Lean Management” and “Innovative Transformation” unceasingly, the Company will further reform and innovate to develop new quality productivity and advance high-quality development. Firstly, while capturing new opportunities for enhancing core competitiveness, the Company shall firmly keep developing overseas with global presence strengthened and lean management deepened so as to continuously empower, discover potentials and promote digital intelligence and green upgrading. Secondly, the Company will build a new engine to boost the radiation driving force. The consolidation of strong port construction, improvement of core functions and strengthening of business collaboration will allow the Company to fully leverage the advantages of resource consolidation. Thirdly, to accelerate augmentation of supporting protection, the Company will establish a professional and efficient headquarter with strong operation and management and continuously cultivate a strong talent pool. Sticking to real actions firmly, the Company will stand at the forefront, and take solid steps based on practice towards world’s leading standard.

APPRECIATION

In 2024, facing the complex and ever-changing severe external situation and a series of risks and challenges, CMPort adhered to strategic leadership, focused on “Global Presence”, “Lean Management” and “Innovative Transformation”, with various key tasks invariably implemented to hit record highs in operating results. All could not be accomplished without the dedication of all staff of the Company and the support from its shareholders and investors, business partners and those in society who have taken to heart the Company’s interest. For this, I would like to extend my most sincere appreciation and deepest gratitude.

Feng Boming

Chairman

Part I Important Notes, Table of Contents and Definitions

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior managers of China Merchants Port Group Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

Xu Song, the Company’s legal representative, Huang Zhenzhou, the Company’s Chief Financial Officer, and Liu Shixia, the person-in-charge of the accounting organ hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

Any forward-looking statements such as future plans or development strategies mentioned herein shall not be considered as the Company’s promises to investors. And investors are reminded to exercise caution when making investment decisions. Possible risks faced by the Company and countermeasures have been explained in “Part III Management Discussion and Analysis” herein, which investors are kindly reminded to pay attention to.

Securities Times, China Securities Journal, Shanghai Securities News, and www.cninfo.com.cn have been designated by the Company for information disclosure. And all information about the Company shall be subject to what’s disclosed on the aforesaid media. Investors are kindly reminded to pay attention to these media.

The Board has approved a final dividend plan as follows: based on the Company’s total share capital (exclusive of the repurchased shares) at the record date of the dividend payout, a cash dividend of RMB7.40 (tax inclusive) per 10 shares is to be distributed to shareholders, with no bonus issue from either profit or capital reserves.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

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Documents Available for Reference

I. Financial Statements carrying the signatures and stamps of the Company Principal, the Chief Financial Officer and the person in charge of accounting firm;

II. The 2024 Auditor's Report stamped by the accounting firm and signed and stamped by registered accountants; and

III. Original copies of all documents and the announcements thereof disclosed in the Reporting Period on *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Ta Kung Pao* (HK) and www.cninfo.com.cn.

Definitions

Term	Definition
The “Company”, “CMPort” or “we”	China Merchants Port Group Co., Ltd., formerly known as “Shenzhen Chiwan Wharf Holdings Limited”
CMG	China Merchants Group Limited
CMPort Holdings	China Merchants Port Holdings Company Limited (00144.HK)
CMPID	China Merchants Port Investment Development Company Limited
Broadford Global	Broadford Global Limited, a wholly-owned subsidiary of CMG Hong Kong
CSRC	China Securities Regulation Commission
TEU	Twenty Foot Equivalent Unit
Alphaliner	A shipping consultancy
ESG	Environmental, Social and Governance
SMP	Smart Management Platform
COE	Center of Excellence
CMIT	China Merchants International Technology Company Limited
CTOS	Container Terminal Operation System
CM ePort	CMPort’s homegrown unified customer service platform
West Shenzhen Port Zone	Including Mega Shekou Container Terminals Limited; Chiwan Container Terminal Co., Ltd.; Shenzhen Mawan Terminals Co., Ltd.; Shenzhen Mawan Wharf Co., Ltd.; Shenzhen Haixing Harbor Development Company Ltd.; China Merchants Port Services(Shenzhen) Company Limited; Shenzhen Chiwan Harbor Container Co. Ltd., etc.
Shunde New Port	Guangdong Yide Port Limited
Chu Kong River Terminal	Chu Kong River Trade Terminal Co., Limited
Dongguan Machong	Dongguan Chiwan Port Service Co., Ltd.
SIPG	Shanghai International Port (Group) Co., Ltd.
Ningbo Port	Ningbo Zhoushan Port Company Limited
Liaoning Port	Liaoning Port Co., Ltd.
Laizhou Port	Yantai Port Group Laizhou Port Co. LTD
QQCTU	Qingdao Qianwan United Container Terminal Co., Ltd.
QQTU	Qingdao Qianwan United Terminal Co., Ltd.
Qingdao Dongjiakou	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.
Tianjin Port Container Terminal	Tianjin Port Container Terminal Co., Ltd.
Shantou Port	Shantou China Merchants Port Group Co., Ltd.
Zhangzhou Port	Zhangzhou China Merchants Port Co., Ltd.
Xia Men Bay Terminals	Xia Men Bay China Merchants Terminals Co., Ltd.
Zhanjiang Port	Zhanjiang Port (Group) Co., Ltd.
CMCS	China Merchants Container Services Limited
MTL	Modern Terminals Limited
Kao Ming Terminal	Kao Ming Container Terminal Corp.
CICT	Colombo International Container Terminals Limited
HIPG	Hambantota International Port Group (Private) Limited

TCP	TCP Participações S.A.
LCT	Lome Container Terminal S.A.
TICT	Tin-Can Island Container Terminal Ltd.
Kumport	Kumport Liman Hizmetleri ve Lojistik Sanayi ve Ticaret Anonim Sirketi
PDSA	Port de Djibouti S.A.
Terminal Link	Terminal Link SAS
NPH	PT Nusantara Pelabuhan Handal Tbk
The cninfo website	www.cninfo.com.cn
SZSE	Shenzhen Stock Exchange
The “Articles of Association”	The Articles of Association of China Merchants Port Group Co., Ltd.
Deloitte	Deloitte Touche Tohmatsu Certified Public Accountants LLP
KPMG Huazhen	KPMG Huazhen LLP
RMB	Expressed in the Chinese currency of Renminbi
RMB’0,000	Expressed in tens of thousands of Renminbi
RMB’00,000,000	Expressed in hundreds of millions of Renminbi
	(unless otherwise specified)

Note: In this Report, certain total numbers may not be exactly equal to the summation of their sub-item numbers as a result of roundoff.

Part II Corporate Information and Key Financial Information

I Corporate Information

Stock name	CM Port Group/ CM Port Group B	Stock code	001872/201872
Stock exchange for stock listing	Shenzhen Stock Exchange		
Company name in Chinese	招商局港口集团股份有限公司		
Abbr.	招商港口		
Company name in English	China Merchants Port Group Co., Ltd.		
Abbr.	CMPort		
Legal representative	Xu Song		
Registered address	23-25/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC		
Zip code	518067		
Changes of registered address	On 14 December 2018, the Company completed the formalities with the competent industrial and commercial administration to change its registered address from “8/F, Chiwan Petroleum Plaza, Zhaoshang Street, Nanshan, Shenzhen, PRC” to “23-25/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC”.		
Office address	23-25/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC		
Zip code	518067		
Company website	http://www.cmp1872.com		
Email address	Cmpir@cmhk.com		

II Contact Information

	Board Secretary	Securities Representative
Name	Liu Libing	Hu Jingjing
Address	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC	24/F, China Merchants Port Plaza, 1 Gongye 3rd Road, Zhaoshang Street, Nanshan, Shenzhen, PRC
Tel.	+86 755 26828888	+86 755 26828888
Fax	+86 755 26886666	+86 755 26886666
Email address	Cmpir@cmhk.com	Cmpir@cmhk.com

III Media for Information Disclosure and Place where this Report Is Lodged

Stock exchange website where this Report is disclosed	http://www.szse.cn
Media and website where this Report is disclosed	<i>Securities Times, China Securities Journal, Shanghai Securities News, and</i>

	www.cninfo.com.cn
Place where this Report is lodged	Board Office

IV Change to Company Registered Information

Unified social credit code	91440300618832968J
Change to principal activity of the Company since going public (if any)	<p>On 14 December 2018, the Company changed its business scope registered with the industrial and commercial administration. The new business scope includes: construction, management and operation of ports and wharves; bonded warehousing of various goods for import and export; development, construction and operation of supporting parks in ports; loading, unloading, transshipment, warehousing and transportation of international and domestic goods and processing of goods; devanning and LCL operations, cleaning, repairing, manufacturing and leasing of containers; international freight forwarding; vehicle and ship leasing; the provision of ship and port services including the provision of fuels, supplies and daily necessities for ships; ship towing (no operation using foreign ships); leasing and repair services of port facilities, equipment and machinery; import and export of various goods and technologies on a self-operation or agency basis, excluding the goods and technologies restricted or forbidden for import and export by the state; port logistics and port information technology consulting services; technical development and services in respect of modern logistics information systems; supply chain management and related services; design of logistics plans; engineering project management; development, research and consulting services in respect of port engineering technologies. (In respect of any operations that require approval according to law, the approval must be obtained before operation).</p>
Every change of controlling shareholder since incorporation (if any)	<p>1. On 8 June 2018, as the ownership of 209,687,067 Chiwan Wharf shares formerly held by CND Group and 161,190,933 Chiwan Wharf shares formerly held by Malai Storage was officially transferred to CMGD, CMGD, holding 57.52% of the Company's outstanding share capital, became the controlling shareholder of the Company. Meanwhile, CMG remains the actual controller of the Company.</p> <p>2. On 26 December 2018, the Company issued RMB-denominated ordinary shares (A-shares) at RMB21.46/share to CMPID for the acquisition of the 1,313,541,560 CMPort Holdings ordinary shares that it held. Upon the Acquisition, the Company's total share capital has become 1,793,412,378 shares. Meanwhile, as Broadford Global controls an 87.81% aggregated voting right in the Company (direct interests and interests through CMPID and CMGD), it is the direct controlling shareholder of the Company. Meanwhile, CMG remains the actual controller of the Company.</p> <p>3. Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd. subscribed for 576,709,537 shares of the Company offered in a non-public manner at RMB18.50 per share. The subscribed shares were floated on Shenzhen Stock Exchange on 12 October 2022. Upon the Acquisition, Broadford Global directly holds the Company's equity and</p>

	<p>controls an 63.02% aggregated voting right in the Company through controlling CMPID and CMGD. Broadford Global is the direct controlling shareholder of the Company. Meanwhile, CMG remains the actual controller of the Company.</p> <p>4. On 12 December 2024, China Merchants Holdings (Hong Kong) Company Limited (hereinafter referred to as "China Merchants Hong Kong") and Broadford Global signed an agreement that Broadford Global would transfer its 74.66% shares in Rainbow Reflection Limited (hereinafter referred to as "Rainbow Reflection") to China Merchants Hong Kong, and China Merchants Hong Kong would entrust all the 74.66% shares in Rainbow Reflection to Broadford Global for management. The above-mentioned share transfer and share custody were completed in January 2025, which did not result in any change of the controlling shareholder and the actual controller of the Company. The controlling shareholder of the Company remains Broadford Global, and the actual controller of the Company remains China Merchants Group Limited.</p>
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V Other Information

The independent audit firm hired by the Company:

Name	KPMG Huazhen LLP
Office address	8th Floor, KPMG Tower, Oriental Plaza, 1 East Chang An Avenue, Beijing, China
Accountants writing signatures	Wang Jie and Wu Huihuang

The independent sponsor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

The independent financial advisor hired by the Company to exercise constant supervision over the Company in the Reporting Period:

Applicable Not applicable

VI Key Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

	2024	2023	2024-over-2023 change	2022

Operating income (RMB)	16,130,778,028.24	15,750,475,780.22	2.41%	16,230,489,127.55
Net profit attributable to the listed company's shareholders (RMB)	4,516,301,317.16	3,571,800,762.16	26.44%	3,338,693,816.70
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	4,047,031,601.71	3,339,226,783.73	21.20%	3,365,017,880.33
Net cash generated from operating activities (RMB)	8,013,212,824.40	6,579,606,635.17	21.79%	6,920,377,390.35
Basic earnings per share (RMB/share)	1.81	1.43	26.57%	1.61
Diluted earnings per share (RMB/share)	1.81	1.43	26.57%	1.61
Weighted average return on equity (%)	7.51%	6.35%	1.16%	7.54%
	31 December 2024	31 December 2023	Change of 31 December 2024 over 31 December 2023 (%)	31 December 2022
Total assets (RMB)	201,517,851,881.45	198,557,296,667.26	1.49%	197,587,102,447.31
Equity attributable to the listed company's shareholders (RMB)	61,502,739,842.96	58,847,592,947.55	4.51%	54,291,425,886.65

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative for the last three accounting years, and the latest independent auditor's report indicated that there was uncertainty about the Company's ability to continue as a going concern.

Yes No

Indicate by tick mark whether the lower of the net profit attributable to the listed company's shareholders before and after exceptional gains and losses was negative.

Yes No

The total share capital at the end of the last trading session before the disclosure of this Report:

Total share capital at the end of the last trading session before the disclosure of this Report (share)	2,501,384,781
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Fully diluted earnings per share based on the latest total share capital above:

Fully diluted earnings per share based on the latest total share capital above (RMB/share)	1.8055
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VII Accounting Data Differences under China's Accounting Standards for Business Enterprises (CAS) and International Financial Reporting Standards (IFRS) and Foreign Accounting Standards

1. Net Profit and Equity under CAS and IFRS

Applicable Not applicable

No difference for the Reporting Period.

2. Net Profit and Equity under CAS and Foreign Accounting Standards

Applicable Not applicable

No difference for the Reporting Period.

3. Reasons for Accounting Data Differences between Domestic and Foreign Accounting Principle

Applicable Not applicable

VIII Key Financial Information by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating income	3,866,684,797.87	4,108,508,285.77	4,191,147,919.01	3,964,437,025.59
Net profit attributable to the listed company's shareholders	1,036,713,969.25	1,510,114,486.83	1,189,284,910.16	780,187,950.92
Net profit attributable to the listed company's shareholders before exceptional gains and losses	812,854,501.46	1,351,291,291.54	1,191,951,524.77	690,934,283.94
Net cash generated from operating activities	1,423,655,572.28	1,698,728,132.75	2,277,775,237.83	2,613,053,881.54

Indicate by tick mark whether any of the quarterly financial data in the table above or their summations differs materially from what have been disclosed in the Company's quarterly or semi-yearly reports.

Yes No

IX Exceptional Gains and Losses

Unit: RMB

Item	2024	2023	2022	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	20,221,030.12	231,205,985.85	-104,372,804.10	-
Government grants recognised in current profit or loss (exclusive of those that are closely related to the Company's normal business operations and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)	131,947,787.92	149,238,503.34	150,227,881.76	-
Gain or loss on fair-value changes in financial assets and liabilities held by a non-financial enterprise, as well as on disposal of financial assets and liabilities (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	449,311,363.27	73,352,800.52	-129,033,650.11	The Company's subsidiary recognized a fair value change gain of RMB348,884,984.49 from the disposal of shares held in Qingdao Port, resulting in a year-on-year increase in gains on fair value changes.
Capital occupation charges on a non-financial enterprise that are charged to current profit or loss	88,262,169.90	194,897,544.80	189,123,975.49	Mainly due to the decreased principal of funds occupied by non-financial enterprises in the current period

Reversed portions of impairment allowances for receivables which are tested individually for impairment	380,331,461.37	52,962,785.14	18,730,660.58	Mainly because a subsidiary of the Company received an operating compensation equivalent to RMB316,715,160.00 from its minority shareholders in the current period, and the full-amount provision for the relevant loss from impairment of credit established in the prior period was reversed
Non-operating income and expense other than the above	2,607,919.22	12,810,280.19	216,674,035.87	-
Other gains and losses that meet the definition of exceptional gain/loss	-	-	-213,574,591.16	-
Less: Income tax effects	125,198,868.45	145,340,260.29	6,703,875.74	-
Non-controlling interests effects (net of tax)	478,213,147.90	336,553,661.12	147,395,696.22	-
Total	469,269,715.45	232,573,978.43	-26,324,063.63	--

Particulars about other gains and losses that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases for the Reporting Period.

Explanation of why the Company reclassifies recurrent gain/loss as an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases for the Reporting Period.

Part III Management Discussion and Analysis

I. Industry Overview of the Company during the reporting period

1. External environment analysis

(1) Macroeconomic environment

In 2024, though the development of the global economy showed resilience with steady economic growth, global economic recovery experienced pressure from intensifying geopolitical situation, rising protectionism, and more rapid increase in global debt size. There were significant differences in regional growth. The developed economies have been diverging from emerging markets in terms of performance with relatively weak anticipated growth, while emerging and developing economies continued to be the drivers of the global economy with relatively strong performance. According to the “World Economic Outlook” report published by the International Monetary Fund (IMF) in January 2025, the global economy was expected to increase by 3.2% year-on-year in 2024, representing a decline of 0.1 percentage point year-on-year. Among them, the developed economies were expected to grow by 1.7%, remaining flat year-on-year, while emerging and developing economies were expected to grow by 4.2%, down by 0.2 percentage point year-on-year. In terms of trade, the IMF forecasted that global trade value grew by 3.4% year-on-year in 2024. Despite various challenges, global trade still presents strong resilience.

Under the background of the complex and severe situation, China adhered to the general principle of seeking progress while maintaining stability. The national economic development remained stable and making progress which thanked to comprehensive implementation of new development concept, accelerating construction of a new development pattern and solid promotion of high-quality development. Meanwhile, the timely deployment of a series of incremental policies of China boosted the society’s confidence and significant economic recovery, which enabled successful accomplishment of the economic and social development major tasks. According to the data from the National Bureau of Statistics of the People’s Republic of China, China’s GDP grew by 5% year-on-year in 2024, and the major development targets were successfully achieved. According to the statistics of the General Administration of Customs of the People’s Republic of China, the total value of import and export trade for the year amounted to RMB43.85 trillion, up by 5.0% year-on-year, marking another record high in terms of scale. Among which, the value of exports grew by 7.1% year-on-year to RMB25.45 trillion, while the value of imports grew by 2.3% year-on-year to RMB18.39 trillion. The value of imports and exports with the Belt and Road countries grew by 6.4% year-on-year, accounting for 50.3% of the value of total imports and exports.

The global industrial chain and supply chain saw a fragmented and regionalized development. Since the Regional Comprehensive Economic Partnership (RCEP) came into effect three years ago, it effectively stimulated regional co-operation, exemplifying that open development and free trade are conducive to economic growth and market prosperity. According to the data of the General Administration of Customs of the People’s Republic of China, import and export trade value in RMB denominated between China and member countries including Singapore, Vietnam, Malaysia

recorded an increase of 3.9%, 14.6% and 12.7% year-on-year in 2024 respectively. The development of digital intelligence technologies such as big data, artificial intelligence, cloud computing, Internet of Things, and blockchain has brought new directions to the international economy and trade, mitigated the information asymmetry in the trade process, changed the international supply and demand relationship, and had a far-reaching impact on the trade model, trade structure and trade pattern. The gradual advancement and improvement of the platform-based trade ecosystem would further improve the utilization rate of production factors and trade operation efficiency.

Looking ahead to 2025, the global economy will rebound, but the momentum of economic growth is insufficient, and the uncertain risks will increase owing to the geopolitical tensions, strengthened protectionism and tighter financial environment. IMF estimates that the global economy will grow by 3.3% in 2025, up 0.1 percentage points over 2024; global trade in goods and services will rebound steadily, and is estimated to grow by 3.2% in 2025, an decrease of 0.2 percentage point from 2024. Global inflationary pressure will continue to decline, and the global Consumer Price Index (CPI) is estimated to be around 4.2% in 2025, a drop of 1.5 percentage points from 2024.

In 2025, China's economy still faces multiple challenges in the process of recovery. The insufficient domestic effective demand, alongside with operation pressure on some enterprises, the accumulation of potential risks intertwined with internal structural contradictions, as well as the worsening of uncertainties in the international environment, and the overlapping of internal and external pressures, pose challenges to stable growth. At present, China's economy has a solid foundation, with obvious advantages, sufficient resilience to resist risks and abundant endogenous energy, and its long-term positive fundamentals and growth logic have not been fundamentally shaken. Relying on its position as a core hub in the global industrial chain and the resilience of its imports and exports, China is able to systematically integrate multi-dimensional resources, effectively converge policy and market energies, and continue to anchor itself in the main line of high-quality development, so as to upgrade the quality of its economic structure. In the next stage, China will adhere to the principle of seeking progress while maintaining stability, accelerate the construction of a new development pattern, promote high-quality development, further deepen reforms on all fronts, expand high-level external opening, build a modernized industrial system, better coordinate development and security, implement more proactive macro policies, expand domestic demand, promote the integration of scientific and technological innovations and industrial innovations, and prevent and mitigate the risks of and external shocks in key areas.

(2) Market environment of the port and shipping industry

The international port and shipping market environment has undergone significant new changes due to multi-interwoven factors. Firstly, under the impact of the world economy and international trade, trade frictions and geopolitical conflicts have continuously exposed the vulnerability of the global industrial chain and supply chain, prompting the developed countries to intervene strongly with the aim of transforming towards the industrial supply chain short-chain, nearshoring and friendshoring. Secondly, changes in the situation at key maritime transport nodes have also posed serious challenges to the global supply chain. The instability in the Red Sea, a key stronghold in

international maritime transport, has triggered chain effects such as rerouting and shipping costs/freight rates surge, which have affected shipping of many countries. Thirdly, under the influence of the shipping alliance pattern, there will be significant changes in the container shipping alliance, which will lead to more intense competition in global trade routes and increase the instability of global shipping and supply chain.

In 2024, global demand for container shipping sustained at a high level, while international freight rates experienced an overall downward trend. On the demand side, the container shipping market continued to enjoy a high boom, realizing a double increase in volume and distance. The growth in trade volume was mainly due to the strong demand from North America, which drove Asian exports. The Baltic and International Maritime Council (BIMCO) expected cargo volumes to grow by 4% to 5% in 2024. On the supply side, Alphaliner's data showed that the global container fleet capacity grew by 10.2% in 2024 with additional shipping capacity of 2.91 million TEUs, hitting a record high in terms of growth rate. Based on the structure of supply and demand, the shipping capacity supply outstripped the increase in demand, and on the supply side, there was no longer any marginal impact due to rerouting to the Cape of Good Hope. As such, freight rates sustained the downward momentum. However, compared to 2023, freight rates and long-term contractual price recorded substantial increases year-on-year. In addition, with an aim to meet the increasingly diversified service needs of customers, mainstream shipping companies have actively changed their business strategies and continued to exert efforts in key areas such as extension of the logistics supply chain, shipping finance and digital intelligence, and green and low-carbon services in a bid to provide their customers with services of better efficiency and quality, as well as broader range. Thus, the shipping market has entered a new stage of competition.

Driven by the recovery of the global economy and trade, as well as the upward trend in the international shipping market, throughput at major hub ports increased to varying degrees. According to the forecast of Drewry, excluding the Middle East, ports across regions showed varying degrees of growth in 2024. Among which, the ports in Asia handled a throughput of 514 million TEUs, representing an increase of 5.9% year-on-year; the ports in Southeast Asia handled a throughput of 38.24 million TEUs, representing an increase of 8.9% year-on-year; the ports in Europe and North America handled throughput of 141 million TEUs and 78.19 million TEUs respectively, representing increases of 5.9% and 12.2% year-on-year; the ports in Africa and Latin America handled throughput of 37.69 million TEUs and 57.13 million TEUs respectively, representing increases of 9.1% and 10.1% year-on-year; and the ports in the Middle East handled a throughput of 37.86 million TEUs, representing a decrease of 12.2% year-on-year. Thanks to the overall upturn in China's economic performance and the continuous economy-driven trade effect, foreign trade imports and exports was steadily improved and the port business in Mainland China maintained its leading position in global growth. According to the data released by the National Bureau of Statistics, in 2024, China's ports completed a cumulative cargo throughput of 17.6 billion tons, an increase of 3.7%. The accumulated container throughput of 332 million TEU, an increase of 7.0%.

(3) The Company's industry position

The Company is a global leading port investor, developer and operator, as one of the top port operators in the world, and has the resource endowment and unique advantages to build a world-class comprehensive port service provider. In terms of scale, as at the end of the reporting period, the Company has established a relatively complete port network at major hub locations along coastal China, with its presence in 51 ports in 26 countries and regions including Asia, Africa, Europe, Oceania, South and North America. According to the statistics of Drewry, in 2023, the Company's equity throughput of containers reached 55.00 million TEUs, ranking among the top global port operators. In terms of quality, the master terminals controlled by the Company have occupied various market and regional leading positions. Leveraging on the good ground of port technology and based on the CTOS system self-developed by CMPort, the Company has worked out the worldwide first full-case, full-time, all-regime and multifactor traditional container terminal upgrading solution, and has built the trade facilitation platform for the Guangdong-Hong Kong-Macao Greater Bay Area through blockchain technology, which has been extended to 30 terminals to help enhance the trade facilitation level in the Greater Bay Area. In addition, the Company continued to promote ESG construction, and strived to create an ESG port benchmark in the industry. In terms of performance, the Company has continually promoted high-quality development and has been an industry leader in terms of net profit margin and overall labour productivity and other indicators.

II. Principal activities of the Company during the reporting period

The Company's core business includes port investment, port operation, port logistics and smart technology.

The Company has established a comprehensive port network across the hub locations along coastal China, and the terminals which the Company invested in or invested in and managed are located in hub locations across Hong Kong, Taiwan, Shenzhen, Ningbo, Shanghai, Qingdao, Tianjin, Dalian, Zhangzhou, Zhanjiang, and Shantou, as well as in Asia, Africa, Europe, Oceania, South and North America, amongst others. Port investment includes oversea and domestic port investments. The Company puts emphasis on its presence in global major hub locations, gateway ports and regions with huge market potential, rapid economic growth and promising development, in order to capture investment opportunities in ports, logistics and related infrastructure and further improve the global port network. Port operation mainly includes containers and bulk cargo handling and warehousing services. The Company focuses on the construction and management of leading port and the improvement of service, so as to provide clients with higher-quality port services.

In terms of port logistics, leveraging on the innovative park business models and services, the Company conducts in-depth exploration of synergy value between ports and parks, and provides customers with diversified value-added services, including warehousing leasing, customs clearance, division or merger of cargoes, documentation services, amongst others, in Shenzhen Qianhaiwan Bonded Port Zone, Qingdao Qianwan Bonded Port Zone, Tianjin Dongjiang Bonded Port Zone, Djibouti International Free Trade Zone, Hambantota Industrial Park. The Company focuses on port-related business innovation and supply chain logistics, and promotes the development of port tugboat service, tallying business and engineering supervision and management business. The

Company integrates the port ecological service resources, promotes the collaboration and cooperation between the upstream and downstream of the port logistics value chain and lays a key focus on the openness and sharing of resources, to advance the smooth trade development as well as the efficient operation of the logistics, information flow and capital flow of the port service chain and further help customers reduce costs and increase efficiency.

The smart technology business focuses on the application of new generation of information technology, such as big data, Internet of Things (IoT) and artificial intelligence, promotes “digital intelligence” and “green” upgrades, and continues to empower the core businesses, such as the production, management, services and ecology of the port. Smart technology injects new momentum into the development of the port enterprises.

The main business segments of the Company are as follows:

Business content	
Port investment	The Company puts emphasis on its presence in global major hub locations, gateway ports and regions with huge market potential, rapid economic growth and promising development, in order to capture investment opportunities in ports, logistics and related infrastructure, and further improve the global port network.
Port operation	Containers: The Company provides ship berthing, loading and unloading services to ship companies, offers container storage service to ship companies and cargo owners and provides overhead box services to tractor companies. The Company also engages in the businesses of division or merger of cargoes in containers, container leasing and container maintenance; Bulk cargoes: The Company is engaged in bulk cargo handling and transportation in port zones, as well as storage services in yards. The major types of cargoes handled include ores, grain forage, oil and coal.
Port logistics	The Company provides various services, including warehouse/yard leasing, loading and unloading in warehouses/yards, customs clearance and division or merger of cargoes at terminals, intermodal transportation, logistics and transportation and value-added warehousing services for clients (including logistics companies, trading companies or cargo owners). Relying on the port-surrounding land resources, the Company conducts the comprehensive development to enhance the land value. Enhancing the value of commercial properties and providing its customers with quality property leasing and other related services. The port tugboat service, tallying business and engineering supervision and management business, and the Company integrates the port ecological service resources, promotes the collaboration and cooperation between the upstream and downstream of the port logistics value chain and lays a key focus on the openness and sharing of resources, to advance the smooth trade development as well as the efficient operation of the logistics, information flow and capital flow of the port service chain and further help customers reduce costs and increase efficiency.
Smart technology	Focusing on the application of new generation of information technology, such as big data, Internet of Things (IoT) and artificial intelligence, promoting “digital intelligence” and “green” upgrades, and continuing to empower the port’s core businesses such as the production, management, services and ecology of the port. Smart technology injects new momentum into the development of the port enterprises.

III. Core Competitiveness Analysis

1. Sound shareholder background and resource integration capability

CMG, the de facto controller of the Company, was the Hundred Years' central State-owned enterprises starting with port shipping logistics business that owns excellent reputation and resources available in the industry.

Founded in 1872, CMG is an integrated and diversified key enterprise under the direct administration of the PRC central government, also one of the earliest Chinese enterprises to be established and operated in Hong Kong, as well as a Hundred Years' central State-owned enterprise, a comprehensive central State-owned enterprise, and a central State-owned enterprise stationed in Hong Kong, with two global companies counted on Fortune Global 500 list. It mainly focuses on transportation & logistics, integrated finance, real estate parks, and science and technology industries. Currently, it focuses on the goal of being a world-class enterprise, creating "two curves", promoting "the third venture" and the transformation and upgrading of traditional industries and the cultivation and development of strategic emerging industries.

CMG's Transportation & Logistics Business Department includes port, highway, energy shipping, logistics, naval architecture and marine engineering businesses, and has a wide range of coordinated space for industrial chain service. Acceleration of international development and improvement on logistics network layout will effectively bolster CMPort's capabilities related to create a world-class port investment and operation platform which can give a global push as well as an interconnected international port comprehensive service system.

2. Professional and high-efficiency global port investment capability

The Company focuses on port investment, grasps global trend and seizes opportunities in region to achieve full-process and full-cycle management on investments.

As an important carrier for domestic and overseas port investment and operation of CMG, CMPort has over 20 years of experience for port investment and over 10 years thereof for overseas investment. A scientific and professional investment management system has been set up with a research team specialized in investment global which owns a wealth of experience in policy research, industry analysis, risk control, fund raising, post-investment management. The Company continues to work in development of global industrial supply chain, keeps up with major strategic opportunities in domestic and dynamic investment opportunities in overseas and properly invests in hub and gateways of strategic significance around the world.

The Company strives to balance its investment portfolio within the regional and life cycle of ports. Adhering to the principle of "extensive consultation, joint development and shared benefits", its overseas business has developed local-based business operation and formed a community of shared future based on the consolidation of connectivity and cooperation and expanded new international

cooperation, to the greater extent that capability strengthened in coping with various risks such as industry fluctuations, trade conflicts and emergencies.

3. Fleshing out the port comprehensive management capability

The Company has committed to port operation and improved comprehensive management capability through application of digital intelligence technology and integrated platform.

The Company continuously improves the operation and management of port business, forms a comprehensive digital management of business processes through its self-developed SMP platform, implements full-area management and control, and coordinates development and security. The Company adheres to lean management and value empowerment and focuses on its main business to expand its investment layout, forming an industry-leading port operational management system. The Company optimizes the cost control system through the cost-leading working mechanism, deepens the integration of industry and finance, and effectively reduces costs and increases efficiency. At the same time, the COE working mechanism is used to promote the optimal allocation of resources and improve management levels; it also uses quality and efficiency improvement as a tool to implement high-quality measures and enhance profitability. The port comprehensive management capability of the Group sustained for years has marked a good reputation in the industry.

4. Continuously optimized supply chain comprehensive service capability

The Company adheres to creating values on the port-centered blockchain as well as the port-linked logistics chain.

With the objective of becoming a “world-leading port service provider”, the Company keeps enhancing corporate value and possesses modern comprehensive logistics service capability. In view that the shipping and port sectors gradually shifted to form alliances, the Company is actively integrating its domestic and overseas port assets and capitalises on its relatively complete global port network to provide customers with comprehensive port logistics service solutions, forming its unique competitive strength based on resources such as maritime logistics, land transportation, storage, logistics and trading from CMG.

5. Self-innovative intelligent port construction capability

The Company rises to the call of the industry, pushing for traditional industrial upgrading, and its progress sets the direction of intelligent port construction.

The Company accelerates digitalization transformation, promotes the integration of new technology and development, leads technologies innovation and industrial application and releases overall solutions for smart ports featuring CMPort’s characteristics. In terms of the core production system of the port, CMIT, a high-tech enterprise under the Company, independently develops a new generation of CTOS products with core competitiveness in the global market, and is committed to

leading the way in terms of intelligence, business flexibility and user experience. In terms of industrial network platform construction, we have updated the comprehensive service platform “CM ePort” to provide the port shipping logistics industry with the one-stop port integrating services. Mawan Smart Port of the Company is the first 5G intelligent port in Guangdong-Hong Kong-Macao Greater Bay Area in China, which can realize a horizontal transportation solution of mixing self-driving vehicles and manned vehicles. It has greatly improved productivity, green degree and management level of the port.

IV. Core business analysis

1. Port business review

(1) Overview of port business

In 2024, both domestic and overseas container business showed relatively faster growth. The Company’s container business outperformed the industry as a whole and increased its market share in major regions. The Company’s ports handled a total container throughput of 195.159 million TEUs, up by 8.3% year-on-year. Bulk cargo volume handled by the Company’s ports increased by 0.6% year-on-year to 1.26 billion tonnes. For container business, the Company’s ports in Mainland China handled a container throughput of 152.301 million TEUs, representing a year-on-year increase of 8.5%, ports in Hong Kong and Taiwan regions contributed a total container throughput of 6.023 million TEUs, representing a year-on-year increase of 3.4%, and the total container throughput handled by the Company’s overseas ports grew by 8.1% year-on-year to 36.835 million TEUs. In terms of bulk cargo business, the Company’s ports in Mainland China handled a bulk cargo volume of 1.25 billion tonnes, up by 0.4% year-on-year, and overseas ports handled a bulk cargo volume of 9.254 million tonnes, up by 33.8% year-on-year.

Table 3-1 Throughput of the Company and changes in 2024

Item	2024	2023	Changes
Container throughput ('0,000 TEU)	19,515.9	18,019.5	8.3%
Among which: Mainland China	15,230.1	14,030.6	8.5%
Hong Kong and Taiwan	602.3	582.5	3.4%
Overseas	3,683.5	3,406.4	8.1%
Bulk cargo throughput ('0,000 tonnes)	126,223.0	125,449.6	0.6%
Among which: Mainland China	125,297.6	124,758.1	0.4%
Overseas	925.4	691.5	33.8%

Note: 1. The statistics represented the total throughput of the holding subsidiaries, associates and joint ventures of the Company; 2. The throughput of NPH has been included since July 2024, as China Merchants Port, a holding subsidiary of the Company, completed the acquisition of 51% equity interest in NPH.

(2) Operation condition of port business by region

Table 3-2 Container throughput of the Company and changes in 2024 (in'0,000 TEU)

Region and port company			2024	2023	Changes
Pearl River Delta	Holding company	West Shenzhen Port Zone	1,599.1	1,358.2	17.7%
		Shunde New Port	46.8	38.5	21.6%
	Joint stock company	Chu Kong Rive Terminal	80.8	87.9	-8.1%
Yangtze River Delta	Joint stock company	SIPG	5,150.6	4,915.8	4.8%
	Joint stock company	Ningbo Port	4,764.0	4,272.0	11.5%
Bohai Rim	Joint stock company	Liaoning Port	1,231.5	1,143.8	7.7%
		QQCTU	1,171.3	1,065.0	10.0%
		Tianjin Port Container Terminal	844.2	822.2	2.7%
South-East region of Mainland China	Holding company	Shantou Port	167.9	164.4	2.1%
		Zhangzhou Port	41.9	35.6	17.7%
South-West region of Mainland China	Holding company	Zhanjiang Port	132.0	127.1	3.9%
Hong Kong and Taiwan	Holding company/ Joint stock company	CMCS/MTL	428.9	415.5	3.2%
	Joint stock company	Kao Ming Terminal	173.4	167.0	3.8%
Overseas	Holding company	CICT	339.4	324.8	4.5%
		HIPG	5.3	-	-

		TCP	155.8	125.3	24.3%
		LCT	166.3	160.1	3.9%
		NPH	41.7	-	-
	Joint stock company	TICT	28.5	31.7	-10.1%
		PDSA	131.2	88.7	47.9%
		Kumport	126.0	131.7	-4.3%
		Terminal Link	2,689.3	2,544.1	5.7%
Total			19,515.9	18,019.5	8.3%

Note: The throughput of NPH has been included since July 2024, as China Merchants Port, a holding subsidiary of the Company, completed the acquisition of 51% equity interest in NPH.

Table 3-3 Bulk cargo volume handled by the Company and changes in 2024 (in '0,000 tonnes)

Region and port company		2024	2023	Changes	
Pearl River Delta	Holding company	West Shenzhen Port Zone	1,674.3	1,616.1	3.6%
		Dongguan Machong	1,678.2	1,701.6	-1.4%
	Shunde New Port	564.1	660.9	-14.6%	
	Joint stock company	Chu Kong River Terminal	471.9	398.7	18.4%
Yangtze Rive Delta	Joint stock company	SIPG	8,552.0	8,401.0	1.8%
	Joint stock company	Ningbo Port	65,741.0	64,533.0	1.9%
Bohai Rim	Joint stock company	Liaoning Port	25,154.0	25,126.6	0.1%
		Laizhou Harbour Affairs	1,485.5	2,021.3	-26.5%
		QQTU	1,499.4	1,392.2	7.7%
		Qingdao Port Dongjiakou	7,756.5	7,463.7	3.9%
South-East region of Mainland China	Holding company	Shantou Port	405.9	461.6	-12.1%
		Zhangzhou Port	942.0	916.6	2.8%
		Xia Men Bay Terminals	545.9	619.6	-11.9%
South-West region of Mainland China	Holding company	Zhanjiang Port	8,826.9	9,445.0	-6.5%

Overseas	Holding company	HIPG	229.8	245.6	-6.4%
	Joint stock company	PDSA	457.7	401.1	14.1%
		Kumport	47.2	44.8	5.4%
		Terminal Link	190.7	-	-
Total			126,223.0	125,449.6	0.6%

Pearl River Delta region

West Shenzhen Port Zone handled a total container throughput of 15.991 million TEUs, up by 17.7% year-on-year, mainly benefiting from the growth in cargo volume from emerging markets such as Southeast Asia; and handled a bulk cargo volume of 16.743 million tonnes, up by 3.6% year-on-year. Shunde New Port handled a container throughput of 0.468 million TEUs, up by 21.6% year-on-year, mainly benefiting from the growth in foreign trade container volume; and handled a bulk cargo volume of 5.641 million tonnes, down by 14.6% year-on-year, which was mainly due to the decline in steel volume. Dongguan Machong handled a bulk cargo volume of 16.782 million tonnes, down by 1.4% year-on-year. Chu Kong River Trade Terminal handled a total container throughput of 0.808 million TEUs, down by 8.1% year-on-year; and handled a bulk cargo volume of 4.719 million tonnes, up by 18.4% year-on-year, which was mainly driven by the bulk cargo business of domestic trade.

Yangtze River Delta region

SIPG handled a container throughput of 51.506 million TEUs, up by 4.8% year-on-year; and handled a bulk cargo volume of 85.520 million tonnes, up by 1.8% year-on-year. Ningbo Port handled a container throughput of 47.640 million TEUs, up by 11.5% year-on-year; and handled a bulk cargo volume of 657.410 million tonnes, up by 1.9% year-on-year.

Bohai Rim region

Liaoning Port handled a container throughput of 12.315 million TEUs, up by 7.7% year-on-year, which was mainly benefitted from the increase in shipping routes to South America and India; and handled a bulk cargo volume of 251.540 million tonnes, up by 0.1% year-on-year. Laizhou Harbour Affairs handled a bulk cargo volume of 14.855 million tonnes, down by 26.5% year-on-year, which was mainly due to a decrease in crude oil volume. Owing to the shipping route optimization and the growth of import and export laden containers, QQCTU handled a container throughput of 11.713 million TEUs, representing an increase of 10.0% year-on-year. QQTU handled a bulk cargo volume of 14.994 million tonnes, representing an increase of 7.7% year-on-year. Qingdao Port Dongjiakou handled a bulk cargo volume of 77.565 million tonnes, up by 3.9% year-on-year. Tianjin Port Container Terminal handled a container throughput of 8.442 million TEUs, representing an increase of 2.7% year-on-year.

South-East region of Mainland China

Shantou Port handled a container throughput of 1.679 million TEUs, representing an increase of 2.1% year-on-year; and handled a bulk cargo volume of 4.059 million tonnes, down by 12.1% year-on-year, which was mainly due to the decrease in the cargo volume of coal. Zhangzhou Port, located in the Xiamen Bay Economic Zone, handled a container throughput of 0.419 million TEUs, increased by 17.7% year-on-year, mainly attributable to the newly added shipping routes and the expanded customer base of import and export laden containers; its bulk cargo volume increased by 2.8% year-on-year to 9.420 million tonnes. Xiamen Bay Terminals handled a bulk cargo volume of 5.459 million tonnes, down by 11.9% year-on-year, mainly due to the decline in the cargo volume of sandstone and bulk grain.

South-West region of Mainland China

Zhanjiang Port handled a container throughput of 1.320 million TEUs, representing an increase of 3.9% year-on-year; and handled a bulk cargo volume of 88.269 million tonnes, representing a decrease of 6.5% year-on-year.

Hong Kong and Taiwan regions

CMCS in Hong Kong and MTL delivered an aggregate container throughput of 4.289 million TEUs, increased by 3.2% year-on-year. KMCT in Kaohsiung, Taiwan handled a total container throughput of 1.734 million TEUs, representing an increase of 3.8% year-on-year.

Overseas operation

In 2024, overseas port businesses saw a rapid growth as a whole. CICT in Sri Lanka handled a container throughput of 3.394 million TEUs, up by 4.5% year-on-year, which was mainly benefitted from the increase in import and export cargos. Seizing the window period of business development owing to the Red Sea situation, HIPG in Sri Lanka launched the container business in the first half of 2024 with the accumulative container throughput of 53,000 TEUs. TCP in Brazil handled a container throughput of 1.558 million TEUs, up by 24.3% year-on-year, which was mainly benefitted from the change of business structure, the additional shipping routes and the improvement of the laden container and reefer container businesses. Container throughput handled by LCT in Togo was 1.663 million TEUs, up by 3.9% year-on-year. Container throughput of NPH in Indonesia has been included since July 2024, and its accumulated container throughput was 0.417 million TEUs. PDSA in Djibouti handled a container throughput of 1.312 million TEUs, up by 47.9% year-on-year, which was mainly benefitted from the significant increase in international transshipment cargoes and the adjustment of regional shipping routes; and the bulk cargo volume handled was 4.577 million tonnes, up by 14.1% year-on-year, mainly due to the increase in grain import demand in its economic hinterland. Container throughput handled by Kumport in Turkey was 1.260 million TEUs, representing a decrease of 4.3% year-on-year. Terminal Link handled a container throughput of 26.893 million TEUs, representing an increase of 5.7% year-on-year, which was mainly benefitted from the growth in container volume of the ports in Europe and Africa.

2. Implementation Situation of Operation Scheme During the Reporting Period

During the reporting period, the Company adhered to the general principle of seeking progress while maintaining stability. Aiming at the goal of achieving “world-class”, the Company maintained strategic stability, combined integrity and innovation, strengthened the controlled business, optimized management, refined operations, expanded the layout, and prolonged the new chapter of high-quality development, resulting in all-time high performance and satisfactory results.

(1) Homebase port construction: Strengthening the homebase port foundation and enhancing core competitiveness. The West Shenzhen Port Zone achieved a record high container throughput, surpassing 15 million TEUs, with the market share of foreign trade containers in Shenzhen Port exceeding 50%, significantly enhancing its homebase port status. The bulk cargo business remained stable with a positive trend, with compound fertilizer and rapeseed maintaining the No.1 market share nationwide, while imported wheat, meal, and domestic trade corn maintained the No.1 market share in South China. CICT in Sri Lanka expanded new quality routes and strengthened cooperation with shipping companies, resulting in both container volume and profit growth. HIPG steadily launched its container business. Its port functions have been increasingly strengthened, and the business indicators have steadily improved.

(2) Overseas expansion: Key projects implemented, and existing projects performed well. The Company vigorously promoted its international strategy. China Merchants Port, a holding subsidiary of the Company, successfully completed the acquisition of 51% equity interests in the NPH project in Indonesia at the end of June 2024, marking its first step into the Indonesian market and further expanding its port network in Southeast Asia. In addition, existing overseas projects achieved strong performance across multiple areas, with the business volume, revenue, and net profit of overseas controlled subsidiaries CICT in Sri Lanka, TCP in Brazil, and LCT in Togo all hitting record highs, underscoring the Company’s strengths in global presence and internationalized operations.

(3) Operation management: Deepening lean management and achieving cost leadership. In terms of lean management, the Company systematically established the COE mechanism and promoted it across the controlled subsidiaries, forming replicable management experience and achieving two-level interplay with remarkable results. Meanwhile, the Company’s engineering management capability and business control capability have been significantly enhanced through the optimization of its organizational structure and improvement of its policies and mechanisms. In terms of cost leadership, from the meticulous mindset of “Every Little Bit Makes a Difference” to the concept of “Big Cost Perspective”, the Company continuously improved the “Refined Cost Control System” with its own characteristics, further enhancing its profitability.

(4) Technological innovation: Digital intelligence empowerment to drive industrial upgrades. Mawan Smart Port passed the on-site assessment of “Five-Star China’s Smart Port”. “CMCore” CTOS was deployed again in the European market, with agreements signed with MITO Terminal and Duferco Terminal in Italy for CTOS licensing, implementation, and maintenance. The

Company built Internet of Things applications and a “digital base”, achieving full connectivity of IoT devices and facilities in terminals. The autonomous driving product enabled system scheduling of unmanned vehicles in the pilot port area, with operational efficiency in pole efficiency and vehicle efficiency surpassing industry levels. In cooperation with AI model manufacturers, the Company launched “AI+”, which includes equipment maintenance assistants, system compliance assistants, and port operation assistants.

(5) Green transformation: Accelerating green transition and exploring new energy bunkering. The Company continued to improve the “Dual Carbon” management mechanism and promoted the use of clean energy and new technologies, adding 12.3 MW of photovoltaic power generation throughout the year, reducing carbon emissions by approximately 86 million tonnes annually. In the West Shenzhen Port Zone, 185 trailers were replaced with new energy vehicles, and investment was made in the construction of a power swap station. CICT in Sri Lanka carried out electrification transformation for 54 trailers. Additionally, the Company collaborated with Guangzhou Port to explore the development of clean energy bunkering business.

(6) Deepening reforms: Advancing “Double Hundred Action” to stimulate corporate vitality. In 2024, as a Double Hundred Enterprise, the Company actively advanced the “Double Hundred Reform”, comprehensively promoting recruitment through competitive examination, strengthening performance appraisal, and effectively implementing the six-measure mechanism of “promotion or demotion, employment or dismissal, and salary increment or decrement”. The Company continuously improved corporate governance, established a value creation benchmarking system, and promoted hierarchical streamlining, achieving a series of results that stimulated corporate vitality.

(7) ESG construction: Promoting decentralized management and achieving new rating milestones. The Company pushed forward the decentralization of ESG management, establishing a vertical and coordinated interoperability mechanism from headquarters to subsidiaries, and strengthened promotional efforts through special meetings, on-site research, and training. Regarding ESG ratings, according to WIND’s ESG rating results, the Company achieved an “AA” rating. Additionally, the Company’s controlled subsidiary China Merchants Port received an ESG rating upgrade to “BBB” from MSCI, the highest rating among A-share and Hong Kong-listed port companies. Both CICT and HIPG in Sri Lanka were honored with the title of “Sri Lanka’s Most Significant Foreign Direct Investment Contributors” by the Board of Investment of Sri Lanka (BOI).

3. Revenue and Cost Analysis

(1) Breakdown of Operating Income

Unit: RMB

	2024		2023		Change (%)
	Operating income	As % of total operating income (%)	Operating income	As % of total operating	

				income (%)	
Total	16,130,778,028.24	100%	15,750,475,780.22	100%	2.41%
By operating division					
Port operations	15,362,612,360.49	95.24%	15,036,273,586.66	95.47%	2.17%
Bonded logistics service	581,135,985.94	3.60%	532,670,444.04	3.38%	9.10%
Property development and investment	187,029,681.81	1.16%	181,531,749.52	1.15%	3.03%
By operating segment					
Mainland China, Hong Kong and Taiwan	10,621,214,882.76	65.84%	10,958,608,605.93	69.58%	-3.08%
Other countries and regions	5,509,563,145.48	34.16%	4,791,867,174.29	30.42%	14.98%

(2) Operating Division, Product Category, Operating Segment or Sales Model Contributing over 10% of Operating Income or Operating Profit

Unit: RMB

	Operating income	Operating costs	Gross profit margin	YoY change in operating income (%)	YoY change in operating costs (%)	YoY change in gross profit margin (%)
By operating division						
Port operations	15,362,612,360.49	8,650,328,835.34	43.69%	2.17%	-1.66%	2.19%
By operating segment						
Mainland China, Hong Kong and Taiwan	10,621,214,882.76	6,725,522,057.71	36.68%	-3.08%	-6.61%	2.40%
Other countries and regions	5,509,563,145.48	2,470,494,634.64	55.16%	14.98%	16.73%	-0.67%

Core business data of the prior year restated according to the changed statistical caliber for the Reporting Period:

Applicable Not applicable

(3) Whether Revenue from Physical Sales Is Higher than Service Revenue

Yes No

(4) Execution Progress of Major Signed Sales and Purchase Contracts in the Reporting Period

Applicable Not applicable

(5) Breakdown of Operating costs

Unit: RMB

Operating division	Item	2024		2023		Change (%)
		Operating costs	As % of total operating costs (%)	Operating costs	As % of total operating costs (%)	
Port operations	Loading and unloading services	8,650,328,835.34	94.07%	8,796,081,230.13	94.40%	-1.66%
Bonded logistics service	Logistics service	321,819,100.85	3.50%	289,816,313.93	3.11%	11.04%
Other	Properties	223,868,756.16	2.43%	232,289,163.69	2.49%	-3.62%

(6) Changes in the Scope of Consolidated Financial Statements for the Reporting Period

Yes No

On 28 June 2024, CMPort Holdings, the holding subsidiary of the Company, completed the acquisition of 51% equity interest in NPH in Indonesia. From this date, the Company has the right to appoint the majority of the board members of NPH, which is the authority to lead the relevant business of NPH. Therefore, the Company is able to control NPH and thus includes it in the Company's consolidated financial statements.

(7) Major Changes to the Business Scope or Product or Service Range in the Reporting Period

Applicable Not applicable

(8) Major Customers and Suppliers

Major customers:

Total sales to top five customers (RMB)	4,945,574,524.17
Total sales to top five customers as % of total sales of the Reporting Period (%)	30.66%
Total sales to related parties among top five customers as % of total sales of the Reporting Period (%)	0.00%

Top five customers:

No.	Customer	Sales revenue contributed for the Reporting Period (RMB)	As % of total sales revenue (%)
1	Customer A	2,298,041,181.02	14.25%
2	Customer B	964,537,013.65	5.98%
3	Customer C	785,760,988.86	4.87%
4	Customer D	463,206,801.35	2.87%
5	Customer E	434,028,539.29	2.69%
Total	--	4,945,574,524.17	30.66%

Other information about major customers:

Customer E is a newly added customer among the top 5 customers, and the customer name is Evergreen Shipping Co., Ltd.

Major suppliers:

Total purchases from top five suppliers (RMB)	662,908,289.12
Total purchases from top five suppliers as % of total purchases of the Reporting Period (%)	9.85%
Total purchases from related parties among top five suppliers as % of total purchases of the Reporting Period (%)	0.00%

Top five suppliers:

No.	Supplier	Purchase in the Reporting Period (RMB)	As % of total purchases (%)
1	Supplier A	176,206,092.50	2.62%
2	Supplier B	156,620,653.73	2.33%
3	Supplier C	121,661,977.90	1.81%
4	Supplier D	109,906,685.60	1.63%
5	Supplier E	98,512,879.39	1.46%
Total	--	662,908,289.12	9.85%

Other information about major suppliers:

Applicable Not applicable

4. Expense

Unit: RMB

	2024	2023	Change (%)	Reason for any significant change
Administrative expense	1,821,544,282.18	1,776,641,155.38	2.53%	-

Finance costs	1,857,365,636.87	1,839,113,328.14	0.99%	-
R&D expense	201,755,066.36	223,739,072.07	-9.83%	-

5. R&D Investments

Main R&D project	Project purpose	Project progress	Objective to be achieved	Expected impact on the Company
Project for developing the core technology in TOS for automated container terminal	Develop a new generation of automated production management system for container terminal, that is controlled in an integrated, intelligent and coordinated manner, applicable to traditional container terminals. Adopt multi-platform, distributed and microservice architecture, driven by big data, and develop core algorithms and make breakthroughs based on AI technology and operations optimisation technology, to reshape the intelligent integrated operation and control mode and technology system of container terminals.	The TOS task from the Ministry of Transportation has been successfully accomplished.	Comprehensively create a new generation of CTOS product based on microservice architecture driven by big data, with the focus on the digitalised and intelligent upgrading of traditional container terminals.	Have standardised product functions with external applications designed with more plugins. Meet customer needs at a low cost and be more efficient in replication and promotion.
Intelligent bulk cargo wharves	It aims to address the difficulties of the production organization and intelligent management of the bulk cargo wharves and focus on efficiency improvement, cost control, security	It has been put into operation and will be improved on an on-going basis.	Its objective is to realize routine dual-flow loading, unloading, and mixing, significantly improve loading capacity while improving the capabilities of the wharves and mixing operation, and reduce wharf operating	The implementation capacity can be driven to improve and a green port can be constructed through technical transformation, thus creating intelligent bulk cargo wharves.

	guarantee, standardized management, and environmental protection to drive sustainable and green development of the port.		personnel.	
R&D of the CM ePort V3.0 product	As the port business handling platform for external customers of each port of the CM Port Group, it aims to maximumly realize the online processing of offline business processes of the port's customers.	It has been applied to 20 terminals of 10 wharves, and the acceptance has been completed.	Its objective is to realize the online operation of the ship service module, documentation service module, container service module, bulk cargo service module, commercial service module, regulation service module, inquiry services, and customer services.	The dispersive customer service demands of each wharf will be integrated to become the unified external customer service portal of the CM Port Group.
Energy and carbon management platform	The professional management system is used for accurate collection and refined management of energy consumption data of subordinate units under CM Port Group, which empowers it to enhance the effectiveness of energy and carbon management through statistics, measurement and analysis on carbon emissions.	The platform has been launched and is undergoing continuous operation and maintenance support.	Operation and maintenance for the 8 completed business modules is made to ensure smooth system performance, including comprehensive cockpit, enterprise information management, data collection, energy and carbon analysis, early warning centre, knowledge centre, project management and control, and back-office management. Upgrades are planned for 2025, including but not limited to an English version, notification guidance features, electric meter-level early warning handling, and real-time electricity collection for 16 individual meters.	Manage and monitor carbon emissions more effectively, facilitating the adoption of appropriate energy-saving and emission reduction measures. Be able to address system usage challenges for overseas subsidiaries. Perform environmental protection responsibility to promote sustainable development.
R&D project for unmanned driving dispatch system supporting mixed traffic	Develop the solution of autonomous driving system at the terminal, and dispatch the fleet to ensure the mixed traffic of automatic driving vehicles and manned	It has been put into use and is being tested in Mawan Port.	Build a set of scheduling and management system for unmanned container truck fleet, where the existing production system CTOS at the terminal can connect with unmanned trucks, to manage the	Enrich the functions of CTOS products to enhance the support for terminals in horizontal automated transportation scenario and significantly improve the intelligent level and core competitiveness of such

	vehicles.		unmanned truck fleet in a unified manner and conduct the horizontal automated transportation within the port area.	products. Support both the upgrading of traditional terminals and the production and operation of fully automated terminals in terms of horizontal transportation automation.
Fully digital base and IoT scenario construction	Deploy a unified, fully digital base covering CMPort's main control terminals, promote equipment IoT data transformation, and develop IoT application scenarios at pilot terminals.	Deployment is complete, and IoT applications such as equipment status monitoring have been developed at pilot terminals.	Establish a fully digital base centred on IoT and big data platforms, promote "full connectivity" of IoT equipment assets and data accumulation, and improve management efficiency in equipment, costs, and safety using IoT technology.	Equipment and facilities are core assets of terminals. This project leverages IoT technology for remote diagnosis, intelligent operation and maintenance, improving equipment availability, enhancing safety, and reducing operating and maintenance costs.
Cloud-native comprehensive terminal management system R&D	A solution for small to medium-sized container terminals, container-focused integrated terminals, logistics stations, and container yards. It combines container, bulk cargo, logistics products, etc., and can be quickly assembled as needed.	Already implemented and launched in multiple port areas.	Create a comprehensive terminal operation management system that integrates containers and bulk cargo. This will add functionality for bulk cargo loading/unloading, storage management, CFS, etc., on top of the original CTOS system to meet the business needs of integrated terminals.	By enriching the CTOS product line, provide strong support to companies in the inland small and medium-sized terminal market, enhancing CTOS's competitiveness and influence in the industry.
Intelligent yard system - iYard	Intelligent container yard position allocation.	The system is in use in the West Shenzhen Port Zone, supporting export and transshipment of ordinary heavy containers with intelligent position allocation.	Intelligent position allocation, reducing ship overturn rates and yard transfer ratios.	Reduces yard planning workload, improves yard operation efficiency, and lowers costs.
Remote-controlled yard gate upgrade and digital management	To effectively address the physical isolation damage and the inability to control yard gate status, the plan is to build electronic fences and gate	Deployment is complete, and application scenarios for equipment status have been developed at the pilot terminal.	Real-time monitoring and alarm for unauthorised access to the yard, monitoring of gate status, and smoke alarm functions for the yard.	Required for the Company's digital foundation; all equipment and facilities must be integrated into this base, forming the foundation of the digital infrastructure.

	status monitoring using machine vision, sensors, and communication technologies for digital management.			
Digital petrochemical terminal (Phase II)	Based on Phase I, build a unified data foundation relying on Industrial IoT and digital twin platforms to achieve multi-domain transparency and business flow collaboration.	Currently in the R&D phase.	Phase II construction will enhance safety, environmental protection, production, and e-commerce processes by improving smart 3D visualisation, smart scheduling, smart process flows, process scheduling commands, integrated communication management, personnel location management, and equipment management.	Enhance the petrochemical company's digital capabilities in production, safety, security, and business management, while providing research support for high-tech enterprises.

Details about R&D personnel:

	2024	2023	Change (%)
Number of R&D personnel	827	758	9.10%
R&D personnel as % of total employees	5.46%	5.52%	-0.06%
Education background		---	
Bachelor's degree	588	431	36.43%
Master's degree	56	51	9.80%
Doctoral degree	2	2	0.00%
Others	181	274	-33.94%
Age structure		---	
Below 30	179	182	-1.65%
30~40	272	312	-12.82%
Over 40	376	264	42.42%

Note: Starting from 2024, the data on R&D personnel will be counted in accordance with the indicators and definitions issued by the State-owned Assets Supervision and Administration Commission of the State Council.

Details about R&D investments:

	2024	2023	Change (%)
R&D investments (RMB)	250,109,688.37	243,835,440.24	2.57%
R&D investments as % of operating income	1.55%	1.55%	0.00%
Capitalized R&D investments (RMB)	48,354,622.01	54,083,098.04	-10.59%

Capitalized R&D investments as % of total R&D investments	19.33%	22.18%	-2.85%
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Reasons for any significant change to the composition of the R&D personnel and the impact:

Starting from 2024, the data on R&D personnel will be counted in accordance with the indicators and definitions issued by the State-owned Assets Supervision and Administration Commission of the State Council, and there will be no significant impact.

Reasons for any significant YoY change in the percentage of R&D investments in operating income:

Applicable Not applicable

Reason for any sharp variation in the percentage of capitalized R&D investments and rationale:

Applicable Not applicable

6. Cash Flows

Unit: RMB

Item	2024	2023	Change (%)
Subtotal of cash generated from operating activities	18,182,449,597.82	17,000,495,102.94	6.95%
Subtotal of cash used in operating activities	10,169,236,773.42	10,420,888,467.77	-2.41%
Net cash generated from operating activities	8,013,212,824.40	6,579,606,635.17	21.79%
Subtotal of cash generated from investing activities	30,588,744,503.01	35,753,871,407.49	-14.45%
Subtotal of cash used in investing activities	30,110,416,048.42	31,986,686,794.41	-5.87%
Net cash generated from investing activities	478,328,454.59	3,767,184,613.08	-87.30%
Subtotal of cash generated from financing activities	26,897,465,759.38	35,969,147,411.79	-25.22%
Subtotal of cash used in financing activities	34,803,604,782.03	43,953,840,588.20	-20.82%
Net cash used in financing activities	-7,906,139,022.65	-7,984,693,176.41	0.98%
Net increase in cash and cash equivalents	496,455,923.81	2,451,304,159.48	-79.75%

Explanation of why any of the data above varies significantly on a year-on-year basis:

Net cash generated from investing activities declined 87.30% year-on-year, mainly due to the impact of disposing of subsidiaries and recovering shareholder loans in the previous year.

The net increase in cash and cash equivalents declined 79.75% year-on-year, mainly due to the combined impact of operating and financing cash flows.

Explanation of why net cash generated from operating activities varies significantly from net profit of the Reporting Period:

Applicable Not applicable

V Analysis of Non-main Businesses

Unit: RMB

	Amount	As % of total profit	Main source/reason	Recurrent or not
Investment income	6,546,996,531.50	64.62%	Income from investments in associates and joint ventures, which were mainly due to the net profit of Shanghai Port this year	Yes
Change in fair value gain or loss	390,232,365.15	3.85%	-	Not
Asset impairment	-8,880,788.88	-0.09%	Mainly due to the provision of asset impairment losses	Not
Non-operating income	59,018,655.32	0.58%	-	Not
Non-operating expense	70,252,101.73	0.69%	-	Not
Other income	185,410,303.29	1.83%	Mainly due to obtain government subsidies	Not
Gain/loss on disposal of assets	34,062,395.75	0.34%	-	Not
Reversal of credit impairment loss	272,994,309.08	2.69%	Mainly because a subsidiary of the Company received an operating compensation equivalent to RMB316,715,160.00 from its minority shareholders in the current period, and the full-amount provision for the relevant loss from impairment of credit established in the prior period was reversed	Not

VI Analysis of Assets and Liabilities

1. Significant Changes in Asset Composition

Unit: RMB

	31 December 2024		1 January 2024		Change in percentage (%)	Main reason for any significant change
	Amount	As % of total assets	Amount	As % of total assets		
Cash and bank balances	16,630,400,701.13	8.25%	16,079,646,178.24	8.10%	0.15%	Mainly due to the effects of changes in expenditures on operating, investing and financing activities
Accounts receivable	1,193,408,383.78	0.59%	1,103,901,466.25	0.56%	0.03%	Mainly due to the effects of increased revenue and the payment collection periods
Inventory	269,958,020.34	0.13%	218,898,192.87	0.11%	0.02%	Mainly due to the effects of entities newly included in the consolidated financial statements
Investment properties	3,288,690,070.60	1.63%	4,958,374,968.79	2.50%	-0.87%	Mainly due to the effects of transfer to fixed assets
Long-term equity investment	100,018,029,894.96	49.63%	96,666,117,776.27	48.68%	0.95%	Mainly due to the effects of share of profits and dividends from investee enterprises in the current period
Fixed assets	30,689,217,791.45	15.23%	28,986,538,326.35	14.60%	0.63%	-
Construction in progress	3,311,109,996.59	1.64%	2,909,817,281.46	1.47%	0.17%	-
Right-of-use assets	8,957,352,063.54	4.44%	9,441,668,311.22	4.76%	-0.32%	-
Short-term borrowings	12,791,242,141.69	6.35%	15,714,045,288.97	7.91%	-1.56%	Mainly due to the effects

						of borrowing repayments
Contract liability	267,888,272.62	0.13%	142,080,101.00	0.07%	0.06%	Mainly due to the effects of increased revenue and advance payments from customers
Long-term borrowings	15,582,593,255.65	7.73%	18,227,543,954.71	9.18%	-1.45%	Mainly due to the effects of borrowing repayments
Lease liability	1,387,206,990.51	0.69%	1,001,172,206.92	0.50%	0.19%	Mainly due to the effects of entities newly included in the consolidated financial statements
Financial assets held for trading	5,685,135,472.01	2.82%	4,568,806,108.84	2.30%	0.52%	Mainly due to the changes in structured deposit business
Other non-current financial assets	28,524,600.31	0.01%	877,576,442.83	0.44%	-0.43%	Mainly due to the disposal of the shares of Qingdao Port
Non-current liabilities due within one year	10,506,682,795.60	5.21%	6,817,404,289.25	3.43%	1.78%	Mainly due to the increased long-term borrowings and bonds payable due within one year
Other current liabilities	4,061,201,760.72	2.02%	2,143,842,534.53	1.08%	0.94%	Mainly due to the increased short-term bonds payable

Indicate whether overseas assets account for a high proportion of total assets.

√ Applicable □ Not applicable

Asset	Source	Asset value (RMB'0,000)	Location	Operations	Control measures to protect asset	Return generated	As % of the Company	Material impair
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					safety	(RMB'0,000)	y's net asset value	ment risk (yes/no)
Equity assets	Acquired via share offering	15,060,761.96	Hong Kong	Port investment and operations	Appointing director, supervisor and senior management /According to the political, economic and legal environment of different countries and regions, establish a targeted internal control system and early warning system.	747,735.77	83.12%	No
Other information	N/A							

2. Assets and Liabilities at Fair Value

Unit: RMB

Item	Beginning amount	Gain/loss on fair-value changes in the Reporting Period	Cumulative fair-value changes through equity	Impairment allowance made in the Reporting Period	Purchased in the Reporting Period	Sold in the Reporting Period	Other changes	Ending amount
Financial assets								
Held-for-trading financial assets (exclusive of derivative financial assets)	4,568,806,108.84	40,176,493.90	-	-	27,450,000,000.00	26,373,847,130.73	-	5,685,135,472.01
Other non-current financial assets	877,576,442.83	350,055,871.25	-	-	-	1,199,107,713.77	-	28,524,600.31

Other equity instrument investment	157,461,648.16	-	-18,009,761.11	-	-	-	-	139,451,887.05
Subtotal of financial assets	5,603,844,199.83	390,232,365.15	-18,009,761.11	-	27,450,000,000.00	27,572,954,844.50	-	5,853,111,959.37
Receivables financing	2,001,669.46	-	-	-	-	-	-2,001,669.46	-
Total of the above	5,605,845,869.29	390,232,365.15	-18,009,761.11	-	27,450,000,000.00	27,572,954,844.50	-2,001,669.46	5,853,111,959.37
Financial liabilities	-	-	-	-	-	-	-	-

Details of other changes:

Other changes in receivables financing are primarily attributable to changes in receivables financing.

Significant changes to the measurement attributes of the major assets in the Reporting Period:

Yes No

3. Restricted Asset Rights as at the Period-End

The restricted monetary assets include interest receivable, performance bond, frozen funds, etc.

Totaling were RMB115,331,146.22 of security deposits.

The carrying value of fixed assets as collateral for bank loans was RMB467,531,821.78.

The carrying value of intangible assets as collateral for bank loans was RMB624,297,693.92.

VII Investments Made

1. Total Investment Amount

Investment Amount in 2024 (RMB)	Investment Amount in 2023 (RMB)	Change (%)
2,547,551,911.17	1,935,029,905.71	31.65%

2. Major Equity Investments Made in the Reporting Period

Applicable Not applicable

3. Major Non-Equity Investments Ongoing in the Reporting Period

Applicable Not applicable

4. Financial Investments

(1) Securities Investments

Unit: RMB

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Beginning carrying value	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes recorded into equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in the Reporting Period	Ending carrying value	Accounting item	Funding source
Domestic/overseas stock	06198	Qingdao Port	124,405,138.80	Fair value method	158,062,729.23	65,372,649.52	-	-	223,435,378.75	12,111,161.36	-	Other non-current financial assets	Own funds
Domestic/overseas stock	601298	Qingdao Port	331,404,250.30	Fair value method	692,160,000.00	283,512,334.97	-	-	975,672,334.97	23,902,468.57	-	Other non-current financial assets	Own funds
Domestic/overseas stock	400032	R Petrochemical A1	3,500,000.00	Fair value method	382,200.00	-	-	-	-	-	382,200.00	Other equity instrument investment	Own funds
Domestic/overseas stock	400009	R Guang Jian 1	27,500.00	Fair value method	17,000.00	-	-	-	-	-	17,000.00	Other equity instrument investment	Own funds
Total			459,336,889.10	--	850,621,929.23	348,884,984.49	0.00	0.00	1,199,107,713.72	36,013,629.93	399,200.00	--	--

(2) Investments in Derivative Financial Instruments

Applicable Not applicable

5. Use of Funds Raised

Applicable Not applicable

No such cases in the Reporting Period.

VIII Sale of Major Assets and Equity Investments

1. Sale of Major Assets

Applicable Not applicable

No such cases in the Reporting Period.

2. Sale of Major Equity Investments

Applicable Not applicable

No such cases in the Reporting Period.

IX Major Subsidiaries

Major fully/majority-owned subsidiaries and those minority-owned subsidiaries with an over 10% effect on the Company's net profit

Unit: RMB

Name	Relationship with the Company	Principal activity	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Shanghai International Port (Group) Co., Ltd.	Joint stock company	Business related to port, container and terminal	23,281,365,262.00	212,055,541,073.03	147,408,805,089.60	38,116,972,285.82	18,012,375,204.94	16,063,786,892.13
China Merchants Port Holdings Company Limited	Subsidiary	Port business, bonded logistics and property investment	48,730,938,830.02 (HKD)	150,607,619,597.31	106,522,703,102.28	10,990,023,251.60	8,560,128,964.28	7,477,357,716.48
Ningbo Zhoushan Port Company Limited	Joint stock company	Business related to port, integrated logistics,	19,454,388,399.00	112,898,984,000.00	85,549,567,000.00	28,702,311,000.00	6,911,288,000.00	5,408,738,000.00

(note)		and trade sales					
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Subsidiaries obtained or disposed in the Reporting Period:

Subsidiary	How subsidiary was obtained or disposed in the Reporting Period	Effects on overall operations and operating performance
PT Nusantara Pelabuhan Handal Tbk	Acquired in cash	No significant impact

Notes of major holding companies and joint stock companies:

There is no information on major holding companies and joint stock companies for the Company to disclose during the Reporting Period.

X. Structured Bodies Controlled by the Company

Applicable Not applicable

XI Outlook for the Future Development of the Company

1. Layout and trends of the industry

In terms of the international economy and trade, the global economic landscape continues to undergo profound adjustments. Major international events, such as the Russia-Ukraine conflict, the Palestinian Israeli conflict and the Red Sea crisis will persist. The issue of global divergence has been growing, especially in emerging markets and developing economies, and regional divergence has become increasingly obvious. The stable recovery of global economy is facing challenges amidst of the persistent adjustment cycle. However, global trade in goods and services is steadily rebounding, and global inflationary pressure is continuing to decline, both of which will serve as favourable supporting factors for economic growth in the coming year.

In terms of the domestic economy and trade, China continues to advance the “14th Five-Year Plan” in a strong and orderly manner, adhering to the general principle of seeking progress while maintaining stability, accelerating the construction of a new development pattern, and making solid progress in high-quality development. The country is further deepening reforms, expanding high-level external opening, building a modernized industrial system, better coordinating development and security, implementing more proactive macro policies, expanding domestic demand, and promoting the integration of scientific and technological innovations and industrial innovations. It is expected that the gradual implementation of various economic stabilization policies and the sustained effect of various trade agreement will enhance the momentum of commodity import and export, boosting cross-national trade. As the economy and trade will also operate within a reasonable range, the port industry is expected to evolve steadily.

In recent years, across the world are spreading unprecedented changes. Port, as a major carrier and part of international trade flow, has played a significant role in global trade and transport systems. Global port operators have seized opportunities of the times, made efforts to improve the quality of port services, continuously enlarged the sphere of influence of the ports, strengthened the collaborative effects with other logistics participants and provided clients with higher-quality and more comprehensive logistics solutions. Resources competition among international ports will continue, which will bring new opportunities and challenges to the port industry. In the future, the port industry will develop towards the following trends:

- (1) Globalization of port network. With the pushed process of international economic integration and the exacerbated competition in port markets globalization, the demand for port transformation and upgrade is no longer a desperate pursuit to maximize port handling capacity and corporate economic benefits. Instead, it makes the maximization of the long-term value of ports a target. The Company should continue to complete and enrich the globalization layout of ports, identify acquisition projects with investing potential, actively explore ports with strategic significance, and further improve the competence, influence and sustainability of the corporate.
- (2) Integration of port services. The prominent issue of global supply chain and the acceleration of regionalization and localization of industrial chain have further driven the expansion and reform of the port industry. While focusing on the major port business, the Company should actively expand its port expansion business, carry out innovative port commercial modes, propose professional and customized logistics solutions, and provide clients with logistics services that are more flexible, secure and efficient.
- (3) Digital intelligence of port operation. Port digitalization extent is outperforming the impact of physical infrastructure upgrades in increasing the port production efficiency. The breakthrough and innovation of digital techniques will accelerate the upgrade of the industry from “digitalization” to “digital intelligence” and continuously empower the core businesses, such as the production, management, services and ecology of the port. Digital technology infuses the growth of the port enterprises with new momentum.
- (4) Green and low-carbon ports. To align with the global “Dual Carbon” goals, countries worldwide have formulated clear decarbonization strategies. The International Maritime Organization (IMO) has significantly raised its emission reduction targets, adjusting its goal from reducing 50% of annual total greenhouse gas emissions by 2050 (compared to 2008 levels) to achieving net-zero emissions in the shipping industry around 2050. The European Union and other regions are actively promoting shipping emission reductions, while the port industry is accelerating its transition to green and low-carbon operations. This transformation aligns with national strategic objectives and contributes significantly to global environmental protection and sustainable development.

2. Development strategy

The Company is committed to becoming a “world-leading port service provider”. Based on the

new development stage, the Company implemented the new development concept fully and faithfully. In pursuit of high-quality growth, it will accelerate technological leadership and innovation-driven development, achieve global scientific layout and balanced development, provide first-class comprehensive port service professional solutions, seek more returns for shareholders, support local economic and industrial development, and contribute to the development of the port industry.

Firstly, in respect of the overseas strategy, the Company will correctly understand and capitalize on the opportunities arising from international industrial transfers, at the same time adapting to the trend of deploying mega-vessels and forming shipping alliances. Emphasis will be placed on the development of major global hub ports and gateway ports as well as areas with high market potential, fast-growing economy and promising development prospects. The Company will grasp opportunities in ports, logistics and related infrastructures investment for the on-going enhancement of its global port network.

Secondly, in respect of the domestic homebase port strategy, the Company will prioritize key areas, advance projects with full commitment, and continuously enhance the quality of homebase port development both domestically and internationally. For the West Shenzhen Port Zone, the Company will proactively guide cargo flows within the Pearl River Basin, align with logistics and supply chain demands, provide competitive and innovative service offerings, and enhance the regional aggregation capacity and influence for sustainable growth. For the Sri Lanka homebase port, the Company will establish a service cluster for port and shipping industry, develop a high level of international shipping business handling capacity and influence, and extend its reach to the South Asian subcontinent and surrounding regions.

Thirdly, in respect of the lean management strategy, the Company continues to optimize its operation and management model to focus on the planning, allocation, organization and use of resources by adhering to the market orientation, taking resources as the core, and aiming to refine resource allocation and enhance resource efficiency. The Company promotes the construction of a comprehensive management system covering the entire life cycle of resource demand assessment, resource allocation, production organization, risk management and control, sustainability and value tree assessment, thereby facilitating the Company's effective qualitative improvement and reasonable volume growth through lean management and providing sustained momentum for the Company's high-quality development.

Fourthly, in respect of the innovation strategy, the Company adhere to the principle of "driving through technology and embracing changes", under which the Company will support the future port development through increasing the investment in innovation and holding the technology high ground. By means of technological innovation and innovative management, it will significantly enhance the efficiency and effectiveness of port operation, which will help the Company transform from "scale-driven" to "quality-driven" and the business structure change from "simple port handling and storage" to "comprehensive services based on the main port business", supporting the Company's new leapfrog development with innovation, and continuously improving the Company's driving force of development.

Fifthly, in respect of the digital intelligence strategy, the Company firmly grasps the development opportunities of “industrial digitization” and “digital industrialization”, uses digital intelligence as an entry point to empower the Company’s production and operation, market expansion, operation management, and capital operation. In line with the development trends of the times and the industry, the Company uses digital intelligence to carry out all-round transformation of traditional port terminals to promote industrial optimization and upgrading. Relying on the stock assets and business of the ports, with the core purpose of improving quality and efficiency, the Company improves the scientization and elaboration of production operation, customer service, operation management and decision-making, and promotes the comprehensive upgrade of port management and service intelligence.

Sixthly, in respect of the low-carbon strategy, the Company will firmly grasp the development opportunity of green industrial transformation and thoroughly implement the concept of green development, actively fulfilling social responsibilities to continuously optimize the energy structure of the ports. It will improve its modern green port management system and mechanism, enrich the green energy supply scenarios, widely promote the concept of green investment and strive to build a new generation of green and smart ports with low energy consumption and low pollution.

3. Business plans for 2025

In 2025, the Company will continue to capitalize on the general principle of seeking progress while maintaining stability. By strengthening strategic confidence and strategic focus, the Company upholds the three-drivers model of “Global Presence”, “Lean Management” and “Innovative Transformation”, and spares no effort to reform, innovate and boost development, so as to complete the target tasks of the “14th Five-Year Plan” in a high-quality manner, and to lay a solid foundation for a good start of the “15th Five-Year Plan”. The tactics of “Five Focuses” will be firmly implemented.

(1) Focus on Strategy Execution to Explore Room for Development

The Company will strengthen its strategic control and firm up its global presence to continuously enhance its core competitiveness. Firstly, in accordance with the requirements of the work focus of “clinging reforms, capturing innovation and boosting development”, the Company will make significant efforts in the preparation of the “15th Five-Year Plan”, and continue to improve the overall strategic framework of the Company, to optimize the six strategies, and to regulate strategy execution. Secondly, the Company will focus on the implementation of “Overseas Strategy”, and accelerate the pace of internationalization, so as to further build up a competitive edge in the global presence and enhance its core competitiveness.

(2) Focus on Efficiency Enhancement to Improve the Quality of Development

The Company will focus on its core business of ports, optimize and strengthen the controlled

terminals, and extend the integrated business of ports, so as to promote high-quality development through quality and efficiency enhancement. Firstly, the Company will undertake the optimization of container business resources in the West Shenzhen Port Zone, and push forward the construction of the Dachan Bay Phase II project in an orderly manner. Secondly, the container business cooperation between CICT and HIPG in Sri Lanka will be strengthened to capitalize on their synergies. TCP in Brazil will keep on upgrading its capacity. Thirdly, the Company will transform the bonded logistics business from resource-driven to competitiveness-driven, enhance its value creation capability, strengthen the port-park collaboration, and realize synergistic development.

(3) Focus on Reform and Innovation to Create Growth Advantages

The Company will deepen reforms, enhance governance, accelerate technological innovation and green transformation to create growth advantages for the Company's development. Firstly, the Company will continue to promote the "Double Hundred Reform", deepen the reform of the selection and employment mechanism and optimize the remuneration distribution mechanism. Secondly, the Company will enhance the corporate governance and promote the establishment of boards of directors of the Company and its subsidiaries. Thirdly, the Company will accelerate the application of digital intelligence empowerment, formulate the digital intelligence strategic planning of the "15th Five-Year Plan", promote the research and development of new-generation CTOS and the launch at pilot terminals, strengthen the application of artificial intelligence, the Internet of Things and other technologies, and enhance the level of data governance and digital transformation. Fourthly, the Company will initiate the green transformation of the terminal's energy structure, as well as promote green power procurement, distributed photovoltaic power generation and other projects so as to increase the proportion of clean energy, strengthen environmental risk management, explore the business of clean energy bunkering, and help the construction of green ports.

(4) Focus on Lean Management to Drive Endogenous Growth

The Company will deepen lean management at a high standard, strengthen synergies and cooperation at a high grade, and promote ESG construction at a high level, so as to add impetus to its endogenous growth. Firstly, the Company will strengthen penetrating control and enhance the capabilities of its operational management, asset management, financial control, engineering construction management and commercial marketing coordination. Secondly, the Company will deepen business collaboration with partners such as Antong Holdings, Sinotrans, and China Merchants Steamship, and expand market presence. The Company will intensify its efforts to strengthen communication and cooperation with key shipping company customers. Thirdly, the Company will continue to optimize the ESG management system and enhance the corporate governance. ESG disclosure quality will be elevated, contributing to corporate brand-building and enhancing the influence of the brand.

(5) Focus on Support and Protection to Build a Solid Foundation for development

The Company will continue to enhance the party building, human resources development and production safety to build a solid foundation for its development. Firstly, the Company will establish the “Unified in Purpose and Connected in Action”(同心通联) Party-building initiative, invigorating Party organizations at all levels and leveraging Party-building leadership. Secondly, the Company will improve its talent database, conduct a good inventory of talents, and cultivate various talents through the “Hundred Seedlings Program” (百苗计划). Thirdly, the Company will keep on enhancing the production safety and emergency management capabilities, promote the three-year campaign to tackle the root causes of accidents, strengthen the investigation and management of hidden dangers, and ensure that major accident hazards are eliminated in a dynamic manner, so as to build a solid foundation for safety.

4. Possible risks and counter measures

(1) Risk of macroeconomic fluctuations

Weak growth momentum of global economy, sticky inflation, geopolitical conflict and international trade frictions still exist, which affect the global economic growth and commodity trade market. Meanwhile, “Black Swan” incidents such as the Red Sea crisis have further highlighted the importance of a stable and reliable supply chain and industrial chain, promoting the restructuring of industrial chains and routes. The global port business volume may be reallocated, posing challenges to global economic growth and commodity trade markets.

The Company insists on emphasizing top-level design, has a deeper insight into the global development trend and adheres to the global thinking in planning the future development. The Company will optimize the global presence through the transformation and upgrading of ports, intensify efforts in key and core technologies and enhance the momentum of overall development; grasp the policy environment of high-level opening-up to the outside world, gradually improve the regular and long-term internal collaboration system, further enhance the connectivity with trade, promote the smooth flow of goods and resources of production factors on a larger scale, and expand the service scope and hinterland areas of ports. The Company will closely follow the changes in the global market, keep an eye on major international geopolitical development as well as the reconstruction of global industrial and supply chain, timely adjust the Company’s business strategies, accurately grasp the trend and prevent the occurrence of major external risk events.

(2) Policy risks

Internationally, rising trade protectionism, the upgrading of environmental protection regulations and carbon emission restriction policies in various countries, and the uncertainty of the regional economic integration process may put pressure on the global supply chain layout, overseas investment returns and operational compliance. Domestically, adjustments to the national economic structure, requirements for cost reduction and efficiency improvement in the logistics industry, and adjustments to import and export policies may have an impact on operating costs, business models and investment plans of the port.

In order to deal with policy risks, the Company will (1) improve the ability to analyze and judge macro policy changes, build a relatively complete macro policy analysis system, and dynamically adjust strategic planning; (2) continue to optimize the global investment portfolio and diversify the impact of policy risks; (3) strengthen ESG management, improve corporate governance levels, enhance sustainable development capabilities, and maintain compliant operations amidst changes in the global policy environment.

(3) Operation management risks

The Company actively seeks the investment opportunities of domestic and overseas ports, expands its network to several regions and countries in the world through acquisitions and mergers, investments and other ways to provide comprehensive services for global customers. With the deepening of the globalization process and the adverse changes in the macro environment, the Company is facing negative conditions such as increased difficulties in the operation and management of ports in some regions and lower returns on investment and operational efficiency.

In view of the Company's business management risks, the Company will (1) enhance competitiveness based on three elements, namely "market, resources and services", increase existing customer loyalty, take the initiative to identify new customers and grasp market opportunities; (2) improve the internal control and compliance system, strengthen the legal empowerment of business capabilities, ensuring effective risk identification and control and consolidating the foundation of risk control; (3) improve the risk warning system, continue to strengthen risk identification, early warning and resolution capabilities, do a good job in key risk prevention and management in a stable and orderly manner, and continuously improve the Company's risk prevention capabilities; (4) actively explore and innovate the international operation management model, make good use of digital technology to build smart platforms, and improve the overall operation.

XII Communications with the Investment Community such as Researches, Inquiries and Interviews

Date	Place	Way of communication	Type of communication party	Object of communication	Index to basic information of researches
3 April 2024	China Merchants Port Building	Teleconferencing	Institution	Huachuang Securities, Cherami Investment, Wealspring Asset, China Securities, Longrising Asset Management, Zhonglue Investment, Sunshine Asset, Fulida Asset, Huatai Securities, Harvest Fund, Qianlu Investment, Loyal Valley Capital, Founder Fubon Fund, Fortune & Royal Asset, Leader Capital, Springs Investment,	Main discussions: the basic condition of operations, investments made and the financial condition of the Company; Materials provided: None Index: SZSE EasyIR (http://irm.cninfo.com.cn/irms/index)

				Tourmaline Asset, High Hope Wisdom, Shanghai Securities, ICBC Credit Suisse Asset, Essence Securities, Huaxing Securities, Golden Eagle, Western Leadbank FMC, Industrial Securities, Tianfeng Securities, Wanjia Asset, Shenwan Hongyuan Securities, Schroder BOCOM Wealth, HFT Investment Management, Tianjin State-owned Capital Investment and Management, Tianhong Asset Management, Guosheng Securities, Comein Finance, Hazel Investment, Pacific Securities, Zheshang Securities, Changjiang Securities, Everbright Securities, China Cinda Asset	
8 April 2024	China Merchants Port Building	Online communication on network platform	Institution +Individual	All investors	
19 April 2024	China Merchants Port Building	One-on-one meeting	Institution	Huatai Securities, Taikang Asset, Yinhua Fund, China Cinda Asset, China Post Fund, New China Fund, Penghua Fund	
24 April 2024	Shenzhen Stock Exchange Listing Hall	Other	Institution	Huachuang Securities, Zheshang Securities, Cinda Securities, Guosheng Securities, Industrial Securities, Guolian Securities, Tianfeng Securities, Shenwan Hongyuan Securities, Guotai Junan Securities, CM Securities, CITIC Securities, China International Capital Corporation (CICC), CM Fund, Qianhai Kaiyuan Fund, Securities Times, Shanghai Securities News, Southern Daily, China Shipping Weekly, China News Service, China Water Transport News, TKWW	

				News, Port Circle, China Securities Journal	
15 May 2024	China Merchants Port Building	One-on-one meeting	Institution	Taikang Asset, Yong An Property Insurance, Haihui Huasheng Fund, Shenwan Hongyuan Securities	
2 September 2024	China Merchants Port Building	Teleconferencing	Institution	Huachuang Securities, Tianfeng Securities, Zheshang Securities, Cinda Securities, Guosheng Securities, Industrial Securities, Haitong Securities, Founder Securities, China Life Insurance, PICC (People's Insurance Company of China), Bosera Fund, GE Fund, Huai Xin Investment, Huafu Securities, Guolian Securities, Everbright Sun Life, New China Fund, Fuanda Fund	
6 September 2024	China Merchants Port Building	Online communication on network platform	Institution + Individual	All investors	
12 December 2024	China Merchants Port Building	Online communication on network platform	Institution + Individual	All investors	
1 January 2024 to 31 December 2024	China Merchants Port Building	By phone, or written inquiry (the EasyIR platform of SZSE or email)	Individual	Individual investors	
Times of communications					113
Number of institutions communicated with					92
Number of individuals communicated with					216
Number of other communication parties					0
Tip-offs or leakages of substantial supposedly-confidential information during communications					No

XIII Implementation of the Market Value Management System and Valuation Enhancement Plan

Indicate whether the Company has a market value management system.

Yes No

Indicate whether the Company has disclosed a valuation enhancement plan.

Yes No

To effectively promote the enhancement of the listed company's investment value, increase investor returns, and protect the legitimate rights and interests of the Company, investors, and other stakeholders, the Company actively responds to and implements regulatory requirements. Based on the Company's specific situation, a valuation enhancement plan has been developed. The Company will focus on improving the quality of the listed company, enhancing operational efficiency and profitability, and legally and compliantly using methods such as share repurchases and cash dividends to promote the increase of the Company's investment value.

In accordance with relevant provisions such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Several Opinions of the State Council on Strengthening Supervision, Preventing Risks, and Promoting the High-Quality Development of the Capital Market, the Administrative Measures for Information Disclosure of Listed Companies, the Guidance No. 10 on Market Value Management for Listed Companies, the Articles of Association, etc., the Company held the First Extraordinary Meeting of the 11th Board of Directors in 2025 on 27 February 2025, and passed the proposal on the Valuation Enhancement Plan. For specific details, please refer to the Valuation Enhancement Plan disclosed on www.cninfo.com.cn on 28 February 2025 (Announcement No.: 2025-007).

XIV Implementation of the Action Plan for "Dual Enhancement of Development Quality and Investor Returns"

Indicate whether the Company has disclosed its Action Plan for "Dual Enhancement of Development Quality and Investor Returns".

Yes No

In order to implement the requirements of the State Council's Opinions on Strengthening Supervision and Preventing Risks and Promoting High-Quality Development of the Capital Market and Opinions on Further Improving the Quality of Listed Companies, the Company has formulated the Action Plan for "Dual Enhancement of Development Quality and Investor Returns", with a view to continuously improving the quality of the Company, enhancing the returns to investors, ensuring that relevant stakeholders share the fruits of the Company's development, and achieving sustainable development. For details, please refer to the Announcement on the Initiation of the Action Plan for "Dual Enhancement of Development Quality and Investor Returns" (Announcement No.: 2024-068) disclosed on www.cninfo.com.cn. During the Reporting Period, the Company operated in a stable manner, adhered to standardised operations, and ensured proper information disclosure, insider information management, and investor relations management. The Company established a good corporate image and maintained a stable dividend policy while deeply implementing ESG principles. The Action Plan for "Dual Enhancement of Development Quality and Investor Returns" has been effectively implemented.

Part IV Corporate Governance

I General Information of Corporate Governance

Ever since its establishment, the Company has been in strict compliance with the Company Law and Securities Law, as well as relevant laws and regulations issued by CSRC. And it has timely formulated and amended its relevant management rules according to the Code of Corporate Governance for Listed Companies, which are conscientiously and carefully executed. An effective system of internal control has thus taken shape in the Company. Details about corporate governance are set out as below:

1. Establishment of systems:

(1) Corporate governance mechanisms and rules that the Company has already established: Articles of Association of the Company, Rules of Procedure for General Meetings, Rules of Procedure for the Board of Directors, Working Articles of Audit Committee of the Board of Directors, Working Rules of Annual Report for Audit Committee of the Board of Directors, Working Articles for Nomination, Remuneration and Evaluation Committee of the Board of Directors; Working Articles of Strategy and Sustainability Committee of the Board of Directors, Working System for Independent Directors, Working Rules of Annual Report for Independent Directors, Rules of Procedure for the Supervisory Committee, Working Articles of Chief Executive Officer, Management System for Company Shares held by Directors, Supervisors and Senior Executives and Its Changes, Management System of Outward Investment, Management System of Related-party Transactions, Management System of Fund-raising, Management Rules on Information Disclosure, Rules of Accountability for Significant Mistakes in Annual Report Information Disclosure, Management System on Inside Information and Insiders, Internal Audit System, Management System of Investors' Relations, Specific System for Engaging Accountants, Management Method of Financial Tools, Management System on Person in Charge of Finance and CFO, Information Disclosure Management Rules for the Inter-bank Debt Financing Instrument, Management System of External Guarantees, Working Articles of Board Secretary, Management System of Securities Investments, Management System of Subsidiaries, Management Method of Donations, Rules of Procedures for Office Meeting, Management System on the Authorization of

the Board of Directors, Liabilities Management System, Board Resolution Tracking, Implementation, and Post-Implementation Evaluation System, Market Value Management System, etc. There isn't difference between the actual circumstances of the Company and all established systems.

(2) System establishment and revisions: As per the relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, between the beginning of the Reporting Period and the date of disclosure of this report, the Company revised 5 systems and created 2 new systems, demonstrating sound and effective systems. And details are as follows:

Mechanism	Approval
Performance Appraisal Methods for Managers; Management Methods for the Remunerations of Managers; Board Resolution Tracking, Implementation, and Post-Implementation Evaluation System; Rules of Procedures for Office Meeting	The 9 th Extraordinary Meeting of the 11 th Board of Directors in 2024 of the Company on 20 December 2024 approved the following proposals: the Proposal on Revising the Performance Appraisal Methods for Managers, the Proposal on Revising the Management Methods for the Remunerations of Managers, the Proposal on Establishing the Board Resolution Tracking, Implementation, and Post-Implementation Evaluation System and the Proposal on Revising the Rules of Procedures for Office Meeting.
Market Value Management System; Working Articles of Strategy and Sustainability Committee of the Board of Directors	The 1 st Extraordinary Meeting of the 11 th Board of Directors in 2025 of the Company on 27 February 2025 approved the Proposal on Establishing the Market Value Management System and the Proposal on Revising the Working Articles of Strategy and Sustainability Committee of the Board of Directors.
Internal Audit System	The 4 th Meeting of the 11 th Board of Directors of the Company on 1 April 2025 approved the Proposal on Revising the Internal Audit System.

2. Shareholders and shareholders' general meeting: the Company ensures that all the shareholders, especially minority shareholders, are equal and could enjoy their full rights. The Company called and held shareholders' general meeting strictly in compliance with the Rules for Shareholders' General Meeting.

3. Relationship between the controlling shareholder and the Company: controlling shareholder of

the Company acted in line with rules during the reporting period, did not intervene in the decisions, productions or operations of the Company directly or indirectly in exceeding the authority of the shareholders' general meeting, and did not occupy any funds of the Company.

4. Directors and the Board of Directors: the Company elected directors in strict accordance with the Articles of Association. Number and composition of members of the Board were in compliance with relevant laws and regulations. During the Reporting Period, the Board of Directors implemented six powers including rights to make decisions on medium- and long-term development, select and engage Management members, evaluate performance of Management members, manage the remuneration of Management members, manage the distribution of employees and manage major financial affairs in accordance with the Implementation of the Functions and Powers of the Board of Directors, strengthening the ability of the Board of Directors to exercise their rights and fulfil their responsibilities. All directors of the Company fulfilled their responsibilities loyally and diligently, actively attending the Board Meeting and the General Meeting, expressing views and discussing on proposals submitted to and deliberated by the Board during the Reporting Period. Proposals deliberated by the Board were all agreed. The Board of Directors of the Company has set up the Audit Committee, the Nomination, Remuneration and Evaluation Committee, and the Strategy and Sustainable Development Committee. During the Reporting Period, each committee gave full play to its professional functions, researched each professional affairs, offered views and advice, assisted the Board in carrying out works, and actively came up with ideas, providing strong guarantee for the scientific and efficient decision-making of the Board.

5. Supervisors and the Supervisory Committee: number and composition of the members of the Supervisory Committee were in compliance with the requirements of laws and regulations. The supervisors diligently and seriously performed their duties and obligations, took responsible attitudes to all shareholders and supervised the financial affair as well as the performance by the Company's Directors, managers and other senior executives of their duties in compliance with the laws and regulations.

6. Stakeholders: the Company fully respected and safeguarded the legal rights and interests of the banks and other creditors, staff, clients and other stakeholders so as to develop the Company in a

consistent and healthy way.

7. Information disclosure and transparency: As the primary responsible entity for information disclosure, the Board of Directors of the Company is responsible for managing the information disclosure matters of the Company. Chairman of the Board assumes a central role in managing the information disclosure matters of the Company while the Board Secretary is responsible for organizing and coordinating such matters. The Board Secretary of the Company is responsible for the management of investor relationships. Unless expressly authorized and trained, other directors, supervisors, senior management members and staff members of the Company should avoid speaking on behalf of the Company in investor relationship activities. The Company disclosed relevant information in a true, accurate, complete and timely way in strict accordance with the requirements of laws, regulations and the Articles of Association, formulated the Management Rules on Information Disclosure, the Management System on Inside Information and Insiders and the Rules on the Management of Investors Relations, and designated *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, and <http://www.cninfo.com.cn> as its newspaper and website for information disclosure, so as to ensure all shareholders have equal opportunity to obtain the information.

Since the foundation, the Company was consistently in strict accordance with Company Law and relevant laws and regulations to make a standard operation, continued business-running in line with relevant requirements of Corporate Governance Principle for Listed Companies and earnestly made effort to protect profit and interests of shareholders and stakeholders.

Indicate by tick market whether there is any material incompliance with the laws, administrative regulations and regulations issued by the CSRC governing the governance of listed companies.

Yes No

No such cases in the Reporting Period.

II The Company's Independence from Its Controlling Shareholder and Actual Controller in Asset, Personnel, Financial Affairs, Organization and Business

The Company is absolutely independent in business, personnel, assets, finance and organization from its controlling shareholder and actual controller. Details are set out as follows.

Separation in business: The Company has its own assets, personnel, qualifications and ability to carry out operating activities and is able to operate independently in the market. Separation in personnel: The Company has basically separated its staff from its controlling shareholder. No senior management staff of the Company holds positions at controlling shareholder of the Company. Separation in assets: The Company possesses its own self-governed assets and domicile. Separation in organization: The Company has established and improved the corporate governance structure according to law and has an independent and complete organizational structure. Separation in finance: The Company has set up its own financial department as well as normative accounting system and the financial management system on its subsidiaries. The Company has its own bank accounts and does not share the same bank account with its controlling shareholder. The Company has been paying tax in accordance with the laws and regulations on its own behalf.

III Horizontal Competition

Applicable Not applicable

IV Annual and Special General Meetings Convened during the Reporting Period

1. General Meeting Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Index to disclosed information
The Extraordinary General Meeting of 2024	1 st Extraordinary General Meeting	67.41%	31 January 2024	1 February 2024	For the resolution announcement (No. 2024-012), see http://www.cninfo.com.cn
The 2023 Annual General Meeting	Annual General Meeting	89.93%	31 May 2024	1 June 2024	For the resolution announcement (No. 2024-047), see http://www.cninfo.com.cn

						info.com.cn
The Extraordinary General Meeting of 2024	2 nd Extraordinary General Meeting	89.55%	5 July 2024	6 July 2024		For the resolution announcement (No. 2024-052), see http://www.cninfo.com.cn
The Extraordinary General Meeting of 2024	3 rd Extraordinary General Meeting	89.59%	29 October 2024	30 October 2024		For the resolution announcement (No. 2024-084), see http://www.cninfo.com.cn

2. Special General Meetings Convened at the Request of Preferred Shareholders with Resumed Voting Rights

Applicable Not applicable

V Directors, Supervisors and Senior Management

1. General Information

Name	Gender	Age	Office title	Incumbent/Former	Start of tenure	End of tenure	Beginning shareholding (share)	Increase in the Reporting Period (share)	Decrease in the Reporting Period (share)	Other increase/decrease (share)	Ending shareholding (share)	Reason for share change
Feng Boming	Male	55	Chairman of the Board	Incumbent	July 2023	May 2026	0	0	0	0	0	N/A
Xu Song	Male	53	Vice Chairman of the Board and CEO	Incumbent	July 2023	May 2026	0	22,200	0	0	22,200	Increase holdings in the secondary market
Yan Gang	Male	52	Vice Chairman of the Board	Incumbent	May 2022	May 2026	0	0	0	0	0	N/A
Lu Yongxin	Male	55	Director, Chief Operation and Manager	Incumbent	July 2023	May 2026	0	0	0	0	0	N/A
Li Zhanglin	Male	58	Director	Incumbent	January 2024	May 2026	0	0	0	0	0	N/A
Li Qing	Male	55	Director	Incumbent	January 2024	May 2026	0	0	0	0	0	N/A
Wu	Male	55	Director	Incumbent	December 2022	May 2026	0	0	0	0	0	N/A

Changpan				bent								
Lyu Yiqiang	Male	48	Director	Incumbent	December 2022	May 2026	0	0	0	0	0	N/A
Gao Ping	Male	69	Independent director	Incumbent	May 2020	May 2026	0	0	0	0	0	N/A
Li Qi	Female	54	Independent director	Incumbent	May 2020	May 2026	0	0	0	0	0	N/A
Zheng Yongkuan	Male	47	Independent director	Incumbent	May 2021	May 2026	0	0	0	0	0	N/A
Chai Yucting	Male	61	Independent director	Incumbent	December 2022	May 2026	0	0	0	0	0	N/A
Yang Yuntao	Male	58	Chairman of the Supervisory Committee	Incumbent	October 2021	May 2026	0	0	0	0	0	N/A
Fu Bulin	Male	53	Supervisor	Incumbent	April 2022	May 2026	0	0	0	0	0	N/A
Xu Jia	Male	43	Supervisor	Incumbent	May 2020	May 2026	0	0	0	0	0	N/A
Lei Yuanyuan	Female	35	Supervisor	Incumbent	May 2023	May 2026	0	0	0	0	0	N/A
Huang Zhenzhou	Male	47	CFO	Incumbent	October 2024	May 2026	0	0	0	0	0	N/A
Liu Bin	Male	56	Deputy General Manager	Incumbent	September 2022	May 2026	0	0	0	0	0	N/A
Zhu Weida	Male	56	Deputy General Manager	Incumbent	April 2023	May 2026	0	0	0	0	0	N/A
Li Wenbo	Male	45	Deputy General Manager	Incumbent	August 2023	May 2026	0	0	0	0	0	N/A
Liu Libing	Male	51	General Counsel (Chief Compliance Officer)	Incumbent	August 2020	May 2026	0	0	0	0	0	N/A
			Board Secretary	Incumbent	May 2024	May 2026						
Zhang Rui	Male	59	Former Director	Former	April 2022	January 2024	0	0	0	0	0	N/A
Liu Weiwu	Male	60	Former Director	Former	May 2021	January 2024	0	0	0	0	0	N/A
Tu Xiaoping	Male	59	Former CFO	Former	May 2021	September 2024	0	0	0	0	0	N/A
Li Yubin	Male	53	Former Deputy General Manager	Former	December 2018	May 2024	0	72,000	18,000	0	54,000	Equity incentive exercise and secondary market reduction
			Former Board Secretary	Former	April 2021	May 2024						
Total	--	--	--	--	--	--	0	94,200	18,000	0	76,200	--

Indicate by tick mark whether any directors or supervisors left or any senior management were disengaged during the Reporting Period

Yes No

During the Reporting Period, the directors and senior management of the Company left mainly for job change. For more details, please see the table below.

Change of Directors, Supervisors and Senior Management

Name	Office title	Type of change	Date of change	Reason for change
Zhang Rui	Director	Resigned	8 January 2024	Job change
Liu Weiwu	Director	Resigned	8 January 2024	Job change
Li Zhanglin	Director	Elected	31 January 2024	Elected
Li Qing	Director	Elected	31 January 2024	Elected
Li Yubin	Deputy General Manager, Board Secretary	Dismissed	17 May 2024	Job change
Liu Libing	Board Secretary	Appointed	20 May 2024	Appointed
Tu Xiaoping	CFO	Dismissed	30 September 2024	Job change
Huang Zhenzhou	CFO	Appointed	11 October 2024	Appointed

2. Biographical Information

Professional backgrounds, major work experience and current duties in the Company of the incumbent directors, supervisors and senior management:

Feng Boming, Chairman of the Board, graduated from the University of Hong Kong, with a master's degree in business administration. He is currently Chairman of the Company, Deputy General Manager of China Merchants Group Limited, Chairman of Liaoning Port Group Co., Ltd., Chairman of the Board of Directors and a non-executive director of China Merchants Port Holdings Company Limited, Chairman of China Merchants Energy Shipping Co., Ltd., and Chairman of Sinotrans Limited. He served as General Manager of COSCO Shipping Lines (Wuhan) Co., Ltd./COSCO Logistics (Wuhan) Co., Ltd., Director of the Strategic Management Implementation Office of China COSCO Shipping (Group) Company, General Manager of the Strategic and Enterprise Management Department of COSCO Shipping Corporation Limited, executive director and Chairman of the Board of Directors of COSCO Shipping Ports Ltd., executive director of COSCO Shipping Holdings Co., Ltd. and Oriental Overseas (International) Limited, non-executive director of COSCO Shipping Energy Transportation Co., Ltd., Qingdao Port International Co., Ltd.

and Piraeus Port Authority S.A., as well as director of Hainan Harbor & Shipping Holding Co., Ltd. and COSCO Shipping Bulk Co., Ltd., Chairman and non-executive director of Sinotrans Limited. Mr. Feng has been the Chairman of the Board of the Company since July 2023.

Xu Song, Vice Chairman of the Board, CEO, a senior Economist, holds a bachelor's degree in Material Management of the Huazhong University of Science and Technology, Master of Business Administration (MBA) of the Dongbei University of Finance & Economics, Master of International Business (MIB) of the Coventry University, and Ph.D. in Transportation Planning and Management of the Dalian Maritime University. Currently, he serves as the Vice Chairman of the Board and CEO of the Company, the Vice Chairman and CEO of China Merchants Port Holdings Company Limited, and the Vice Chairman of the Board of Shanghai International Port (Group) Co., Ltd. He used to work as Deputy General Manager at Dalian Port Container Co., Ltd.; Deputy General Manager and General Manager at Dalian Port Jifa Logistics Co., Ltd.; General Manager at Dalian Port Container Co., Ltd.; General Manager at Dalian Port Northern Huanghai Sea Port Cooperative Management Company; General Manager at Dalian Port (PDA) Company Limited; Deputy General Manager, director, and General Manager of Dalian Port; Deputy General Manager of Liaoning Port Group Co., Ltd.; Deputy General Manager, General Manager and COO of the Company; Director of Liaoning Port Co., Ltd. He has been Director of the Company since September 2022, Vice Chairman of the Board and CEO of the Company since July 2023.

Yan Gang, Vice Chairman of the Board, graduated from Xiamen University with a bachelor's in international trade, and completed an MBA program co-created by the Maastricht School of Management (Maastricht, the Netherlands) and Shanghai Maritime University. He now serves as Vice Chairman of the Board of the Company, non-executive director of China Merchants Port Holdings Company Limited, member of Commercial (Third) Functional Constituency of the Legislative Council of the Hong Kong Special Administrative Region of the People's Republic of China, Vice Chairman of Panel on Economic Development of the Legislative Council of the Hong Kong Special Administrative Region of the People's Republic of China, and member of the

Maritime and Port Development Committee of Hong Kong Maritime and Port Board. He served as the senior logistic manager in Neptune Orient Lines Limited and Hong Kong Swire Group, Chief Commercial Supervisor, Deputy General Manager, Executive Deputy General Manager and General Manager of Shekou Container Terminals Limited, Deputy General Manager, Chief Commercial Officer and Managing Director of China Merchants Port Holdings Company Limited, Chief Representative of the Representative Office of China Merchants Group Limited in the Baltic Sea, General Manager of Great Stone Industrial Park, Deputy General Manager, Chief Operating Officer and General Manager of China Merchants Port Group Co., Ltd., and the member of the Pilotage Advisory Committee of Marine Department of the Government of the Hong Kong Special Administrative Region and the Logistic Service Advisory Committee of Hong Kong Trade Development Council. He has served as a Director of the Company since April 2022 and Vice Chairman of the Board of the Company since May 2022.

Lu Yongxin, Director, COO and General Manager, graduated from Dalian University of Technology, and obtained bachelor's degree in English for science and technology. Later Lu Yongxin graduated from Curtin University and obtained master's degree in project management. Lu Yongxin now serves as Director, COO and General Manager of the Company, as well as Executive Director and Managing Director of China Merchants Port Holdings Company Limited. Lu Yongxin has successively held the posts of Assistant General Manager of Zhenhua Construction Co. Ltd., Deputy Director of General Manager's Office of China Harbour Engineering Company Limited (Presiding), Deputy General Manager of Research & Development Department of China Merchants Port Holdings Company Limited, General Manager of Overseas Business Department, Assistant General Manager and Deputy General Manager of the company, Deputy General Manager of the Company. Lu Yongxin has been dispatched to Terminal Link in France to act as CFO and Senior Vice President. Lu Yongxin has been as the Director, COO and General Manager of the Company since July 2023.

Li Zhanglin, Director, and senior economist, graduated from the School of Statistics of Renmin

University of China, with a master's degree in economics. He is currently a director of the Company and a full-time external director sent by China Merchants Group Corporation Limited. He served as Assistant General Manager of the Enterprise Planning Department, Deputy Director of the Comprehensive Transportation Department/Overseas Business Department, and Deputy Director of the Transportation and Logistics Department of China Merchants Group Corporation Limited, and Deputy General Manager of Sinotrans Limited, and worked at the Planning Department of the Ministry of Transportation, and the Securities Management Department of China Merchants Expressway Network & Technology Holdings Co., Ltd.. Mr. Li has been Chairman of the Board of Directors of the Company since January 2024.

Li Qing, Director, graduated from Sichuan Normal College, majoring in Political Economy, with a bachelor's degree in Philosophy. He is currently a director of the Company, a full-time external director sent by China Merchants Group Corporation Limited and a supervisor of China Merchants Hainan Development & Investment Co., Ltd. He served as Assistant General Manager of the Business Development Department of China Merchants Group Corporation Limited and Deputy Director of Major Project Office and Director of Qianhai Office, Assistant Director of Capital Operation Department of China Merchants Group Corporation Limited and Deputy Director of Major Office and Director of Qianhai Office, Assistant Director and Deputy Director of Regional Development Department of China Merchants Group Corporation Limited, and Assistant Director and Deputy Director of Qianhai Shekou FTZ Office, as well as Deputy Director of Industrial Development Department/Business Collaboration Department of China Merchants Group Corporation Limited. Mr. Li has been Chairman of the Board of Directors of the Company since January 2024.

Wu Changpan, Director, graduated from the Power Plant and Power System major of Hangzhou Electric Power College and Human Resource major of Central China Normal University. He now serves as a Director of the Company and Director of Investment Development Department in Zhejiang Provincial Seaport Investment & Operation Co., Ltd. and Ningbo Zhoushan Port Group Co., Ltd. Mr. Wu has served as Deputy Director and Director of Comprehensive Office of Zhejiang

Electric Power Construction Company, Deputy Director and Director of Comprehensive Office of Zhejiang Electric Power Construction Co., Ltd., Deputy Director and Director of Investment and Development Department of Ningbo Zhoushan Port Group Co., Ltd. He has served as a Director of the Company since December 2022.

Lyu Yiqiang, Director, graduated from the Management School of Wuhan University of Transportation and Technology with bachelor's degree in management engineering and the School of Economics & Management in Shanghai Maritime University with master's degree in business administration. He now serves as a Director of the Company and the Director of Production Safety Department in Zhejiang Provincial Seaport Investment & Operation Co., Ltd. and Ningbo Zhoushan Port Group Co., Ltd. Mr. Lyu has served in the warehouse yard team and as a staff member of Material Division of Beilun Container Company of Ningbo Port Authority, a Market Director of Commerce Department and Duty Manager of Operations Department of Ningbo Beilun International Container Terminals, Deputy Head of Container Division of Business Department of Ningbo Port Company Limited, General Manager of Ningbo Xinggang International Shipping Agency Co., Ltd., Deputy General Manager of Zhejiang Yiwu Port Co., Ltd., and General Manager of Suzhou Modern Terminals Co., Ltd. He has served as a Director of the Company since December 2022.

Gao Ping, Independent Director, obtained Executive Master of Business Administration from the University of International Business and Economics (UIBE). He is also a senior engineer and senior political worker. Currently, he serves as an Independent Director in the Company. His former titles included first mate, Management Section Chief, and HR Manager at Shanghai Ocean Shipping Co., Ltd., HR General Manager at COSCO Container Lines Co., Ltd., General Manager at the Crew Department of COSCO (H.K.) Shipping Co., Ltd., Deputy General Manager at COSCO (H.K.) Shipping Co., Ltd., Deputy General Manager at Shenzhen Ocean Shipping Co., Ltd. under COSCO (H.K.) Shipping Co., Ltd., General Manager at the Organization Department/HR Department of China COSCO SHIPPING Corporation Limited (COSCO SHIPPING Group), Deputy General Manager at COSCO Shipping Lines Co., Ltd., member of 11th and 12th Shanghai Committees of the Chinese People's Political Consultative Conference (CPPCC), and Deputy Director of the

Committee for Economic Affairs of the Shanghai Committee of the CPPCC. He has served as an Independent Director of the Company since May 2020.

Li Qi, Independent Director, graduated from Guanghua School of Management, Peking University with a PhD degree in Business Administration. Currently, she serves as an Independent Director in the Company, as well as an associate professor at the Department of Accounting of the Guanghua School of Management, Peking University. She worked as a teaching assistant and lecturer at the Department of Accounting of the Guanghua School of Management, Peking University, Assistant to the Dean and Deputy Secretary of CPC of the Guanghua School of Management, Peking University. She has been an independent director of the Company since May 2020.

Zheng Yongkuan, Independent Director, graduated from China University of Political Science and Law with bachelor's degree, master's degree and doctor degree in law. He is now an Independent Director in the Company, as well as the Vice Dean and a professor of Law School, Head of Civil and Commercial Law Teaching and Research Section and Director of Tort Law Research Center in Xiamen University. He is also a director of Civil Law Research Institute of China Law Society, Vice President of Civil and Commercial Law Research Institute of Fujian Law Society, arbitrator of Xiamen Arbitration Commission, arbitrator of Quanzhou Arbitration Commission, a lawyer of Fidelity Law Firm, and an Independent Director of Fujian Deer Technology Corp. He has been an assistant professor and associate professor in Law School, Xiamen University. He has served as an independent director of the Company since May 2021.

Chai Yueting, Independent Director, graduated from the Department of Automation of Tsinghua University with a master's degree and a doctoral degree in engineering. He now serves as an Independent Director of the Company, doctoral mentor in automation in Tsinghua University, Director of National Engineering Laboratory for E-Commerce Technologies, Leader of the Expert Team for Modern Services of the Ministry of Science and Technology of the People's Republic of China, E-Commerce Standardization Team of the Standardization Administration and Expert Team of Expert Advisory Committee for Development of National E-Commerce Demonstration Cities, editor of the international, academic journal International Journal of Crowd Science, and

Independent Director of Xinfangsheng Digital Intelligence Technology Co., Ltd. Mr. Chai has served as a member of the 2nd and 3rd Expert Advisory Committee of State Informatization. He serves as an Independent Director of the Company since December 2022.

Yang Yuntao, Chairman of the Supervisory Committee, graduated from Jilin University, majoring in international law, and obtained bachelor's degree in law. Later Yang Yuntao studied at School of Law, University of International Business and Economics, and obtained doctor's degree in law. He is now Chairman of the Supervisory Committee of the Company, CCO of CMG, and Head of the Risk Management Department/Legal Compliance Department/Audit Department of CMG. Yang Yuntao has successively held the posts of Deputy General Manager of Port Business Department of Sino-Trans China National Foreign Trade Transportation Corporation, General Manager of Law Department, Director, Deputy President (principal person) of SINOTRANS (Hong Kong) Group Company Limited, Non-Executive Director of SINOTRANS Limited, General Manager of Law Department of Sino-Trans China Foreign Trade Transportation (Group) Corporation, General Manager, Deputy General Counsel, General Counsel and General Manager of Law Department of SINOTRANS & CSC, Deputy Director of Transportation & Logistics Business Department/Beijing Headquarters of China Merchants Group Company Limited., Deputy Director of Shipping Business Management Preparatory Office of China Merchants Group, Deputy General Manager and General Counsel of China Merchants Energy Shipping Co., Ltd., Yang Yuntao has been being the Supervisor of the Company since December 2018 and the Chairman of the Supervisory Committee of the Company since October 2021.

Fu Bulin, Supervisor, intermediate accountant, graduated from the Accounting Department of Shanghai Maritime University with a bachelor's degree in economics, and a master's degree in business management from the University of South Australia. He now serves as a Supervisor of the Company and Deputy Director of Audit Department in China Merchants Group Limited. Mr. Fu has served as an Accounting Department Chief of the China Merchants Zhangzhou Development Zones Co., Ltd., Deputy Director, Manager and Senior Manager of Audit Department of the China Merchants Group Limited, and Assistant of the General Manager of Audit Department, Assistant of the Head of Risk Management Department and Deputy Director of the Audit Centre of China

Merchants Group Limited. He serves as a Supervisor of the Company since April 2022.

Xu Jia, Supervisor, graduated from the Wuhan University of Technology and obtained a master's degree in Control Theory and Control Engineering. Currently, he is a supervisor, the Deputy General Manager at the Operations Management Department/Marketing and Commerce Department of the Company. He worked as a Senior System Planning Engineer and Project Planning Director at the Engineering Technology Department of Shekou Container Terminal Co., Ltd. He has been a supervisor of the Company since May 2020.

Lei Yuanyuan, Supervisor, graduated from Shanxi University of Finance and Economics and with a bachelor's degree in financial management and in finance. She is currently a supervisor and the Senior Manager of the HR Department of the Company. She served as Accountant, the Reporting Director and Capital Director in the Finance Department of Shenzhen Chiwan Wharf Holdings Limited and Deputy Function Manager, Function Manager and Senior Manager in the Finance Management Department/Capital Operation Department of China Merchants Port Group Co., Ltd. She has been a supervisor of the Company since May 2023.

Huang Zhenzhou, Chief Financial Officer, senior accountant, graduated from the Department of Accounting of Xiamen University with a bachelor's degree in management, and later graduated from the School of Transportation of Wuhan University of Technology with a master's degree in engineering, majoring in the field of transportation engineering. He is currently the Chief Financial Officer of the Company, the Chief Financial Officer of China Merchants Port Holdings Company Limited, and the director of Liaoning Port Co., Ltd. He successively served as accountant and assistant manager of Finance Department of Shenzhen Chiwan Port Container Co., Ltd., assistant manager of Finance Department of Chiwan Container Terminal Co., Ltd., financial manager of Shenzhen Mawan Wharf Co., Ltd./ Shenzhen Mawan Terminals Co., Ltd., senior manager of Finance Department of China Merchants International Co., Ltd. (renamed China Merchants Port Holdings Company Limited), Chief Financial Officer of Zhanjiang Port (Group) Co., Ltd., Assistant Director of Capital Operation Department of China Merchants Group Limited, Chief Financial

Officer of Liaoning Port Group Co., Ltd., Chief Financial Officer of China Merchants Industry Holdings Company Limited. He has served as the Chief Financial Officer of the Company since October 2024.

Liu Bin, Deputy General Manager, graduated from Zhongnan University of Economic and Law with a bachelor's degree in economic law and a master's degree in business management from Dalian University of Technology. He now serves as the Deputy General Manager of the Company and Deputy Chief Economist of China Merchants Port Holdings Company Limited. Mr. Liu has served as the Deputy General Manager of Business Management Department, Ministry of Commerce and Corporate Strategy and Development Department and General Manager of Administration Department, Human Resource Department and Supervision Department in China Merchants Port Holdings Company Limited, Director and General Manager of Shenzhen Chiwan Wharf Holdings Limited, and Director of Shenzhen Goodten Interlink Technology Co., Ltd. He serves as a Deputy General Manager of the Company since September 2022.

Zhu Weida, Deputy General Manager, holds a bachelor degree in engineering in Electrical Automation from the Department of Computer and Automation of Wuhan Institute of Water Transportation Engineering and a master degree in engineering in mechanical engineering from the School of Automation, Wuhan University of Technology. Currently, he is Deputy General Manager of the Company. He served as Deputy General Manager of Beilun Ore Terminal under Ningbo Zhoushan Port Company Limited, General Manager of Zhoushan Quhuang Port Development and Construction Co., Ltd, General Manager of Zhoushan Shulanghu Terminal Co., Ltd, Director of Corporate Management (Audit) Department and Comprehensive Supervision Department of Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd and Ningbo Zhoushan Port Group Co., Ltd.. He has been Deputy General Manager of the Company since April 2023.

Li Wenbo, Deputy General Manager, Intermediate Economist, Engineer, graduated from the School of Mechanical Engineering, Hefei University of Technology, majoring in Mechanical Design and Manufacturing. He now serves as Deputy General Manager of the Company, Deputy

General Manager of China Merchants Port Holdings Company Limited, Director of Tianjin Port Container Terminal Co., Ltd. and Director of Ningbo Zhoushan Port Company Limited. He served as the Assistant to the General Manager/Director of the Human Resources Department of Sinotrans Limited, the Deputy Director, Director, Assistant to the Head of the Personnel Department under the Human Resources Department of China Merchants Group Corporation Limited, and Director of Personnel Department/Cadre Supervision Department, Assistant to the Director of the Human Resources Department and Director of Cadre Department, Deputy Director of the Human Resources Department and Director of Cadre Department. He has been the Deputy General Manager of the Company since August 2023.

Liu Libing, General Counsel (Chief Compliance Officer) and Board Secretary, graduated from the Department of Philosophy, School of Philosophy, Wuhan University with a Bachelor in Philosophy. Later, he pursued further study at Sun Yat-sen University School of Law and obtained a Master of Laws. Currently, he serves as General Counsel, Chief Compliance Officer and Board Secretary of the Company, Supervisor of Shanghai International Port (Group) Co., Ltd. He used to work as Publicity Secretary of the Political Work Department of China Construction Third Engineering Bureau, Deputy Secretary of Party Branch (deputy section level) and Deputy Director of Party Committee Office of Shenzhen Decoration Design Engineering Co., Ltd. of China Construction Third Bureau, Production Supervisor of Shenzhen Foxconn (Group) Company, lawyer assistant and full-time lawyer at Shenzhen Office of Shanghai City Development Law Firm, and full-time lawyer at Guangdong Sun Law Firm. Manager at the Legal Affairs Department and Senior Manager of China Merchants Property Development Co., Ltd., Manager at the Legal Affairs Department of China Merchants Group Limited, Senior Manager at the Risk Management Department of China Merchants Group Limited, and Senior Manager of the General Office and head of the Secretariat of the Board of Directors at China Merchants Group Limited. He has been the General Counsel of the Company since August 2020. He has been the Chief Compliance Officer of the Company since August 2023 and the Board Secretary of the Company since May 2024.

Offices held concurrently in shareholding entities:

Applicable Not applicable

Offices held concurrently in other entities:

Name	Other entity	Office held in the entity	Start of tenure	End of tenure	Remuneration or allowance from the entity
Feng Boming	China Merchants Group Limited	Deputy General Manager	March 2022		Yes
Feng Boming	Liaoning Port Group Co., Ltd.	Chairman of the Board	August 2022		No
Feng Boming	China Merchants Energy Shipping Co., Ltd	Chairman of the Board	July 2023		No
Feng Boming	SINOTRANS&CSC Holdings Co.,Ltd.	Chairman of the Board	December 2023		No
Xu Song	China Merchants Taiping Bay Development Investment Co., Ltd.	Director	July 2023		No
Xu Song	China Nanshan Development (Group) Incorporation	Director	September 2023	January 2025	No
Xu Song	Shenzhen Chiwan Industrial Development Co. Ltd.	Director	September 2023		No
Xu Song	Shanghai International Port (Group) Co., Ltd.	Vice Chairman of the Board	April 2024		No
Yan Gang	Modern Terminals Limited	Director	October 2024		No
Lu Yongxin	Tin-can Island Container Terminal Ltd	Vice Chairman of the Board	July 2019		No
Lu Yongxin	Terminal Link S.A.S.	Director	March 2020		No
Li Zhanglin	China Merchants Group Limited	Full-time outside directors assigned	December 2023		Yes
Li Zhanglin	China Merchants Expressway Network & Technology Holdings Co., Ltd.	Supervisor	March 2022	August 2024	No
Li Qing	China Merchants Group Limited	Full-time outside directors assigned	December 2023		Yes
Li Qing	China Merchants Hainan Development & Investment Co., Ltd.	Director	June 2023		No
Wu Changpan	Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd.	Director of Investment Development	September 2022		Yes
Wu Changpan	Ningbo Zhoushan Port Group Co., Ltd.	Director of Investment Development	September 2022		No
Wu	East Harbor Investment Development	Director	June 2017		No

Changpan	Group Co., Ltd.				
Wu Changpan	Zhejiang Zhongao Modern Industrial Park Co., Ltd.	Director	April 2016		No
Wu Changpan	Zhejiang Zhidi Holdings Co., Ltd.	Director	August 2019		No
Wu Changpan	Zhejiang Aozhou Cattle Industry Co., Ltd.	Director	September 2016		No
Lyu Yiqiang	Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd.	Director of Production Safety Department	December 2021		No
Lyu Yiqiang	Ningbo Zhoushan Port Group Co., Ltd.	Director of Production Safety Department	December 2021		Yes
Lyu Yiqiang	Hangzhou Port Group Co., Ltd.	Director	June 2022		No
Lyu Yiqiang	Ningbo Electronic Port Co., Ltd.	Chairman of the Board	February 2023		No
Li Qi	Peking University	Associate Professor	August 2005		Yes
Li Qi	Guangdong Nanyue Bank Co., Ltd.	Independent Director	November 2020	February 2025	Yes
Li Qi	Shanghai Nagamori Machinery Co., Ltd.	Independent Director	July 2023		Yes
Li Qi	CIMC Vehicles (Group) Co., Ltd.	Independent Director	September 2024		Yes
Zheng Yongkuan	Xiamen University	Vice Dean of Law School	July 2024		Yes
Zheng Yongkuan	Xiamen University	Professor	August 2019		Yes
Zheng Yongkuan	Civil Law Research Institute of China Law Society	Director	June 2017		No
Zheng Yongkuan	Civil and Commercial Law Research Institute of Fujian Law Society	Vice President	November 2020		No
Zheng Yongkuan	Xiamen Arbitration Commission	Arbitrator	April 2008		No
Zheng Yongkuan	Quanzhou Arbitration Commission	Arbitrator	January 2019		No
Zheng Yongkuan	Fidelity Law Firm	Lawyer	December 2017		No
Zheng Yongkuan	Fujian Deer Technology Corp.	Independent Director	April 2022		Yes
Chai	Tsinghua University	Doctoral	August 2001		Yes

Yueting		Advisor			
Chai Yueting	General Expert Group of Modern Service Industry, Ministry of Science and Technology	Group Leader	May 2018		No
Chai Yueting	E-Commerce Standardization Work Group of Standardization Administration	Group Leader	August 2016		No
Chai Yueting	Expert Group of National E-Commerce Model City Creation Work Expert Advisory Committee	Group Leader	January 2015		No
Chai Yueting	Beijing Block Chain Expert Group	Member	June 2020		No
Chai Yueting	International Journal of Crowd Science	Editor	January 2017		No
Chai Yueting	Xinfang Shengshuzhi Technology Co., Ltd.	Independent Director	November 2022		Yes
Yang Yuntao	China Merchants Group Limited	CCO	January 2025		Yes
Yang Yuntao	China Merchants Group Limited	Minister of Risk Management Department/Legal Compliance Department/Audit Department	September 2021		Yes
Yang Yuntao	China Yangtze Shipping Group Co., Ltd.	Chairman of the Supervisory Committee	October 2021		No
Yang Yuntao	China Merchants Shekou Industrial Zone Holdings Co., Ltd.	Supervisor	March 2022		No
Yang Yuntao	China Merchants Expressway Network & Technology Holdings Co., Ltd.	Chairman of the Supervisory Committee	March 2022		No
Fu Bulin	China Merchants Group Limited	Vice Minister of Audit Department	September 2017		Yes
Fu Bulin	China Yangtze Shipping Group Co., Ltd.	Supervisor	June 2023		No
Fu Bulin	Sinotrans Limited	Supervisor	July 2023		No
Fu Bulin	China Merchants Sharing Service Co. Ltd.	Supervisor	November 2021		No
Fu Bulin	China Merchants Investment Development Co., Ltd.	Supervisor	October 2022		No
Fu Bulin	China Merchants Hainan Development & Investment Co., Ltd.	Supervisor	January 2022		No
Huang Zhenzhou	China Merchants Hainan Development & Investment Co., Ltd.	Director	June 2024		No
Huang Zhenzhou	Asia Airfreight Terminal Company Limited	Vice Chairman of the Board	October 2024		No
Huang Zhenzhou	Liaoning Port Co., Ltd.	Director	February 2025		No
Liu Bin	China Merchants Port International	President of	October 2020		No

	College SZPU Haisi College	the Council, President			
Liu Bin	SPIC Yuetong Qiyuan Core Power Technology Co., Ltd.	Director	July 2021	August 2024	No
Li Wenbo	Tianjin Port Container Terminal Co., Ltd.	Director	August 2023		No
Li Wenbo	Ningbo Zhoushan Port Company Limited	Director	April 2024		No
Liu Libing	Shanghai International Port (Group) Co., Ltd.	Supervisor	October 2022		No
Note	Offices of directors, supervisor, and senior management held concurrently in other entities exclude offices held in the Company and subsidiaries within the consolidation scope.				

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who left in the Reporting Period:

Applicable Not applicable

3. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management:

Decision-making procedure for the remuneration of directors, supervisors and senior management:

Remunerations for the Company's directors, supervisors and senior management shall be nominated by the Board of Directors and determined upon review of the Remuneration and Appraisal Committee. Allowance for the 11th Independent Directors is RMB150,000/year (tax included), which has been approved at the 2022 Annual General Meeting.

Determining basis for the remuneration of directors, supervisors and senior management: The modes and amounts of the remuneration for directors, supervisors and senior management are determined according to the market levels with the post value, responsibilities, etc. taken into account.

Actual payment for the remuneration of directors, supervisors and senior management: Salaries and independent director allowances were paid to directors, supervisors and senior executives on a monthly basis. And the other bonuses were paid all at one time according to the performance of each of them.

Remuneration of directors, supervisors and senior management for the Reporting Period

Name	Gender	Age	Office title	Incumbent/Former	Total before-tax remuneration from the Company (RMB'0,000)	Any remuneration from related party
Feng Boming	Male	55	Chairman of the Board	Incumbent	0	Yes
Xu Song	Male	53	Vice Chairman of the Board and CEO	Incumbent	266	No
Yan Gang	Male	52	Vice Chairman of the Board	Incumbent	217	No
Lu Yongxin	Male	55	Director, Chief Operation Officer, and General Manager	Incumbent	246	No
Li Zhanglin	Male	58	Director	Incumbent	0	Yes
Li Qing	Male	55	Director	Incumbent	0	Yes
Wu Changpan	Male	55	Director	Incumbent	0	Yes
Lyu Yiqiang	Male	48	Director	Incumbent	0	Yes
Gao Ping	Male	69	Independent director	Incumbent	15	No
Li Qi	Female	54	Independent director	Incumbent	15	No
Zheng Yongkuan	Male	47	Independent director	Incumbent	15	No
Chai Yueting	Male	61	Independent director	Incumbent	15	No
Yang Yuntao	Male	58	Chairman of the Supervisory Committee	Incumbent	0	Yes
Fu Bulin	Male	53	Supervisor	Incumbent	0	Yes
Xu Jia	Male	43	Supervisor	Incumbent	77	No
Lei Yuanyuan	Female	35	Supervisor	Incumbent	60	No
Huang Zhenzhou	Male	47	CFO	Incumbent	28	No
Liu Bin	Male	56	Deputy General Manager	Incumbent	185	No
Zhu Weida	Male	56	Deputy General Manager	Incumbent	0	Yes
Li Wenbo	Male	45	Deputy General Manager	Incumbent	164	No
Liu Libing	Male	51	General Counsel (Chief Compliance Officer), Board Secretary	Incumbent	171	No
Zhang Rui	Male	59	Former Director	Former	0	Yes
Liu Weiwu	Male	60	Former Director	Former	0	Yes
Tu Xiaoping	Male	59	Former CFO	Former	144	No
Li Yubin	Male	53	Former Deputy General Manager and Board Secretary	Former	66	No
Total	--	--	--	--	1,684	--

Other notes

□ Applicable √ Not applicable

VI Performance of Duty by Directors in the Reporting Period**1. Board Meeting Convened during the Reporting Period**

Meeting	Date of the meeting	Disclosure date	Meeting resolutions
The 1 st Extraordinary Meeting of the 11 th Board of Directors in 2024	15 January 2024	16 January 2024	<p>The meeting deliberated on and passed:</p> <ol style="list-style-type: none"> 1. Proposal on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company 2. Proposal on Adjusting the Numbers of Qualified Awardees and Stock Options to Be Granted of the Stock Option Incentive Plan (Phase I) of the Company 3. Proposal on the Meeting the Exercise Conditions for the Third Exercise Schedule of the Stock Options (the First Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I) 4. Proposal on the Meeting the Exercise Conditions for the Second Exercise Schedule of the Stock Options (the Reserved Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I) 5. Proposal on Cancelling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I) 6. Proposal on Changing names of Some Internal Organizations of the Company 7. Proposal on Re-Election of Directors 8. Proposal on Re-Election of Members of the Audit Committee of the Board of Directors 9. Proposal on the Schedule and Agenda of the 1st Extraordinary General Meeting in 2024
The 2 nd Meeting of the 11 th Board of Directors	29 March 2024	2 April 2024	<p>The meeting deliberated on and passed:</p> <ol style="list-style-type: none"> 1. Proposal on the 2023 Report on the Work of the Board of Directors 2. Proposal on the 2023 Report on Business Operations 3. Proposal on the 2023 Report on Financial Accounts 4. Proposal on 2023 Profit Distribution Plan 5. Proposal on the Annual Report 2023 and Abstract 6. Proposal on Report on Independent Directors' Self-Examination of Independence in 2023 7. Proposal on Renewal of Liability Insurance for Directors, Supervisors and Senior Management 8. Proposal on the 2024 Report on Donation Budget 9. Proposal on the 2023 Annual Internal Control Evaluation Report 10. Proposal on Anti-fraud Risk Assessment Report for 2023 11. Proposal on the 2023 Inspection Report on the Provision of Guarantees, Related-Party Transactions, Securities Investment and Derivatives Transactions and the Provision of Financial Assistance 12. Proposal on Report on Forecast and Assessment of Significant Business Risks for 2024 13. Proposal on the 2023 Law-Based Development Report (including the Report on the Development of the Compliance Management System) 14. Proposal on the 2023 Report on Sustainable Development 15. Proposal on the 2024 Investment Plan 16. Proposal on the Company's Five-Year Strategic Plan for 2024-2028 17. Proposal on the Company's Assessment Report on the Performance of

			<p>the Accounting Firm in 2023</p> <p>18. Proposal on Report of the Audit Committee of the Board of Directors on the Supervision of the Accounting Firm's Performance of Duties in 2023</p> <p>19. Proposal on the Special Report on Deposit and Usage of Raised Fund in 2023</p> <p>20. Proposal on the Risk Assessment Report of China Merchants Group Finance Co., Ltd. Dated 31 December 2023</p> <p>21. Proposal on the Confirmation of the Continuing Related-Party Transactions in 2023 and the Estimation of Such Transactions in 2024</p> <p>22. Proposal on Business at China Merchants Bank Such as Deposits and Loans and Related-Party Transactions in 2024</p> <p>23. Proposal on the Related-Party Transaction Regarding Conducting Financial Leasing with Related Parties in 2024</p> <p>24. Proposal on Confirming External Guarantee Progress of the Company in 2023 and the Expected New External Guarantee Line in the Next 12 Months</p> <p>25. Proposal on Bank Credit Line and Financing Plan for Financial Institutions in 2024</p> <p>26. Proposal on Reviewing the General Authorization of the Company to Issue Bond Products</p>
The 2 nd Extraordinary Meeting of the 11 th Board of Directors in 2024	26 April 2024	30 April 2024	<p>The meeting deliberated on and passed:</p> <p>1. Proposal on the First Quarter Report 2024</p> <p>2. Proposal on Adjusting Financial Assistance Provided by Majority-Owned Subsidiaries and Related-Party Transactions</p> <p>3. Proposal on the Appointment of Accounting Firm for 2024</p> <p>4. Proposal on the Schedule and Agenda of the 2023 Annual General Meeting</p>
The 3 rd Extraordinary Meeting of the 11 th Board of Directors in 2024	20 May 2024	21 May 2024	<p>The meeting deliberated on and passed:</p> <p>1. Proposal on Appointment of Board Secretary</p> <p>2. Proposal on Adjusting Some Internal Organizations of the Company</p>
The 4 th Extraordinary Meeting of the 11 th Board of Directors in 2024	28 May 2024	29 May 2024	<p>The meeting deliberated on and passed:</p> <p>Proposal on Canceling Some Proposals of the 2023 Annual General Meeting</p>
The 5 th Extraordinary Meeting of the 11 th Board of Directors in 2024	19 June 2024	20 June 2024	<p>The meeting deliberated on and passed:</p> <p>1. Proposal on Appointment of the Accounting Firm for 2024</p> <p>2. Proposal on the Schedule and Agenda of the 2nd Extraordinary General Meeting in 2024</p>
The 3 rd Meeting of the 11 th Board of Directors	29 August 2024	31 August 2024	<p>The meeting deliberated on and passed:</p> <p>1. Proposal on the Semi-Annual Report 2024 and Abstract</p> <p>2. Proposal on the Risk Assessment Report of China Merchants Group Finance Co., Ltd. Dated 30 June 2024</p> <p>3. Proposal on Inspection Report on the Provision of Guarantees, Related-Party Transactions, Securities Investment and Derivatives Transactions and the Provision of Financial Assistance for H1 2024</p> <p>4. Proposal on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company</p>
The 6 th Extraordinary Meeting of the 11 th Board of	11 October 2024	12 October 2024	<p>The meeting deliberated on and passed:</p> <p>1. Proposal on the Extension of the Fulfilment of Relevant Commitments by the Actual Controller China Merchants Group Limited</p> <p>2. Proposal on Appointment of CFO</p>

Directors in 2024			3. Proposal on the Schedule and Agenda of the 3rd Extraordinary General Meeting in 2024
The 7 th Extraordinary Meeting of the 11 th Board of Directors in 2024	18 October 2024	20 October 2024	The meeting deliberated on and passed: Proposal on Repurchase of the Company's Shares via Centralized Bidding Trading
The 8 th Extraordinary Meeting of the 11 th Board of Directors in 2024	29 October 2024	31 October 2024	The meeting deliberated on and passed: 1. Proposal on the Third Quarter Report 2024 2. Proposal on Report on the Work of Internal Audit for Q3 2024
The 9 th Extraordinary Meeting of the 11 th Board of Directors in 2024	20 December 2024	24 December 2024	The meeting deliberated on and passed: 1. Proposal on the Related-Party Transactions regarding Establishing Joint Venture via Investment and Selling Assets by the Wholly-owned Subsidiary 2. Proposal on Revising the Measures for Appraising the Business Performance of Management Members 3. Proposal on the Revising the Management Measures for the Remuneration of Management Members 4. Proposal on Appointment Agreements of the Management Members (including the Remuneration Encashment Programme for Term System and Contractual Management) 5. Proposal on the Results of Performance Appraisal of Management Members for 2023 and Remuneration Encashment Programme 6. Proposal on 2024 Performance Evaluation Indicators and Criteria for Management Members 7. Proposal on Cancelling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I) 8. Proposal on Establishing the Board Resolution Tracking, Implementation, and Post-Implementation Evaluation System 9. Proposal on Revising the Rules of Procedures for Office Meeting

2. Attendance of Directors at Board Meetings and General Meetings

Attendance of directors at board meetings and general meetings							
Director	Total number of board meetings the director was eligible to attend	Board meetings attended on site	Board meetings attended by telecommunication	Board meetings attended through a proxy	Board meetings the director failed to attend	The director failed to attend two consecutive board meetings (yes/no)	General meetings attended
Feng Boming	11	5	6	0	0	No	4
Xu Song	11	5	6	0	0	No	4
Yan Gang	11	5	6	0	0	No	4
Lu Yongxin	11	5	6	0	0	No	4
Li Zhanglin	10	5	5	0	0	No	4
Li Qing	10	5	5	0	0	No	4
Wu Changpan	11	5	6	0	0	No	4

Lyu Yiqiang	11	5	6	0	0	No	4
Gao Ping	11	5	6	0	0	No	4
Li Qi	11	5	6	0	0	No	4
Zheng Yongkuan	11	5	6	0	0	No	4
Chai Yueting	11	5	6	0	0	No	4

Why any director failed to attend two consecutive board meetings:

None

3. Objections Raised by Directors on Matters of the Company

Indicate by tick mark whether any directors raised any objections on any matter of the Company.

Yes No

No such cases in the Reporting Period.

4. Other Information about the Performance of Duty by Directors

Indicate by tick mark whether any suggestions from directors were adopted by the Company.

Yes No

Specification of whether suggestions from directors are adopted or not adopted by the Company

During the Reporting Period, all the directors of the Company carried out their work conscientiously and responsibly in strict accordance with the Company Law, Securities Law, Listed Company Governance Standards, Self-Regulatory Guidelines No. 1 for Companies Listed on Shenzhen Stock Exchange - Standard Operation of Listed Companies on the Main Board, Articles of Association and Rules of Procedure of the Board of Directors. Based on the Company's reality, they put forward relevant opinions on the Company's major governance and operation decisions, and reached consensus through full communication and discussion. They resolutely supervised and promoted the implementation of the resolutions of the Board of Directors to ensure scientific, timely and efficient decision-making and fully safeguard the legitimate rights and interests of the Company and all shareholders.

VII Performance of Duty by Specialized Committees under the Board in the Reporting Period

Profile of Specialized Committee under the Board as at the end of the period			
No.	Specialized Committee	Member	Convener
1	Strategy and Sustainable Development Committee	Feng Boming, Xu Song, Yan Gang, Lu Yongxin, Li Zhanglin, Li Qing, Gao Ping, Li Qi, Chai Yueting	Feng Boming
2	Audit Committee	Li Qi, Chai Yueting, Zheng Yongkuan	Li Qi
3	Nomination,	Gao Ping, Feng Boming, Zheng Yongkuan	Gao Ping

	Remuneration and Evaluation Committee		
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Committee	Member	Number of meetings convened	Date of the meeting	Meeting	Contents	Other information about the performance of duty	Details about matters with objections (if any)
Strategy and Sustainable Development Committee	Feng Boming, Xu Song, Yan Gang, Lu Yongxin, Li Zhanglin, Li Qing, Gao Ping, Li Qi, Chai Yueting	1	29 March 2024	The 1 st Meeting of the Strategy and Sustainable Development Committee of the 11 th Board of Directors for 2024	The meeting reviewed: 1. Proposal on the Report on Performance of Duty by the Strategy and Sustainable Development Committee of the Board of Directors in 2023 2. Proposal on the 2023 Report on Sustainable Development 3. Proposal on ESG Priorities for 2023 and ESG Work Plan for 2024 4. Proposal on Development of an ESG Work Management Manual 5. Proposal on Formulating and Revising the ESG-Related Policy Statement Documents 6. Proposal on Formulating a List of Responsibilities for Ecological and Environmental Protection 7. Proposal on the Company's Five-Year Strategic Plan for 2024-2028	Unanimous vote	None
Audit Committee	Li Qi, Chai Yueting, Zheng Yongkuan	8	29 March 2024	The 1 st Meeting of the Audit Committee of the 11 th Board of Directors for 2024	The meeting reviewed: 1. Proposal on the Report on Performance of Duty by the Audit Committee of the Board of Directors in 2023 2. Proposal on Work Report of Accounting Firm for 2023 3. Proposal on the Company's	Unanimous vote	None

				<p>Assessment Report on the Performance of the Accounting Firm in 2023</p> <p>4. Proposal on Report of the Audit Committee of the Board of Directors on the Supervision of the Accounting Firm's Performance of Duties in 2023</p> <p>5. Proposal on the Annual Report of 2023</p> <p>6. Proposal on Internal Audit Report for 2023</p> <p>7. Proposal on Anti-fraud Risk Assessment Report for 2023</p> <p>8. Proposal on Internal Auditing Report for 2023</p> <p>9. Proposal on Internal Auditing Plan for 2024</p> <p>10. Proposal on Inspection Report on Deposit and Usage of Raised Fund in 2023</p> <p>11. Proposal on Inspection Report on the Provision of Guarantees, Related-Party Transactions, Securities Investment and Derivatives Transactions and the Provision of Financial Assistance for 2023</p> <p>12. Proposal on Report on Forecast and Assessment of Significant Business Risks for 2024</p> <p>13. Proposal on the 2023 Law-Based Development Report (including the Report on the Development of the Compliance Management System)</p>		
		26 April 2024	The 2 nd Meeting of the Audit Committee of the 11 th Board of Directors for 2024	<p>The meeting reviewed:</p> <p>1. Proposal on the First Quarter Report 2024</p> <p>2. Proposal on Internal Audit Report for the First Quarter of 2024</p> <p>3. Proposal on the Appointment of Accounting Firm for 2024</p>	Unanimous vote	None
		28 May 2024	The 3 rd Meeting of the Audit Committee of the 11 th Board of Directors for 2024	<p>The meeting reviewed:</p> <p>Proposal on Canceling Some Proposals of the 2023 Annual General Meeting</p>	Unanimous vote	None
		19 June 2024	The 4 th Meeting of the Audit Committee of the 11 th Board of Directors for 2024	<p>The meeting reviewed:</p> <p>Proposal on the Appointment of Accounting Firm for 2024</p>	Unanimous vote	None
		29 August 2024	The 5 th Meeting of the Audit Committee of the 11 th Board of Directors for 2024	<p>The meeting reviewed:</p> <p>1. Proposal on the Semi-Annual Report 2024</p> <p>2. Proposal on Internal Audit Report for the Second Quarter of 2024</p> <p>3. Proposal on Inspection Report on the</p>	Unanimous vote	None

				Provision of Guarantees, Related-Party Transactions, Securities Investment and Derivatives Transactions and the Provision of Financial Assistance for H1 2024			
			11 October 2024	The 6 th Meeting of the Audit Committee of the 11 th Board of Directors for 2024	The meeting reviewed: Proposal on Appointment of CFO	Unanimous vote	None
			29 October 2024	The 7 th Meeting of the Audit Committee of the 11 th Board of Directors for 2024	The meeting reviewed: 1. Proposal on the Third Quarter Report 2024 2. Proposal on Internal Audit Report for the Third Quarter of 2024	Unanimous vote	None
			20 December 2024	The 8 th Meeting of the Audit Committee of the 11 th Board of Directors for 2024	Meet with accountants to negotiate the schedule for the audit of the 2024 Annual Financial Report	Meeting and communication with accountants	None
Nomination, Remuneration and Evaluation Committee	Gao Ping, Feng Boming, Zheng Yongkuan	6	15 January 2024	The 1 st Meeting of the Nomination, Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	The meeting reviewed: 1. Proposal on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company 2. Proposal on Adjusting the Numbers of Qualified Awardees and Stock Options to Be Granted of the Stock Option Incentive Plan (Phase I) of the Company 3. Proposal on the Meeting the Exercise Conditions for the Third Exercise Schedule of the Stock Options (the First Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I) 4. Proposal on the Meeting the Exercise Conditions for the Second Exercise Schedule of the Stock Options (the Reserved Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I) 5. Proposal on Cancelling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I) 6. Proposal on the Inspection of Director Candidates	Unanimous vote	None
			29 March 2024	The 2 nd Meeting of the Nomination,	The meeting reviewed: 1. Proposal on Report on Performance of Duty by the Nomination,	Unanimous	None

			Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	Remuneration and Appraisal Committee of the Board of Directors in 2023 2. Proposal on the Remuneration of Directors, Supervisors and Senior Management in 2023	vote	
		20 May 2024	The 3 rd Meeting of the Nomination, Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	The meeting reviewed: Proposal on Appointment of Board Secretary	Unanimous vote	None
		29 August 2024	The 4 th Meeting of the Nomination, Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	The meeting reviewed: Proposal on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company	Unanimous vote	None
		11 October 2024	The 5 th Meeting of the Nomination, Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	The meeting reviewed: Proposal on Appointment of CFO	Unanimous vote	None
		20 December 2024	The 6 th Meeting of the Nomination, Remuneration and Evaluation Committee of the 11 th Board of Directors for 2024	The meeting reviewed: 1. Proposal on Revising the Measures for Appraising the Business Performance of Management Members 2. Proposal on Revising the Management Measures for the Remuneration of Management Members 3. Proposal on Appointment Agreements of the Management Members (including the Remuneration Encashment Programme for Term System and Contractual Management) 4. Proposal on the Results of Performance Appraisal of Management Members for 2023 and Remuneration Encashment Programme 5. Proposal on 2024 Performance Evaluation Indicators and Criteria for Management Members 6. Proposal on Cancelling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I)	Unanimous vote	None

VIII Performance of Duty by the Supervisory Committee

Indicate by tick mark whether the Supervisory Committee found any risk to the Company during its supervision in the Reporting Period.

Yes No

The Supervisory Committee raised no objections in the Reporting Period.

IX Employees

1. Number, Functions and Educational Backgrounds of Employees

Number of in-service employees of the Company as the parent as at the end of the period	255
Number of in-service employees of major subsidiaries as at the end of the period	14,897
Total number of in-service employees	15,152
Total number of paid employees in the Reporting Period	14,765
Number of retirees to whom the Company as the parent or its major subsidiaries need to pay retirement pensions	9,702
Functions	
Function	Employees
Production	8,063
Sales	654
Technical	3,209
Financial	533
Administrative	2,693
Total	15,152
Educational backgrounds	
Educational background	Employees
Master's degree and above	585
Bachelor's degree	4,409
Junior college	3,533
Technical secondary school and below	6,625
Total	15,152

2. Employee Remuneration Policy

The Company has optimized the compensation distribution mechanism and explored the improvement of the incentive system, providing significant support and strong guarantees for the achievement of strategic goals and the implementation of human resources planning. We have established a performance-linked mechanism that is market-oriented, aligned with economic

benefits, and tied to input-output efficiency. We have also optimized the incentive and constraint mechanisms to be in line with the market, industry standards, regional conditions, and performance outcomes. In the compensation distribution mechanism, we continue to strengthen the grassroots orientation, establishing a differentiated distribution system that favors front-line value creators, and encouraging a focus on outstanding performers in technological innovation and front-line employees. We are comprehensively improving the honor and recognition system to enhance the positive effects of incentives, and taking multiple measures to continuously improve the efficiency of resource allocation. We are advancing employee care programs, ensuring employee welfare, and enhancing employee recognition and sense of belonging, thereby achieving shared interests and risks between employees and the Company, and jointly focusing on and supporting the long-term development of the Company.

3. Employee Training Plans

In 2024, the Company vigorously planned and implemented various talent development projects with a focus on its talent development strategies and business development needs. The above measures helped cultivate young cadres with excellent professional ability, innovative spirit and global vision, thus boosting the talent building of the Company.

The Company continued to deepen the internal rotation and cultivation mechanism for management personnel, achieving 40 managerial rotations during the year, which significantly enhanced managers' diversified perspectives and comprehensive capabilities. A shadowing program for young key talents was launched to accelerate their growth through hands-on practice, with the first cohort successfully commencing.

In terms of the training of scientific and technological talents, the Company implemented the "Hundred-Ten-Thousand-Million" scientific and technological talents training project, and successfully recommended 8 employees as the backbone talents of scientific research of CMG, two of which showed the development potential of "top scientific and technological talents", and formulated the "one person, one plan" training program to accurately help its development. We also innovated the school-enterprise cooperation development model, established joint master and doctoral training projects, and joined hands with well-known universities in the shipping field to create high-quality engineering and technological talents for port and shipping industries.

In terms of the skilled workforce development, the Company promoted the standardization and identification of remote control positions, completed the work plan for the identification of enterprise vocational skill levels, and actively declared the master unit of the skill ecological chain

to promote autonomous skill accreditation and the comprehensive improvement of employees' skills. A talent pool was established through the inventory of skilled talents. We also newly founded model worker and artisan talent innovation studios to carry forward the spirit of craftsmanship and create a corporate culture dedicated to continuous improvement.

4. Labor Outsourcing

Total man-hours (hour)	N/A
Total remuneration paid (RMB)	1,552,319,067.07

X Final Dividend Plan of the Company for the Reporting Period

1. Formulation, execution or adjustments of profit distribution policy for shareholders, especially cash dividend policy, in the Reporting Period

Pursuant to the CSRC *Guideline for Listed Companies No.3-Cash Dividends of Listed Companies* and the *Notice of CSRC on Further Implementing Matters Related to Cash Dividends of Listed Companies*, the *Articles of Association* clarifies the specific profit distribution policy, decision-making procedures and mechanism, adjustment of profit distribution policy, implementation of profit distribution plan, and profit distribution for foreign shares. During the Reporting Period, the Company executed the profit distribution policy in strict compliance with the *Articles of Association*.

Special statement about the cash dividend policy	
In compliance with the Company's Articles of Association and resolution of general meeting	Yes
Specific and clear dividend standard and ratio	Yes
Complete decision-making procedure and mechanism	Yes
Independent directors faithfully performed their duties and played their due role	Yes
Specific reasons and the next steps it intends to take to enhance the investor return level if the Company has not made cash dividend:	Not applicable
Non-controlling interests are able to fully express their opinion and desire and their legal rights and interests are fully protected	Yes
In case of adjusting or changing the cash dividend policy, the conditions and procedures involved are in compliance with applicable regulations and transparent	Not applicable

2. The Company was profitable in the Reporting period and the positive profits of the Company as the parent attributable to shareholders while the distribution plan of cash dividend for shareholders was not proposed.

□ Applicable √ Not applicable

3. Final Dividend Plan for the Reporting Period

Bonus shares/10shares (share)	0
Cash dividend/10 shares (RMB) (tax inclusive)	7.40
Bonus issue from capital reserves (share/10 shares)	0
Share base (share)	2,490,229,307
Total cash dividends (RMB) (tax inclusive)	1,842,769,687.18
Cash dividends in other forms (such as share repurchase) (RMB)	50,548,530.87
Total cash dividends (including other forms) (RMB)	1,893,318,218.05
Distributable profits (RMB)	2,285,715,457.11
Cash dividends (including other forms) as % of total profits to be distributed (%)	100%
Details of the cash dividends	
As the Company is in the mature stage of development with significant capital expenditures arrangement, when distributing profits, the proportion of cash dividends in this profit distribution shall be 40% at least.	
Details of final dividend plan for the Reporting Period	
As audited by KPMG Huazhen LLP, the consolidated net profit attributable to the Company as the parent for 2024 stood at RMB4,516,301,317.16 and the net profit of the Company as the parent at RMB1,890,551,147.34.	
(1) According to the <i>Company Law</i> and the <i>Articles of Association</i> of the Company, when distributing the current year's after-tax profits, the Company shall draw 10% of the profits for the Company's statutory reserve fund. This time, the Company intends to withdraw RMB153,556,766.82 of the profits for the Company's the statutory reserve fund. After this withdrawal, the Company's statutory reserve fund has cumulatively reached 50% of its registered capital and is no longer accrued. The accumulative undistributed profit of the Company as the parent at the end of 2024 was RMB2,285,715,457.11.	
(2) Based on the total 2,490,229,307 shares (deducting 11,155,474 shares held via the special account for share repurchase from the latest total share capital of 2,501,384,781), a cash dividend of RMB7.40 (tax included) is to be distributed for every 10 shares, totalling RMB1,842,769,687.18, with no bonus issue from either profit or capital reserves.	
(3) After the above-mentioned distribution, the retained earnings of the Company as the parent will be RMB442,945,769.93.	
The total amount of cash dividends of the Company in 2024 is RMB1,842,769,687.18, and the amount of all shares repurchased in 2024 with cash as consideration and through centralized bidding is RMB50,548,530.87 (excluding handing fees). The total amount of cash dividends and share repurchase is RMB1,893,318,218.05, accounting for 41.92% of the net profit attributable to shareholders of the Company as the parent in 2024.	
If there is a change in the total share capital of the company during the period from the disclosure of the distribution plan to its implementation due to the listing of new shares, the grant and exercise of equity incentives, convertible bonds to shares conversion, share repurchases, etc., the total distribution amount for the year 2024 will be adjusted accordingly based on the principle that the distribution amount per share remains unchanged.	
The above profit distribution plan still needs to be submitted to the 2024 Annual General Meeting for approval.	

XI Equity Incentive Plans, Employee Stock Ownership Plans or Other Incentive Measures for Employees

1. Equity incentive

The Company's review and approval procedures carried out in connection with the Stock Option Incentive Plan are as follows:

(1) The 1st Extraordinary Meeting of the 11th Board of Directors in 2024 and 1st Extraordinary Meeting of the 11th Supervisory Committee in 2024 of the Company, held on 15 January 2024, reviewed and approved the *Proposal on Adjusting the Exercise Prices of the Stock Option Incentive*

Plan (Phase I) of the Company, the Proposal on Adjusting the Numbers of Qualified Awardees and Stock Options to Be Granted of the Stock Option Incentive Plan (Phase I) of the Company, the Proposal on the Meeting the Exercise Conditions for the Third Exercise Schedule of the Stock Options (the First Batch to be Granted) of the Stock Option Incentive Plan (Phase I) of the Company, the Proposal on the Meeting the Exercise Conditions for the Second Exercise Schedule of the Stock Options (the Reserved Portion) of the Stock Option Incentive Plan (Phase I) of the Company, and the Proposal on Canceling Some Stock Options in the Stock Option Incentive Plan (Phase I) of the Company. The Nomination, Remuneration and Evaluation Committee of the 11th Board of Directors of the Company reviewed and approved above-mentioned proposals at the 1st Meeting in 2024. The Supervisory Committee of the Company verified the proposals and gave opinions. For details, see the relevant announcements disclosed by the Company on Cninfo (www.cninfo.com.cn) (Announcement No. 2024-004, 2024-005, 2024-006, 2024-007 and 2024-008).

(2) On 18 January 2024, upon the review and confirmation of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company completed the cancellation of some stock options in the stock option incentive plan (phase I). For more details, please refer to the *Announcement on Completing the Cancellation of Some Stock Options in the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-011) disclosed by the Company on Cninfo (www.cninfo.com.cn).

(3) On 6 February 2024, the third exercise schedule of the first batch to be granted and the second exercise schedule of the reserved batch to be granted the stock options under the Company's Stock Option Incentive Plan (Phase I) were exercised independently, and starting from 6 February 2024, the incentive recipients who were eligible for the exercise of the options could exercise their options independently through the stock trading system of the underwriting brokerage firms on the exercisable date within the actual feasible option period. For details, please refer to the *Reminder Announcement on the Adoption of Independent Exercise Mode for the Third Exercise Schedule of the Stock Options (First Batch to be Granted) under the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-013) and the *Reminder Announcement on the Adoption of an Independent Exercise Mode for the Second Exercise Schedule of the Stock Options (Reserved Batch to be Granted) under the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-014), both of which are disclosed by the Company on CNINFO (<http://www.cninfo.com.cn>).

(4) The 3rd Meeting of the 11th Board of Directors, the 3rd Meeting of the 11th Supervisory Committee and the 4th Meeting of the Nomination, Remuneration and Evaluation Committee of the 11th Board of Directors for 2024 of the Company, held on 29 August 2024, respectively reviewed and approved the *Proposal on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company*. The Supervisory Committee of the Company verified the proposal and gave opinions. For details, please refer to the *Announcement on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-065) disclosed by the Company on Cninfo (www.cninfo.com.cn).

(5) The 9th Extraordinary Meeting of the 11th Board of Directors in 2024, the 5th Extraordinary Meeting of the 11th Supervisory Committee in 2024 and the 6th Meeting of the Nomination, Remuneration and Evaluation Committee of the 11th Board of Directors for 2024 of the Company, held on 20 December 2024, respectively reviewed and approved the *Proposal on Canceling Some Stock Options in the Stock Option Incentive Plan (Phase I) of the Company*. The Supervisory Committee of the Company verified the proposal and gave opinions. For details, please refer to the *Announcement on Canceling Some Stock Options in the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-099) disclosed by the Company on Cninfo (www.cninfo.com.cn).

(6) On 27 December 2024, upon the review and confirmation of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, the Company completed the cancellation of some stock options in the stock option incentive plan (phase I). For more details, please refer to the *Announcement on Completing the Cancellation of Some Stock Options in the Stock Option Incentive Plan (Phase I) of the Company* (Announcement No. 2024-100) disclosed by the Company on Cninfo (www.cninfo.com.cn).

Equity Incentives for Directors and Senior Management

Name	Office title	Share options held at the period-begin	Share options granted in the Reporting Period	Shares feasible to exercise during the Reporting Period	Shares exercised during the Reporting Period	Exercise price of exercised shares during the Reporting Period (RM B/share)	Share options held at the period-end	Market price at the period-end (RM B/share)	Number of restricted shares held at the period-begin	Number of released shares for the Reporting Period	Number of restricted shares newly granted during the Reporting Period	The grant price of restricted shares (RM B/share)	Number of restricted shares held at the period-end
Xu Song	Vice Chairman of the Board and CEO	120,000	-	120,000	-	-	120,000	-	-	-	-	-	-
Yan Gang	Vice Chairman of the Board	51,000	-	51,000	-	-	51,000	-	-	-	-	-	-
Lu Yongxin	Director, Chief Operation Officer, and	72,000	-	72,000	-	-	72,000	-	-	-	-	-	-

	General Manager												
Liu Bin	Deputy General Manager	30,000	-	30,000	-	-	30,000	-	-	-	-	-	-
Liu Libing	General Counsel (Chief Compliance Officer) and Board Secretary	25,000	-	25,000	-	-	25,000	-	-	-	-	-	-
Total	--	298,000	-	298,000	-	--	298,000	--	-	-	-	--	-
Remark (if any)	Not applicable												

Appraisal of and Incentive for Senior Management

The Company carried out the tenure system and contractual management, realized comprehensive coverage and adhered to rigid remuneration realization. The Company has a mature assessment mechanism and system covering all senior management personnel. The annual comprehensive assessment combines qualitative and quantitative methods with the dimensions including performance, competence, self-discipline, etc. The assessment results of senior management serve as an important basis for appointment and motivation. The Company adjusts and determines the post salary of senior management based on the factors including operation status, position served and assessment results, and determines the performance bonus of senior management through the factors including annual comprehensive ability assessment, annual key performance indicators appraisal and three-year strategic appraisal results.

The performance-based bonus scheme for Senior Management members was optimized based on the distinctive principle of “outperforming the market and the peers”, through the comparison with themselves and benchmarking with their peers and the complementation of short-term KPI appraisal and long-term strategic assessment. That ensured the Company’s business performance was strongly linked to the performance bonus of Senior Management members, giving full play to the incentive and guiding role of remuneration. To promote the implementation of the Company’s

medium- and long-term incentive plan, it encouraged Senior Management to focus on the short-term performance of the year and the development of its medium- and long-term performance.

2. Employee Stock Ownership Plans

Applicable Not applicable

3. Other Incentive Measures for Employees

Applicable Not applicable

XII Establishment and Implementation of Internal Control System in the Reporting Period

1. Establishment and Implementation of Internal Control System

During the Reporting Period, to boost operational efficiency and results, the Company continuously improved and optimized its existing internal control system in strict compliance with laws, regulations, and external regulatory requirements and taking into consideration its actual status. In the process, it was guided by risk management, based itself on procedure streamlining, and focused on critical control activities.

During the Reporting Period, the Company supervised and inspected the internal control systems of eight subordinate companies, and completed the two-year coverage target, achieving the full coverage of internal control management. Concurrently, all subordinate companies conducted internal control self-assessments on a quarterly basis and prepared the internal control weakness checklist in accordance with the annual internal control plan of CMPort and focusing on internal control elements including corporate governance, authorization management, job responsibilities and process activities. By the end of 2024, all internal control weaknesses are rated as general weaknesses, and no material weaknesses were identified. For the general weaknesses, the Company designated the person responsible for the remediation, developed a remediation plan, and followed up on the remediation progress regularly.

The Company prepared the *2024 Internal Control Assessment Report* in accordance with the *Basic Rules for Enterprise Internal Control* and its supporting guidelines, other regulatory requirements for internal control, and the Company's internal control policies and assessment methods. The conclusion of the report is as follows: By the identification of material weaknesses in the internal

control over the Company's financial reporting, as at the base day of the internal control assessment report (31 December 2024), no material weaknesses were identified in the internal control over the Company's financial reporting. Therefore, the Board of Directors believed that the Company had maintained effective internal control over financial reporting in all material respects as per the Basic Rules for Enterprise Internal Control and relevant regulations. According to the identification of material weaknesses in the Company's internal control over non-financial reporting, there were no material weaknesses in the internal control over non-financial reporting as at the base day of the internal control assessment report. Between the base day and the issuance day of the internal control assessment report, there were no factors that affected the assessment conclusion about the effectiveness of the internal control.

2. Material Internal Control Weaknesses Identified for the Reporting Period

Yes No

XIII Management and Control over Subsidiaries for the Reporting Period

The Company, guided by “empowerment, professionalism and value”, established an operation management system with sustainable value creation, gradually formulated standards for all functional modules, and managed to build a world-class value-oriented headquarters. Taking into account the strategic positioning of its subsidiaries, the Company, adhering to the principles of differentiation and controllable risks and pushing forward full-cycle asset management, procurement management, and performance evaluation mechanism, continuously promoted the healthy development of its subsidiaries. Besides, focusing on execution quality, the Company intensified the tasks on quality and efficiency improvement and strived to implement related measures to achieve in-depth integration between quality and efficiency improvement and strategic objectives.

XIV Internal Control Evaluation Report and Independent Auditor's Report on Internal Control

Disclosure date of the internal control self-evaluation report	3 April 2025
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Index to the disclosed internal control self-evaluation report		For details, see www.cninfo.com.cn		
Evaluated entities' combined assets as % of consolidated total assets		100.00%		
Evaluated entities' combined operating income as % of consolidated operating income		100.00%		
Identification standards for internal control weaknesses				
Type	Weaknesses in internal control over financial reporting	Weaknesses in internal control not related to financial reporting		
Nature standard	If a defect or defect group give rise to the following events which cannot be prevented or found and made rectification, the defect or defect group are recognized as significant defects: (1) Malpractices of directors, supervisors and senior management; (2) The Company make correction to the financial report issued; (3) Certified Public Accountant find that there is a significant error in the financial report, however, the internal control did not discover it when conducting internal control; (4) The Audit Committee under the Board and Internal Audit Service's supervision to the internal control is invalid.	Great defect	Significant defect	Common defect
		Development direction substantially deviates from the strategic goals, and investment direction, business structure and business model are completely unable to support the realization of strategic goals	Development direction partly deviates from the strategic goals, and investment direction, business structure and business model are unable to support the realization of strategic goals at a larger extent	Development direction slightly deviates from the strategic goals, and investment direction, business structure and business model are unable to fully support the realization of strategic goals
		Strategy implementation is blocked, almost all indicators of strategy implementation cannot completed as planned	Strategy implementation is blocked, most of indicators of strategy implementation cannot completed as planned	Strategy implementation is blocked, part of indicators of strategy implementation cannot completed as planned
		Lead to break off of common business/service or it takes half year or above to recover the break off of common business/service	Lead to break off of common business/service or it takes three months or half year below to recover the break off of common business/service	Some daily business is influenced, lead to break off of common business/service or it takes three months below to recover the break off of common business/service
		Badly damage the working enthusiasm of all the employees, will give rise to large scale group events or heavy damage to enterprises culture and enterprises cohesion	In a large extent, damage the working enthusiasm of all the employees, reduce work efficiency, have greatly adverse effect to enterprises culture and enterprises cohesion	damage the working enthusiasm of all the employees, reduce work efficiency, have some adverse effect to enterprises culture and enterprises cohesion
		The employee's ability and professional skills universally cannot meet the enterprise development needs by a large margin	The employee's ability and professional skills in some significant fields cannot meet the enterprise development needs	The employee's ability and professional skills in some fields cannot meet the enterprise development
		Negative news spread in the field of the entire business (including extending to industry chain),or was paid attention by the national media or public media,	Negative news spread in the field of the entire business, or was paid attention or reported by the local media the recovery of reputation will take three to six	Negative news spread in the field of the entire business, have small damage to the reputation of the enterprise, the

		the recovery of reputation will take more than six months	months	recovery of reputation will take three months below
		The enterprise's internal confidential information leakage which badly affect the enterprise's competitive capacity in the market, or affect the competitive capacity in management	The enterprise's internal confidential information leakage which affect the enterprise's competitive capacity in the market, or affect the competitive capacity in management in a large extent	The enterprise's internal confidential information leakage which affect the enterprise's competitive capacity in the market, or affect the competitive capacity in management in a general extent
Quantitative standard	The judging standard was the net profits attributable to the parent Company's shareholders in the consolidated financial statements audited in last year. Misstatement amount \geq 5% above of judging standard was great defect; 5% judging standard $>$ 1% misstatement amount was significant defect; misstatement amount $<$ 1% below of judging standard was general standard.	The judging standard was the net profits attributable to the parent Company's shareholders in the consolidated financial statements audited in last year.		
		Great defect	Significant defect	Common defect
		Have a significant adverse impact on the asset turnover ability, which lead to total asset turnover rate lowed 20% above (Including 20%)	Have a greater adverse impact on the asset turnover ability, which lead to total asset turnover rate lowed 10% to 20% (Including 10%)	Have an adverse impact on the asset turnover ability, which lead to total asset turnover rate lowed 10% below
		Had significant adverse impact to the annual operation profits or cause decrease of annual operation profits when at 5% (including 5%) above of judging standard	Had larger adverse impact to the annual operation profits or cause decrease of annual operation profits when at 1% (including 1%) to 5% judging standard	Had adverse impact to the annual operation profits or cause decrease of annual operation profits when at 1% below of judging standard
		Had significant adverse impact to decrease of inflow of total cash flow or increase of outflow total cash flow when at 10% (including 10%) above of judging standard	Had larger adverse impact to decrease of inflow of total cash flow or increase of outflow total cash flow when at 5% (including 5%) to 10% above of judging standard	Had adverse impact to decrease of inflow of total cash flow or increase of outflow total cash flow when at 5% below of judging standard
		Great investment mistake incurred which cause direct economy losses when at 5% (including 5%) above of judging standard or the return on investment more than 40% lower than expected	Larger investment mistake incurred which cause direct economy losses when at 1% (including 1%) to 5% of judging standard or the return on investment less than 30% (including 30% to 40%) lower than expected	Great investment mistake incurred which cause direct economy losses when at 1% below of judging standard or the return on investment less than 30% lower than expected
		10 death or above , or 50 people serious injury, or direct economy losses when at 5% (including 5%) above of judging standard	3 deaths above to 10 deaths below , or more than 10 people but less than 50 people serious injury, or direct economy losses when at	less than 3 deaths or above , or less than 10 people serious injury, or direct economy losses when at 1% below of judging standard

			1% (including 1%) to 5% of judging standard	
		Asset integrity cannot be ensured, when assets losses at 5% (including 5%) above of judging standard	Asset integrity cannot be ensured, when assets losses at 1% (including 1%) to 5% of judging standard	Asset integrity cannot be ensured, when assets losses at 1% below of judging standard
		A large number of great commercial disputes, civil lawsuits and negative influences can't eliminate in a short period of time, may pay compensation at 5% (including 5%) above of judging standard	Several commercial disputes, civil lawsuits, and had obviously influence in a certain area and period, may pay compensation at 1% (including 1%) to 5% of judging standard	Irreconcilable commercial disputes, civil lawsuits happened sometimes, cause a certain influences in local, may pay compensation at 1% below of judging standard
		A serious violation of laws and regulations, investigated by government department and legal department, cause prosecution and class action, may pay compensation at 2% (including 2%) above of judging standard	A serious violation of laws and regulations, investigated by government department and legal department, may pay compensation at 0.5% (including 0.5%) to 2% of judging standard	Violation of laws and regulations, investigated by government department and legal department, may pay compensation at 0.5% below of judging standard
		Number of material weaknesses in internal control over financial reporting		0
		Number of material weaknesses in internal control not related to financial reporting		0
		Number of serious weaknesses in internal control over financial reporting		0
		Number of serious weaknesses in internal control not related to financial reporting		0

Note: The percentages of evaluated entities' combined assets and operating income to consolidated total assets and operating income have been deducted the corresponding financial data of the merged company.

Opinion paragraph in the independent auditor's report on internal control	
We believe that China Merchants Port Group Co., Ltd. has maintained effective internal control over financial reporting in all material respects as of 31 December 2024 as per the Basic Rules for Enterprise Internal Control and relevant regulations.	
Independent auditor's report on internal control disclosed or not	Disclosed
Disclosure date	3 April 2025
Index to such report disclosed	For details, see www.cninfo.com.cn
Type of the auditor's opinion	Unmodified unqualified opinion
Material weaknesses in internal control not related to financial reporting	None

Indicate by tick mark whether any modified opinion is expressed in the independent auditor's report on the Company's internal control.

Yes No

Indicate by tick mark whether the independent auditor's report on the Company's internal control is consistent with the internal control self-evaluation report issued by the Company's Board.

Yes No

XV Rectifications of Problems Identified by Self-inspection in the Special Action for Listed Company Governance

Upon a comprehensive self-inspection, the Company has adhered to the combination of the leadership of the Communist Party of China and corporate governance throughout operations and complied with relevant laws, regulations, and normative documents, such as improving the internal governance mechanism, refining the governance system, and disclosing information in an open and transparent manner.

Part V Environmental and Social Responsibility

I Major Environmental Issues

1. Policies and industry standards pertaining to environmental protection

During the Reporting Period, the Company and its subsidiaries with heavy pollutant discharge needs abode by laws and regulations related to environmental protection throughout routine production and operation, including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution*, the *Law of the People's Republic of China on Noise Pollution Prevention and Control*, the *Law of the People's Republic of China on the Prevention and Control of Soil Pollution*, the *Law of the People's Republic of China on Environmental Impact Assessment*, and *Regulation on the Administration of Permitting of Pollutant Discharges of the People's Republic of China*. They also strictly complied with national and industry standards pertaining to environmental protection, such as *Standard for Fugitive Emission of Volatile Organic Compounds*, *Technical Specification for Setting Identification Signs of Hazardous Waste*, *Standard for Pollution Control on Hazardous Waste Storage*, *Discharge Standard of Pollutants for Municipal Wastewater Treatment Plant*, *Emission Standard of Air Pollutant for Bulk Petroleum Terminals*, *Emission Standard for Noise of Industrial Enterprises at Boundary*.

2. Administrative permit for the purpose of environmental protection

The environmental impacts of the construction projects of domestic enterprises controlled by the Company were assessed as required. Additionally, all domestic pollutant discharge units have obtained administrative permits for pollutant discharge as per laws and regulations and discharged pollutants by the administrative permits for pollutant discharge in a legal and compliant manner. All

units of the Company with heavy pollutant discharge needs have obtained the national pollutant discharge permit and specific information on the pollutant discharge permit number is as follows:

- (1) The Operation Area 1 of the Bulk Cargo Branch of Zhanjiang Port (Group) Co., Ltd. (formerly: The First Branch of Zhanjiang Port (Group) Co., Ltd.): 91440800MAD0HDJU5Y002Q;
- (2) Zhanjiang Port Petrochemical Terminal Co., Ltd.: 914408007247840152001R

3. The regulations for industrial emissions and the particular requirements for controlling pollutant emissions those are associated with production and operational activities

Name of the company or subsidiary company	Types of major and characteristic pollutants	Names of major and characteristic pollutants	Discharge method	Outlet quantity	Outlet distribution	Discharge concentration (mg/kg)	Pollutant discharge standards	Total discharge	Total discharge approved	Excessive discharge
The Operation Area 1 of the Bulk Cargo Branch of Zhanjiang Port (Group) Co., Ltd. (Key noise discharge unit)	Noise	Noise	Fugitive	--	--	Daytime: 56.5db Night: 51db	Emission Standard for Noise of Industrial Enterprises at Boundary (GB12348-2008)-Standards for Category 3	--	--	No excessive discharge
Zhanjiang Port Petrochemical Terminal Co., Ltd. (Key air pollutant discharge unit) (Exhaust emission)	Air pollutants (Plant boundary)	VOC	Fugitive	--	--	2.58mg/m ³	Emission Limits of Air Pollutants (DB44/27-2001)	182.565t	182.57t/a	No excessive discharge
		Methanol	Fugitive	--	--	2L				
		Malodor	Fugitive	--	--	<10	Emission Standards for Odor Pollutants (GB14554-93)			
	Air pollutants (In-plant)	VOC	Fugitive	--	--	2.9mg/m ³	Emission Limits of Air Pollutants (DB44/27-2001)			
VOC		Organized (Intermittent discharge)	2	North of the car loading dock	1770mg/m ³	Emission Standards for Air Pollutants from Oil Storage Depots (GB20950-2020)				

		Methanol	Organized (Intermittent discharge)	1	North of the car loading dock	0mg/m ³	Emission Limits of Air Pollutants (DB44/27-2001)			
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4. Treatment of pollutants

During the Reporting Period, the pollution treatment facilities for wastewater and exhaust gas of the enterprises controlled by the Company ran normally, with pollutants discharged in a compliant manner. In terms of equipment and facilities improvements, there are 68 wastewater treatment facilities in total, which eventually reached 24.92 million tons per year. Besides, with respect to the VOCs control, the Company has actively put into use volatile organic compounds recycling facilities at 10,000-ton ship loading berths to ensure that facilities for volatile organic compounds ran normally. Moreover, in terms of the noise control, sound-proof walls were well maintained and monitored to ensure that the noise at the plant boundary met the standards. Information on units with heavy pollutant discharge needs controlled by the Company is as follows:

(1) The Operation Area 1 of the Bulk Cargo Branch of Zhanjiang Port (Group) Co., Ltd.

In sewage treatment, it has a production sewage treatment system, with a treatment capacity of 5,800 m³/d. The treated waste water is used for watering and dust control in the port area.

In dust control management, the Company used water spray, water mist spray, sprinklers, 15 spray towers, 33 mobile remote fog machines, and five mobile dust suppression funnels, and other facilities to meet the demand for dust control throughout the operation. The stockpiles were fully covered, and the dust control management of static storage and dynamic operation was strengthened to reduce dust emissions to the maximum.

In noise reduction, the Company from the source adopted measures including equipment maintenance, road repair to reduce noise generation; in the process, it optimised on-site operational layout and adjustment of operating hours, to reduce the impact of noise by management means; in the end, it built a 160-meter-long, 12-meter-high dust-free and sound-proof wall along the factory,

to control the noise impact.

In solid waste management, an intelligent monitoring system for solid waste was installed, and two rooms for storing hazardous waste was set up, which is protected against thunder, wind, rain, sunlight, and seepage according to the requirements. A qualified third party was entrusted to transport the hazardous waste in a timely and compliant manner.

(2) Zhanjiang Port Petrochemical Terminal Co., Ltd.

In sewage treatment, it has two production wastewater treatment systems and one domestic wastewater treatment system.

In waste gas management, the Company has built oil and gas recovery devices for 1,000-ton ship loading berths, 10,000-ton ship loading berths, automobile platforms, and train platforms, which can effectively reduce waste gas emissions by collecting, treating, and purifying waste gas.

In solid waste management, an intelligent monitoring system for solid waste was installed, and two rooms for storing hazardous waste was set up, which is protected against thunder, wind, rain, sunlight, and seepage according to the requirements. A qualified third party was entrusted to transport the hazardous waste in a timely and compliant manner.

5. Environmental self-monitoring program

During the Reporting Period, enterprises under the Company that are subject to the pollutant discharge permits formulated self-monitoring plans as per laws, regulations, and pollutant discharge permits. As a result, the monitoring results indicated that all indicators met the standards. Information on units with heavy pollutant discharge needs controlled by the Company is as follows:

(1) The Bulk Cargo Branch of Zhanjiang Port (Group) Co., Ltd. has developed an atmosphere, noise, wastewater, soil self-monitoring plan, by which it conducts atmosphere, noise and wastewater monitoring every quarter and soil monitoring every year. The monitoring report will be submitted to local ecological and environmental authorities.

(2) Zhanjiang Port Petrochemical Terminal Co., Ltd. has developed an atmosphere, noise,

wastewater, soil self-monitoring plan, by which it conducts atmosphere monitoring every month, noise and wastewater monitoring every quarter and soil monitoring every year. The monitoring report will be submitted to local ecological and environmental authorities.

6. Contingency plan for environmental emergencies

During the Reporting Period, the Contingency Plan for Environmental Emergencies of the Company continued to be effective, and all enterprises controlled by the Company prepared a contingency plan for environmental emergencies as required. Units with heavy pollutant discharge needs filed environmental emergencies at local ecological and environmental bureaus as required. Details about the filing number of contingency plan for environmental emergencies are as follows:

- (1) The Bulk Cargo Branch of Zhanjiang Port (Group) Co., Ltd.: 440803-2024-0015-MT.
- (2) Zhanjiang Port Petrochemical Terminal Co., Ltd.: 440803-2024-0036-H.

7. Input in environmental governance and protection and payment of environmental protection tax

The Company constantly increases its input into environmental protection to make sure that various pollutants constantly meet the standards and thus contribute to business sustainability. During the Reporting Period, the Company spent RMB164 million on environmental protection and paid RMB4,752,300 for environmental protection tax in full in time as per laws and regulations.

8. Measures taken to decrease carbon emission in the Reporting Period and corresponding effects

CMPort vigorously responds to and implements the national requirements as well as the requirements of CMG for carbon peak and carbon neutrality, implements energy saving and carbon reduction strictly in accordance with the Action Plan of CMPort for Achieving Carbon Peak and Carbon Neutrality formulated and helps the effective implementation of the goal of “achieving carbon peak by 2028 and carbon neutrality by 2060”. During the Reporting Period, the Company added 12.3 megawatts of distributed photovoltaic power generation capacity, completed the

conversion of 20 fuel-powered container trucks to electric power, provided shore power to 1,943 ships for a total of 24,600 hours and 12.45 million kilowatt-hours of electricity, achieving a carbon reduction of 5,300 tons.

9. Administrative penalties for environmental problems during the Reporting Period

Name of Company or Subsidiary	Reason for the Penalty	Particulars of the Violation	Particulars of the Penalty	Impact on the Production and Operation of the Listed Company	Remediation Measures of the Company
Shenzhen Lianda Tugboat Co., Ltd.	Water pollution	On 9 November 2023, a lubricating oil spill into the sea (about 5-10 liters) occurred on board the vessel "Shegang No. 2" of Shenzhen Lianda Tugboat Co., Ltd. as a result of repairs carried out by an outsourcing unit.	On 19 February 2024, the SheKou Maritime Safety Administration determined that "Shegang No. 2" had discharged prohibited pollutants into the sea and imposed an administrative penalty of RMB40,000 on it.	No impact.	<ol style="list-style-type: none"> The company deeply learned lessons from the incident and gave warning education to its employees. The company carried out a new round of tugboat oil spill risk identification, and included risk control measures in the post operating procedures; conducted training and learning of post duties and operating procedures to ensure that rules and regulations were complied with. The company improved its outsourced maintenance management system and strengthened its supervision over the outsourced maintenance process. The company further strengthened the education of environmental protection awareness and raised attention to the oil spill incident; continuously strengthened the emergency disposal process and effectively improved its emergency response capability.

10. Other environmental information that should be disclosed

None

11. Other information related to environmental protection

None

II Corporate Social Responsibility (CSR)

The Company highlighted and practiced corporate social responsibilities. While improving business performance and creating benefits for shareholders, the Company earnestly performed its social responsibilities for employees, society and environment, and promoted the sustainable development of the enterprise and society. Furthermore, by leveraging its core strengths to launch domestic and overseas charitable activities, support community development and advance cultural exchange, the Company incorporated social development needs into its daily operation activities and joint hands with more partners to create a harmonious society and promote social progress.

The main achievements in 2024 are as follows:

Overseas, the second phase of “China Merchants Silk Road Love Villages” in Sri Lanka was successfully completed, with an investment of USD108,400. The project established greenhouse vegetable sheds and supporting irrigation systems, benefiting approximately 700 households and 2,200 villagers, driving the transformation of local agriculture toward modernization and sustainability. It provided long-term skills training and employment opportunities, enabling villagers to master modern agricultural techniques and significantly increasing their per capita income. Additionally, profits from greenhouse crop production are reinvested into the community, establishing a virtuous cycle that effectively alleviates poverty, strengthens community self-reliance, and fosters a sustainable development model. Concurrently, the China Merchants Foundation allocated USD50,000 to support the "Coral Garden" conservation initiative in collaboration with Turkey’s KUMPORT Port and the Turkish Marine Life Conservation Association. This project focuses on coral conservation through restoring coral reefs damaged by the "sea snail" ecological crisis in the Marmara Sea near the port, transplanting damaged corals, conducting species observation and research, and publicity of protection actions. After the severe rainstorms and floods in Rio Grande do Sul, Brazil, in order to actively respond to the disaster relief initiatives of the Chinese Embassy and Consulates in Brazil and the Brazilian Association of Port Terminals (“ABTP”), and with the financial support of BRL100,000 and authorization of the China Merchants Foundation, TCP Brazil purchased the urgently-needed living materials in the locality, such as mattresses, blankets, rice, drinking water, and daily necessities spontaneously donated by TCP's employees, and donated them to the flood-stricken areas in Rio Grande do Sul, to contribute China Merchants Group’s (“CMG”) strength to the disaster relief and post-disaster reconstruction

work in Rio Grande do Sul, which illustrates the friendship between China and Brazil that "a friend in need is a friend indeed".

Domestically, the Company successfully hosted the Children's Growth Camp of the Rural Education Charity Programme in Lianping (Heyuan), Wuhua (Meizhou) and Weining (Guizhou). Through innovative activities such as children care companionship and sports & arts festivals, it built growth and dream-building platforms for over 5,300 rural children, consolidating and enhancing the program's impact. Simultaneously, 32 students from Hong Kong, Colombo (Sri Lanka), Hambantota and other regions were invited to Shenzhen for the "Children Summer Camp" under the Rural Education Charity Programme, fostering youth development, inspiring dreams, and promoting cultural exchange. In July 2024, this project won the "2023" Shenzhen Social Forces to Help Rural Revitalization "20+ Typical Cases". The Company continued to implement the "CMG C Blue Training Programme", successfully conducting the "Starter Class" and "Advanced Class" that trained 58 participants from 30 countries. Partnerships were established with six universities through the "Starter Alliance Agreement", creating a new model for school-enterprise cooperation. The program debuted its theme song "C the Future, C the World", becoming a cultural hallmark of the C Blue brand. Recognized by the Department of Foreign Affairs Management, it was featured on their official "Foreign Affairs Management" platform and covered by CGTN, actively contributing to China's global narrative. The Subsidiary of the Company, Zhanjiang Port Group, launched innovative community development initiatives in Baoman Village. Cultural enrichment programs like the "Ink & Twilight, Calligraphy at Baoman" and family education workshops promoted enterprise-community integration and mutual development. The "Zhanjiang Port Blue" volunteer team took community convenience service as a starting point, and carried out volunteer service activities such as "Seedling Assistance", "Community Convenience", "Green Beauty of Zhanjiang" and other volunteer service activities in communities, villages and rural revitalization sites around the enterprise. Shantou China Merchants Port Group continued to contribute to the green and environmental protection, care for the vulnerable groups and education. It carried out the volunteer tree-planting activity of "Green Port, Young People First" together with Guang'ao School, the project of improving and upgrading the educational facility and offices of Guang'ao School, visited the needy people in the community where the port is located and subsidized the children of the needy families in the Aotou community of Shantou to go to school, etc. The volunteer team of South China Operation Centre proactively assumed social responsibility through actively promoting "Five Key Points" including volunteer training, natural and environmental protection, community service, inheritance of red traditions, helping the elderly and the weak, and has carried out a total of

371 volunteer service projects. On 15 December 2024, in the recognition of the charity and public welfare themed activity of CMG, the volunteer team of the Company was awarded the “Excellent Volunteer Service Team”, the “CMG C Blue Training Programme” was awarded the “Excellent Volunteer Service Programme”, five people were awarded the “Excellent Volunteer” and one person was awarded the “Excellent Public Welfare Liaison Officer”.

Please refer to *Sustainable Development Report of China Merchants Port Group Co., Ltd. in 2024* for the fulfilment of social responsibilities in the Reporting Period for details.

III Consolidation and Expansion of Poverty Alleviation Outcomes, and Rural Revitalization

In 2024, Zhanjiang Port, a subsidiary of the Company, fully implemented the new requirements outlined in the 20th National Congress of the Communist Party of China for comprehensively advancing rural revitalization, accelerating the development of a strong agricultural nation, and building livable, business-friendly, and harmonious villages. Zhanjiang Port continued to deploy task forces to fully support Zhanjiang City in implementing its rural revitalization strategy, ensuring effective alignment between poverty alleviation achievements and rural revitalization, and actively contributing to Zhanjiang’s rural development efforts.

Zhanjiang Port remained dedicated to delivering practical benefits for villagers. In 2024, it donated RMB1 million to local charitable organizations in Zhanjiang, earmarked for rural revitalization projects. In Haian Town, Xuwen County, Zhanjiang Port implemented 16 projects covering rural environmental improvement, livelihood enhancement, and school infrastructure upgrades. As part of the "Hundreds of Counties, Thousands of Towns, Tens of Thousands of Villages" High-Quality Development Project in Baoxi Village, Jiaowei Township, Xuwen County, initiatives such as "Ancient Well and Tree Preservation" and "Cultural Mini-Park Construction" were carried out.

Following the devastation caused by Typhoon Yagi in Xuwen County in 2024, Zhanjiang Port acted swiftly to support post-disaster recovery. It provided generators to Macheng Village and Baoxi Village to address temporary water and electricity shortages before full restoration. It also funded garbage cleanup, damaged house repairs, and road clearance to help villagers resume normal life. To bolster rural education, it upgraded flooring at Macheng Primary School in Haian Town, donated desks, chairs, sports equipment, and books, and extended care to left-behind underprivileged children. It also raised funds to build kitchens for low-income families, veterans, and households with critically ill patients, ensuring cleaner living environments. The resident village task force collaborated closely with village committees to visit the households lifted out of poverty and low-income families, updating system data for over 30 households and devising

targeted assistance measures under the "one household, one policy" framework. During festivals like Spring Festival and Mid-Autumn Festival, Zhanjiang Port organized care visits for poverty-monitored households, veteran Party members, and disadvantaged children, ensuring rural communities felt warmth and solidarity.

Part VI Significant Events

I Fulfilment of Commitments

1. Commitments of the Company's Actual Controller, Shareholders, Related Parties, and Acquirers, as well as the Company Itself and other Entities Fulfilled in the Reporting Period or Ongoing at the Period-end

Commitment	Promisor	Type of commitment	Details of commitment	Date of commitment making	Term of commitment	Fulfillment
Commitments made in acquisition documents or shareholding alteration documents	CMGD and Broadford Global	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment on safeguarding independence of CMPort made by CMGD and its person acting in concert Broadford Global: to safeguard the independence of finance, institutions, business and personnel of CMPort as well as independence and integrity of assets of CMPort.	15 March 2018	The commitment on safeguarding independence of CMPort is effective for a long time; the commitment on regulating related-party transactions is effective during the period when CMGD and its persons acting in concert possess control power over the Company	Ongoing
	CMGD and Broadford Global	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment on regulating related-party transaction made by CMGD and corresponding persons acting in concert- Broadford Global: 1. CMGD/Broadford Global will make a great effort to reduce related-party transaction between CMGD/Broadford Global and its related parties as well as CMPort. Inevitable business dealings or transactions shall be conducted as per marketization principle and fair price and the obligation of information disclosure shall be fulfilled pursuant to provisions; 2. CMGD/Broadford Global and its related parties ensure they will strictly observe related stipulations of laws, regulations, normative documents and Articles of Association of CMPort and equally execute shareholders' rights and fulfil shareholders' obligations together with other shareholders in line with legal program as well as won't seek improper interest with actual controller's status or damage legitimate interest of CMPort and other shareholders; 3. The above commitment is continuously effective during the period when CMGD/Broadford Global has the right to control CMPort. In case of losses incurred by	15 March 2018	The commitment on safeguarding independence of CMPort is effective for a long time; the commitment on regulating related-party transactions is	Ongoing

			CMGD/Broadford Global failing to fulfil the above commitment to CMPort, CMGD will bear corresponding compensation responsibility.		effective during the period when CMGD and its persons acting in concert possess control power over the Company	
	CMG	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment on regulating related-party transaction: 1. China Merchants Group will try its best to reduce related-party transaction between it and its related parties and CMPort. Inevitable business dealings or transactions shall be conducted as per marketization principle and fair price and the obligation of information disclosure shall be fulfilled pursuant to provisions; 2. China Merchants Group ensure they will strictly observe related stipulations of laws, regulations, normative documents and Articles of Association of CMPort and equally execute shareholders' rights and fulfil shareholders' obligations together with other shareholders in line with legal program as well as won't seek improper interest with actual controller's status or damage legitimate interest of CMPort and other shareholders; 3. The above commitment is continuously effective during the period when China Merchants Group has the right to control CMPort. In case of losses incurred by China Merchants Group failing to fulfil the above commitment to CMPort, China Merchants Group will bear corresponding compensation responsibility.	15 March 2018	Effective until no-longer to be the actual controller of the Company	Ongoing
Commitments made in time of asset restructuring	CMPID	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment on avoiding horizontal competition: 1. CMPID and other enterprise controlled by CMPID fail to engage in or participate in business or activity which is similar with and constitutes or likely constitutes competitive relation with main business conducted by CMPort and the enterprise controlled by it now; 2. CMPID will try its best to promote CMPID and other enterprise controlled by CMPID not to directly or indirectly engage in or participate in or assist to engage in or participate in any business or activity which constitutes or likely constitutes competitive relation with main business conducted by CMPort and the enterprise controlled by it now and in the future independently or together with others; 3. In case of discovering any new business opportunity which constitutes or likely constitutes direct or indirect competitive relation with main business of CMPort or the enterprise controlled by it, CMPID or CMPID and other enterprise controlled by it will immediately notify CMPort in written as well as make a great effort to promote such business opportunity to be provided to CMPort or the enterprise controlled by it firstly according to reasonable and fair terms and conditions; 4. In case of CMPort or the enterprise controlled by it waiving such competitive new business opportunity and CMPID or/and other enterprise controlled by it engaging in such competitive business, CMPort or the enterprise controlled by it will have the right to purchase any stock rights, assets or other rights and interests in the above competitive business from CMPID or/and other enterprise controlled by it once or several times at any moment, or CMPort will select entrusted operation, leasing or contract operation of assets or businesses of CMPID or/and other enterprise controlled by it in the above competitive business as per the mode permitted by national laws and regulations; 5. When CMPID and other enterprise controlled by it plans to transfer, sell, rent out, conduct licensed use of or transfer or	26 July 2018	Effective until no-longer to be the largest shareholder of the Company	Ongoing

		allow to use assets and businesses which constitutes or likely constitutes direct or indirect competitive relationship with main business of CMPort or the enterprise controlled by it in other way, CMPID and other enterprise controlled by it will provide the right of priority assignment to CMPort or the enterprise controlled by it and promise to make a great effort to promote other enterprise controlled by CMPID provide CMPort or the enterprise controlled by it with the right of priority assignment under the above situation; 6. As of the date when the commitment letter is provided, CMPID promises to compensate all actual losses, damages and expenses arising from violation of any clause in the commitment letter by CMPID or the enterprise controlled by it to CMPort or the enterprise controlled by it.				
	CMPID	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment on regulating related-party transaction: 1. CMPID and other enterprise controlled by it will make a great effort to avoid and reduce related-party transaction between CMPort and economic entity controlled by it; 2. CMPID and other enterprise controlled by it will exercise stockholder's rights in accordance with related provisions of relevant laws and regulations as well as Articles of Association of CMPort and fulfil the obligation of vote avoidance at the moment of voting for related-party transactions involved by CMPID and other enterprise controlled by it at the stockholders' meeting; 3. As for related-party transaction which is inevitable or occurs due to reasonable reason, CMPID will carry out transaction pursuant to the principle of openness, fairness and justice for market transaction and based on fair and reasonable market price, perform related-party transaction decision-making process and legally fulfil information disclosure obligation to safeguard benefits of CMPort and other shareholders of CMPort in line with provisions of laws, regulations, normative documents and Articles of Association of CMPort; 4. It's ensured that no legitimate interest of CMPort and other shareholders of CMPort is damaged by related-party transaction based on status and influence of CMPort; 5. CMPID will promote other enterprise controlled by it to observe the commitment of Subparagraph 1-4; 6. In case of CMPID and other enterprise controlled by it violating the above commitment, causing rights and interests of CMPort and its shareholders are damaged, CMPID will take corresponding compensation responsibility according to law.	26 July 2018	Effective until no-longer to be the largest shareholder of the Company	Ongoing
	CMPID	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment about keeping independence of CMPort: 1. After the transaction is completed, CMPID will strictly observe related provisions regarding independence of listed Companies from CSRC and won't violate standard operating procedures of CMPort based on the first majority shareholder, conduct excessive intervention of operation and management activities of CMPort and its subsidiary, embezzle benefits of CMPort and its subsidiary or damage legitimate interest of CMPort and other shareholders; 2. CMPID will ensure CMPort is independent from CMPID and related parties in the aspects of business, asset, finance, personnel and institution; 3. CMPID ensures independence of CMPort, CMPID and other enterprise controlled by it fail to occupy capitals and resources of CMPort based on violation in any way and will strictly observe provisions of rules and regulations for avoiding occupation of related party funds from CMPort as well as related laws, regulations and normative documents; 4. The commitment letter takes effect as of the signature date of CMPID as well as is legally binding upon CMPID. CMPID ensures it will strictly fulfil various commitments in the commitment letter and will take corresponding legal responsibility for losses incurred to CMPort due to violation of related commitment.	26 July 2018	Effective until no-longer to be the largest shareholder of the Company	Ongoing
	CMG	Commitments on horizontal	Commitment on avoiding horizontal competition: 1. China Merchants Group and the enterprise controlled by it (excluding CMPort Holdings and the enterprise controlled it) fail to engage	26 July 2018	Effective until no-longer to	Ongoing

	<p>competition, related-party transaction and capital occupation</p>	<p>in or participate in any business or activity which is similar with and constitutes or likely constitute direct or indirect competitive relationship with main business conducted by CMPort and the enterprise controlled by it now; 2. China Merchants Group will try its best to promote enterprises controlled by it (except for CMPort and the enterprise controlled by it) not to directly or indirectly engage in or participate in or assist to engage in or participate in any business or activity which constitutes or likely constitutes competitive relation with main business conducted by CMPort and the enterprise controlled by it now and in the future independently or together with others; 3. In case of discovering any new business opportunity which constitutes and likely constitutes direct or indirect competitive relation with main business of CMPort or the enterprise controlled by it, China Merchants Group or enterprise controlled by it(except for CMPort and the enterprise controlled by it) will immediately notify CMPort in written as well as make a great effort to promote such business opportunity to be provided to CMPort or the enterprise controlled by it firstly according to reasonable and fair terms and conditions; 4. In case of CMPort or the enterprise controlled by it waives such competitive new business opportunity and China Merchants Group or the enterprise controlled by it (except for CMPort and the enterprise controlled by it) engaging in such competitive business, CMPort or the enterprise controlled by it will be entitled to purchase any equities, assets and other rights and interests in the above competitive business from China Merchants Group or the enterprise controlled by it (except for CMPort and the enterprise controlled by it) once or several times at any moment or CMPort will select entrusted operation, leasing or contract operation of assets or businesses of China Merchants Group or the enterprise controlled by it (except for CMPort and the enterprise controlled by it) in the above competitive business according to the mode permitted by national laws and regulations; 5. When China Merchants Group and the enterprise controlled by it (except for CMPort and the enterprise controlled by it) plans to transfer, sell, lease, allow to use or transfer or allow to use asset and business which constitutes or likely constitutes direct or indirect competitive relationship with main business of CMPort or the enterprise controlled by it in other way, China Merchants Group and the enterprise controlled by it (except for CMPort and the enterprise controlled by it) will provide the right of priority assignment for CMPort or the enterprise controlled by it and promise to make a great effort to promote the enterprise controlled by China Merchants Group to provide the of priority assignment for CMPort or the enterprise controlled by it under the above situation; 6. As of the date when the commitment letter is provided, China Merchants Group promises to compensate all actual losses, damages and expenses arising from violation of any clause in the commitment letter by China Merchants Group or the enterprise controlled by it to CMPort or the enterprise controlled by it.</p>		<p>be the actual controller of the Company</p>	
CMG	<p>Commitments on horizontal competition, related-party transaction and capital occupation</p>	<p>Commitment on regulating related-party transaction: 1. China Merchants Group and other enterprise controlled by it will make a great effort to avoid and reduce related-party transaction between CMPort and economic entity controlled by it; 2. China Merchants Group and other enterprise controlled by it will exercise stockholder's rights in accordance with related provisions of relevant laws and regulations as well as Articles of Association of CMPort and fulfil the obligation of vote avoidance at the moment of voting for related-party transactions involved by China Merchants Group and other enterprise controlled by it at the stockholders' meeting; 3. As for related transaction which is inevitable or occurs due to</p>	<p>26 July 2018</p>	<p>Effective until no-longer to be the actual controller of the Company</p>	<p>Ongoing</p>

		reasonable reason, China Merchants Group will carry out transaction pursuant to the principle of openness, fairness and justice for market transaction and based on fair and reasonable market price, perform related-party transaction decision-making process and legally fulfil information disclosure obligation to safeguard benefits of CMPort and other shareholders of CMPort in line with provisions of laws, regulations, normative documents and Articles of Association of CMPort; 4. It's ensured that no legitimate interest of CMPort and other shareholders of CMPort is damaged by related-party transaction based on status and influence of CMPort; 5. China Merchants Group promotes other enterprise controlled by it to observe the commitment set forth in Subparagraph 1-4 above; 6. In case of China Merchants Group and other enterprise controlled by it violating the above commitment, causing rights and interests of CMPort and its shareholders are damaged, China Merchants Group will take corresponding compensation responsibility according to law.			
CMG	Commitments on horizontal competition, related-party transaction and capital occupation	Commitment about keeping independence of CMPort: 1. After the transaction is completed, China Merchants Group will strictly observe related provisions regarding independence of listed companies from CSRC and won't violate standard operating procedures of CMPort based on actual controller's status, conduct excessive intervention of operation and management activities of CMPort and its subsidiary, embezzle benefits of CMPort and its subsidiary or damage legitimate interest of CMPort and other shareholders; 2. China Merchants Group will ensure CMPort is independent from China Merchants Group and related parties in the aspects of business, asset, finance, personnel and institution; 3. China Merchants Group ensures independence of CMPort, China Merchants Group and other enterprise controlled by it fail to occupy capitals and resources of CMPort based on violation in any way and will strictly observe provisions of rules and regulations for avoiding occupation of related party funds from CMPort as well as related laws, regulations and normative documents; 4. The commitment letter takes effect as of the signature date of China Merchants Group as well is legally binding upon China Merchants Group. China Merchants Group ensures it will strictly fulfil various commitments in the commitment letter and will take corresponding legal responsibility for losses incurred to listed Company due to violation of related commitment.	26 July 2018	Effective until no-longer to be the actual controller of the Company	Ongoing
CMG	Other commitment	Commitment letter about perfecting the property ownership certificate for land and house property of CMPort Holdings and the enterprise subordinate to it: 1. China Merchants Group will spare no effort to assist, promote and drive CMPort Holdings and the enterprise subordinate to it to standardize, perfect and solve ownership defects of properties such as land and house property; 2. The following situations happen to CMPort Holdings and the enterprise subordinate to it before completion of the transaction: (1) Land use right of ownership certificate which is being handled, the house property failing to be timely handled (except for results incurred by force majeure, law, policy, government administration behavior and change in planned use of the land instead of CMPort Holdings and the enterprise subordinate to it); Or (2) Land use right of ownership certificate, the property ownership certificate failing to be handled (except for results incurred by force majeure, law, policy, government administration behavior and change in planned use of the land of CMPort Holdings and the enterprise subordinate to it); Or (3) In case of nonstandard other land use right and house property (except for results incurred by force majeure, law, policy, government administration behavior and change in planned use of the land instead of CMPort Holdings and the enterprise subordinate to it) and encountering actual	26 July 2018	Effective until no-longer to be the actual controller of the Company	Ongoing

		losses (including but not limited to compensation, fine, expenditure and benefit lost), China Merchants Group will timely and fully compensate CMPort.			
CMG	Other commitment	Commitment letter about real estate leased by CMPort Holdings and the enterprise subordinate to it: In case of nonstandard situation of the leased property significantly influencing use of CMPort Holdings and the Company subordinate to it to engage in operation of normal business, China Merchants Group will actively take effective measures (including but not limited to arranging to provide the property with identical or similar conditions to be used for operation of related Company) to promote business operation of related Company to be conducted normally and alleviate or eliminate adverse effect; In case of nonstandard of the leased property causing CMPort Holdings and the enterprise subordinate to it produce actual additional expenditures or losses (such as third-party compensation), China Merchants Group will actively coordinate and negotiate with other related party to support normal operation of CMPort Holdings and the enterprise subordinate to it to the great extent and avoid or control continuous enlargement of the damage; At the same time, China Merchants Group agrees compensate CMPort Holdings and the enterprise subordinate to it in cash for actual losses incurred to CMPort Holdings and the enterprise subordinate to it for this reason to relieve or eliminate adverse effect.	26 July 2018	Effective until no longer to be the actual controller of the Company	Ongoing
CMG	Other commitment	Commitment letter about allotted land of the enterprise subordinate to China Merchants Port Holdings Company Limited from China Merchants Group: In case that the above allotted land is withdrawn or needs to be translated into assignment land due to policy adjustment in the future after the transaction is completed, China Merchants Group will actively coordinate with CMPort and related companies such as China Merchants Group International Port (Qingdao) Co., Ltd. and Shantou China Merchants Port Group Co., Ltd. to handle the transfer procedure or take other feasible countermeasures. In case of any actual loss (excluding land-transferring fees or rent, fees paid for taking rural land, ownership registration fees, taxes and dues and other related expenses to be paid by Chiwan Wharf or above-mentioned related companies according to provisions of laws and regulations) incurred to CMPort or above-mentioned related companies for this reason, China Merchants Group will timely and fully compensate actual loss incurred to CMPort or above-mentioned related companies.	26 July 2018	Effective until no longer to be the actual controller of the Company	Ongoing
CMG	Other commitment	Commitment letter about undertaking the accreditation fees of property ownership certificate for the perfection of the land and house property of CMPort Holdings and the enterprise subordinate to it: In case of defective land use right and house property involved by the Company subordinate to CMPort Holdings on account of operation (namely land use right and house property of the Company subordinate to CMPort Holdings without complete ownership certificate existing before the transaction is completed), incurring registration fees such as taxes and dues, compensation and fine in the process of perfecting legal procedures of defective land use right and house property by the subordinate to CMPort Holdings, China Merchants Group will timely and fully compensate to the Company subordinate to CMPort Holdings for undertaking.	14 September 2018	Effective until no longer to be the actual controller of the Company	Ongoing
CMG	Other commitment	Commitment letter about related matters of CMPort after the transaction is completed: After the transaction is completed, Chiwan Wharf will become port business asset management headquarters and domestic capital operation platform of China Merchants Group, deeply participate in integration of domestic regional port assets and enlarge the scale of domestic listed assets to make net profit of CMPort Holdings (00144.HK) enjoyed as per the rights and interests in the consolidated	30 September 2018	Before 3 November 2029 and CMG is the actual controller of the Company	Ongoing

		statement of listed Company in recent one fiscal year fail to exceed 50% net profit of consolidated statement of the listed Company and net asset of CMPort Holdings (00144.HK) enjoyed in light of rights and interests in the consolidated statement of listed Company in recent one fiscal year fail to exceed 30% net asset in the consolidated statement of the listed Company within 3-5 years after the transaction is completed.			
CMG	Other commitment	China Merchants Group and all its directors, supervisors and administrative officers ensure the transaction report, its abstract, other information provided for the transaction and application document are true, accurate and complete without false record, misleading statement or important omission as well as take individual and joint legal liability for false record, misleading statement or important omission. If the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC), the directors, supervisors or senior managers of China Merchants Group do not transfer the shares that have interests in listed Company, and submit the written application and stock account of the suspension of the transfer to the Board of Directors of the CMPort within two trading days after receiving the filing inspection notice, and the Board of Directors shall apply for lock-up on behalf of the CMG Hong Kong to the Stock Exchange and Registration and Settlement Company. In case of failing to file a locking application within two transaction days and after the Board of Directors is authorized for verification, identity information and account information on directors, supervisors or administrative officers of China Merchants Group will be directly submitted to Stock Exchange and Registration and Settlement Company with locking applied; In case of Board of Directors failing to submit identity information and account information on directors, supervisors or administrative officers of China Merchants Group to Stock Exchange and Registration and Settlement Company, Stock Exchange and Registration and Settlement Company will be authorized to directly lock related shares. In case that the situation of violating laws and rules is found upon investigation conclusion, directors, supervisors or administrative officers of China Merchants Group promise locked shares are voluntarily used for compensating related investors.	26 July 2018	Effectively continuously	Ongoing
CMG Hong Kong	Other commitment	1. CMG Hong Kong ensures related information provided for the transaction is true, accurate and complete without false record, misleading statement or important omission; 2. CMG Hong Kong ensures the data provided to CMPort and all intermediary organs participating in the transaction is true, accurate and complete original written data or data copy. Data copy is consistent with original data and signature and seal of all the documents are true. The signatory of such documents is legally authorized and effectively signs such documents without any false record, misleading statement or important omission; 3. CMG Hong Kong ensures descriptions and confirmations issued for the transaction is true, accurate and complete without false record, misleading statement or important omission; 4. CMG Hong Kong ensures that statutory disclosure and report obligation has been performed, and no contracts, agreements, arrangements or miscellaneous that should have been disclosed exists; 5. The CMG Hong Kong made the commitment that if the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC), it does not transfer the shares that have interests in listed Company, and submit the written application and stock account of the suspension of the	26 July 2018	Effectively continuously	Ongoing

		transfer to the Board of Directors of the CMPort within two trading days after receiving the filing inspection notice, and the Board of Directors shall apply for lock-up on behalf of the CMG Hong Kong to the Stock Exchange and Registration and Settlement Company. In case of failing to file a locking application within two transaction days and after the Board of Directors is authorized for verification, identity information and account information on CMG Hong Kong will be directly submitted to Stock Exchange and Registration and Settlement Company with locking applied; In case of Board of Directors failing to submit identity information and account information on CMG Hong Kong to Stock Exchange and Registration and Settlement Company, Stock Exchange and Registration and Settlement Company will be authorized to directly lock related shares. If the investigation finds that there is a violation of the law, CMG Hong Kong committed to lock the shares voluntarily for the relevant investor compensation; 6. If CMG Hong Kong promises to related document, data and information provided in the reorganization process aren't true, accurate or complete or are with false record, misleading statement or important omission, CMG Hong Kong is willing to legally bear corresponding legal responsibility; 7. In case of CMG Hong Kong violating the above promise, incurring losses to CMPort, CMG Hong Kong will take corresponding compensation responsibility.			
CMPID	Other commitment	1. CMPID ensures related information provided for the transaction is true, accurate and complete without false record, misleading statement or important omission; 2. CMPID ensures the data provided to CMPort and all intermediary organs participating in the transaction is true, accurate and complete original written data or data copy. Data copy is consistent with original data and signature and seal of all the documents are true. The signatory of such documents is legally authorized and effectively signs such documents without any false record, misleading statement or important omission; 3. CMPID ensures description and confirmation provided for the transaction are true, accurate and complete without any false record, misleading statement or important omission; 4. CMPID ensures that statutory disclosure and report obligation has been performed, and no contracts, agreements, arrangements or miscellaneous that should have been disclosed exists; 5. The CMPID made the commitment that if the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC), it does not transfer the shares that have interests in CMPort, and submit the written application and stock account of the suspension of the transfer to the Board of Directors of the CMPort within two trading days after receiving the filing inspection notice, and the Board of Directors shall apply for lock-up on behalf of the CMG Hong Kong to the Stock Exchange and Registration and Settlement Company. If the application for lock-up is not submitted within two transaction days, the Board of Directors is authorized to verify and submit the identity information and account information of CMPID directly to the Stock Exchange and Registration and Settlement Company and apply for lock-up; If the Board of Directors fails to submit the identity information and account information of the CMPID to the Stock Exchange and Registration and Settlement Company, then the Stock Exchange and Registration and Settlement Company shall be authorized to directly lock the relevant shares. If the investigation finds that there is a violation of the law, CMPID committed to lock the shares voluntarily for the relevant investor compensation; 6. If CMPID promises to related document, data and information provided in the	26 July 2018	Effectively continuously	Ongoing

		reorganization process aren't true, accurate or complete or are with false record, misleading statement or important omission, CMPID is willing to legally bear corresponding legal responsibility; 7. In case of CMPID violating the above commitment, incurring losses to CMPort, CMPID will take corresponding compensation responsibility.			
CMPort Holdings	Other commitment	1. CMPort Holdings ensures related information provided for the transaction is true, accurate and complete without false record, misleading statement or important omission; 2. CMPort Holdings ensures the data provided to CMPort and all intermediary organs participating in the transaction is true, accurate and complete original written data or data copy. Data copy is consistent with original data and signature and seal of all the documents are true. The signatory of such documents is legally authorized and effectively signs such documents without any false record, misleading statement or important omission; 3. CMPort Holdings ensures description and confirmation provided for the transaction are true, accurate and complete without any false record, misleading statement or important omission; 4. CMPort Holdings ensures that statutory disclosure and report obligation has been performed, and no contracts, agreements, arrangements or miscellaneous that should have been disclosed exists; 5. CMPort Holdings made the commitment that if the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC); CMPort Holdings committed that if CMPort Holdings violated the above promise, incurring losses to CMPort, CMPort Holdings will take corresponding compensation responsibility.	26 July 2018	Effectively continuously	Ongoing
CMG	Other commitment	1. China Merchants Group ensures related information provided for the transaction is true, accurate and complete without false record, misleading statement or important omission; 2. China Merchants Group ensures the data provided to CMPort and all intermediary organs participating in the transaction is true, accurate and complete original written data or data copy. Data copy is consistent with original data and signature and seal of all the documents are true. The signatory of such documents is legally authorized and effectively signs such documents without any false record, misleading statement or important omission; 3. China Merchants Group ensures descriptions and confirmations issued for the transaction is true, accurate and complete without false record, misleading statement or important omission; 4. China Merchants Group ensures that statutory disclosure and report obligation has been performed, and no contracts, agreements, arrangements or miscellaneous that should have been disclosed exists; 5. China Merchants Group made the commitment that if the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC), it does not transfer the shares that have interests in CMPort, and submit the written application and stock account of the suspension of the transfer to the Board of Directors of the CMPort within two trading days after receiving the filing inspection notice, and the Board of Directors shall apply for lock-up on behalf of China Merchants Group to the Stock Exchange and Registration and Settlement Company. In case of failing to file a locking application within two transaction days and after the Board of Directors is authorized for verification, identity information and account information of China Merchants Group will be directly submitted to Stock Exchange and Registration and Settlement Company with locking applied; In case of Board of Directors failing to submit identity information and account information	26 July 2018	Effectively continuously	Ongoing

			of China Merchants Group to Stock Exchange and Registration and Settlement Company, Stock Exchange and Registration and Settlement Company will be authorized to directly lock related shares. If the investigation finds that there is a violation of the law, China Merchants Group committed to lock the shares voluntarily for the relevant investor compensation; 6. If China Merchants Group promises to related document, data and information provided in the reorganization process aren't true, accurate or complete or are with false record, misleading statement or important omission, China Merchants Group is willing to legally bear corresponding legal responsibility; In case of China Merchants Group violating the above promise, incurring losses to CMPort, China Merchants Group will take corresponding compensation responsibility.			
	Chiwan Wharf and all directors, supervisors and senior management	Other commitment	Chiwan Wharf and all its directors, supervisors and administrative officers ensure the transaction report, its abstract, other information provided for the transaction and application document are true, accurate and complete without false record, misleading statement or important omission as well as take individual and joint legal liability for false record, misleading statement or important omission. If the information provided or disclosed by this transaction is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or investigated by the China Securities Regulatory Commission (CSRC), the directors, supervisors, or senior managers of Chiwan Wharf do not transfer the shares that have interests in CMPort, and submit the written application and stock account of the suspension of the transfer to the Board of Directors of the CMPort within two trading days after receiving the filing inspection notice, and the Board of Directors shall apply for lock-up on behalf of them to the Stock Exchange and Registration and Settlement Company. In case of failing to file a locking application within two transaction days and after the Board of Directors is authorized for verification, identity information and account information on directors, supervisors or administrative officers of Chiwan Wharf will be directly submitted to Stock Exchange and Registration and Settlement Company with locking applied; In case of Board of Directors failing to submit identity information and account information on directors, supervisors or administrative officers of Chiwan Wharf to Stock Exchange and Registration and Settlement Company, Stock Exchange and Registration and Settlement Company will be authorized to directly lock related shares. In case that the situation of violating laws and rules is found upon investigation conclusion, directors, supervisors or administrative officers of Chiwan Wharf promise locked shares are voluntarily used for compensating related investors.	26 July 2018	Effectively continuously	Ongoing
Other commitments made to minority shareholders	China Nanshan Development (Group) Inc.	Other commitment	CND Group will irrevocably and unconditionally agrees it will ensure transferee of such land use right and its successor and assignee will be fully exempted from responsibility for the above matters in case of CMPort encountering losses, needing to bear expenses and liabilities, undergoing claim for compensation or needing to file a lawsuit due to any actual or potential illegal and unenforceable issues incurred by land use agreement and relevant documents signed and to be signed by it.	20 March 2001; 18 June 2003; 29 September 2004	Effectively continuously	Ongoing
	China Nanshan Development (Group) Inc.	Other commitment	In order to properly solve the issue regarding the ownership of the land of 270,692 square meters transferred to CMPort by CND Group as a contribution, CND Group hereby irrevocably undertakes as follows: 1. CND Group affirms the historical fact that it contributed to the restructuring and listing of Chiwan Wharf with the right to use 270,692 square meters of land in 1993. Besides, it affirms that the 270,692 square meters of land has been transferred to	2 July 2020	Effectively continuously	Ongoing

			<p>CMPort (formerly known as Chiwan Wharf) and the right to use the land is owned by CMPort. 2. CND Group will continue keeping the original undertaking and ensure that the signing of the relevant agreement will not damage CMPort's rights and interests of 148,119 square meters of land transferred in 1993 to CMPort (formerly, Chiwan Wharf) as a contribution. 3. CND Group will continue giving full play to its advantages to fully support land-related authorities in Shenzhen City to secure CMPort's right to use the 270,692 square meters of land. Moreover, CND Group will continue to actively assist CMPort in going through the corresponding procedures for the change of ownership of property rights and perfect legal procedures related to the right to use the land (e.g., defining the boundary line of land, land surveying, and claiming for the certificate of land). In addition, CND Group undertakes to cover all costs incurred accordingly (including the land premium). 4. All consequent losses to CMPort shall be borne by CND Group, should the latter break the above undertaking. Furthermore, CND Group will shoulder all liabilities for damage, if the asset integrity of the listed company, CMPort, is damaged.</p>			
Commitments made in IPO or refinancing	CMG	Commitments when refinancing	<p>CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised in this non-public offering is RMB10,917,111,500. In order to ensure that the compensation measures for the dilution of immediate returns in this non-public offering can be effectively implemented, in accordance with the <i>Opinions of the General Office of the State Council on Further Strengthening the Work of Protection of the Legitimate Rights and Interests of Minority Investors in the Capital Markets</i> (G.B.F. [2013 No. 110), the <i>Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring</i> (Announcement of the China Securities Regulatory Commission [2015] No. 31) and other laws, regulations and normative documents, as the controlling shareholder and actual controller of the issuer of the non-public offering, I hereby make a commitment as follows concerning the dilution of immediate returns and compensation measures in connection with the non-public offering:</p> <p>1. I will not interfere in the operation and management activities of the Company beyond its authority and will not encroach on its interests.</p> <p>2. From the date of issuance of this commitment to the completion of the non-public offering of the Company, if the regulatory authority has other requirements on the measures to compensate the returns and the relevant provisions of the commitment, and the commitment cannot meet the relevant requirements of the regulatory authority, I will make a supplementary commitment in accordance with relevant regulations.</p>	13 July 2021	Effective continuously	Ongoing
	CMG	Commitments when refinancing	<p>CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500, which will be subscribed by Seaport Group in a lump sum in cash. As the actual controller of CMPort, the company hereby make a commitment as follows:</p> <p>In connection with this non-public offering, the company does not provide financial assistance, compensation, promise of benefits or other similar arrangements to Seaport Group, directly or through its stakeholders.</p>	16 November 2021	Effective continuously	Ongoing
	Broadford Global	Commitments when refinancing	<p>CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised in this non-public offering is RMB10,917,111,500. In order to ensure that the compensation measures for the dilution of immediate returns in this non-public offering can be effectively implemented, in accordance with the <i>Opinions of the General Office of the State Council on Further Strengthening the Work of Protection of the Legitimate Rights and Interests of Minority</i></p>	13 July 2021	Effective continuously	Ongoing

		<p><i>Investors in the Capital Markets</i> (G.B.F. [2013 No. 110]), the <i>Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring</i> (Announcement of the China Securities Regulatory Commission [2015] No. 31) and other laws, regulations and normative documents, as the controlling shareholder and actual controller of the issuer of the non-public offering, I hereby make a commitment as follows concerning the dilution of immediate returns and compensation measures in connection with the non-public offering:</p> <p>1. I will not interfere in the operation and management activities of the Company beyond its authority and will not encroach on its interests.</p> <p>2. From the date of issuance of this commitment to the completion of the non-public offering of the Company, if the regulatory authority has other requirements on the measures to compensate the returns and the relevant provisions of the commitment, and the commitment cannot meet the relevant requirements of the regulatory authority, I will make a supplementary commitment in accordance with relevant regulations.</p>			
Broadford Global	Commitments when refinancing	<p>CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500, which will be subscribed by Seaport Group in a lump sum in cash. As the controlling shareholder of CMPort, the company hereby make a commitment as follows:</p> <p>In connection with this non-public offering, the company does not provide financial assistance, compensation, promise of benefits or other similar arrangements to Seaport Group, directly or through its stakeholders.</p>	16 November 2021	Effective continuously	Ongoing
Directors and senior management of CMPort	Commitments when refinancing	<p>CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised in this non-public offering is RMB10,917,111,500. In order to ensure that the compensation measures for the dilution of immediate returns in this non-public offering can be effectively implemented, in accordance with the <i>Opinions of the General Office of the State Council on Further Strengthening the Work of Protection of the Legitimate Rights and Interests of Minority Investors in the Capital Markets</i> (G.B.F. [2013 No. 110]), the <i>Guiding Opinions on Matters concerning the Dilution of Immediate Return in Initial Public Offering, Refinancing and Material Asset Restructuring</i> (Announcement of the China Securities Regulatory Commission [2015] No. 31) and other laws, regulations and normative documents, as a director and senior management member of the issuer of the non-public offering, I hereby make a commitment as follows concerning the dilution of immediate returns and compensation measures in connection with the non-public offering:</p> <p>1. I will not transfer benefits to other units or individuals for free or under unfair conditions, nor will I damage the interests of the Company in other ways.</p> <p>2. I will regulate my personal business consumption behavior.</p> <p>3. I will not use the Company's assets to engage in investment and consumption activities unrelated to the performance of my duties.</p> <p>4. The salary system formulated by the board of directors or the remuneration committee is linked to the implementation of the Company's return compensation measures.</p> <p>5. If the Company intends to implement equity incentives, the exercise conditions of such equity incentive are linked to the implementation of the Company's return compensation measures.</p> <p>6. From the date of issuance of this commitment to the completion of the non-public offering of the Company, if the regulatory authority has other requirements on the measures to compensate the returns and the relevant provisions of the</p>	13 July 2021	Effective continuously	Ongoing

			commitment, and the commitment cannot meet the relevant requirements of the regulatory authority, I will make supplementary commitments in accordance with relevant regulations.			
	CMPort	Commitments when refinancing	CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, the fund raised in this non-public offering is RMB10,917,111,500. In order to further ensure the use of the funds raised in this non-public offering, the Company makes statements as follows: 1. The Company intends to use the proceeds of this non-public share offering to supplement working capital and repay debts, and it does not involve real estate development projects. 2. The fund raised by the Company in this non-public offering shall not be used for real estate development or in a disguised form.	29 September 2021	Effective continuously	Ongoing
	CMPort	Commitments when refinancing	CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500, which will be subscribed by Seaport Group in a lump sum in cash. The Company hereby makes commitments as follows: In connection with this non-public offering, the Company does not make a commitment on guarantee income or disguised guarantee income to Seaport Group, nor does it provide financial assistance, compensation, promise of benefits or other similar arrangements to Seaport Group, directly or through its stakeholders.	29 September 2021	Effective continuously	Ongoing
	CMPort	Commitments when refinancing	CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500. The Company hereby makes the following commitments regarding the Qualification Certificate of Real Estate Development Enterprise of the People's Republic of China (Number: SH.F.K.Z. (2017) No. 879) obtained by Shenzhen Jinyu Rongtai Investment Development Co., Ltd (hereinafter referred to as "Jinyu Rongtai"), a wholly-owned subsidiary of the Company: The Company will actively coordinate Jinyu Rongtai to handle the cancellation of the aforesaid real estate development qualification certificate. Within 30 days after approval of relevant laws and regulations, regulatory regulations and competent housing authorities, Jinyu Rongtai will apply to the competent housing department for the cancellation of real estate development qualification registration. Before the cancellation or expiration of the qualification, the Company and Jinyu Rongtai will not use the qualification to engage in real estate development and operation and other related businesses. After qualification cancellation or invalidity, qualification renewal or new real estate development qualification will not be handled.	19 November 2021	Effective continuously	Ongoing
	CMPort	Commitments when refinancing	CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500, which will be subscribed by Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd. in a lump sum in cash. The Company makes commitments in connection with the fund raised in this non-public offering as follows: The proceeds from this non-public offering of shares will not flow into China Nanshan Development (Group) Co., Ltd. through any direct or indirect means.	16 December 2021	Effective continuously	Ongoing
	CMPort	Commitments when refinancing	CMPort issued 576,709,537 RMB ordinary shares (A shares) to specific targets in a non-public manner, and the fund raised by this non-public offering is RMB10,917,111,500, which will be subscribed by Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd. in a lump sum in cash. The Company hereby makes commitments as follows: Prior to the completion of the use of the fund raised in this non-public offering or within 36 months after the fund is raised, no additional investment (including capital increase, loan,	7 January 2022	Effective continuously	Ongoing

			guarantee and capital investment in other forms) shall be made in industrial funds and M&A funds that do not conform to the Company's upstream and downstream industrial chain or the Company's main business and strategic development direction.			
Other commitments	CMPort	Commitments when subscribing shares of Ningbo Port	<p>Ningbo Port issued A shares to CMPort in a non-public manner. As the subscription target of Ningbo Port's 2021 non-public offering of A-shares, CMPort irrevocably makes the following statements and commitments:</p> <p>Ningbo Port's 2021 non-public offering of A-shares is Ningbo Port's non-public offering of A-shares to CMPort. After the completion of Ningbo Port's non-public offering of A-shares to CMPort, the business relationship and management relationship between Ningbo Zhoushan Port Group, Seaport Group and the subordinate enterprises controlled by them and Ningbo Port will not change substantially, and it will not lead to new or potential competition in the same industry between Ningbo Port and Ningbo Zhoushan Port Group, Seaport Group and the subordinate enterprises controlled by them. Assuming that 3,646,971,029 shares are issued (i.e., 23.07% of the total share capital prior to issuance), after the completion of Ningbo Port's non-public offering of A-shares to CMPort, CMPort holds 20.98% shares of Ningbo Port and 2.10% shares of Ningbo Port through China Merchants Ningbo. Thus, CMPort holds 23.08% shares of Ningbo Port in total. It will not lead to changes in the controlling shareholder and actual controller of Ningbo Port, so it will not lead to new or potential competition between Ningbo Port and CMPort and its controlling shareholder and actual controller.</p> <p>CMPort warrants that it has the right to enter into this Letter of Statements and Commitments, and once this Letter of Statements and Commitments is entered into by CMPort, it will constitute an effective, legal and binding responsibility upon the CMPort, and this Letter of Statements and Commitments will remain valid and irrevocable during the period when CMPort is as a shareholder of Ningbo Port. CMPort warrants that it will strictly fulfil all commitments in this Letter of Statements and Commitments. In case of any loss caused to Ningbo Port due to its violation of this Letter of Statements and Commitments, CMPort will bear relevant legal responsibilities.</p>	13 July 2021	Effectively continuously	Ongoing
	CMPort	Commitments when subscribing shares of Ningbo Port	<p>CMPort fully subscribed the shares issued through non-public offering by Ningbo Port with cash. It is expected that after the issuance, CMPort and its subsidiary China Merchants Ningbo will hold about 23.08% of shares of Ningbo Port in total. CMPort and Ningbo Port continue to be independent from each other in assets, personnel, finance, organization and business. The A-shares issued by Ningbo Port to CMPort through non-public offering will not affect the independent operation ability of Ningbo Port. The statements on the independent operation of Ningbo Port after the completion of its non-public offering of A-shares to CMPort are as follows:</p> <p>i. Independent assets After the non-public offering of A-shares by Ningbo Port to CMPort, Ningbo Port still has complete and independent ownership of all its assets, which are strictly separated from the assets of CMPort and completely operated independently. There is no mixed operation, unclear assets, or fund or assets occupied by CMPort.</p> <p>ii. Independent personnel After the non-public offering of A-shares by Ningbo Port to CMPort, Ningbo Port will continue to have an independent and complete labor and personnel management system, which is completely independent from CMPort. The selection of directors, supervisors, managers and other senior management personnel recommended by CMPort to Ningbo Port shall be carried out through legal procedures. CMPort shall not interfere with the personnel appointment and removal decisions made by the board of directors and the general meeting of Ningbo Port.</p>	13 July 2021	Effectively continuously	Ongoing

		<p>iii. Independent finance</p> <p>After the non-public offering of A-shares by Ningbo Port to CMPort, Ningbo Port will continue to maintain an independent financial accounting department, operate an independent accounting system and independent a financial management system. It will keep its independent bank account and will not share the bank account with CMPort. It will pay taxes independently and make independent financial decisions, and CMPort will not interfere in the use of funds of Ningbo Port. CMPort will not interfere with the use of funds of Ningbo Port in any illegal or rule-violating way, and Ningbo Port will not provide guarantee for other enterprises controlled by CMPort. No Ningbo Port's financial employee will work part-time in CMPort.</p> <p>iv. Independent organizations</p> <p>Ningbo Port will continue to maintain a sound corporate governance structure of joint-stock company. It has an independent and complete organizational structure. Its general meeting, board of directors, independent directors, board of supervisors and senior management exercise their functions and powers independently in accordance with laws, regulations and articles of association. It is in no subordinate or controlling relationship with the functional departments of other enterprises controlled by CMPort.</p> <p>v. Independent business</p> <p>Ningbo Port has an independent management system, assets, personnel, venues and brands to carry out business independently, and the ability to operate independently and continuously in the market. CMPort will not intervene in Ningbo Port's business activities other than the exercise of its rights as a shareholder.</p>			
	CMPort	<p>Commitments when subscribing shares of Ningbo Port</p> <p>Ningbo Port issued A-shares to CMPort in a non-public manner. As the subscription target of Ningbo Port's 2021 non-public offering of A-shares, CMPort makes the following commitments: The fund used by CMPort to subscribe for the 2021 non-public offering of A-shares by Ningbo Port in accordance with the <i>Share Subscription Agreement between Ningbo Zhoushan Port Company Limited and China Merchants Port Group Co., Ltd.</i> is self-owned fund or self-raised fund. There is no external fund raising, proxy holding, structural arrangement or direct or indirect use of funds of Ningbo Zhoushan Port Company Limited and its related parties for this subscription. There is no financial support, compensation, promise of income or other arrangements by Ningbo Zhoushan Port Company Limited or its controlling shareholder or actual controller to CMPort directly or through its stakeholders.</p>	13 July 2021	Effective continuously	Ongoing
	CMPort	<p>Commitments when subscribing shares of Ningbo Port</p> <p>CMPort fully subscribed the shares issued through non-public offering by Ningbo Port with cash. It is expected that after the issuance, CMPort and its subsidiary China Merchants Ningbo will hold about 23.08% of shares of Ningbo Port in total. CMPort's statements on non-transfer within 36 months after completion of subscription are as follows: The shares non-publicly offered by Ningbo Port that CMPort subscribes shall not be transferred within 36 months from the date of the end of the non-public offering of A-shares by Ningbo Port to CMPort. The shares derived from the company's distribution of stock dividends and the conversion of capital reserve fund into equity regarding the shares subscribed for by CMPort through this non-public offering shall also comply with the above lock-in arrangement.</p>	13 July 2021	Effective continuously	Ongoing
	CMPort	<p>Commitments when subscribing shares of Ningbo Port</p> <p>CMPort makes the following commitments regarding the reduction of shares involved in the 2021 non-public offering of A-shares by Ningbo Port: 1. CMPort, its persons acting in concert and related parties controlled by CMPort have not reduced their holdings of shares of Ningbo Port from the six months prior to benchmark pricing</p>	18 November 2021	Effective continuously	Ongoing

			<p>date of Ningbo Port's 2021 non-public offering of A-shares to the date of issuance of this Letter of Commitment.</p> <p>2. CMPort, its persons acting in concert and related parties controlled by CMPort will not have the plan to reduce their holdings of shares of Ningbo Port from the date of issuance of this Letter of Commitment to the six months after the completion of Ningbo Port's 2021 non-public offering of A-shares.</p> <p>3. CMPort, its persons acting in concert and related parties controlled by CMPort will not violate Article 44 of the <i>Securities Law of the People's Republic of China</i>.</p> <p>4. In case of any violation of the above commitments, the income from the reduction in holdings of shares of Ningbo Port obtained by CMPort, its persons acting in concert and related parties controlled by CMPort will all be owned by Ningbo Port, and they bear the legal liabilities arising therefrom according to law.</p>			
	CMPort	Commitments when subscribing shares of Ningbo Port	<p>Ningbo Port intends to offer 3,646,971,029 RMB-denominated ordinary shares (A shares) to CMPort in a non-public manner, and the Company intends to participate in the subscription as a strategic investor and undertakes as follows:</p> <p>In addition to becoming a strategic investor of Ningbo Port via subscribing for the shares offered in a non-public manner this time, the Company does not subscribe for the shares offered in a non-public manner by any listed company in the same industry as Ningbo Port as a strategic investor and will not do so within 36 months upon obtaining the shares offered by Ningbo Port in a non-public manner this time.</p>	28 July 2022	Effectively continuously	Ongoing
Whether fulfilled on time	Yes					
Specific reasons for failing to fulfil commitments on time and plans for next step (if any)	N/A					

2. Where there Had Been an Earnings Forecast for an Asset or Project and the Reporting Period Was still within the Forecast Period, Explain why the Forecast Has Been Reached for the Reporting Period.

Applicable Not applicable

II Occupation of the Company's Capital by the Controlling Shareholder or Its Related Parties for Non-Operating Purposes

Applicable Not applicable

During the Reporting Period, the controlling shareholder or its related parties did not occupy capital or repay for non-operating purposes. KPMG Huazhen LLP issued the Special Report on Occupation

of the Company's Capital by the Controlling Shareholder, the Actual Controller and Other Related Parties, and please refer to www.cninfo.com.cn for details.

III Irregularities in the Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

IV Explanations Given by the Board of Directors Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Latest Period

Applicable Not applicable

V Explanations Given by the Board of Directors, the Supervisory Committee and Independent Directors (if any) Regarding the Independent Auditor's "Modified Opinion" on the Financial Statements of the Reporting Period

Applicable Not applicable

VI YoY Changes to Accounting Policies, Estimates or Correction of Material Accounting Errors

On 25 October 2023, the Ministry of Finance issued the *Interpretation No. 17 of the Accounting Standards for Business Enterprises* (C.K. [2023] No. 21, hereinafter referred to as "*Interpretation No. 17*"). In *Interpretation No. 17*, the provisions of "Classification of Current Liabilities and Non-Current Liabilities", "Disclosure of Supplier Financing Arrangements" and "Accounting Treatment for Sale and Leaseback Transactions" enter into force on 1 January 2024. The Company has implemented those provisions from 1 January 2024 in accordance with the relevant rules and regulations of the Ministry of Finance mentioned above. For details, please refer to the *Announcement on Changes in Accounting Policies* (Announcement No. 2024-039) published by the Company on 30 April 2024 on www.cninfo.com.cn.

For details of the impact of changes in accounting policies, please refer to "VI. Changes in significant accounting policies and estimates" in the "Part X Financial Statements" of this Report.

VII YoY Changes to the Scope of the Consolidated Financial Statements

On 28 June 2024, CMPort Holdings, the holding subsidiary of the Company, completed the acquisition of 51% equity interest in NPH in Indonesia. From this date, the Company has the right to appoint the majority of the board members of NPH, which is the authority to lead the relevant business of NPH. Therefore, the Company is able to control NPH and thus includes it in the Company's consolidated financial statements.

VIII Engagement and Disengagement of Independent Auditor

Current independent auditor

Name of the domestic independent auditor	KPMG Huazhen LLP
The Company's payment to the domestic independent auditor (RMB'0,000)	707.45
How many consecutive years the domestic independent auditor has provided audit service for the Company	1
Names of the certified public accountants from the domestic independent auditor writing signatures on the auditor's report	Wang Jie, Wu Huihuang
How many consecutive years the certified public accountants have provided audit service for the Company	1
Name of the overseas independent auditor (if any)	KPMG
The Company's payment to the overseas independent auditor (RMB'0,000) (if any)	372.55
How many consecutive years the overseas independent auditor has provided audit service for the Company (if any)	1
Names of the certified public accountants from the overseas independent auditor writing signatures on the auditor's report (if any)	Li Lingde
How many consecutive years the certified public accountants have provided audit service for the Company (if any)	1

Indicate by tick mark whether the independent auditor was changed for the Reporting Period.

Yes No

Indicate by tick mark whether the independent auditor was changed in the audit period

Yes No

Indicate by tick mark whether the approval procedure for changing the independent auditor was

performed

Yes No

Detailed explanation of the change of independent auditor

In view of the fact that the audit team of Deloitte Touche Tohmatsu Certified Public Accountants LLP has been providing audit services to the Company for a number of consecutive years, and in accordance with the *Measures for the Administration of Selection and Employment of Accounting Firms by State-owned Enterprises and Listed Companies* issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council and the China Securities Regulatory Commission and other relevant requirements, and in order to further enhance the independence and objectivity of the auditing work of listed companies, after a comprehensive assessment, the Company has appointed KPMG Huazhen LLP to act as the Company's accountant for the year 2024. The Company has fully communicated with Deloitte Touche Tohmatsu Certified Public Accountants LLP in relation to the change of accounting firm and Deloitte Touche Tohmatsu Certified Public Accountants LLP has no objection to the change.

At the 5th Extraordinary Meeting of the 11th Board of Directors in 2024 and the 2nd Extraordinary General Meeting of 2024 of the Company respectively convened on 19 June 2024 and 5 July 2024, the *Proposal on Engagement of Accounting Firm for 2024* was approved, and the Company was allowed to engage KPMG Huazhen LLP as the 2024 independent auditor. For details, please refer to the *Announcement on Engagement of Accounting Firm for 2024* (Announcement No. 2024-050) and the *Announcement on Resolutions of the 2nd Extraordinary General Meeting of 2024* (Announcement No. 2024-052), respectively disclosed by the Company on 20 June 2024 and 6 July 2024.

Independent auditor, financial advisor or sponsor engaged for the audit of internal controls:

Approved by the 5th Extraordinary Meeting of the 11th Board of Directors in 2024 and the 2nd Extraordinary General Meeting of 2024 of the Company, the Company was allowed to engage KPMG Huazhen LLP as the 2024 independent auditor for the audit of annual financial statements

and internal control in the 2024. The audit price for 2024 annual financial statements was RMB10.39 million and the price for internal control was RMB410,000. The total expense on aforesaid two audit work was RMB10.8 million.

IX Possibility of Delisting after Disclosure of this Report

Applicable Not applicable

X Insolvency and Reorganization

Applicable Not applicable

No such cases in the Reporting Period.

XI Major Legal Matters

Applicable Not applicable

No such cases in the Reporting Period.

Other legal matters

Basic situation of lawsuit (arbitration)	Lawsuit amount (RMB '0,000)	Whether form into estimated liabilities	Process of lawsuit (arbitration)	Trial results and influences of lawsuit (arbitration)	Situation of execution of judgment of lawsuit (arbitration)	Disclosure date	Disclosure index
Summary of Brazil TCP Case (note)	80,457.07	Partly	In progress	No significant influence	-	-	-
Summary of other matters not meeting the disclosure standards for major lawsuits (arbitrations)	15,943.58	Partly	In progress	No significant influence	-	-	-

Note: The major contingent liabilities of TCP and its subsidiaries due to pending litigation with local tax authorities, employees or former employees in Brazil. A counter-compensation agreement in favour of the Company will be executed by the original TCP shareholder selling the shares, pursuant to which the original TCP Shareholder is required to compensate the Company for the said contingent liability up to a pre-determined amount and for a specified period. According to the latest estimates of the Company's management, the potential compensation amount is RMB804,570,710.82 and is unlikely to result in the outflow of economic benefits from the Company. As a result, the Company does not recognize estimated liabilities for contingent liabilities arising from the aforementioned pending litigation.

XII Punishments and Rectifications

Applicable Not applicable

No such cases in the Reporting Period.

XIII Credit Quality of the Company as well as Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XIV Major Related-Party Transactions

1. Continuing Related-Party Transactions

Related party	Relationship with the Company	Type of transaction	Specific transaction	Pricing principle	Transaction price (RMB'0,000)	Total value (RMB'0,000)	As % of the total value of all the same-type transactions	Approved transaction line (RMB'0,000)	Over the approved line or not	Way of settlement	Obtainable market price for same-type transactions (RMB'0,000)	Disclosure date	Index to disclosed information
Sinotrans Limited and its subsidiaries	Under the control of ultimate shareholder	Render service and lease to related party, receive service and lease from related party	Labor cost, demurrage, lease, etc.	Market price	15,786.43	15,786.43	25.87%	16,225.03	No	Settled monthly	15,786.43	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-026)
China Nanshan Development (Group) Co., Ltd. and its subsidiaries	Affiliated legal person	Render service and lease to related party, receive service and lease from related party	Lease, labor cost, service revenue, etc.	Market price	14,054.32	14,054.32	23.03%	13,997.16	Yes	Settled monthly	14,054.32	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-026)
China Merchants Shekou Industrial Zone Holding Co., Ltd.	Under the control of ultimate shareholder	Render service and lease to related party	Labor cost, lease expense of land and houses	Market price	12,095.80	12,095.80	19.82%	12,068.03	Yes	Settled monthly	12,095.80	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-026)

Ltd. and its subsidiaries	shareholder	party, receive service and lease from related party											
Other related party	Note	Rend er service and lease to related party, receive service and lease from related party	Labor and lease, etc.	Market price	19,084.80	19,084.80	31.29%	12,528.44	Yes	Settled monthly	19,084.80	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-026)
Total				--	--	61,021.35	--	54,818.66	--	--	--	--	--
Large-amount sales return in detail				None									
Give the actual situation in the Reporting Period (if any) where an estimate had been made for the total value of continuing related-party transactions by type to occur in the Reporting Period				The Proposal on Recognition of 2023 Daily Related-party Transaction and the Forecast of 2024 Daily Related-party Transaction was reviewed and approved on the 2023 Annual General Meeting on 31 May 2024, which allowed the Company and subsidiaries to conduct daily business transaction including leasing, providing or receiving labor services. The amount of daily related-party transactions in 2024 is estimated to be RMB548 million. The significant difference between the actual occurrence and the forecast of the Company's daily connected transactions in 2024 is due to the actual market demand and business development needs of the Company. It belongs to the normal operation adjustment of the Company and has not had a great impact on the daily operation and performance of the Company. The transaction price is determined in accordance with market principles, and the pricing is fair, fair and just, without harming the interests of the Company and minority shareholders.									
Reason for any significant difference between the transaction price and the market reference price (if applicable)				N/A									

Note: Other related parties are the current directors, supervisors and senior managers of the company or the directors, supervisors and senior managers of the company who have left the office for less than 12 months as legal persons or other organizations (except the company and the holding company) or the subsidiaries of the company's actual controller China Merchants Group Co., LTD. (except the company and the holding company).

2. Related-Party Transactions Regarding Purchase or Sales of Assets or Equity Interests

Applicable Not applicable

3. Related Transactions Regarding Joint Investments in Third Parties

Applicable Not applicable

4. Credits and Liabilities with Related Parties

Whether there are credits and liabilities with non-operating related parties

Yes No

Credits receivable with related parties

Related party	Related relationship	Forming reason	Whether there is occupation on non-operating capital or not	Beginning balance (RMB'0,000)	Increased in the Reporting Period (RMB'0,000)	Recovered in the Reporting Period (RMB'0,000)	Interest rate	Interest in the Reporting Period (RMB'0,000)	Ending balance (RMB'0,000)
China Merchants Bank	The ultimate controlling shareholder has major influence on it	Bank deposits/Structured deposit	No	377,855.34	4,656,728.63	4,694,183.73	0.20%-2.50%	4,225.08	340,400.24
Effects of credits with related parties on the Company's operating results and financial conditions		The above credits receivable with related parties were mainly deposits in financial institutions which has no major influence on the Company's operating results and financial conditions.							

Liabilities payable with related parties

Related party	Related relationship	Forming reason	Beginning balance (RMB'0,000)	Increased in the Reporting Period (RMB'0,000)	Recovered in the Reporting Period (RMB'0,000)	Interest rate	Interest in the Reporting Period (RMB'0,000)	Ending balance (RMB'0,000)	
China Merchants Bank	The ultimate controlling shareholder has major influence on it	Borrowing	150,820.71	277,650.00	155,531.13	1.95%-3.65%	7,215.46	272,939.58	
Effects of liabilities with related parties on the Company's operating results and financial conditions		The above liabilities payable with related parties were mainly financial institution loans which had no major influence on the Company's operating results and financial conditions.							

5. Transactions with Related Finance Companies

Deposit business

Related party	Related relationship	Daily maximum limits (RMB'0,000)	Interest rate range	Beginning balance (RMB'0,000)	Actual amount		Ending balance (RMB'0,000)
					Total deposited amount (RMB'0,000)	Total withdrawn amount (RMB'0,000)	
China Merchants Group Finance	Other company under the same control	500,000.00	0.55%-2.1%	209,007.82	2,550,397.71	2,284,806.37	474,599.16

Co., Ltd.	of controlling shareholder						
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Loan business

Related party	Related relationship	Loan limit (RMB'0,000)	Interest rate range	Beginning balance (RMB'0,000)	Actual amount		Ending balance (RMB'0,000)
					Total loan amount (RMB'0,000)	Total repaid amount (RMB'0,000)	
China Merchants Group Finance Co., Ltd.	Other company under the same control of controlling shareholder	1,000,000.00	2.35%-3.55%	120,987.31	32,914.33	54,693.09	99,208.55

Credit or other finance business

Related party	Related relationship	Type of business	Total amount (RMB'0,000)	Actual amount (RMB'0,000)
China Merchants Group Finance Co., Ltd.	Other company under the same control of controlling shareholder	Credit	1,000,000.00	99,208.55

6. Transactions with Related Parties by Finance Company Controlled by the Company

Applicable Not applicable

7. Other Major Related-Party Transactions

(1) The Company held the 2nd Meeting of the 11th Board of Directors on 29 March 2024, and reviewed and approved the *Proposal on the Related-Party Transactions regarding Making Deposits in and Obtaining Loans from China Merchants Bank in 2024*, which was submitted to the 2023 Annual General Meeting of the Company for deliberation. The Company held the 2023 Annual General Meeting on 31 May 2024, and deliberated and approved the *Proposal on the Related-Party Transactions regarding Making Deposits in and Obtaining Loans from China Merchants Bank in 2024*, agreeing the Company and its subsidiaries to open bank accounts with China Merchants Bank. In 2024, the maximum deposit balance of the Company and its subsidiaries with China Merchants Bank shall not exceed RMB10 billion, and the maximum credit balance shall not exceed RMB15 billion. It is agreed that the Company and its subsidiaries shall use temporarily idle own funds to purchase structured deposits and lower risk financial products from China Merchants Bank within the amount of the maximum deposit balance. For details, please refer to the *Announcement on the Related-Party Transactions regarding Making Deposits in and Obtaining Loans from China Merchants Bank in 2024* (Announcement No. 2024-027) disclosed by the Company on 2 April 2024, the *Announcement on the Resolution of the 2023 General Meeting of Shareholders* (Announcement No. 2024-047) disclosed by the Company on 1 June 2024 and other relevant announcements.

(2) The Company held the 2nd Meeting of the 11th Board of Directors on 29 March 2024, and reviewed and approved the *Proposal for Development of Financial Leasing Business and Related-*

Party Transactions with Related Parties in 2024, which was submitted to the 2023 Annual General Meeting of the Company for deliberation. The Company held its 2023 Annual General Meeting on 31 May 2024, and reviewed and approved the *Proposal on Development of Financial Leasing Business and Related-Party Transactions with Related Parties in 2024*. For details, please refer to the *Announcement on Development of Financial Leasing Business and Related-Party Transactions with Related Parties in 2024* (Announcement No. 2024-028) disclosed by the Company on 2 April 2024, the *Announcement on the Resolution of the 2023 Annual General Meeting* (Announcement No. 2024-047) disclosed by the Company on 1 June 2024, and other relevant announcements.

(3) The Company held the 2nd Extraordinary Meeting of the 11th Board of Directors in 2024 on 26 April 2024, and reviewed and approved the *Proposal on Adjusting the Provision of Financial Assistance by the Wholly-owned Subsidiary and Related-Party Transactions*, which was submitted to the 2023 Annual General Meeting of the Company for deliberation. The Company held its 2023 Annual General Meeting on 31 May 2024, and reviewed and approved the *Proposal on Adjusting the Provision of Financial Assistance by the Wholly-owned Subsidiary and Related-Party Transactions*. For details, please refer to the *Announcement on Adjusting the Provision of Financial Assistance by the Wholly-owned Subsidiary and Related-Party Transactions* (Announcement No. 2024-036) disclosed by the Company on 30 April 2024, the *Announcement on the Resolution of the 2023 Annual General Meeting* (Announcement No. 2024-047) disclosed by the Company on 1 June 2024, and other relevant announcements.

(4) The Company held the 9th Extraordinary Meeting of the 11th Board of Directors in 2024 on 20 December 2024, and reviewed and approved the *Proposal on the Related-Party Transactions regarding Establishing Joint Venture via Investment and Selling Assets by the Wholly-owned Subsidiary*. For details, please refer to the *Announcement on the Related-Party Transactions regarding Establishing Joint Venture via Investment and Selling Assets by the Wholly-owned Subsidiary* (Announcement No. 2024-098) disclosed by the Company on 24 December 2024.

Information on the disclosure website for current announcements on significant related-party transactions:

Name of provisional reports	Disclosure date	Website
Announcement on the Related-Party Transaction Regarding Making Deposits in and Obtaining Loans from China Merchants Bank in 2024	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-027)
Announcement on Development of Financial Leasing Business and Related-Party Transactions with Related Parties in 2024	2 April 2024	www.cninfo.com.cn (Announcement No. 2024-028)
Announcement on Adjusting the Provision of Financial Assistance by the Wholly-owned Subsidiary and Related-Party Transactions	30 April 2024	www.cninfo.com.cn (Announcement No. 2024-036)
Announcement on the Related-Party Transactions regarding Establishing Joint Venture via Investment and Selling Assets by the Wholly-owned Subsidiary	24 December 2024	www.cninfo.com.cn (Announcement No. 2024-098)

XV Major Contracts and Execution thereof

1. Entrustment, Contracting and Leases

(1) Entrustment

Applicable Not applicable

No such cases in the Reporting Period.

(2) Contracting

Applicable Not applicable

No such cases in the Reporting Period.

(3) Leases

Applicable Not applicable

No such cases in the Reporting Period.

2. Major guarantees

(1) Guarantees

Unit: RMB'0,000

Guarantees provided by the Company and its subsidiaries for external parties (exclusive of those for subsidiaries)										
Guarantee-receiving entity	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
Terminal Link S.A.S.	N/A	5,824.56	11 June 2013	5,824.56	General guarantee	Not	Not	About 20 years	Not	Yes
Terminal Link S.A.S.	31 March 2022	11,623.64	25 January 2023	11,623.64	Joint-liability	Not	Not	About 7 years	Not	Yes
Terminal Link S.A.S.	4 April 2023	244,374.40								
Terminal Link SAS	2 April 2024	326,093.86								
KHOR AMBAD O FZCO*	30 March 2019	20,702.59	24 May 2019	16,792.38	Joint-liability	Not	Not	About 13 years	Not	Yes
Total approved line for such guarantees in the Reporting Period (A1)			326,093.86		Total actual balance of such guarantees in the Reporting Period (A2)		0.00			
Total approved line for such guarantees at the end of the Reporting Period (A3)			364,244.65		Total actual balance of such guarantees at the end of the Reporting Period (A4)		34,240.58			
Guarantee between the Company to its subsidiaries										
Guarantee	Disclosure	Line of	Actual	Actual	Type of	Collat	Count	Term of	Havein	Guaran

e-receiving entity	date of the guarantee line announcement	guarantee amount	occurrence date	guarantee amount	guarantee	collateral (if any)	counter guarantee (if any)	guarantee term	expired or not	guarantee for a related party or not
Port Development (Hongkong) Company Limited	4 April 2023	100,000.00								
Chiwan Wharf Holdings (Hong Kong) Limited	4 April 2023	100,000.00								
Total approved line for such guarantees in the Reporting Period (B1)			0	Total actual amount of such guarantees in the Reporting Period (B2)			-			
Total approved line for such guarantees at the end of the Reporting Period (B3)			0	Total actual balance of such guarantees at the end of the Reporting Period (B4)			-			
Guarantees provided between subsidiaries										
Guarantee e-receiving entity	Disclosure date of the guarantee line announcement	Line of guarantee	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter guarantee (if any)	Term of guarantee	Having expired or not	Guarantee for a related party or not
China Merchants International Terminal (Qingdao) Co., LTD	16 April 2020	50,000.00	1 January 2021	19,931.18	Joint-liability	Not	Not	January 2024	Yes	Not
China Merchants International Terminal (Qingdao) Co., LTD	4 April 2023	50,000.00	8 January 2024	8,316.00	Joint-liability	Not	Yes	About 4 years	Not	Not
Shenzhen Jinyu Rongtai Investment development Co., LTD	N/A	80,000.00	12 January 2017	44,000.00	Joint-liability	Not	Not	About 10 years	Yes	Not
China Merchants International	N/A	2,500.00	30 June 2016	2,500.00	Joint-liability	Not	Not	About 10 years	Yes	Not

(China) Investment Co., LTD											
China Merchants Finance Company Limited	3 August 2015	359,420.00	3 August 2015	359,420.00	General guarantee	Not	Not	About 10 years	Not	Not	
CMHI Finance (BVI) Co., Ltd	6 August 2018	431,304.00	6 August 2018	431,304.00	General guarantee	Not	Not	About 10 years	Not	Not	
CMHI Finance (BVI) Co., Ltd	26 September 2020	143,768.00	9 October 2020	143,768.00	General guarantee	Not	Not	About 5 years	Not	Not	
CMHI Finance (BVI) Co., Ltd	31 March 2022	359,420.00	1 June 2022	359,420.00	General guarantee	Not	Yes	About 5 years	Not	Not	
COLOMBO INTERNATIONAL CONTAINER TERMINALS LIMITED	N/A	5,031.88	-	-	-	-	-	-	-	-	
COLOMBO INTERNATIONAL CONTAINER TERMINALS LIMITED	N/A	17,971.00	16 September 2012	17,971.00	General guarantee	Not	Not	Infinite	Not	Not	
TCP - TERMINAL DE CONTENEDORES DE PARAGUAS/A.	N/A	33,994.43	19 April 2018	6,798.89	General guarantee	Not	Not	About 6 years	Yes	Not	
Shenzhen Haixing Harbor Development Company Ltd.	30 March 2019	219,090.00	26 June 2019	88,879.68	Joint-liability	Not	Not	About 18 years	Not	Not	
Zhanjiang Port (Group) Co., Ltd.	31 March 2021	80,000.00	9 October 2021	39,840.00	Joint-liability	Not	Not	About 3 years	Yes	Not	
PT PBM Adipura	N/A	5,050.90	24 September 2021	5,050.90	General guarantee	Not	Not	About 5 years	Not	Not	

CMHI Finance (BVI) Co., Ltd	4 April 2023	354,990.00								
Ansuji Terminal Storage Service (Shenzhen) Co., Ltd.	4 April 2023	70,000.00								
Shenzhen Haixing Harbor Development Company Ltd.	4 April 2023	105,000.00								
CMHI Finance (BVI) Co., Ltd	2 April 2024	360,000.00								
Ansuji Terminal Storage Service (Shenzhen) Co., Ltd.	2 April 2024	400,000.00								
Shenzhen Haixing Harbor Development Company Ltd.	2 April 2024	117,920.00								
Hambantota International Port Group (Private) Limited	2 April 2024	22,425.00								
South Asia Commercial And Logistics Hub Limited	2 April 2024	136,392.00								
Total approved line for such guarantees in the Reporting Period (C1)		1,036,737.00			Total actual amount of such guarantees in the Reporting Period (C2)				8,316.00	
Total approved line for such guarantees at the end of the Reporting Period (C3)		2,627,792.78			Total actual balance of such guarantees at the end of the Reporting Period (C4)				1,414,129.58	
Total guarantee amount (total of the three kinds of guarantees above)										
Total guarantee line approved in the Reporting Period (A1+B1+C1)		1,362,830.86			Total actual guarantee amount in the Reporting Period (A2+B2+C2)				8,316.00	
Total approved guarantee line at the end of the Reporting Period (A3+B3+C3)		2,992,037.43			Total actual guarantee balance at the end of the Reporting Period				1,448,370.16	

	(A4+B4+C4)
Total actual guarantee amount (A4+B4+C4) as % of the Company's net assets	23.55%
Of which:	
Balance of guarantees provided for shareholders, actual controller and their related parties (D)	34,240.58
Balance of debt guarantees provided directly or indirectly for obligors with an over 70% debt/asset ratio (E)	1,310,704.38
Amount by which the total guarantee amount exceeds 50% of the Company's net assets (F)	-
Total of the three amounts above (D+E+F)	1,344,944.96
Joint responsibilities possibly borne in the Reporting Period for undue guarantees (if any)	None
Provision of external guarantees in breach of the prescribed procedures (if any)	None

Particulars of guarantees adopting complex methods

Applicable Not applicable

3. Cash Entrusted to Other Entities for Management

(1) Cash Entrusted for Wealth Management

Applicable Not applicable

No such cases in the Reporting Period.

(2) Entrusted Loans

Overview of entrusted loans in the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

4. Other Major Contracts

Applicable Not applicable

No such cases in the Reporting Period.

XVI Other Significant Events

Index to Disclosed Information

The significant events disclosed by the Company on *Securities Times*, *China Securities Journal*, *Shanghai Securities News* and www.cninfo.com.cn during the Reporting Period are as follows:

Announcement No.	Date of the announcement	Title of the announcement
2024-001	16 January 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of December 2023

2024-002	16 January 2024	Announcement on the Resolutions of the 1st Extraordinary Meeting of the 11th Board of Directors in 2024
2024-003	16 January 2024	Announcement on the Resolutions of the 1st Extraordinary Meeting of the 11th Supervisory Committee in 2024
2024-004	16 January 2024	Announcement on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company
2024-005	16 January 2024	Announcement on Adjusting the Numbers of Qualified Awardees and Stock Options to Be Granted of the Stock Option Incentive Plan (Phase I) of the Company
2024-006	16 January 2024	Announcement on the Satisfaction of the Exercise Conditions for the Third Exercise Schedule of the Stock Options (the First Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I)
2024-007	16 January 2024	Announcement on the Satisfaction of the Exercise Conditions for the Second Exercise Period of the Stock Options (Reserved Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I)
2024-008	16 January 2024	Announcement on Canceling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I)
2024-009	16 January 2024	Announcement on the Resignation and By-election of Director
2024-010	16 January 2024	Notice on Convening the 2024 1st Extraordinary General Meeting of Shareholders
2024-011	20 January 2024	Announcement on Completing the Cancellation of Some Stock Options under the Company's Stock Option Incentive Plan (Phase I)
2024-012	1 February 2024	Announcement on the Resolutions of 2024 1st Extraordinary General Meeting of Shareholders
2024-013	6 February 2024	Reminder Announcement on the Adoption of Independent Exercise Mode for the Third Exercise Schedule of the Stock Options (First Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I)
2024-014	6 February 2024	Reminder Announcement on the Adoption of Independent Exercise Mode for the Second Exercise Schedule of the Stock Options (Reserved Batch to be Granted) under the Company's Stock Option Incentive Plan (Phase I)
2024-015	7 February 2024	Announcement on the Due Payment of 2023 Phase III Ultra-Short-Term Financing Bills
2024-016	20 February 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of January 2024
2024-017	15 March 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of February 2024
2024-018	27 March 2024	Announcement on the Online Investor Meeting on the 2023 Annual Results
2024-019	29 March 2024	Reminder Announcement on the Issuance of Phase I Medium-term Notes for 2024
2024-020	29 March 2024	Announcement on the Voluntary Information Disclosure of the 2023 Annual Results by the Wholly-owned Subsidiary
2024-021	2 April 2024	Announcement on the Resolutions of the 2nd Meeting of the 11th Board of Directors
2024-022	2 April 2024	Announcement on the Resolutions of the 2nd Meeting of the 11th Supervisory Committee
2024-023	2 April 2024	Announcement on Plan of Profit Distribution for 2023
2024-024	2 April 2024	Abstract of 2023 Annual Report (Chinese and English Versions)
2024-025	2 April 2024	Special Report on Deposit and Usage of Raised Fund in 2023
2024-026	2 April 2024	Announcement on the Confirmation of the Continuing Related-Party Transactions in 2023 and the Estimation of Such Transactions in 2024
2024-027	2 April 2024	Announcement on the Business Including Deposits and Loans in China Merchants Bank and Related-Party Transactions in 2024
2024-028	2 April 2024	Announcement on Development of Financial Leasing Business with Related Parties and Related-Party Transaction in 2024

2024-029	2 April 2024	Announcement on the External Guarantee Progress of a Majority-Owned Subsidiary of the Company in 2023 and the Expected New External Guarantee Line in the Next 12 Months
2024-030	9 April 2024	Announcement on the Results of the Issuance of Phase I Medium-term Notes for 2024
2024-031	13 April 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of March 2024
2024-032	17 April 2024	Announcement on the Due Payment of Phase I Medium-term Notes for 2021
2024-033	18 April 2024	Announcement on Participation in the Collective Results Presentation for Listed Companies of China Merchants Group Corporation Limited
2024-034	30 April 2024	Announcement on the Resolutions of the 2nd Extraordinary Meeting of the 11th Board of Directors in 2024
2024-035	30 April 2024	The First Quarter Report for 2024 (Chinese and English Versions)
2024-036	30 April 2024	Announcement on Adjusting the Provision of Financial Assistance by the Wholly-owned Subsidiary and Related-Party Transactions
2024-037	30 April 2024	Announcement on Appointment of Accounting Firm for 2024
2024-038	30 April 2024	Notice on Convening 2023 Annual General Meeting
2024-039	30 April 2024	Announcement on Accounting Policy Changes
2024-040	6 May 2024	Reminder Announcement on the Issuance of 2024 Phase I Ultra-Short-Term Financing Bills
2024-041	9 May 2024	Announcement on the Results of Issuance of 2024 Phase I Ultra-Short-Term Financing Bills
2024-042	15 May 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of April 2024
2024-043	21 May 2024	Announcement on the Resolutions of the 3rd Extraordinary Meeting of the 11th Board of Directors in 2024
2024-044	21 May 2024	Announcement on Resignation of Deputy General Manager and Secretary of the Board of Directors and Appointment of Secretary of the Board of Directors
2024-045	29 May 2024	Announcement on the Resolutions of the 4th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-046	29 May 2024	Announcement on Cancellation of Certain Proposals at the 2023 Annual General Meeting and Supplementary Notice of the 2023 Annual General Meeting
2024-047	1 June 2024	Announcement on the Resolutions of 2023 General Meeting of Shareholders
2024-048	15 June 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of May 2024
2024-049	20 June 2024	Announcement on the Resolutions of the 5th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-050	20 June 2024	Announcement on Appointment of Accounting Firm for 2024
2024-051	20 June 2024	Notice on Convening the 2nd Extraordinary General Meeting for 2024
2024-052	6 July 2024	Announcement on the Resolutions of the 2nd Extraordinary General Meeting for 2024
2024-053	9 July 2024	Reminder Announcement on the Issuance of Phase II Medium-term Notes for 2024
2024-054	10 July 2024	Announcement on the 2023 Dividend Payout
2024-055	13 July 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of June 2024
2024-056	16 July 2024	Announcement on the Results of the Issuance of Phase II Medium-term Notes for 2024
2024-057	31 July 2024	Reminder Announcement on the Issuance of 2024 Phase II Ultra-Short-Term Financing Bills
2024-058	3 August 2024	Announcement on the Results of Issuance of 2024 Phase II Ultra-Short-Term Financing Bills

2024-059	6 August 2024	Announcement on the Redemption of the 1st Issue of SCP in 2024 upon Maturity
2024-060	15 August 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of July 2024
2024-061	29 August 2024	Announcement on the Public Issuance of Corporate Bonds (Phase I) to Professional Investors in 2022 and Interest Payment for 2024
2024-062	31 August 2024	Announcement on the Resolutions of the 3rd Meeting of the 11th Board of Directors
2024-063	31 August 2024	Announcement on the Resolutions of the 3rd Meeting of the 11th Supervisory Committee
2024-064	31 August 2024	Interim Report 2024 (Summary) (Chinese and English Versions)
2024-065	31 August 2024	Announcement on Adjusting the Exercise Prices of the Stock Option Incentive Plan (Phase I) of the Company
2024-066	31 August 2024	Announcement on the Voluntary Information Disclosure of the 2024 Interim Results by the Majority-Owned Subsidiary
2024-067	31 August 2024	Announcement on the Online Investor Meeting on the Results in H1 2024
2024-068	31 August 2024	Announcement on Action plan for “Dual Enhancement of Development Quality and Investor Returns”
2024-069	5 September 2024	Announcement on the Public Issuance of Corporate Bonds (Phase II) to Qualified Investors in 2022, Interest Payment, Redemption and Delisting in 2024
2024-070	14 September 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of August 2024
2024-071	12 October 2024	Announcement on the Resolutions of the 6th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-072	12 October 2024	Announcement on the Resolutions of the 3rd Extraordinary Meeting of the 11th Supervisory Committee in 2024
2024-073	12 October 2024	Announcement on the Extension of the Fulfilment of Relevant Commitments by the Actual Controller China Merchants Group Limited
2024-074	12 October 2024	Announcement on Change of CFO
2024-075	12 October 2024	Notice on Convening the 3rd Extraordinary General Meeting for 2024
2024-076	14 October 2024	Reminder Announcement on the Chairman’s Proposal to Repurchase the Company’s Shares
2024-077	15 October 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of September 2024
2024-078	20 October 2024	Announcement on the Resolutions of the 7th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-079	20 October 2024	Announcement on Repurchase of the Company’s Shares via Centralized Bidding Trading
2024-080	20 October 2024	Announcement on Addition of Provisional Proposals at the 2024 Annual General Meeting and Supplementary Notice of the 2024 Annual General Meeting
2024-081	20 October 2024	Announcement on the Voluntary Information Disclosure of Signing Cooperation Agreement, Receiving Loan Commitment Letter and Obtaining Financing Support for Repurchase of the Company’s Shares
2024-082	23 October 2024	Announcement on the Shareholding of the Top 10 Shareholders and the Top 10 Unrestricted Shareholders regarding the Share Repurchase
2024-083	26 October 2024	Announcement on the Shareholding of the Top 10 Shareholders and the Top 10 Unrestricted Shareholders regarding the Share Repurchase
2024-084	30 October 2024	Announcement on the Resolutions of the 3rd Extraordinary General Meeting for 2024
2024-085	31 October 2024	Announcement on Repurchase and Cancellation and Reduction of Registered Capital and Notice to Creditors
2024-086	31 October 2024	Announcement on the Resolutions of the 8th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-087	31 October 2024	The Third Quarter Report 2024 (Chinese and English Versions)

2024-088	15 November 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of October 2024
2024-089	23 November 2024	Reminder Announcement on the Issuance of 2024 Phase III Ultra-Short-Term Financing Bills
2024-090	28 November 2024	Announcement on the Results of Issuance of 2024 Phase III Ultra-Short-Term Financing Bills
2024-091	5 December 2024	Announcement on the Participation in 2024 Shenzhen Online Group Reception Day for Listed Company Investors
2024-092	5 December 2024	Repurchase Report
2024-093	6 December 2024	Announcement on the First Repurchase of Shares of the Company
2024-094	14 December 2024	Announcement on the Proposed Changes in the Shareholding Structure of Controlling shareholder
2024-095	14 December 2024	Announcement on the Voluntary Information Disclosure of Business Volume Data of November 2024
2024-096	24 December 2024	Announcement on the Resolutions of the 9th Extraordinary Meeting of the 11th Board of Directors in 2024
2024-097	24 December 2024	Announcement on the Resolutions of the 5th Extraordinary Meeting of the 11th Supervisory Committee in 2024
2024-098	24 December 2024	Announcement on the Related-Party Transactions regarding Establishing Joint Venture via Investment and Selling Assets by the Wholly-owned Subsidiary
2024-099	24 December 2024	Announcement on Canceling Some Stock Options under the Company's Stock Option Incentive Plan (Phase I)
2024-100	28 December 2024	Announcement on Completing the Cancellation of Some Stock Options under the Company's Stock Option Incentive Plan (Phase I)

XVII Significant Events of Subsidiaries

Applicable Not applicable

Part VII Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the Reporting Period (+/-)					After	
	Shares	Percentage (%)	New issues	Shares as dividend converted from profit	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
I. Restricted shares	576,709,537	23.0769%	0	0	0	0	0	576,709,537	23.0563%
1. Shares held by state	0	0.0000%	0	0	0	0	0	0	0.0000%
2. Shares held by state-owned legal person	576,709,537	23.0769%	0	0	0	0	0	576,709,537	23.0563%
3. Shares held by other domestic investors	0	0.0000%	0	0	0	0	0	0	0.0000%
Including: Shares held by domestic legal person	0	0.0000%	0	0	0	0	0	0	0.0000%
Shares held by domestic natural person	0	0.0000%	0	0	0	0	0	0	0.0000%
4. Shares held by foreign investors	0	0.0000%	0	0	0	0	0	0	0.0000%
Including: Shares held by foreign legal person	0	0.0000%	0	0	0	0	0	0	0.0000%
Shares held by foreign natural person	0	0.0000%	0	0	0	0	0	0	0.0000%
II. Unrestricted shares	1,922,365,124	76.9231%	0	0	0	2,233,820	2,233,820	1,924,598,944	76.9437%
1. RMB ordinary	1,742,469,694	69.7246%	0	0	0	2,233,820	2,233,820	1,744,703,514	69.7516%

shares									
2. Domestically listed foreign shares	179,895,430	7.1985%	0	0	0	0	0	179,895,430	7.1921%
3. Overseas listed foreign shares	0	0.0000%	0	0	0	0	0	0	0.0000%
4. Other	0	0.0000%	0	0	0	0	0	0	0.0000%
III. Total shares	2,499,074,661	100.0000%	0	0	0	2,233,820	2,233,820	2,501,308,481	100.0000%

Reasons for the share changes:

During the Reporting Period, the Company increased its share capital by a total of 2,233,820 shares as a result of the independent exercise of options under the Stock Option Incentive Plan, and the total share capital of the Company increased from 2,499,074,661 shares to 2,501,308,481 shares.

Approval of the share changes:

Applicable Not applicable

Transfer of share ownership:

Applicable Not applicable

Effects of the share changes on the basic and diluted earnings per share, equity per share attributable to the Company's ordinary shareholders and other financial indicators of the prior year and the prior accounting period, respectively:

The Company reported primary earnings per share of RMB1.81 and diluted earnings per share of RMB1.81 for 2024, and net assets per share attributable to the Company's common shareholders of RMB24.59. During the Reporting Period, the Company increased its share capital by a total of 2,233,820 shares as a result of the independent exercise of options under the Share Option Incentive Plan, and the total share capital of the Company increased from 2,499,074,661 shares to 2,501,308,481 shares. By the measurement of the Company's total share capital as at the beginning of 2024, irrespective of the effect of the independent exercise of the Stock Option Incentive Plan, the Company's primary earnings per share in 2024 was RMB1.81, the diluted earnings per share was RMB1.81, and the net assets per share attributable to the Company's common shareholders was RMB24.61.

Other information that the Company considers necessary or is required by the securities regulator to be disclosed:

Applicable Not applicable

2. Changes in Restricted Shares

Applicable Not applicable

II Issuance and Listing of Securities

Applicable Not applicable

III Shareholders and Actual Controller

1. Shareholders and Their Shareholdings at the Period-End

Unit: share

Number of ordinary shareholders at the period-end		Number of ordinary shareholders at the month-end prior to the disclosure of this Report		Number of preferred shareholders with resumed voting rights at the period-end (if any)		Number of preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any)	
33,203 (22,939 A-shareholders and 10,264 B-shareholders)		36,000 (25,724 A-shareholders and 10,276 B-shareholders)		0		0	
5% or greater shareholders or top 10 shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Increase/decrease in the Reporting Period	Restricted shares held	Unrestricted shares held	Shares in pledge or frozen
CHINA MERCHANTS PORT INVESTMENT DEVELOPMENT COMPANY LIMITED	Foreign legal person	45.92%	1,148,648,648	0	0	1,148,648,648	0
ZHEJIANG PROVINCIAL SEAPORT INVESTMENT & OPERATION GROUP CO., LTD.	State-owned legal person	23.06%	576,709,537	0	576,709,537	0	0
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	State-owned legal person	14.83%	370,878,000	0	0	370,878,000	0
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	Fund and wealth management products etc.	2.59%	64,850,182	0	0	64,850,182	0
BROADFORD GLOBAL LIMITED	State-owned legal person	2.21%	55,314,208	0	0	55,314,208	0
CHINA-AFRICA DEVELOPMENT FUND	State-owned legal person	0.62%	15,610,368	-26,579,783	0	15,610,368	0
HONG KONG	Foreign	0.34%	8,476,141	4,140,380	0	8,476,141	0

SECURITIES CLEARING COMPANY LTD.	legal person						
ZOU YANMIN	Domestic natural person	0.20%	4,880,409	4,880,409	0	4,880,409	0
CHINA CONSTRUCTION BANK CORPORATION-YINHUA WEALTH THEME MIXED SECURITIES INVESTMENT FUND	Fund and wealth management products etc.	0.16%	4,078,300	4,078,300	0	4,078,300	0
MORGAN STANLEY INVESTMENT MANAGEMENT COMPANY-MORGAN STANLEY CHINA A FUND	Foreign legal person	0.12%	2,912,000	2,912,000	0	2,912,000	0
Strategic investors or general legal person becoming top-ten ordinary shareholders due to placing of new shares (if any)	Among the foregoing shareholders, Shenzhen Infrastructure Investment Fund-Shenzhen Infrastructure Investment Fund Partnership (Limited Partnership) subscribed for 64,850,182 shares of the Company offered in a non-public manner in 2019 for raising supporting funds at RMB17.16 per share. The subscribed shares were floated on Shenzhen Stock Exchange on 4 November 2019, and the lock-in period lasted until 4 November 2020. China-Africa Development Fund subscribed for 64,102,564 shares of the Company offered in a non-public manner in 2019 for raising supporting funds at RMB17.16 per share. The subscribed shares were floated on Shenzhen Stock Exchange on 4 November 2019, and the lock-in period lasted until 4 November 2020. Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd. subscribed for 576,709,537 shares of the Company offered in a non-public manner at RMB18.50 per share. The subscribed shares were floated on Shenzhen Stock Exchange on 12 October 2022, and the lock-in period lasts until 12 October 2025.						
Related or acting-in-concert parties among the shareholders above	1. Broadford Global Limited is entrusted to manage the 74.66% shares of Rainbow Reflection Limited held by China Merchants Holdings (Hong Kong) Company Limited, and China Merchants Port Investment Development Company Limited is the wholly-owned subsidiary of Rainbow Reflection Limited. 2. Broadford Global Limited is the controlling shareholder of China Merchants Gangtong Development (Shenzhen) Co., Ltd. The Company does not know whether the other unrestricted shareholders are related parties or not.						
Above shareholders involved in entrusting/being entrusted and giving up voting rights	Broadford Global Limited is entrusted to manage the 74.66% shares of Rainbow Reflection Limited held by China Merchants Holdings (Hong Kong) Company Limited, and China Merchants Port Investment Development Company Limited is the wholly-owned subsidiary of Rainbow Reflection Limited.						
Special account for share repurchases (if any) among the top 10 shareholders (see note 10)	None						
Top 10 unrestricted shareholders							
Name of shareholder	Unrestricted shares held at the period-end	Shares by type					
		Type	Shares				
CHINA MERCHANTS PORT INVESTMENT DEVELOPMENT COMPANY LIMITED	1,148,648,648	RMB ordinary share	1,148,648,648				
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	370,878,000	RMB ordinary share	370,878,000				
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN	64,850,182	RMB ordinary share	64,850,182				

INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)			
BROADFORD GLOBAL LIMITED	55,314,208	Domestically listed foreign share	55,314,208
CHINA-AFRICA DEVELOPMENT FUND	15,610,368	RMB ordinary share	15,610,368
HONG KONG SECURITIES CLEARING COMPANY LTD	8,476,141	RMB ordinary share	8,476,141
ZOU YANMIN	4,880,409	Domestically listed foreign share	4,880,409
CHINA CONSTRUCTION BANK CORPORATION-YINHUA WEALTH THEME MIXED SECURITIES INVESTMENT FUND	4,078,300	RMB ordinary share	4,078,300
MORGAN STANLEY INVESTMENT MANAGEMENT COMPANY-MORGAN STANLEY CHINA A FUND	2,912,000	RMB ordinary share	2,912,000
QIAN GUANGHAI	2,491,064	Domestically listed foreign share	2,491,064
Related or acting-in-concert parties among the shareholders above	1. Broadford Global Limited is entrusted to manage the 74.66% shares of Rainbow Reflection Limited held by China Merchants Holdings (Hong Kong) Company Limited, and China Merchants Port Investment Development Company Limited is the wholly-owned subsidiary of Rainbow Reflection Limited. 2. Broadford Global Limited is the controlling shareholder of China Merchants Gangtong Development (Shenzhen) Co., Ltd. The Company does not know whether the other unrestricted shareholders are related parties or not.		
Top 10 ordinary shareholders involved in securities margin trading (if any)	N/A		

5% or greater shareholders, top 10 shareholders and Top 10 unrestricted shareholders involved in refinancing shares lending

Applicable Not applicable

Changes in top 10 shareholders and top 10 unrestricted shareholders due to refinancing shares lending/return compared with the prior period

Applicable Not applicable

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

2. Controlling Shareholder

Nature of the controlling shareholder: Controlled by a central state-owned legal person

Type of the controlling shareholder: legal person

Name of controlling shareholder	Legal representative/person in charge	Date of establishment	Business registration number	Principal activity
BROADFORD GLOBAL LIMITED	Yu Zhiliang, Chen Chengdi, Liang Jian	27 November 2017	68550019	Port services, bonded logistic and cold chain services, property development and investment
Shareholdings of the controlling shareholder in other listed companies at home or abroad in this Reporting Period	N/A			

Change of the controlling shareholder in the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

3. Actual Controller and Its Acting-in-Concert Parties

Nature of the actual controller: Central institution for state-owned assets management

Type of the actual controller: legal person

Name of actual controller	Legal representative/person in charge	Date of establishment	Unified social credit code	Principal activity
China Merchants Group	Miao Jianmin	14 October 1986	9111000010005220B	Lease and agency of water/land passenger-cargo transportation, water/land conveyance and facilities; investment and management of port and storage business; salvage, refloatation and tugboat; industrial production; construction, repairing, checking and marketing of shipping, offshore petroleum drilling equipment; repairing and checking of drilling platform and drilling container; overall contracting of water/land construction projects and the related offshore petroleum development projects, and their construction organization and logistic services; procurement, supply and sale of water/land communication and transportation equipment; export and import business of transportation; investment and management of finance, insurance, trust, securities, futures business; investment and management of tourism, hotels, catering services and relevant service; real estate development, management and consultancy of property; investment and management of petroleum and chemical industry; investment and operation of infrastructure of communication; overseas assets management. Development and management of Shenzhen Shekou Industrial Zone and Fujian Zhangzhou Development Zone. (The market body shall independently choose business items and carry out business activities according to law. For items requiring approval according to law, the market body must obtain approval from related authorities before carrying out the business activities. The market body

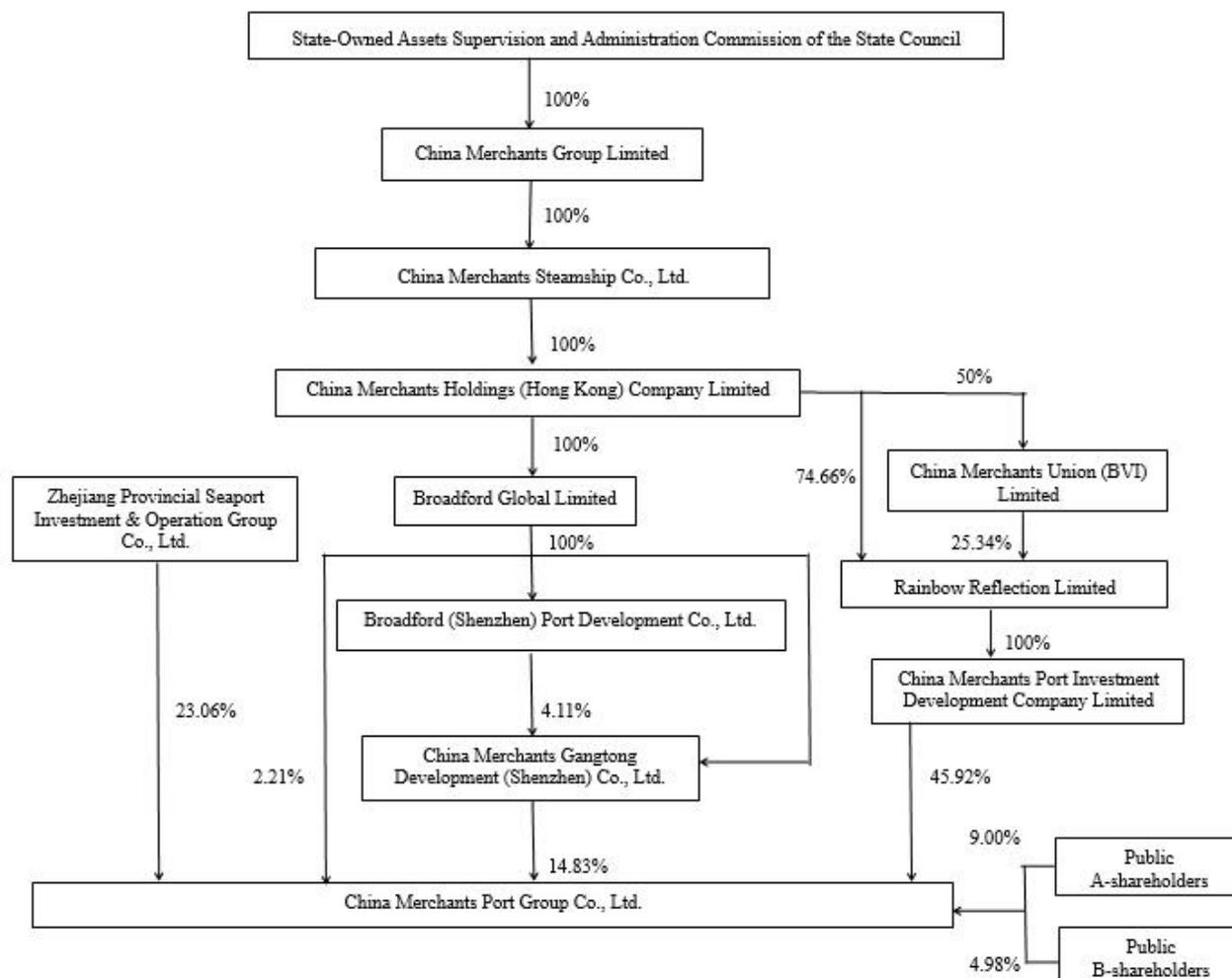
			shall not engage in business activities that are banned and restricted in the national and municipal industrial policies.)
Shareholdings of the actual controller in other listed companies at home or abroad in this Reporting Period	China Merchants Group holds: 74.35% shares of China Merchants Land Limited; 72.15% share of China Merchants Port Holdings Company Limited; 69.47% shares of Liaoning Port Co., Ltd.; 68.72% shares of China Merchants Expressway Network & Technology Holdings Co., Ltd.; 59.20% shares of Sinotrans Limited; 58.47% shares of China Merchants Shekou Industrial Zone Holdings Co., Ltd.; 54.02% shares of China Merchants Energy Shipping Co., Ltd.; 51.16% shares of China Merchants Property Operation & Service Co., Ltd.; 51.00% of shares of PT Nusantara Pelabuhan Handal Tbk; 44.17% shares of China Merchants Securities Co. Ltd.; 29.50% shares of Nanjing Tanker Corporation; 27.86% shares of China Merchants Bank Co., Ltd.; 27.59% shares of China Merchants China Direct Investments Limited.		

Change of the actual controller during the Reporting Period:

Applicable Not applicable

No such cases in the Reporting Period.

Ownership and control relations between the actual controller and the Company:



Note: The Company disclosed the *Announcement on the Proposed Change in Shareholding Structure of the Controlling Shareholder* on 14 December 2024, in which Broadford Global Limited, the controlling shareholder

of the Company, transferred 74.66% of the shares of Rainbow Reflection Limited held by China Merchants Holdings (Hong Kong) Company Limited, and at the same time, all the aforesaid transferred shares were entrusted to Broadford Global Limited for management by China Merchants Holdings (Hong Kong) Company Limited.

On 24 January 2025, the Company received the updated registers of members of Rainbow Reflection Limited and Broadford Global Limited, and was informed that China Merchants Holdings (Hong Kong) Company Limited was registered as a shareholder of Rainbow Reflection Limited (holding 21,120,986,262 ordinary shares in the share capital of Rainbow Reflection Limited, representing 74.66% of the total share capital of Rainbow Reflection Limited), and Broadford Global Limited had completed the share cancellation procedures. Since then, the transfer and trusteeship of shares were completed and the change in the shareholding structure of the controlling shareholder was completed. For specific details, please refer to the announcement released by our company on January 25, 2025 regarding the completion of changes in the shareholding structure of the controlling shareholder.

Indicate by tick mark whether the actual controller controls the Company via trust or other ways of asset management.

Applicable Not applicable

4. Number of Accumulative Pledged Shares held by the Company's Controlling Shareholder or the Largest Shareholder as well as Its Acting-in-Concert Parties Accounts for 80% of all shares of the Company held by Them

Applicable Not applicable

5. Other 10% or Greater Corporate Shareholders

Name of corporate shareholders	Legal representative/person in charge	Date of establishment	Registered capital	Business scope or management activities
China Merchants Port Investment Development Company Limited	Yu Zhiliang, Chen Chengdi, Liang Jian	15 November 2013	HKD28,287,989,241	Investment management of equities and others
Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd.	Tao Chengbo	30 July 2014	RMB50 billion	The exploration and utilization of marine resources, marine industry investment, the management of marine and port resources and capital operations, port investment, construction, and operations, shipping services, commodity reserves, trading, and processing (excluding hazardous chemicals), marine engineering construction, and port engineering design and supervision. (Business activities that require approval in accordance with laws shall be subject to approval by relevant authorities.)
China	Qi Yue	16 January 2018		Provision of management services for ports

Merchants Gangtong Development (Shenzhen) Co., Ltd.			RMB13,495,525,700	(without involving special administrative measures on the access of foreign investment); port information inquiries, economic information consultation, corporate management consultation, business information consultation, brand management consultation and logistics information consultation (excluding restricted items in each case); technical development and sales of ship machinery and equipment; technical services in respect of port loading and unloading equipment; supporting businesses in respect of the design, sales, import and export of loading and unloading tools, mechanical and electrical products and non-ferrous metal products (excluding precious metals) (Commodities that involve state trading, quota, license and special administrative regulations shall be operated through the application pursuant to related state regulations); technical development and technical services in respect of modern logistics information systems; supply chain management and related supporting services; design of logistics plans; planning of corporate image; planning of cultural exchange activities (without involving special administrative measures on the access of foreign investment); marketing planning; and planning of brand image. (In each case, any item forbidden by laws, administrative regulations and the State Council shall be excluded and restricted items shall be operated upon the attainment of the permission), licensed business item: none
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6. Limitations on Shareholding Decrease by the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers

Applicable Not applicable

IV Specific Implementation of Share Repurchases in the Reporting Period

Progress on any share repurchases

Disclosure time of plan	Number of shares to be repurchased (share)	% of total share capital	Amount to be repurchased (RMB'0.000)	Proposed repurchase period	Repurchase usage	Number of shares repurchased (Share)	The number of repurchased shares as % of the underlying shares covered by the Equity

							Incentive Plan (if any)
20 October 2024	6,190,500 to 12,349,200	0.25% to 0.49%	RMB195 million to RMB389 million	29 October 2024 to 28 October 2025	All repurchased shares will be cancelled with corresponding reduction of the registered capital of the Company.	2,470,407	N/A

The Company held the 7th Extraordinary Meeting of the 11th Board of Directors in 2024 and the 3rd Extraordinary General Meeting of Shareholders in 2024 respectively on 18 October 2024 and 29 October 2024, at which the *Proposal on Repurchase of the Company's Shares via Centralized Bidding Trading* was reviewed and approved, and the Company was allowed to repurchased shares of it via centralized bidding trading on the Shenzhen Stock Exchange with its own funds or self-financing funds. All repurchased shares shall be cancelled with the corresponding reduction of the registered capital. The repurchase price shall not exceed RMB31.50/share; the total amount fund for repurchase shall not be less than RMB195 million (inclusive) and not more than RMB389 million (inclusive); and the period for the implementation of the repurchase shall be 12 months from the date on which this share repurchase plan was approved by the general meeting of the Company. For details, please refer to the *Announcement on the Resolutions of the 7th Extraordinary Meeting of the 11th Board of Directors in 2024* (Announcement No. 2024-078) and the *Announcement on Repurchase of the Company's Shares via Centralized Bidding Trading* (Announcement No. 2024-079) disclosed by the Company on www.cninfo.com.cn on 20 October 2024, and the *Announcement on the Resolutions of the 3rd Extraordinary General Meeting in 2024* (Announcement No. 2024-084) disclosed by the Company on www.cninfo.com.cn on 30 October 2024.

In accordance with the *Guidelines for Self-Regulation of Listed Companies of Shenzhen Stock Exchange No. 9 -Share Repurchase* and other relevant regulations, the Company has opened a special securities account for share repurchase with Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, which is solely for the purpose of repurchasing the Company's shares. For details, please refer to the *Repurchase Report* (Announcement No. 2024-092)

disclosed by the Company on 5 December 2024 on www.cninfo.com.cn.

As at 31 December 2024, the cumulative number of shares repurchased by the Company with the special securities account for repurchase via centralized bidding trading amounted to 2,470,407, accounting for 0.099% of the total share capital of the Company, with the highest traded price at RMB20.99 per share and the lowest traded price at RMB20.03 per share, and the total amount of funds paid amounted to RMB50,559,789.14 (inclusive of transaction costs such as stamp duty and transaction commission).

Progress on reducing the repurchased shares by means of centralized bidding:

Applicable Not applicable

Part VIII Preference Shares

Applicable Not applicable

No preference shares in the Reporting Period.

Part IX Bonds

I Enterprise Bonds

Applicable Not applicable

No enterprise bonds in the Reporting Period.

II Corporate Bonds

1. Basic Information of the Corporate Bonds

Unit: RMB'0,000

Name	Abbr.	Code	Date of issuance	Value date	Maturity	Bonds balance	Interest rate	Way of redemption	Trading place
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase I)	22 CMPort 01	148052	29 August 2022 to 30 August 2022	30 August 2022	30 August 2025	300,000.00	2.69%	Simple interest is adopted and calculated by year. No compound interest is calculated. Interests are paid once every year and principals paid in lump sum at maturity. In the last instalment, the interests are paid together with principal repayment.	Shenzhen Stock Exchange
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase II)	22 CMPort 02	148058	5 September 2022 to 6 September 2022	6 September 2022	6 September 2024	0.00	2.45%	Simple interest is adopted and calculated by year. No compound interest is calculated. Interests are paid once every year and principals paid in lump sum at maturity. In the last instalment, the interests are paid together with	Shenzhen Stock Exchange

2024 Public Offering of Sci-Tech Innovation Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase I)	24 CMPort K1	148877	22 August 2024 to 23 August 2024	23 August 2024	23 August 2029	200,000.00	2.18%	principal repayment. Simple interest is adopted and calculated by year. No compound interest is calculated. Interests are paid once every year and principals paid in lump sum at maturity. In the last instalment, the interests are paid together with principal repayment.	Shenzhen Stock Exchange
Appropriate arrangement of the investors (if any)	The Company's bonds are publicly issued to professional institutional investors								
Applicable trading mechanism	Match-and-deal, negotiate-and-deal, click-and-deal, inquire-and-deal, bid-and-deal								
Risk of termination of listing transactions (if any) and countermeasures	Not								

Overdue bonds

Applicable Not applicable

2. The Trigger and Execution of the Option Clause of the Issuers or Investors and the Investor Protection Clause

Applicable Not applicable

3. Intermediary

Bond	Intermediary	Office address	Signature accountant	Contact person of intermediary	Contact number
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase I)	Lead Underwriter and Trustee: CITIC Securities Co., Ltd.	18F CITIC Securities Tower, No.8 Zhongxin 3rd Road, Futian District, Shenzhen	Not applicable	Feng Yuan	0755-23835062
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing	Not applicable	Liu Yongzhao, Chen Shanshan	010-8519 1300

	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Zhong Ting, Liang Ziqiu	027-87339288
	Auditor: Deloitte Touche Tohmatsu Certified Public Accountants LLP	30th Floor, Bund Center, No. 222 East Yan'an Road, Shanghai	Li Weihua, Wang Hongmei	Wang Hongmei	021-61418888
2022 Public Offering of Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase II)	Lead Underwriter and Trustee: CITIC Securities Co., Ltd.	18F CITIC Securities Tower, No.8 Zhongxin 3rd Road, Futian District, Shenzhen	Not applicable	Feng Yuan	0755-23835062
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing	Not applicable	Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing	Not applicable	Zhong Ting, Liang Ziqiu	027-87339288
	Auditor: Deloitte Touche Tohmatsu Certified Public Accountants LLP	30th Floor, Bund Center, No. 222 East Yan'an Road, Shanghai	Li Weihua, Wang Hongmei	Wang Hongmei	021-61418888
	Lead Underwriter and Trustee: CITIC Securities Co., Ltd.	18F CITIC Securities Tower, No.8 Zhongxin 3rd Road, Futian District, Shenzhen	Not applicable	Feng Yuan	0755-23835062
2024 Public Offering of Sci-Tech Innovation Corporate Bonds of China Merchants Port Group Co., Ltd. (for professional investors) (Phase I)	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing	Not applicable	Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin	Room 60101, Building 1, No. 2 Nanzhugan	Not applicable	Zhong Ting, Liang Ziqiu	027-87339288

	International Credit Rating Co., Ltd.	Hutong, Dongcheng District, Beijing			
	Auditor: Deloitte Touche Tohmatsu Certified Public Accountants LLP	30th Floor, Bund Center, No. 222 East Yan'an Road, Shanghai	Li Weihua, Wang Hongmei	Wang Hongmei	021-61418888

Indicate by tick mark whether above intermediary changed in the Reporting Period

Yes No

4. List of the Usage of the Raised Funds

Unit: RMB'0,000

Code	Abbr.	Total amount	Agreed usage of the raised funds	Amount spent	Actual use of raised funds (by usage, excluding temporarily supplementing working capital)	Actual use of funds in each category	Unused amount	Operation of special account for raised funds (if any)	Rectification of raised funds for violation operation (if any)	Whether is consistent with the usage, using plan and other agreements stipulated in the raising specification
148052	22 CMPort 01	300,000.00	Equity investment	300,000.00	Equity investment	Equity investment	0.00	None	None	Yes
148058	22 CMPort 02	300,000.00	Equity investment	300,000.00	Equity investment	Equity investment	0.00	None	None	Yes
148877	24 CMPort K1	200,000.00	Repayment of corporate bonds	200,000.00	Repayment of corporate bonds	Repayment of corporate bonds	0.00	None	None	Yes

The raised funds were used for project construction

Applicable Not applicable

The Company changed the usage of above funds raised from bonds during the Reporting Period.

Applicable Not applicable

5. Adjustment of Credit Rating Results during the Reporting Period

Applicable Not applicable

6. Execution and Changes of Guarantee, Repayment Plan and Other Repayment Guarantee Measures as well as Influence on Equity of Bond Investors during the Reporting Period

Applicable Not applicable

III Debt Financing Instruments of Non-financial Enterprises

1. Basic Information of Debt Financing Instruments of a Non-financial Enterprise

Unit: RMB'0,000

Name	Abbr.	Code	Date of issuance	Value date	Maturity	Bonds balance	Interest rate	Way of redemption	Trading place
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase I 2021)	21 CMPort MTN001	102100703	14 April 2021	16 April 2021	16 April 2024	0.00	3.52%	Interests paid once every year and principals paid in lump sum on the redemption date	Interbank bond market
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase III 2023)	23 CMPort SCP003	012384044	7 November 2023	8 November 2023	6 February 2024	0.00	2.43%	Principals and interest paid in lump sum at maturity	Interbank bond market
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase I 2024) (Variety A)	24 CMPort MTN001A	102481314	1 April 2024	3 April 2024	3 April 2029	50,000.00	2.68%	Interests paid once every year and principals paid in lump sum on the redemption date	Interbank bond market
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase I 2024) (Variety B)	24 CMPort MTN001B	102481315	1 April 2024	3 April 2024	3 April 2034	150,000.00	2.80%	Interests paid once every year and principals paid in lump sum on the redemption date	Interbank bond market
Super-short-term Commercial Papers of China Merchants	24 CMPort SCP001	012481535	6 May 2024	7 May 2024	5 August 2024	0.00	1.95%	Principals and interest paid in lump sum at	Interbank bond market

Port Group Co., Ltd. (Phase I 2024)								maturity	ket
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase II 2024)	24 CMPort SCP002	012482326	31 July 2024	1 August 2024	28 April 2025	200,000.00	1.95%	Principals and interest paid in lump sum at maturity	Interbank bond market
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase III 2024)	24 CMPort SCP003	012483722	25 November 2024	26 November 2024	25 May 2025	200,000.00	1.96%	Principals and interest paid in lump sum at maturity	Interbank bond market
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase II 2024) (Variety A)	24 CMPort MTN002A	102482957	10 July 2024	12 July 2024	12 July 2027	80,000.00	2.10%	Interests paid once every year and principals paid in lump sum on the redemption date	Interbank bond market
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase II 2024) (Variety B)	24 CMPort MTN002B	102482958	10 July 2024	12 July 2024	12 July 2029	120,000.00	2.30%	Interests paid once every year and principals paid in lump sum on the redemption date	Interbank bond market
Appropriate arrangement of the investors (if any)	Not applicable								
Applicable trading mechanism	Inquiry								
Risk of termination of listing transactions (if any) and countermeasures	None								

Matured bonds unredeemed

 Applicable Not applicable

2. Triggering and Implementation of Issuer or Investor Option Clauses and Investor Protection Clauses

Applicable Not applicable

3. Intermediary

Bond	Intermediary	Office address	Signature accountant	Contact person of intermediary	Contact number
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase I 2021)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712
	Co-lead Underwriter: CITIC Securities Co., Ltd.	18th Floor, CITIC Securities Building, No. 8 Zhongxin 3rd Road, Futian District, Shenzhen		Feng Yuan	0755-23835062
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase III 2023)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712

	Co-lead Underwriter: Industrial and Commercial Bank of China	No. 55 Fuxingmen Inner Street, Xicheng District, Beijing, China		Liu Hanbin	010-81012319
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase I 2024)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712
	Co-lead Underwriter: China International Capital Corporation Limited	33th Floor, Building 2, China World Offices, No. 1 Jianguomen Outer Street, Dongcheng District, Beijing		Qiu Suofu	010-65051166
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288

Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase I 2024)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712
	Co-lead Underwriter: China Construction Bank Corporation	No. 25 Financial Street, Xicheng District, Beijing		Gou Shize	0755-86545035
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase II 2024)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712
	Co-lead Underwriter: Industrial Bank Co. Ltd.	15th Floor, Industrial Bank Building, No. 20 Chaoyangmen North Street, Chaoyang District, Beijing		Zhang Hao, Wu Dan	010-89926629, 0755-82049629
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street,		Liu Yongzhao, Chen Shanshan	010-8519 1300

		Dongcheng District, Beijing			
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288
Super-short-term Commercial Papers of China Merchants Port Group Co., Ltd. (Phase III 2024)	Lead Underwriter: Bank of China Limited	No. 1 Fuxingmen Inner Street, Xicheng District, Beijing, China	Uninvolved	Li Xintong	010-66595024
	Co-lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province		Luo Yingying, Gan Yawen	0755-88023712
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288
Medium-term Notes of China Merchants Port Group Co., Ltd. (Phase II 2024)	Lead Underwriter: China Merchants Bank Co., Ltd.	China Merchants Bank Shenzhen Branch Building, No. 2016 Shennan Avenue, Shenzhen, Guangdong Province	Uninvolved	Luo Yingying, Gan Yawen	0755-88023712
	Co-lead Underwriter: China Guangfa Bank Co., Ltd.	Guangfa Bank Building, No. 713 Dongfeng East Road, Yuexiu		Zhong Shaohao	020-38321066

		District, Guangzhou, Guangdong Province			
	Law firm: Beijing Junhe Law Firm	20th Floor, China Resources Building, No. 8 Jianguomen North Street, Dongcheng District, Beijing		Liu Yongzhao, Chen Shanshan	010-8519 1300
	Credit rating agency: China Chengxin International Credit Rating Co., Ltd.	Room 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing		Zhong Ting, Liang Ziqiu	027-87339288

Indicate by tick mark whether above intermediary changed in the Reporting Period

Yes No

4. List of the Usage of the Raised Funds

Unit: RMB'0,000

Code	Abbr.	Total amount	Agreed usage of the raised funds	Amount spent	Actual use of raised funds (by usage, excluding temporarily supplementing working capital)	Actual use of funds in each category	Unused amount	Operation of special account for raised funds (if any)	Rectification of raised funds for violation operation (if any)	Whether is consistent with the usage, using plan and other agreements stipulated in the raising specification
102100703	21 CMPort MTN001	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
012384	23	200,000.00	Supplementing	200,000.00	Supplementing	Supplementing	0.00	None	None	Yes

044	CMPort SCP003		nting the working capital of the Company and its subsidiaries and repaying matured debts		nting the working capital of the Company and its subsidiaries and repaying matured debts	nting the working capital of the Company and its subsidiaries and repaying matured debts				
102481314	24 CMPort MTN001A	50,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	50,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
102481315	24 CMPort MTN001B	150,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	150,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
012481535	24 CMPort SCP001	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
012482326	24 CMPort SCP002	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	200,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
012483722	24 CMPort SCP003	200,000.00	Supplementing the working capital of the Company and its subsidiari	200,000.00	Supplementing the working capital of the Company and its subsidiari	Supplementing the working capital of the Company and its subsidiari	0.00	None	None	Yes

			es and repaying matured debts		es and repaying matured debts	es and repaying matured debts				
102482957	24 CMPort MTN02A	80,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	80,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes
102482958	24 CMPort MTN02B	120,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	120,000.00	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	Supplementing the working capital of the Company and its subsidiaries and repaying matured debts	0.00	None	None	Yes

The raised funds were used for project construction

Applicable Not applicable

The Company changed the usage of above funds raised from bonds during the Reporting Period.

Applicable Not applicable

5. Adjustment of Credit Rating Results during the Reporting Period

Applicable Not applicable

6. Execution and Changes of Guarantee, Repayment Plan and Other Repayment Guarantee Measures as well as Influence on Equity of Bond Investors during the Reporting Period

Applicable Not applicable

IV Convertible Corporate Bonds

Applicable Not applicable

No such cases in the Reporting Period.

V Losses of Scope of Consolidated Financial Statements during the Reporting Period Exceeding 10% of Net Assets up the Period-end of Last Year

Applicable Not applicable

VI Matured Interest-bearing Debt excluding Bonds up the Period-end

Applicable Not applicable

VII Whether there was any Violation of Rules and Regulations during the Reporting Period

Yes No

VIII The Major Accounting Data and the Financial Indicators of the Recent 2 Years of the Company up the Period-end

Item	31 December 2024	31 December 2023	Change
Current ratio	79.27%	80.71%	-1.78%
Debt/asset ratio	36.40%	36.76%	-0.36%
Quick ratio	77.36%	79.96%	-3.25%
	2024	2023	Change
Net profit before exceptional gains and losses (RMB '0,000)	404,703.16	333,922.68	21.20%
EBITDA/debt ratio	21.28%	19.65%	1.63%
Interest cover (times)	4.49	3.85	16.62%
Cash-to-interest cover (times)	5.05	4.38	15.30%
EBITDA-to-interest cover (times)	6.92	6.28	10.19%
Debt repayment ratio (%)	100.00%	100.00%	-
Interest payment ratio (%)	100.00%	100.00%	-

Part X Financial Statements

I Independent Auditor's Report

Type of the independent auditor's opinion	Standard and unqualified auditor's report
Date of signing this report	1 April 2025
Name of the independent auditor	KPMG Huazhen LLP
Reference number of Audit Report	KPMG (Shen) Zi No. 2507318
Name of the certified public accountants	Wang Jie, Wu Huihuang

II Financial Statements

See attached.

China Merchants Port Group Co., Ltd.

Board of Directors

3 April 2025

CHINA MERCHANTS PORT GROUP CO., LTD.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

CHINA MERCHANTS PORT GROUP CO., LTD.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

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AUDITOR'S REPORT

毕马威华振审字第 2507318 号

To all the shareholders of China Merchants Port Group Co., Ltd.,

I. Audit Opinion

We have audited the accompanying financial statements of China Merchants Port Group Co., Ltd. ("China Merchants Port Group"), which comprise the consolidated and company balance sheets as at 31 December 2024, the consolidated and company income statements, the consolidated and company cash flow statements, the consolidated and company statements of changes in shareholders' equity for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and company financial position of China Merchants Port Group as at 31 December 2024, and the consolidated and company financial performance and cash flows of China Merchants Port Group for the year then ended in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China.

II. Basis for the Opinion

We conducted our audit in accordance with China Standards on Auditing for Certified Public Accountants ("CSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of China Merchants Port Group in accordance with China Code of Ethics for Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. 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 judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Subsequent measurement of long-term equity investments in associates	
Refer to Note (IV) 14 accounting policy to the financial statements, Note (VIII) 12 to the consolidated financial statements, and Note (XX) 2 to China Merchants Port Group's financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2024, the carrying amount of China Merchants Port Group's long-term equity investments in associates amounts to RMB 90,710,156,849.66, accounting for 70.78% of the total shareholder's equity. For the year ended 31 December 2024, the investment income from associates recognized under the equity method amounts to RMB 6,073,558,615.46, accounting for 68.41% of the consolidated net profit.</p> <p>Since the amount of income from investments in associates recognized by China Merchants Port Group for the year is significant, we determine the above-mentioned subsequent measurement of the long-term equity investments in associates as a key audit matter of the consolidated financial statements.</p>	<p>Our audit procedures to the key audit matter included the following:</p> <ul style="list-style-type: none"> • Understand and evaluate the design and operation effectiveness of internal control over key financial statements related to the subsequent measurement of long-term equity investments of associated enterprises; • Evaluate the independence and professional competence of auditors of important joint ventures; • Participate in the risk assessment process of important joint venture auditors based on the purpose of group audit, and evaluate whether the audit evidence obtained by the risk assessment procedures implemented by them can provide an appropriate basis for identifying and evaluating the risk of material misstatement (RMM) of the group's financial statements; • Communicate with important joint venture auditors on matters related to the assessment of risk of material misstatement (RMM) of the Group's financial statements, and evaluate the appropriateness of further audit procedures they have implemented to address risk of material misstatement (RMM) of the Group's financial statements;

III. Key Audit Matters - continued

The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> • Communicate with the auditors of important joint ventures about the important matters that may affect the consolidated financial statements found during the audit, the procedures implemented and the conclusions reached; • Evaluate the appropriateness of the management's consolidated adjustment to the financial information of the joint venture based on the accounting policies of China Merchants Harbor Group, including checking the supporting documents of the relevant difference adjustment and the accuracy of the subsequent measurement of the long-term equity investments of the joint venture based on the adjustment.
Goodwill impairment	
Refer to Note (IV) 7 accounting policy to the financial statements, Note (VIII) 20 to the consolidated financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
As at 31 December 2024, the carrying amount of the goodwill presented in the consolidated financial statements of China Merchants Port Group is RMB 5,933,310,929.34.	<p>Our audit procedures to the key audit matter included the following:</p> <ul style="list-style-type: none"> • Understand and evaluate the design and operation effectiveness of internal control over key financial statements related to goodwill impairment; • Evaluate whether the management's identification of assets groups, the method of allocating goodwill to assets groups or assets group portfolios, and the method used to determine the recoverable amount meet the requirements of the Accounting Standards for Business Enterprises;

III. Key Audit Matters - continued

The Key Audit Matter	How the matter was addressed in our audit
<p>The management of China Merchants Port Group conducts impairment testing on goodwill at the end of each year. Management compares the book value of the assets group or assets group combination containing the apportioned goodwill with its recoverable amount to determine whether it is necessary to withdraw the impairment. The recoverable amount is the higher of the net amount of the fair value of the assets group or the combination of assets groups minus the disposal expenses and the present value of the estimated future cash flow. The determination of the present value of expected future cash flows involves significant management judgments, especially the estimation of key assumptions such as revenue growth rate and discount rate.</p> <p>Since the book value of goodwill is materiality to the financial statements, and the impairment testing of goodwill involves management's major judgments and estimates, these judgments are inherently uncertain, and may be affected by management bias's bias, we recognize the impairment of goodwill as a key audit matters.</p>	<ul style="list-style-type: none"> • Based on our understanding of the Based on our understanding of the industry in which China Merchants Port Group is located, and taking into account the historical operation of relevant asset groups and other external information, evaluate the rationality of the revenue growth rate adopted by management in determining the present value of the expected future cash flow; • Use the work of our valuation experts to evaluate the appropriateness of the valuation method and the reasonableness of the discount rate used by the management to determine the present value of the estimated future cash flow of the relevant asset group; • Carry out sensitivity analysis on the key assumptions of revenue growth rate and discount rate adopted by management, evaluate the possible impact of changes in key assumptions on the evaluation results of goodwill impairment, and whether there is any sign of management bias; • Compare the key assumptions adopted by management when preparing the present value of estimated cash flow in the previous year with the actual situation of the current year to evaluate whether there is any sign of management bias; • Evaluate whether the disclosure of goodwill impairment and key assumptions adopted in the financial statements meet the requirements of the Accounting Standards for Business Enterprises.

IV. Other Information

China Merchants Port Group's management is responsible for the other information. The other information comprises all the information included in 2024 annual report of China Merchants Port Group, other than the financial statements and our auditor's report thereon.

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 this 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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises, and for the design, implementation and maintenance of such internal control necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing China Merchants Port Group'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 management either intends to liquidate China Merchants Port Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing China Merchants Port Group's financial reporting process.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on China Merchants Port Group'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 or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause China Merchants Port Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within China Merchants Port Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

VI. Auditor's Responsibilities for the Audit of the Financial Statements - continued

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.

We also provide those charged with governance with a statement that we have complied with 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, where applicable, related safeguards.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely 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.

KPMG Huazhen LLP

Certified Public Accountants
Registered in the People's
Republic of China

王 洁 (Engagement Partner)

Beijing, China

吴惠煌

1 April 2025

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Consolidated Balance Sheet

RMB

Item	Notes	31/12/2024	31/12/2023
Current Assets:			
Cash and bank balances	(VIII)1	16,630,400,701.13	16,079,646,178.24
Including: Cash deposited in the finance company	(XV)6(1)	4,745,991,554.35	2,090,078,155.93
Financial assets held for trading	(VIII)2	5,685,135,472.01	4,568,806,108.84
Derivative financial assets		-	-
Bills receivable	(VIII)3	270,127,883.63	325,150,195.09
Accounts receivable	(VIII)4	1,193,408,383.78	1,103,901,466.25
Receivables under financing	(VIII)5	-	2,001,669.46
Prepayments	(VIII)6	59,177,117.22	37,664,552.30
Funds receivable under centralised management		-	-
Other receivables	(VIII)7	1,166,499,343.90	940,014,994.01
Including: Dividends receivable	(VIII)7	554,387,723.94	343,386,866.06
Inventories	(VIII)8	269,958,020.34	218,898,192.87
Including: Raw materials		260,819,412.56	215,862,884.60
Goods in stock (finished products)		4,683,965.30	2,520,205.91
Contract assets		-	-
Assets held for sale		-	-
Non-current assets due within one year	(VIII)9	34,997,992.08	17,451,380.98
Other current assets	(VIII)10	251,697,812.77	189,673,500.87
Total current assets		25,561,402,726.86	23,483,208,238.91
Non-current Assets:			
Debt investments		-	-
Other debt investments		-	-
Long-term receivables	(VIII)11	3,777,373,574.70	3,856,466,116.99
Long-term equity investments	(VIII)12	100,018,029,894.96	96,666,117,776.27
Investments in other equity instruments	(VIII)13	139,451,887.05	157,461,648.16
Other non-current financial assets	(VIII)14	28,524,600.31	877,576,442.83
Investment properties	(VIII)15	3,288,690,070.60	4,958,374,968.79
Fixed assets	(VIII)16	30,689,217,791.45	28,986,538,326.35
Including: Fixed assets - cost		55,832,500,023.64	51,987,700,820.76
Accumulated depreciation		24,930,618,296.33	22,787,694,400.09
Provision for impairment of fixed assets		213,290,383.06	213,504,483.08
Construction in progress	(VIII)17	3,311,109,996.59	2,909,817,281.46
Right-of-use assets	(VIII)18	8,957,352,063.54	9,441,668,311.22
Intangible assets	(VIII)19	17,335,082,422.84	18,073,062,184.72
Development costs	(IX)2	63,395,053.69	50,990,153.18
Goodwill	(VIII)20	5,933,310,929.34	6,493,002,246.44
Long-term deferred expenses	(VIII)21	940,404,479.94	993,793,505.29
Deferred tax assets	(VIII)22	365,481,207.77	415,063,477.03
Other non-current assets	(VIII)23	1,109,025,181.81	1,194,155,989.62
Total non-current assets		175,956,449,154.59	175,074,088,428.35
TOTAL ASSETS		201,517,851,881.45	198,557,296,667.26

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Consolidated Balance Sheet - continued

RMB

Item	Notes	31/12/2024	31/12/2023
Current liabilities:			
Short-term borrowings	(VIII)24	12,791,242,141.69	15,714,045,288.97
Financial liabilities held for trading		-	-
Derivative financial liabilities		-	-
Bills payable	(VIII)25	1,536,194.00	73,461,165.82
Accounts payable	(VIII)26	785,830,532.33	691,765,137.25
Advance payments received	(VIII)27	14,576,237.84	17,387,537.36
Contract liabilities	(VIII)28	267,888,272.62	142,080,101.00
Employee benefits payable	(VIII)29	1,168,592,349.15	917,964,606.65
Including: Payroll payable		1,126,682,376.20	883,913,277.13
Welfare payable		-	-
Taxes payable	(VIII)30	725,165,726.32	923,053,572.50
Including: Taxes payable		714,248,068.55	914,917,451.47
Other payables	(VIII)31	1,923,980,312.98	1,654,622,170.02
Including: Dividends payable	(VIII)31	132,334,744.28	111,897,214.27
Liabilities held for sale		-	-
Non-current liabilities due within one year	(VIII)32	10,506,682,795.60	6,817,404,289.25
Other current liabilities	(VIII)33	4,061,201,760.72	2,143,842,534.53
Total current liabilities		32,246,696,323.25	29,095,626,403.35
Non-current Liabilities:			
Long-term borrowings	(VIII)34	15,582,593,255.65	18,227,543,954.71
Bonds payable	(VIII)35	13,875,559,119.52	14,287,508,564.15
Including: Preference shares		-	-
Perpetual bonds		-	-
Lease liabilities	(VIII)36	1,387,206,990.51	1,001,172,206.92
Long-term payables	(VIII)37	3,204,582,672.75	3,822,862,202.17
Long-term employee benefits payable	(VIII)38	655,658,044.98	603,009,921.91
Provisions	(VIII)39	159,435,795.50	85,590,059.41
Deferred income	(VIII)40	1,268,975,316.61	1,024,776,557.73
Deferred tax liabilities	(VIII)22	4,795,985,333.59	4,659,638,104.37
Other non-current liabilities	(VIII)41	182,720,254.84	179,634,263.73
Total non-current liabilities		41,112,716,783.95	43,891,735,835.10
TOTAL LIABILITIES		73,359,413,107.20	72,987,362,238.45

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Consolidated Balance Sheet - continued

RMB

Item	Notes	31/12/2024	31/12/2023
Shareholders' equity:			
Share capital	(VIII)42	2,501,308,481.00	2,499,074,661.00
Including: State capital		-	-
State-owned corporate capital		2,236,269,506.00	2,264,090,797.00
Collective capital		-	-
Private capital		240,947,591.00	218,857,094.00
Foreign capital		24,091,384.00	16,126,770.00
Other equity instruments		-	-
Including: Preference shares		-	-
Perpetual bonds		-	-
Capital reserve	(VIII)43	37,362,981,831.67	37,076,846,803.06
Less: Treasury shares		50,559,789.14	-
Other comprehensive income	(VIII)44	-1,558,381,237.45	-903,626,594.35
Including: Translation difference of financial statements denominated in foreign currencies		-1,030,995,258.63	-453,976,318.25
Specific reserve	(VIII)45	40,074,647.27	34,003,994.41
Surplus reserve	(VIII)46	1,249,537,330.50	1,095,980,563.68
Including: Legal reserve		1,249,537,330.50	1,095,980,563.68
Arbitrary accumulation fund		-	-
Retained earnings	(VIII)47	21,957,778,579.11	19,045,313,519.75
Total equity attributable to shareholders of the Company		61,502,739,842.96	58,847,592,947.55
Non-controlling interests		66,655,698,931.29	66,722,341,481.26
TOTAL SHAREHOLDERS' EQUITY		128,158,438,774.25	125,569,934,428.81
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		201,517,851,881.45	198,557,296,667.26

The accompanying notes form part of the financial statements.

The financial statements were signed by the following:

Xu Song

Legal Representative

Huang Zhenzhou

Chief Financial Officer

Liu Shixia

Head of Accounting Department

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Balance Sheet of the Company

RMB

Item	Notes	31/12/2024	31/12/2023
Current Assets:			
Cash and bank balances		4,051,544,937.38	3,281,038,218.84
Including: Cash deposited in the finance company		2,738,121,884.17	514,219,595.31
Financial assets held for trading		2,902,402,602.73	1,500,517,808.22
Derivative financial assets		-	-
Bills receivable		-	-
Accounts receivable		-	-
Receivables under financing		-	-
Prepayments		879,205.65	10,075,055.61
Funds receivable under centralised management		-	-
Other receivables	(XX)1	2,413,442,661.68	1,742,461,670.32
Including: Dividends receivable	(XX)1	965,690,879.89	167,092,526.14
Inventories		-	-
Including: Raw materials		-	-
Goods in stock (finished products)		-	-
Contract assets		-	-
Assets held for sale		-	-
Non-current assets due within one year		-	-
Other current assets		8,783,543.80	10,882,675.96
Total current assets		9,377,052,951.24	6,544,975,428.95
Non-current Assets:			
Debt investments		-	-
Other debt investments		-	-
Long-term receivables		9,546,673.32	9,391,615.50
Long-term equity investments	(XX)2	56,009,282,172.30	55,168,618,338.79
Investments in other equity instruments		130,125,719.67	148,088,364.25
Other non-current financial assets		-	-
Investment properties		-	-
Fixed assets		25,785,696.83	27,343,639.28
Including: Fixed assets - cost		33,196,561.49	32,478,382.04
Accumulated depreciation		7,410,864.66	5,134,742.76
Provision for impairment of fixed assets		-	-
Construction in progress		607,774.34	607,774.34
Right-of-use assets		-	-
Intangible assets		55,685,403.63	54,876,218.77
Development costs		53,435,391.51	38,923,289.23
Goodwill		-	-
Long-term deferred expenses		287,141.10	665,319.42
Deferred tax assets		-	928,465.21
Other non-current assets		-	-
Total non-current assets		56,284,755,972.70	55,449,443,024.79
TOTAL ASSETS		65,661,808,923.94	61,994,418,453.74

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Balance Sheet of the Company - continued

RMB

Item	Notes	31/12/2024	31/12/2023
Current Liabilities:			
Short-term borrowings		136,552,893.75	-
Financial liabilities held for trading		-	-
Derivative financial liabilities		-	-
Bills payable		-	-
Accounts payable		-	-
Advance payments received		-	5,358,074.44
Contract liabilities		-	-
Employee benefits payable		57,295,154.90	45,188,572.96
Including: Payroll payable		57,135,815.24	45,032,983.18
Welfare payable		-	-
Taxes payable		2,967,430.48	1,046,270.66
Including: Taxes payable		2,967,430.48	1,046,270.66
Other payables		413,758,779.36	376,323,201.93
Including: Dividends payable		34,577,578.12	34,577,578.12
Liabilities held for sale		-	-
Non-current liabilities due within one year		3,126,770,180.31	5,119,243,623.45
Other current liabilities		4,020,214,246.58	2,007,190,136.98
Total current liabilities		7,757,558,685.38	7,554,349,880.42
Non-current Liabilities:			
Long-term borrowings		7,966,000,000.00	7,979,000,000.00
Bonds payable		6,000,000,000.00	3,000,000,000.00
Including: Preference shares		-	-
Perpetual bonds		-	-
Lease liabilities		-	-
Long-term payables		-	-
Long-term employee benefits payable		-	-
Provisions		-	-
Deferred income		11,000,000.00	-
Deferred tax liabilities		37,000,434.40	41,948,362.13
Other non-current liabilities		-	-
Total non-current liabilities		14,014,000,434.40	11,020,948,362.13
TOTAL LIABILITIES		21,771,559,119.78	18,575,298,242.55

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

As at 31 DECEMBER 2024

Balance Sheet of the Company - continued

RMB

Item	Notes	31/12/2024	31/12/2023
Shareholders' equity			
Share capital		2,501,308,481.00	2,499,074,661.00
Including: State capital		-	-
State-owned corporate capital		2,236,269,506.00	2,264,090,797.00
Collective capital		-	-
Private capital		240,947,591.00	218,857,094.00
Foreign capital		24,091,384.00	16,126,770.00
Other equity instruments		-	-
Including: Preference shares		-	-
Perpetual bonds		-	-
Capital reserve		37,773,833,882.62	37,704,543,586.11
Less: Treasury shares		50,559,789.14	-
Other comprehensive income		130,414,442.07	120,520,832.83
Including: Translation difference of financial statements denominated in foreign currencies		-	-
Specific reserve		-	-
Surplus reserve		1,249,537,330.50	1,095,980,563.68
Including: Legal reserve		1,249,537,330.50	1,095,980,563.68
Arbitrary accumulation fund		-	-
Retained earnings		2,285,715,457.11	1,999,000,567.57
Total shareholders' equity		43,890,249,804.16	43,419,120,211.19
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		65,661,808,923.94	61,994,418,453.74

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated Income Statement

RMB

Item	Notes	2024	2023
I. Total operating income	(VIII)48	16,130,778,028.24	15,750,475,780.22
Including: Operating income		16,130,778,028.24	15,750,475,780.22
II. Total operating costs		13,409,015,440.91	13,470,678,289.53
Less: Operating costs	(VIII)48	9,196,016,692.35	9,318,186,707.75
Taxes and surcharges	(VIII)49	332,333,763.15	312,998,026.19
Selling and distribution expenses		-	-
General and administrative expenses	(VIII)50	1,821,544,282.18	1,776,641,155.38
Research and development expenses	(VIII)51	201,755,066.36	223,739,072.07
Financial expenses	(VIII)52	1,857,365,636.87	1,839,113,328.14
Including: Interest expenses		2,215,219,118.52	2,238,152,796.66
Interest income		477,430,320.41	497,593,921.36
Net exchange loss (“-” for gains)		109,256,513.08	85,519,920.28
Add: Other income	(VIII)53	185,410,303.29	224,389,260.77
Investment income (“-” for losses)	(VIII)54	6,546,996,531.50	6,348,676,940.80
Including: Income from investments in associates and joint ventures	(VIII)54	6,441,005,613.25	5,979,007,585.96
Income arising from derecognition of financial assets measured at amortised cost		-	-
Net exposure hedging income (“-” for losses)		-	-
Gains from changes in fair value (“-” for losses)	(VIII)55	390,232,365.15	73,352,800.52
Reversal of credit impairment	(VIII)56	272,994,309.08	37,284,041.18
Impairment losses (“-” for losses)	(VIII)57	-8,880,788.88	-191,297,311.28
Gains from asset disposals (“-” for losses)	(VIII)58	34,062,395.75	36,759,532.61

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated Income Statement - continued

RMB

Item	Notes	2024	2023
III. Operating profit		10,142,577,703.22	8,808,962,755.29
Add: Non-operating income	(VIII)59	59,018,655.32	87,302,024.12
Including: Government grants		-	-
Less: Non-operating expenses	(VIII)60	70,252,101.73	97,072,840.72
IV. Profit before income tax		10,131,344,256.81	8,799,191,938.69
Less: Income tax expenses	(VIII)63	1,252,837,946.90	1,303,579,852.93
V. Net profit for the year		8,878,506,309.91	7,495,612,085.76
(I) Net profit classified by continuity of operations			
1. Net profit from continuing operation		8,878,506,309.91	7,495,612,085.76
2. Net profit from discontinued operation		-	-
(II) Net profit classified by ownership			
1. Shareholders of the Company		4,516,301,317.16	3,571,800,762.16
2. Non-controlling interests		4,362,204,992.75	3,923,811,323.60
VI. Other comprehensive income, net of tax	(VIII)44	-1,529,342,680.40	209,856,768.77
(I) Other comprehensive income (net of tax) attributable to shareholders of the Company		-654,754,643.10	-214,072,974.49
1. Items that will not be reclassified to profit or loss		-102,848,966.14	-73,874,071.89
(1) Remeasurement of defined benefit plan		-24,453,072.38	7,480,103.34
(2) Other comprehensive income recognised under the equity method		-64,909,867.66	-83,841,725.07
(3) Changes in fair value of investments in other equity instruments		-13,486,026.10	2,487,549.84
(4) Changes in fair value of entity's own credit risk		-	-
(5) Others		-	-
2. Item that reclassified to profit or loss		-551,905,676.96	-140,198,902.60
(1) Other comprehensive income recognised under the equity method		25,113,263.42	-366,028,318.84
(2) Changes in fair value of other debt investments		-	-
(3) Amount of financial assets reclassified into other comprehensive income		-	-
(4) Credit losses of other debt investments		-	-
(5) Cash flow hedge reserve (effective part of cash flow hedging profit and loss)		-	-
(6) Translation differences arising from translation of foreign currency financial statements		-577,018,940.38	225,829,416.24
(7) Others		-	-
(II) Other comprehensive income (net of tax) attributable to non-controlling interests		-874,588,037.30	423,929,743.26
VII. Total comprehensive income for the year		7,349,163,629.51	7,705,468,854.53
(I) Attributable to shareholders of the Company		3,861,546,674.06	3,357,727,787.67
(II) Attributable to non-controlling interests		3,487,616,955.45	4,347,741,066.86
VIII. Earnings per share			
(I) Basic earnings per share (RMB/share)		1.81	1.43
(II) Diluted earnings per share (RMB/share)		1.81	1.43

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Income Statement of the Company

RMB

Item	Notes	2024	2023
I. Total operating income	(XX)3	18,456,183.80	17,326,885.29
Less: Operating costs	(XX)3	3,739,443.84	3,686,411.84
Taxes and surcharges		1,304,373.74	2,161,621.42
Selling and distribution expenses		-	-
General and administrative expenses		157,158,232.51	167,273,393.24
Research and development expenses		17,042,748.71	14,046,526.98
Financial expenses		406,958,438.88	397,006,521.97
Including: Interest expenses		483,982,034.35	482,413,617.32
Interest income		85,684,756.27	89,862,634.06
Net exchange loss (“-” for losses)		2,351,741.58	2,296,890.14
Add: Other income		397,379.05	206,131.06
Investment income (“-” for losses)	(XX)4	2,453,196,389.65	1,597,599,935.27
Including: Income from investments in associates and joint ventures	(XX)4	1,154,581,593.08	1,111,522,805.93
Income arising from derecognition of financial assets measured at amortised cost		-	-
Net exposure hedging income (“-” for losses)		-	-
Gains from changes in fair value (“-” for losses)		4,999,863.00	-48,217,517.53
Reversal of credit impairment		-	-
Impairment losses (“-” for losses)		-	-43,605,014.00
Gains from asset disposals (“-” for losses)		-9,551.52	-
II. Operating profit		1,890,837,026.30	939,135,944.64
Add: Non-operating income		185,319.67	18,698.11
Including: Government grants		-	-
Less: Non-operating expenses		-	104,998.04
III. Profit before income tax		1,891,022,345.97	939,049,644.71
Less: Income tax expenses		471,198.63	-1,581,500.55
IV. Net profit for the year		1,890,551,147.34	940,631,145.26
Net profit from continuing operations (“-” for net loss)		1,890,551,147.34	940,631,145.26
Net profit from discontinued operations (“-” for net loss)		-	-
V. Other comprehensive income, net of tax		9,893,609.24	20,995,146.80
(I) Items that will not be reclassified to profit or loss		-14,557,437.08	3,661,309.41
1. Remeasurement of the defined benefit plan		-	-
2. Other comprehensive income recognised under the equity method		-1,085,453.65	1,120,319.93
3. Changes in fair value of investments in other equity instruments		-13,471,983.43	2,540,989.48
4. Changes in fair value of entity’s own credit risk		-	-
5. Others		-	-
(II) Items that may be reclassified to profit or loss		24,451,046.32	17,333,837.39
1. Other comprehensive income recognised under the equity method		24,451,046.32	17,333,837.39
2. Changes in fair value of other debt investments		-	-
3. Amount of financial assets reclassified into other comprehensive income		-	-
4. Credit losses of other debt investments		-	-
5. Cash flow hedge reserve (effective part of cash flow hedging profit and loss)		-	-
6. Translation differences arising from translation of foreign currency financial statements		-	-
7. Others		-	-
VI. Total comprehensive income for the year		1,900,444,756.58	961,626,292.06

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated Cash Flow Statement

RMB

Item	Notes	2024	2023
I. Cash flows from operating activities:			
Proceeds from sale of goods and rendering of services		16,589,207,291.70	16,019,658,434.90
Refund of taxes		180,073,212.01	53,272,648.95
Proceeds from other operating activities	(VIII)66(1)	1,413,169,094.11	927,564,019.09
Sub-total of cash inflows		18,182,449,597.82	17,000,495,102.94
Payment for goods and services		4,334,345,500.75	4,550,256,851.25
Payment to and for employees		3,464,632,790.50	3,598,624,870.64
Payment of various taxes		1,594,215,474.70	1,418,779,686.67
Payment for other operating activities	(VIII)66(1)	776,043,007.47	853,227,059.21
Sub-total of cash outflows		10,169,236,773.42	10,420,888,467.77
Net cash inflow from operating activities	(VIII)67(1)	8,013,212,824.40	6,579,606,635.17
II. Cash flows from investing activities:			
Proceeds from disposal of investments		27,563,331,868.18	28,430,740,038.14
Investment returns received		2,945,983,531.55	2,329,944,728.79
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		63,168,477.18	144,845,803.86
Net proceeds from disposal of subsidiaries and other business units	(VIII)66(2)	-	1,683,385,533.43
Proceeds from other investing activities	(VIII)66(2)	16,260,626.10	3,164,955,303.27
Sub-total of cash inflows		30,588,744,503.01	35,753,871,407.49
Payment for acquisition of fixed assets, intangible assets and other long-term assets		1,945,061,261.66	1,929,374,936.21
Payment for acquisition of investments		27,610,855,675.82	29,974,648,554.87
Net payment for acquisition of subsidiaries and other business units	(VIII)67(3)	293,358,563.60	-
Payment for other investing activities	(VIII)66(2)	261,140,547.34	82,663,303.33
Sub-total of cash outflows		30,110,416,048.42	31,986,686,794.41
Net cash inflow from investing activities		478,328,454.59	3,767,184,613.08
III. Cash flows from financing activities:			
Proceeds from investors		76,758,234.49	217,520,934.61
Including: Proceeds from non-controlling shareholders of subsidiaries		43,561,800.00	217,520,934.61
Proceeds from borrowings		26,764,844,974.84	35,416,872,247.55
Proceeds from other financing activities	(VIII)66(3)	55,862,550.05	334,754,229.63
Sub-total of cash inflows		26,897,465,759.38	35,969,147,411.79
Repayments of borrowings		27,301,766,289.39	31,919,051,211.87
Payment for dividends, profit distributions or interest	(VIII)67(4)	6,961,913,964.29	5,167,695,546.01
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		3,553,580,816.50	1,955,677,172.68
Payment for other financing activities	(VIII)66(3)	539,924,528.35	6,867,093,830.32
Sub-total of cash outflows		34,803,604,782.03	43,953,840,588.20
Net cash outflow from financing activities		-7,906,139,022.65	-7,984,693,176.41
IV. Effect of foreign exchange rate changes on cash and cash equivalents		-88,946,332.53	89,206,087.64
V. Net increase in cash and cash equivalents		496,455,923.81	2,451,304,159.48
Add: Cash and cash equivalents at the beginning of the year	(VIII)67(1)	16,018,613,631.10	13,567,309,471.62
VI. Cash and cash equivalents at the end of the year	(VIII)67(2)	16,515,069,554.91	16,018,613,631.10

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Cash Flow Statement of the Company

RMB

Item	Notes	2024	2023
I. Cash flows from operating activities:			
Proceeds from sale of goods and rendering of services		-	-
Refunds of taxes		4,722,220.72	1,576,989.49
Proceeds from other operating activities		465,774,682.36	204,317,795.73
Sub-total of cash inflows		470,496,903.08	205,894,785.22
Payment for goods and services		105,600.00	142,500.00
Payment to and for employees		99,220,574.59	111,864,640.42
Payment of various taxes		548,632.16	2,203,522.03
Payment for other operating activities		420,429,917.05	197,101,786.33
Sub-total of cash outflows		520,304,723.80	311,312,448.78
Net cash outflow from operating activities		-49,807,820.72	-105,417,663.56
II. Cash flows from investing activities:			
Proceeds from disposal of investments		10,500,000,000.00	11,200,000,000.00
Investment returns received		922,093,300.17	934,979,575.11
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets		4,620.00	-
Net proceeds from disposals of subsidiaries and other business units		-	-
Proceeds from other investing activities		2,105,669,483.62	1,948,842,841.79
Sub-total of cash inflows		13,527,767,403.79	14,083,822,416.90
Payment for acquisition of fixed assets, intangible assets and other long-term assets		18,200,422.44	23,594,300.69
Payment for acquisition of investments		11,945,339,800.00	11,589,128,994.69
Net payment for acquisition of subsidiaries and other business units		-	-
Payment for other investing activities		1,990,013,432.08	890,011,664.40
Sub-total of cash outflows		13,953,553,654.52	12,502,734,959.78
Net cash (outflow)/inflow from investing activities		-425,786,250.73	1,581,087,457.12
III. Cash flows from financing activities:			
Proceeds from investors		33,196,434.49	-
Proceeds from borrowings		14,361,983,943.48	12,250,000,000.00
Proceeds from other financing activities		11,034,623.06	6,728,017.13
Sub-total of cash inflows		14,406,215,001.03	12,256,728,017.13
Repayments of borrowings		11,207,000,000.00	12,125,000,000.00
Payment for dividends or interest		1,920,172,028.00	1,650,693,345.10
Payment for other financing activities		68,463,301.09	9,832,313.92
Sub-total of cash outflows		13,195,635,329.09	13,785,525,659.02
Net cash inflow/(outflow) from financing activities		1,210,579,671.94	-1,528,797,641.89
IV. Effect of foreign exchange rate changes on cash and cash equivalents		312,670.57	176,979.73
V. Net increase in cash and cash equivalents (“-” for net decrease)		735,298,271.06	-52,950,868.60
Add: Cash and cash equivalents at the beginning of the year		3,280,985,718.84	3,333,936,587.44
VI. Cash and cash equivalents at the end of the year		4,016,283,989.90	3,280,985,718.84

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated Statement of Changes in Shareholders' Equity

RMB

Item	2024													
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Including: Translation difference of financial statements denominated in foreign currencies	Specific reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total
		Preference shares	Perpetual bonds	others										
I. Balance at the end of the previous year	2,499,074,661.00	-	-	-	37,076,846,803.06	-	-903,626,594.35	-453,976,318.25	34,003,994.41	1,095,980,563.68	19,045,313,519.75	58,847,592,947.55	66,722,341,481.26	125,569,934,428.81
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corrections of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination involving entities under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	2,499,074,661.00	-	-	-	37,076,846,803.06	-	-903,626,594.35	-453,976,318.25	34,003,994.41	1,095,980,563.68	19,045,313,519.75	58,847,592,947.55	66,722,341,481.26	125,569,934,428.81
III. Changes in equity during the year	2,233,820.00	-	-	-	286,135,028.61	50,559,789.14	-654,754,643.10	-577,018,940.38	6,070,652.86	153,556,766.82	2,912,465,059.36	2,655,146,895.41	-66,642,549.97	2,588,504,345.44
(I) Total comprehensive income	-	-	-	-	-	-	-654,754,643.10	-577,018,940.38	-	-	4,516,301,317.16	3,861,546,674.06	3,487,616,955.45	7,349,163,629.51
(II) Shareholders' contributions of capital	2,233,820.00	-	-	-	286,135,028.61	50,559,789.14	-	-	-	-	-	237,809,059.47	56,472,428.06	294,281,487.53
1. Contribution by ordinary shareholders	2,233,820.00	-	-	-	39,515,503.24	-	-	-	-	-	-	41,749,323.24	43,561,800.00	85,311,123.24
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Equity-settled share-based payments	-	-	-	-	-6,138,284.56	-	-	-	-	-	-	-6,138,284.56	-1,909,854.96	-8,048,139.52
4. Others	-	-	-	-	252,757,809.93	50,559,789.14	-	-	-	-	-	202,198,020.79	14,820,483.02	217,018,503.81
(III) Appropriation of profits	-	-	-	-	-	-	-	-	-	153,556,766.82	-1,603,836,257.80	-1,450,279,490.98	-3,609,778,395.68	-5,060,057,886.66
1. Appropriation for surplus reserve	-	-	-	-	-	-	-	-	-	153,556,766.82	-153,556,766.82	-	-	-
Including: Legal reserve	-	-	-	-	-	-	-	-	-	153,556,766.82	-153,556,766.82	-	-	-
Arbitrary accumulation fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-	-1,450,279,490.98	-1,450,279,490.98	-3,554,586,317.66
3. Others	-	-	-	-	-	-	-	-	-	-	-	-	-55,192,078.02	-55,192,078.02
(IV) Transfers within equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Share capital increased by capital reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital increased by surplus reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Transfer of surplus reserve to offset losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes arising from defined benefit plan transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	-	6,070,652.86	-	-	6,070,652.86	-953,537.80	5,117,115.06
1. Appropriation during the year	-	-	-	-	-	-	-	-	59,210,779.71	-	-	59,210,779.71	58,293,123.14	117,503,902.85
2. Utilisation during the year	-	-	-	-	-	-	-	-	-53,140,126.85	-	-	-53,140,126.85	-59,246,660.94	-112,386,787.79
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	2,501,308,481.00	-	-	-	37,362,981,831.67	50,559,789.14	-1,558,381,237.45	-1,030,995,258.63	40,074,647.27	1,249,537,330.50	21,957,778,579.11	61,502,739,842.96	66,655,698,931.29	128,158,438,774.25

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated Statement of Changes in Shareholders' Equity - continued

RMB

Item	2023													
	Equity attributable to shareholders of the Company												Non-controlling interests	Total
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Including: Translation difference of financial statements denominated in foreign currencies	Specific reserve	Surplus reserve	Retained earnings	Subtotal		
	Preference shares	perpetual bonds	others											
I. Balance at the end of the previous year	2,499,074,661.00	-	-	-	34,751,640,835.25	-	-691,536,248.44	-681,788,363.07	26,358,259.97	1,001,917,449.15	16,679,688,347.09	54,267,143,304.02	73,994,641,893.21	128,261,785,197.23
Add: Changes in accounting policies	-	-	-	-	-	-	1,982,628.58	1,982,628.58	-	-	22,299,954.05	24,282,582.63	35,540,449.45	59,823,032.08
Corrections of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination involving entities under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	2,499,074,661.00	-	-	-	34,751,640,835.25	-	-689,553,619.86	-679,805,734.49	26,358,259.97	1,001,917,449.15	16,701,988,301.14	54,291,425,886.65	74,030,182,342.66	128,321,608,229.31
III. Changes in equity during the year	-	-	-	-	2,325,205,967.81	-	-214,072,974.49	225,829,416.24	7,645,734.44	94,063,114.53	2,343,325,218.61	4,556,167,060.90	-7,307,840,861.40	-2,751,673,800.50
(I) Total comprehensive income	-	-	-	-	-	-	-214,072,974.49	225,829,416.24	-	-	3,571,800,762.16	3,357,727,787.67	4,347,741,066.86	7,705,468,854.53
(II) Shareholders' contributions of capital	-	-	-	-	2,325,205,967.81	-	-	-	-317,684.31	-	-1,883,909.97	2,323,004,373.53	-9,190,432,492.89	-6,867,428,119.36
1. Contribution by ordinary shareholders	-	-	-	-	-	-	-	-	-	-	-	-	685,424,826.14	685,424,826.14
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-4,222,148,460.84	-4,222,148,460.84
3. Equity-settled share-based payments	-	-	-	-	1,053,188.36	-	-	-	-	-	-	1,053,188.36	523,302.32	1,576,490.68
4. Others	-	-	-	-	2,324,152,779.45	-	-	-	-317,684.31	-	-1,883,909.97	2,321,951,185.17	-5,654,232,160.51	-3,332,280,975.34
(III) Appropriation of profits	-	-	-	-	-	-	-	-	-	94,063,114.53	-1,226,591,633.58	-1,132,528,519.05	-2,477,802,768.49	-3,610,331,287.54
1. Appropriation for surplus reserve	-	-	-	-	-	-	-	-	-	94,063,114.53	-94,063,114.53	-	-	-
Including: Legal reserve	-	-	-	-	-	-	-	-	-	94,063,114.53	-94,063,114.53	-	-	-
Arbitrary accumulation fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-1,124,583,597.45	-1,124,583,597.45	-2,256,143,657.02	-3,380,727,254.47
3. Others	-	-	-	-	-	-	-	-	-	-	-7,944,921.60	-7,944,921.60	-221,659,111.47	-229,604,033.07
(IV) Transfers within equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Share capital increased by capital reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital increased by surplus reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Transfer of surplus reserve to offset losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes arising from defined benefit plan transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	-	7,963,418.75	-	-	7,963,418.75	12,653,333.12	20,616,751.87
1. Appropriation during the year	-	-	-	-	-	-	-	-	61,589,514.21	-	-	61,589,514.21	66,309,179.08	127,898,693.29
2. Utilisation during the year	-	-	-	-	-	-	-	-	-53,626,095.46	-	-	-53,626,095.46	-53,655,845.96	-107,281,941.42
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	2,499,074,661.00	-	-	-	37,076,846,803.06	-	-903,626,594.35	-453,976,318.25	34,003,994.41	1,095,980,563.68	19,045,313,519.75	58,847,592,947.55	66,722,341,481.26	125,569,934,428.81

The accompanying notes form part of the financial statements.

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

The Company's Statement of Changes in Shareholders' Equity

RMB

Item	2024											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Including: Translation difference of financial statements denominated in foreign currencies	Specific reserve	Surplus reserve	Retained earnings	Total
		Preference shares	perpetual bonds	others								
I. Balance at the end of the previous year	2,499,074,661.00	-	-	-	37,704,543,586.11	-	120,520,832.83	-	-	1,095,980,563.68	1,999,000,567.57	43,419,120,211.19
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Corrections of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	2,499,074,661.00	-	-	-	37,704,543,586.11	-	120,520,832.83	-	-	1,095,980,563.68	1,999,000,567.57	43,419,120,211.19
III. Changes in equity during the year	2,233,820.00	-	-	-	69,290,296.51	50,559,789.14	9,893,609.24	-	-	153,556,766.82	286,714,889.54	471,129,592.97
(I) Total comprehensive income	-	-	-	-	-	-	9,893,609.24	-	-	-	1,890,551,147.34	1,900,444,756.58
(II) Shareholders' contributions of capital	2,233,820.00	-	-	-	69,290,296.51	50,559,789.14	-	-	-	-	-	20,964,327.37
1. Contribution by ordinary shareholders	2,233,820.00	-	-	-	39,515,503.24	-	-	-	-	-	-	41,749,323.24
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
3. Equity-settled share-based payments	-	-	-	-	-6,172,572.05	-	-	-	-	-	-	-6,172,572.05
4. Others	-	-	-	-	35,947,365.32	50,559,789.14	-	-	-	-	-	-14,612,423.82
(III) Appropriation of profits	-	-	-	-	-	-	-	-	-	153,556,766.82	-1,603,836,257.80	-1,450,279,490.98
1. Appropriation for surplus reserve	-	-	-	-	-	-	-	-	-	153,556,766.82	-153,556,766.82	-
Including: Legal reserve	-	-	-	-	-	-	-	-	-	153,556,766.82	-153,556,766.82	-
Arbitrary accumulation fund	-	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-1,450,279,490.98	-1,450,279,490.98
3. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfers within equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Share capital increased by capital reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital increased by surplus reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-
3. Transfer of surplus reserve to offset losses	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes arising from defined benefit plan transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation during the year	-	-	-	-	-	-	-	-	-	-	-	-
2. Utilisation during the year	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	2,501,308,481.00	-	-	-	37,773,833,882.62	50,559,789.14	130,414,442.07	-	-	1,249,537,330.50	2,285,715,457.11	43,890,249,804.16

CHINA MERCHANTS PORT GROUP CO., LTD.

FOR THE YEAR ENDED 31 DECEMBER 2024

The Company's Statement of Changes in Shareholders' Equity - continued

RMB

Item	2023											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Including: Translation difference of financial statements denominated in foreign currencies	Specific reserve	Surplus reserve	Retained earnings	Total
		Preference shares	perpetual bonds	others								
I. Balance at the end of the previous year	2,499,074,661.00	-	-	-	37,749,723,642.07	-	99,525,686.03	-	-	1,001,917,449.15	2,277,016,134.29	43,627,257,572.54
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Corrections of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	2,499,074,661.00	-	-	-	37,749,723,642.07	-	99,525,686.03	-	-	1,001,917,449.15	2,277,016,134.29	43,627,257,572.54
III. Changes in equity during the year	-	-	-	-	-45,180,055.96	-	20,995,146.80	-	-	94,063,114.53	-278,015,566.72	-208,137,361.35
(I) Total comprehensive income	-	-	-	-	-	-	20,995,146.80	-	-	-	940,631,145.26	961,626,292.06
(II) Shareholders' contributions of capital	-	-	-	-	-45,180,055.96	-	-	-	-	-	-	-45,180,055.96
1. Contribution by ordinary shareholders	-	-	-	-	-	-	-	-	-	-	-	-
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
3. Equity-settled share-based payments	-	-	-	-	1,890,784.31	-	-	-	-	-	-	1,890,784.31
4. Others	-	-	-	-	-47,070,840.27	-	-	-	-	-	-	-47,070,840.27
(III) Appropriation of profits	-	-	-	-	-	-	-	-	-	94,063,114.53	-1,218,646,711.98	-1,124,583,597.45
1. Appropriation for surplus reserve	-	-	-	-	-	-	-	-	-	94,063,114.53	-94,063,114.53	-
Including: Legal reserve	-	-	-	-	-	-	-	-	-	94,063,114.53	-94,063,114.53	-
Arbitrary accumulation fund	-	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-1,124,583,597.45	-1,124,583,597.45
3. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfers within equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Share capital increased by capital reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital increased by surplus reserve transfer	-	-	-	-	-	-	-	-	-	-	-	-
3. Transfer of surplus reserve to offset losses	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes arising from defined benefit plan transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation during the year	-	-	-	-	-	-	-	-	-	-	-	-
2. Utilisation during the year	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	2,499,074,661.00	-	-	-	37,704,543,586.11	-	120,520,832.83	-	-	1,095,980,563.68	1,999,000,567.57	43,419,120,211.19

The accompanying notes form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(I) GENERAL INFORMATION OF THE COMPANY

China Merchants Port Group Co., Ltd. (hereinafter referred to as the "Company") is a joint-stock company incorporated in Shenzhen, Guangdong Province, on 16 January 1993.

The headquarters of the Company is located in Shenzhen, Guangdong Province. The Company and its subsidiaries (collectively the "Group") are actually engaged in the principal operating activities of port services, bonded logistics services and other businesses such as property development and investment.

The Company's and consolidated financial statements were approved by the Board of Directors on 1 April 2025.

(II) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation of financial statements

The Group has adopted the Accounting Standards for Business Enterprises (hereinafter referred to as "ASBE") issued by the Ministry of Finance. In addition, the Group has disclosed relevant financial information in accordance with *Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reporting* (Revised in 2023).

Going concern

As at 31 December 2024, the Group had total current liabilities in excess of total current assets by RMB 6,685,293,596.39. As at 31 December 2024, the Group had available and unused credit facilities and bonds amounting to RMB 40,616,331,020.58, which is greater than the balance of the net current liabilities. The Group can obtain financial support from the available line of credit and bonds when needed. Therefore, the financial statements have been prepared on a going concern basis.

(III) STATEMENT OF COMPLIANCE WITH THE ASBE

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the consolidated and Company's financial position as at 31 December, 2024, and the consolidated and Company's operating results, consolidated and Company's shareholders' equity, and consolidated and Company's cash flow for the year ended 31 December 2024.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Accounting year

The financial year of the Group is from 1 January to 31 December of the Gregorian calendar year.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

2. Operating cycle

Business cycle refers to the period from the purchase of assets for processing to the realization of cash or cash equivalents. The Group is actually engaged in the principal operating activities of port services, bonded logistics services and other businesses such as property development and investment.

3. Functional currency

The Company's functional currency is Renminbi (hereinafter referred to as "RMB"), and these financial statements are presented in RMB. The Company and its domestic subsidiaries use RMB as their bookkeeping base currency. The Company's overseas subsidiaries determine their functional currency according to the currency in the primary economic environment in which they operate. The Company adopts RMB to prepare its financial statements.

4. Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for financial instruments which are measured at fair value, the Group adopts the historical cost as the principle of measurement of the financial statements. Upon being restructured into a stock company, the fixed assets and intangible assets initially contributed by the state-owned shareholders are recognized based on the valuation amounts confirmed by the state-owned assets administration department. Where assets are impaired, provisions for asset impairment are made in accordance with the relevant requirements.

Where the historical cost is adopted as the measurement basis, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds or assets received or the contractual amounts for assuming the present obligation, or, at the amounts of cash or cash equivalents expected to be paid to settle the liabilities in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. Fair value measurement and disclosure in the financial statements are determined according to the above basis.

In the measurement of non-financial assets at fair value, market participants' ability to best utilize such assets to generate most economic benefits, or the ability to sell such assets to other market participants who are able to best utilize the assets to generate economic benefits is taken into account.

For financial assets of which transaction prices are the fair value on initial recognition, and of which valuation technique involving unobservable input is used in subsequent measurement, the valuation technique in the course of valuation is adjusted to enable the result of initial recognition based on the valuation technique equal to the transaction price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

4. Basis of accounting and principle of measurement - continued

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

5. Method for determination of materiality criteria and basis for selection

Item	Materiality criteria
Significant prepayments aged more than 1 year	The amount exceeds RMB 10 million individually
Significant dividends receivable aged more than 1 year	The amount exceeds RMB 50 million individually
Significant other receivables for which bad debt provision is assessed on an individual basis	The amount exceeds RMB 10 million individually
Reversal or recovery of significant bad debt provision	The amount exceeds RMB 10 million individually
Impairment testing of significant long-term equity investments	The carrying amount of an individual long-term equity investment \geq 2% of the amount of total assets
Significant construction in progress	The year-end carrying amount of an individual construction in progress ranges top ten
Impairment testing of significant construction in progress	The carrying amount of an individual construction in progress \geq 20% of the amount of total assets
Significant accounts payable aged more than 1 year	The amount exceeds RMB 10 million individually
Significant advance payments received aged more than 1 year	The amount exceeds RMB 10 million individually
Significant contract liabilities aged more than 1 year	The amount exceeds RMB 10 million individually
Significant dividends payable aged more than 1 year	The amount exceeds RMB 50 million individually
Significant other payables aged more than 1 year	The amount exceeds RMB 10 million individually
Cash flows from significant investing activities	The amount exceeds 0.5% of the amount of total assets individually
Significant non-wholly owned subsidiaries	The amount of total revenue or total assets of subsidiaries exceeds 15% of the amount of total consolidated revenue or total consolidated assets
Significant joint ventures or associates	Joint ventures or associates in which the carrying amount of a long-term equity investment accounts for \geq 10% of the amount of total consolidated assets and in which the investment income recognized under the equity method accounts for \geq 10% of the amount of total consolidated profit
Significant commitments	The amount exceeds 0.3% of the amount of total assets individually, including reorganization, mergers and acquisitions, and building of construction in progress, etc.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

6. Business combinations

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

6.1 Business combinations involving enterprises under common control

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

Assets and liabilities obtained by the combining party shall be measured at their respective carrying amounts as recorded by the final controlling party in the consolidated financial statements at the date of the combination. The difference between share of the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or total par value of issued shares) is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess shall be adjusted against surplus reserve and retained earnings in turn.

Costs that are directly attributable to the combination are charged to profit or loss in the period in which they are incurred. The merger date is the date on which the combining party actually obtains control over the combined party.

6.2 Business combinations not involving enterprises under common control

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

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree. The intermediary expenses (fees in respect of auditing, legal services, valuation and consultancy services, etc.) and other general and administrative expenses attributable to the business combination are recognized in profit or loss in the periods when they are incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities acquired by the acquirer in a business combination that meet the recognition criteria shall be measured at fair value at the acquisition date. The acquisition date refers to the date on which the acquirer actually obtains control over the acquiree.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

6. Business combinations - continued

6.2 *Business combinations not involving enterprises under common control* - continued

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, after considering the impact of relevant deferred income tax, the difference is treated as an asset and recognized as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognizes the remaining difference immediately in profit or loss for the current period.

7. Goodwill

Goodwill arising from a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements. Goodwill shall be subject to impairment testing at least at the end of each year.

The impairment testing of goodwill shall be conducted in combination with the relevant assets group or assets group combination. That is, since the purchase date, the book value of goodwill is apportioned to the assets group or combination of assets groups that can benefit from the synergistic effect of business combination in a reasonable way. If the recoverable amount of the assets group or combination of assets groups containing apportioned goodwill is lower than its book value, the corresponding impairment loss is recognized. The amount of impairment loss shall first offset the book value of goodwill apportioned to the assets group or assets group portfolio, and then offset the book value of other assets in proportion to the proportion of the book value of other assets other than goodwill in the assets group or assets group portfolio.

The recoverable amount is the higher of the net amount of the fair value of the assets minus the disposal expenses and the present value of the estimated future cash flow of the assets.

The impairment loss of goodwill shall be included in the current profit and loss when it occurs, and shall not be reversed in future accounting periods.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

8. Consolidated financial statements

The consolidation scope of consolidated financial statements is determined on the basis of control. Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. The Group reassesses whether or not it controls an investee if 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 already disposed of by the Group, the 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 involving enterprises not under common control, when preparing the consolidated financial statements of the current period, the purchased subsidiary will be included in the consolidation scope of the Company from the acquisition date on the basis of the fair value of the identifiable assets and liabilities of the purchased subsidiary determined on the acquisition date. The 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.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control, when preparing the consolidated financial statements of the current period, the book value of each assets and liability of the consolidated subsidiary in the final controller's financial statements is taken as the basis, as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

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

Where the accounting policies and accounting periods adopted by subsidiaries are inconsistent with those of the Company, appropriate adjustments are made to the subsidiaries' financial statements in accordance with the accounting policies of the Company.

All significant intra-group balances and transactions are eliminated on consolidation.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

8. Consolidated financial statements - continued

The portion of subsidiaries' equity that is not attributable to the Company is treated as non-controlling interests and presented as " non-controlling interests " in the consolidated balance sheet under the line item of shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to non-controlling interests is presented as " non-controlling interests " in the consolidated income statement under the line item of "net profit". The portion of comprehensive income of subsidiaries for the period attributable to non-controlling interests is presented as " attributable to non-controlling interests " in the consolidated income statement under the line item of "total comprehensive income".

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

Acquisition of non-controlling interests or disposal of interests in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, surplus reserve and retained earnings shall be offset in turn.

For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not involving enterprises under common control, it shall be dealt with based on whether it belongs to 'package deal': if it belongs to 'package deal', it will be accounted for as a transactions to acquire control; if it does not belong to 'package deal', it will be accounted for as a transaction to acquire control on acquisition date, and the fair value of acquiree' shares held before acquisition date will be revalued, and the difference between fair value and carrying amount will be recognized in profit or loss of the current period; if acquiree' shares held before acquisition date involve changes in other comprehensive income and other changes in owners' equity under equity method, it will be transferred to income of acquisition date.

When the Group loses control over a subsidiary due to disposal of equity investment or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, less the share of the net assets of the parent company that should be continuously calculated from the purchase date based on the original shareholding ratio, is included in the investment income of the current period when the control right is lost, and at the same time, the goodwill is offset. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

8. Consolidated financial statements - continued

When the Group loses control of a subsidiary in two or more arrangements (transactions), terms and conditions of the arrangements (transactions) and their economic effects are considered. One or more of the following indicate that the Group shall account for the multiple arrangements as a 'package deal': (i) they are entered into at the same time or in contemplation of each other; (ii) they form a complete transaction designed to achieve an overall commercial effect; (iii) the occurrence of one transaction is dependent on the occurrence of at least one other transaction; (iv) one transaction alone is not economically justified, but it is economically justified when considered together with other transactions. Where the transactions of disposal of equity investments in a subsidiary until the loss of control are assessed as a package deal, these transactions are accounted for as one transaction of disposal of a subsidiary with loss of control. Before losing control, the difference of consideration received on disposal and the share of net assets of the subsidiary continuously calculated from acquisition date is recognized as other comprehensive income. When losing control, the cumulated other comprehensive income is transferred to profit or loss of the period of losing control. If the transactions of disposal of equity investments in a subsidiary are not assessed as a package deal, these transactions are accounted for as unrelated transactions.

9. Joint arrangements

Joint venture arrangement refers to an arrangement jointly controlled by two or more participants. The joint venture arrangement of the Group has the following characteristics: (1) all participants are bound by the arrangement; (2) Two or more participants exercise joint control over the arrangement. None of the participants can control the arrangement alone, and none of the participants with joint control over the arrangement can prevent other participants or a combination of participants from controlling the arrangement alone.

Joint control refers to the common control over an arrangement according to relevant agreements, and the relevant activities of the arrangement must be agreed by the participants sharing the control right before making decisions.

There are two types of joint arrangements - joint operations and joint ventures. The classification is based on the rights and obligations of the parties under the joint venture arrangement, taking into account factors such as the structure, legal form and contractual terms of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group accounts for investments in joint ventures using equity method. Refer to Note (IV), 14.3.2 "Long-term equity investments accounted for using the equity method" for details.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

9. Joint arrangements - continued

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognizes in relation to its interest in a joint operation: - its assets, including its share of any assets held jointly; its liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation, and its expenses, including its share of any expenses incurred jointly. The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting standards applicable to the particular assets, liabilities, revenues and expenses.

10. Cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term (generally due within 3 months since the acquisition date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

11. Financial instruments

The Group recognizes a financial asset or a financial liability when it becomes a party to the contractual provisions of the financial instrument.

For financial assets purchased or sold in regular ways, assets to be received and liabilities to be assumed are recognized on the transaction date or assets sold are derecognized on that date.

Financial assets and financial liabilities are initially measured at fair value (the method for determining the fair values of the financial assets and financial liabilities is set out in related disclosures under "basis of accounting and principle of measurement" in note (IV) 4). For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognized in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initial recognized amounts. Upon initial recognition of contract assets, bills receivable and accounts receivable that do not contain significant financing component or without considering the financing component included in the contract with a term not exceeding one year under the *Accounting Standards for Business Enterprises No. 14 - Revenue* (hereinafter referred to as "Revenue Standards"), the Group adopts the transaction price as defined in the Revenue Standards for initial measurement.

When there is a difference between the fair value of financial assets or financial liabilities initially recognized and the transaction price, if the fair value is not determined based on the quotation of the same assets or liabilities in the active market or based on the valuation technology only using observable market data, no gains or losses will be recognized when the financial assets or financial liabilities are initially recognized.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expenses over the relevant accounting periods.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the book value of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial asset or financial liability (such as repayment in advance, extension, call option or other similar options etc.) (without considering the expected credit losses).

The amortized cost of a financial asset or a financial liability is the amount of a financial asset or a financial liability initially recognized net of principal repaid, plus or less the cumulative amortized amount arising from amortization of the difference between the amount initially recognized and the amount at the maturity date using the effective interest method, net of cumulative credit loss allowance (only applicable to financial assets).

11.1 Classification, recognition and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group classifies such financial asset as financial assets at amortized cost, which include cash and bank balances, bills receivable, accounts receivable, other receivables, and long-term receivables etc.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset, the Group classifies such financial asset as financial assets at FVTOCI. The accounts receivable and bills receivable classified as at FVTOCI upon acquisition are presented under receivables under financing, while the remaining items due within one year (inclusive) upon acquisition are presented under other current assets. Other financial assets of such type are presented as other debt investments if they are due after one year since the acquisition, or presented under non-current assets due within one year if they are due within one year (inclusive) since the balance sheet date.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.1 Classification, recognition and measurement of financial assets - continued

On initial recognition, the Group may irrevocably designate non-trading equity instruments, other than contingent consideration recognized through business combination not involving enterprises under common control, as financial assets at FVTOCI on an individual basis. Such financial assets at FVTOCI are presented as investments in other equity instruments.

A financial asset is classified as held for trading if one of the following conditions is satisfied:

- It has been acquired principally for the purpose of selling in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking; or
- Related financial assets are derivatives. However, the derivatives meeting the definition of financial guarantee contract and those designated as effective hedging instruments are excluded.

Financial assets measured at fair value through profit or loss (hereinafter referred to as "FVTPL") include those classified as financial assets at FVTPL and those designated as financial assets at FVTPL.

- Financial assets not satisfying the criteria of classification as financial assets at amortized cost and financial assets at FVTOCI are classified as financial assets at FVTPL.
- Upon initial recognition, the Group may irrevocably designate the financial assets at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

Financial assets at FVTPL other than derivative financial assets are presented as financial assets held for trading. Financial assets with a maturity over one year since the balance sheet date (or without a fixed maturity) and expected to be held for over one year are presented under other non-current financial assets.

11.1.1 Financial assets measured at amortized cost

Financial assets measured at amortized cost are subsequently measured at amortized cost using the effective interest method. Gain or loss arising from impairment or derecognition is recognized in profit or loss.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.1 Classification, recognition and measurement of financial assets - continued

11.1.1 Financial assets measured at amortized cost - continued

For financial assets measured at amortized cost, the Group recognizes interest income using effective interest method. The Group calculates and recognizes interest income through book value of financial assets multiplying effective interest rate, except for the following circumstances:

- For purchased or originated credit-impaired financial assets, the Group calculates and recognizes the interest income based on amortized cost of the financial asset and the effective interest rate through credit adjustment since initial recognition.
- For financial assets that have not suffered from credit impairment but have become credit impairment in subsequent periods, the Group will calculate and determine their interest income according to the amortized cost and effective interest rate of the financial assets in subsequent periods. If the financial instruments no longer has credit impairment due to the improvement of its credit risk in the subsequent period, and this improvement can be related to an event that occurs after the application of the above provisions, the Group will calculate and determine interest income by multiplying the actual interest rate by the book value of the financial asset.

11.1.2 Financial assets at FVTOCI

For financial assets classified as at FVTOCI, except for the impairment losses or gains and the interest income and exchange losses or gains calculated using the effective interest method which are included in profit or loss for the period, the changes in fair value are included in other comprehensive income. The amounts included in profit or loss for each period are equivalent to that as if the financial assets have been always measured at amortized cost. Upon derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred to profit or loss for the period.

Changes in fair value of non-trading equity instrument investments designated as financial assets at FVTOCI are recognized in other comprehensive income, and the cumulative gains or losses previously recognized in other comprehensive income allocated to the part derecognized are transferred and included in retained earnings. During the period in which the Group holds the non-trading equity instruments, revenue from dividends is recognized in profit or loss for the current period when (1) the Group has established the right of collecting dividends; (2) it is probable that the associated economic benefits will flow to the Group; and (3) the amount of dividends can be measured reliably.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.1 Classification, recognition and measurement of financial assets - continued

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL are subsequently measured at fair value. Gain or loss arising from changes in fair value and dividends and interest related to the financial assets are recognized in profit or loss.

11.2 Impairment of financial instruments

For financial assets at amortized cost, financial assets classified as at FVTOCI, lease receivables, contract assets, loan commitments that are not financial liabilities at FVTPL, financial liabilities that are not at FVTPL and financial guarantee contracts that are not qualified for derecognition due to the transfer of financial assets or financial liabilities arising from continuing involvement of the transferred financial assets, the Group accounts for the impairment and recognizes the provision for losses on the basis of expected credit loss (hereinafter referred to as "ECL").

For all contract assets, bills receivable and accounts receivable arising from transactions regulated by Revenue Standards, and lease receivables arising from transactions regulated by the *Accounting Standards for Business Enterprises No. 21 - Leases*, the Group recognizes the provision for losses at an amount equivalent to lifetime ECL.

For other financial instruments (other than purchased or originated credit-impaired financial assets), the Group assesses the changes in credit risk since initial recognition of relevant financial instruments at each balance sheet date. If the credit risk has increased significantly since initial recognition of the financial instruments, the Group recognizes the provision for losses at an amount equivalent to lifetime ECL; if the credit risk has not increased significantly since initial recognition of the financial instruments, the Group recognizes the provision for losses at an amount equivalent to 12-month ECL. The increase or reversal of credit impairment for financial assets other than those classified as at FVTOCI is recognized as impairment loss or gain and included in profit or loss for the period. For financial assets classified as at FVTOCI, the provision for bad debts is recognized in other comprehensive income and the impairment loss or gain is included in profit or loss for the period without reducing the carrying amount of the financial assets in the balance sheet.

Where the Group has measured the provision for losses at an amount equivalent to lifetime ECL of a financial instrument in prior accounting period, but the financial instrument no longer satisfies the criteria of significant increase in credit risk since initial recognition at the current balance sheet date, the Group recognizes the provision for losses of the financial instrument at an amount equivalent to 12-month ECL at the current balance sheet date, with any resulting reversal of provision for losses recognized as impairment gains in profit or loss for the period.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.2 Impairment of financial instruments - continued

11.2.1 Significant increase of credit risk

The Group uses reasonable and supportable forward-looking information to assess whether the credit risk has increased significantly since initial recognition by comparing the risk of a default occurring on the financial instrument at the balance sheet date with the risk of a default occurring on the financial instrument at the date of initial recognition. For loan commitments and financial guarantee contracts, the date on which the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- (1) Significant changes in internal price indicators resulting from changes in credit risk;
- (2) Significant changes in the rates or other terms of an existing financial instrument if the instrument was newly originated or issued at the balance sheet date (such as more stringent covenants, increased amounts of collateral or guarantees, or higher rate of return, etc.);
- (3) Significant changes in the external market indicators of credit risk of the same financial instrument or similar financial instruments with the same expected duration. These indicators include: credit spreads, credit default swap prices against borrower, length of time and extent to which the fair value of financial assets is less than their amortized cost, and other market information related to the borrower (such as the borrower's debt instruments or changes in the price of equity instruments);
- (4) An actual or expected significant change in the financial instrument's external credit rating;
- (5) An actual or expected decrease in the internal credit rating for the debtor;
- (6) Adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- (7) An actual or expected significant change in the operating results of the debtor;
- (8) Significant increase in credit risk of other financial instruments issued by the same debtor;
- (9) Significant adverse changes in the regulatory, economic, or technological environment of the debtor;
- (10) Significant changes in the value of the collaterals or the quality of guarantees or credit enhancements provided by third parties, which are expected to reduce the debtor's economic motives to repay within the time limit specified in contract or affect the probability of default;
- (11) Significant change in the debtor's economic motives to repay within the time limit specified in contract;
- (12) Expected changes to loan contract, including the exemption or revision of contractual obligations, the granting of interest-free periods, the jump in interest rates, the requirement for additional collateral or guarantees, or other changes in the contractual framework for financial instruments that may result from the breach of contract;

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.2 Impairment of financial instruments - continued

11.2.1 Significant increase of credit risk - continued

- (13) Significant change in the expected performance and repayment of the debtor;
- (14) Significant change in the method used by the Group to manage the credit of financial instruments.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have lower credit risk at the balance sheet date. A financial instrument is determined to have lower credit risk if: i) it has a lower risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

11.2.2 Credit-impaired financial assets

When an event or several events that are expected to have adverse impact on the future cash flows of the financial assets have occurred, the financial assets become credit-impaired. The evidences of credit impairment of financial assets include the following observable information:

- (1) Significant financial difficulty of the issuer or debtor.
- (2) A breach of contract by the debtor, such as a default or delinquency in interest or principal payments.
- (3) The creditor, for economic or legal reasons relating to the debtor's financial difficulty, granting a concession to the debtor.
- (4) It becomes probable that the debtor will enter bankruptcy or other financial reorganizations.
- (5) The disappearance of an active market for the financial asset because of financial difficulties of the issuer or the debtor.
- (6) Purchase or origination of a financial asset with a large scale of discount, which reflects the fact of credit loss.

Based on the Group's internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.2 Impairment of financial instruments - continued

11.2.3 Determination of expected credit loss

The Group determines the credit loss of leases receivables on the basis of single assets, and determines the credit loss of related financial instruments on the basis of combination of cash at bank and on hand, bills receivable, accounts receivable, other receivables, long-term receivables, etc. with impairment matrix. The Group divides financial instruments into different groups based on common risk characteristics. Common credit risk characteristics adopted by the Group include: type of financial instruments, credit risk rating, type of collateral, initial recognition date, remaining contract period, industry of the debtor, geographical location of the debtor, value of collateral relative to financial assets, etc.

The Group determines the ECL of relevant financial instruments using the following methods:

- For financial assets, the credit loss is the present value of the difference between the contractual cash flows that are due to the Group under the contract and the cash flows that the Group expects to receive;
- For financial guarantee contracts (refer to Note IV, 11.4.1.3 for the detail of accounting policies), the credit loss is the present value of the expected payments to reimburse the holder for the credit loss incurred less any amounts that the Group expects to receive from the holder, the debtor or any other party.
- For financial assets credit-impaired at the balance sheet date, but not purchased or originated credit-impaired, the credit loss is the difference between the book value of the financial assets and the present value of estimated future cash flows discounted at the original effective interest rate.

The factors reflected by the Group's measurement of ECL of financial instruments include: unbiased probability weighted average amount recognized by assessing a series of possible results; time value of money; reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance sheet date.

11.2.4 Write-off of financial assets

When the Group no longer reasonably expects that the contractual cash flows of financial assets can be collected in aggregate or in part, the Group will directly write down the book value of the financial assets, which constitutes derecognition of relevant financial assets.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.3 Transfer of financial assets

The Group will derecognize a financial asset if one of the following conditions is satisfied: (i) the contractual rights to the cash flows from the financial asset expire; (ii) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (iii) 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 recognize the financial asset to the extent of its continuing involvement in the transferred financial asset and recognize an associated liability. The Group will measure relevant liabilities as follows:

- For transferred financial assets carried at amortized cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortized cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortized cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at fair value through profit or loss.
- For transferred financial assets carried at fair value, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For the transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred and (2) the sum of the consideration received from the transfer and any cumulative gain or loss that has been recognized in other comprehensive income, is recognized in profit or loss. Where the transferred assets are non-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are transferred out and included in retained earnings.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.3 Transfer of financial assets - continued

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognized and the part that is derecognized, based on the respective fair value of those parts at the date of transfer. The difference between (1) the carrying amount allocated to the part derecognized on the date of derecognition; and (2) the sum of the consideration received for the part derecognized and any cumulative gain or loss allocated to the part derecognized which has been previously recognized in other comprehensive income, is recognized in profit or loss. Where the transferred assets are non-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are transferred out and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognize the transferred financial asset in its entirety. The consideration received from transfer of assets is recognized as a financial liability upon receipt.

11.4 Classification of financial liabilities and equity instruments

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

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivatives classified as financial liabilities) and those designated as at FVTPL. Except for derivative financial liabilities presented separately, the financial liabilities at FVTPL are presented as held-for-trading financial liabilities.

A financial liability is classified as held for trading if one of the following conditions is satisfied:

- It has been acquired principally for the purpose of repurchasing in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.4 Classification of financial liabilities and equity instruments - continued

11.4.1 Classification, recognition and measurement of financial liabilities - continued

11.4.1.1 Financial liabilities at FVTPL - continued

A financial liability may be designated as at FVTPL on initial recognition when one of the following conditions is satisfied: (i) Such designation eliminates or significantly reduces accounting mismatch; or (ii) The Group makes management and performance evaluation on a fair value basis, in accordance with the Group's formally documented risk management or investment strategy, and reports to key management personnel on that basis. (iii) The qualified hybrid financial instrument combines financial asset with embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in fair value and any dividends or interest expenses paid on the financial liabilities are recognized in profit or loss.

For a financial liability designated as at FVTPL, the amount of changes in fair value of the financial liability that are attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, while other changes in fair value are included in profit or loss for the current period. Upon the derecognition of such financial liability, the accumulated amount of changes in fair value that are attributable to changes in the credit risk of that liability, which was recognized in other comprehensive income, is transferred to retained earnings. Any dividend or interest expense on the financial liabilities is recognized in profit or loss. If the accounting treatment for the impact of the change in credit risk of such financial liability in the above ways would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss for the period.

For financial liabilities arising from contingent consideration recognized by the Group as the acquirer in the business combination not involving enterprises under common control, the Group measures such financial liabilities at fair value through profit or loss, and includes the changes in the financial liabilities in profit or loss for the period.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.4 Classification of financial liabilities and equity instruments - continued

11.4.1 Classification, recognition and measurement of financial liabilities - continued

11.4.1.2 Other financial liabilities

Except for financial liabilities, financial guarantee contracts and loan commitments arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, other financial liabilities are subsequently measured at amortized cost, with gain or loss arising from derecognition or amortization recognized in profit or loss.

If the modification or renegotiation for the contract by the Group and its counterparties does not result in derecognition of a financial liability subsequently measured at amortized cost but the changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognized in profit or loss. The Group will determine the carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the original effective interest rate of the financial liability. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortization during the remaining term of the modified financial liability.

11.4.1.3 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. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss or financial liabilities arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, are measured at the higher of amount of loss provision; and the amount initially recognized less cumulative amortization amount determined based on the revenue standards.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.4 Classification of financial liabilities and equity instruments - continued

11.4.2 Derecognition of financial liabilities

The Group derecognizes 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 an extinguishment of the original financial liability and the recognition of a new financial liability.

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

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognized as changes in equity. The Group's issuance of equity instruments is recorded in the owner's equity at the actual issue price, and the relevant transaction costs are deducted from the owner's equity (capital reserve). If the capital reserve is insufficient to offset, the surplus reserve and retained earnings are offset in turn. The consideration and transaction costs paid for repurchasing the Company's equity instruments reduce the owner's equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders' equity.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.5 Derivatives and embedded derivatives

Derivatives include forward exchange contracts, currency swaps, interest rate swaps and foreign exchange options, etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value.

Derivatives embedded in hybrid contracts with a financial asset host are not separated by the Group. The hybrid contract shall apply the relevant accounting standards regarding the classification of financial assets as a whole.

Derivatives embedded in hybrid contracts with hosts that are not financial assets are separated and treated as separate derivatives by the Group when they meet the following conditions:

- (1) the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract;
- (2) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- (3) the hybrid contracts are not measured at fair value through profit or loss.

For the embedded derivative separated from the host contracts, the Group accounts for the host contracts in the hybrid contracts with applicable accounting standards. When the embedded derivatives whose fair value cannot be measured reliably by the Group according to the terms and conditions of the embedded derivatives, the fair value of such derivatives are measured at the difference between the fair value of the hybrid contracts and the fair value of the host contracts. By adopting the above method, if the embedded derivative cannot be measured on a stand-alone basis at the time when it is acquired or at subsequent balance sheet dates, the hybrid instrument is designated as financial instruments at fair value through profit or loss as a whole.

11.6 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize 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.

11.7 Compound instruments

For convertible bonds issued by the Group that contain both liabilities and conversion option that may convert the liabilities to its own equity instrument, upon initial recognition, the bonds are split into liabilities and conversion option which are separately recognized. Therein, the conversion option that exchanges a fixed amount of cash or other financial assets for a fixed amount of equity instruments is accounted for as an equity instrument.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.7 Compound instruments - continued

Upon initial recognition, the fair value of liability portion is determined based on the prevailing market price of the bonds containing no conversion option. The overall issue price of the convertible bonds net of the fair value of the liability portion is considered as the value of the conversion option that enables the bonds holder to convert the bonds to equity instruments, and is included in other equity instruments.

The liability portion of the convertible bonds is subsequently measured at amortized cost using effective interest method; the value of the conversion option classified as equity instrument is remained in equity instrument. The expiry or conversion of convertible bonds will not result in loss or gain.

The transaction costs incurred for issuance of the convertible bonds are allocated between the liability portion and equity instrument portion in proportion to their respective fair values. The transaction cost relating to the equity instrument portion is directly included in equity instrument; while the transaction cost relating to the liability portion is included in the carrying amount of the liability, and amortized over the lifetime of the convertible bonds using effective interest method.

11.8 Reclassification of financial instruments

When the Group changes the business model to manage the financial assets, the financial assets affected will be reclassified and no financial liabilities will be reclassified.

The financial assets are reclassified by the Group and are accounted for prospectively since the date of reclassification (i.e., the first date of the initial reporting period after the business model of which the financial assets are reclassified by the enterprise is changed).

Where a financial asset at amortized cost is reclassified as a financial asset at fair value through profit or loss by (hereinafter referred to as "FVTPL") the Group, such financial asset is measured at fair value at the date of reclassification and the difference between the original carrying amount and the fair value is recognized in profit or loss for the period.

Where a financial asset at amortized cost is reclassified as a financial asset at fair value through other comprehensive income (hereinafter referred to as "FVTOCI") by the Group, such financial asset is measured at fair value at the date of reclassification, and the difference between the original carrying amount and the fair value is recognized in other comprehensive income.

Where a financial asset at FVTOCI is reclassified as a financial asset at amortized cost by the Group, the accumulated gains or losses previously recognized in other comprehensive income are transferred out and the fair value at the date of reclassification is adjusted. The adjusted fair value is determined as the new carrying amount, as if the financial asset has been always measured at amortized cost. The reclassification of the financial asset shall not affect its effective interest rate or the measurement of ECL.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

11. Financial instruments - continued

11.8 Reclassification of financial instruments - continued

Where a financial asset at FVTOCI is reclassified as a financial asset at FVTPL by the Group, such financial asset continues to be measured at fair value. At the same time, the accumulated gains or losses previously recognized in other comprehensive income are transferred to profit or loss for the period.

Where a financial asset at FVTPL is reclassified as a financial asset at amortized cost by the Group, the fair value at the date of reclassification is determined as the new book value.

Where a financial asset at FVTPL is reclassified as a financial asset at FVTOCI by the Group, such financial asset continues to be measured at fair value.

Where a financial asset at FVTPL is reclassified, the effective interest rate is determined on the basis of the fair value of the financial asset at the date of reclassification.

12. Receivables

12.1 Determination and accounting methods for expected credit losses of receivables

The Group assesses the credit risk of receivables with significantly different credit risks on an individual basis, and determine the credit losses of receivables on a portfolio basis using an impairment matrix for other receivables. The amount of increase in or reversal of allowance for expected credit losses on receivables is included in profit or loss for the period as credit losses or gains.

12.2 Categories of portfolios for which provision for bad debts is assessed on a portfolio basis according to credit risk characteristics and the basis for determination

The Group classifies receivables into groups A, B and C based on common risk characteristics. The common credit risk characteristics adopted by the Group include: type of financial instrument, credit risk rating, initial recognition date, remaining contractual term, industry of the debtor, geographical location of the debtor, etc.

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(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

12. Receivables - continued

12.2 Categories of portfolios for which provision for bad debts is assessed on a portfolio basis according to credit risk characteristics and the basis for determination - continued

The Group makes internal credit ratings on customers and determines expected loss rate of receivables. Basis for determining ratings and the expected loss rates are as follows:

Internal credit rating	Basis for determining portfolio	Expected average loss rate (%)
A	Customers can make repayments within credit term and have good credit records based on historical experience. The probability of default on payment of due amounts is extremely low in the foreseeable future.	0.00-0.10
B	The customers may have overdue payment based on historical experience but they can make repayments.	0.10-0.30
C	The evidence indicates that the overdue credit risks of the customers are significantly increased and there is probability of default on payment.	0.30-50.00

12.3 Determination criteria for provision for bad debts on an individual basis

Internal credit ratings	Basis to determine the provision for bad debts on an individual basis	Expected average loss ratio (%)
D	There is evidence showing that the receivables from customers are impaired, or that the customers are experiencing significant financial difficulties and thus the receivables will be irrecoverable in the foreseeable future.	50.00-100.00

13. Inventories

13.1 Categories of inventories, measurement method of cost of inventories, inventory count system, amortization method of low-value consumables and packaging materials

13.1.1 Categories of inventories

The Group's inventories mainly include raw materials, merchandise and others. Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

13. Inventories - continued

13.1 Categories of inventories, measurement method of cost of inventories, inventory count system, amortization method of low-value consumables and packaging materials - continued

13.1.2 Measurement method of cost of inventories

Cost of inventories recognised is calculated using the first-in-first-out and weighted average method.

13.1.3 Inventory count system

The perpetual inventory system is perpetual inventory system.

13.1.4 Amortization method for low cost and low-value consumables items and packaging materials

Packaging materials and low cost and short-lived consumable items are amortized using the immediate write-off method.

13.2 Recognition criteria and provision method for decline in value of inventories

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

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. Net realizable value is determined on the basis of clear evidence obtained, after taking into consideration the purposes of inventories being held and effect of post balance sheet events.

Provision for decline in value of inventories is made based on the excess of cost of inventory over its net realizable value on an item-by-item basis.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realizable value of inventories is higher than their cost, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

14. Long-term equity investments

14.1 Basis for determining joint control and significant influence over investee

Control means that the investor has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power over the investee to affect its return amount. Joint control refers to the common control over an arrangement according to relevant agreements, and the relevant activities of the arrangement must be agreed by the participants sharing the control right before making decisions. Significant influence refers to having the right to participate in the decision-making of the investee's financial and operating policies, but not being able to control or jointly control the formulation of these policies with other parties. When determining whether it is possible to control or exert significant influence on the investee, the convertible corporate bonds, executable warrants and other potential voting rights of the investee held by the investor and other parties have been considered.

14.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, share of carrying amount of owners' equity of the acquiree in the consolidated financial statements of ultimate controlling party is recognized as initial investment cost of long-term equity investment at the date of combination. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and carrying amount of liabilities assumed, is adjusted in capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, surplus reserve and retained earnings shall be offset in turn. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the share of carrying amount of owners' equity of the acquiree in the consolidated financial statements of ultimate controlling party at the date of combination. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, surplus reserve and retained earnings shall be offset in turn.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

14. Long-term equity investments - continued

14.2 Determination of initial investment cost - continued

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment acquired is the cost of acquisition.

The expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services and other associated general and administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with *Accounting Standards for Business Enterprises No.22 - Financial Instruments: Recognition and Measurement (ASBE No. 22)* and the additional investment cost.

14.3 Subsequent measurement and recognition of profit or loss

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

Long-term equity investments in subsidiaries are accounted for using the cost method in Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognized in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

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

Except for investments in associates and joint ventures classified as held-for-sale partly or wholly, the Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence and a joint venture is a joint arrangement whereby the Group only has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognized in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

14. Long-term equity investments - continued

14.3 Subsequent measurement and recognition of profit or loss - continued

14.3.2 Long-term equity investments accounted for using the equity method - continued

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income of the investee for the period as investment income and other comprehensive income for the period. Meanwhile, the carrying amount of long-term equity investment is adjusted; the carrying amount of long-term equity investment is decreased in accordance with its share of the investee's declared profit or cash dividends; other changes in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution are correspondingly adjusted to the carrying amount of the long-term equity investment, and recognized in capital reserve. The Group recognizes its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making adjustments. When the investee's accounting policies and accounting period are inconsistent with those of the Group, the Group recognizes investment income and other comprehensive income after making appropriate adjustments to conform to the Group's accounting policies and accounting period. However, unrealized gains or losses resulting from the Group's transactions with its associates and joint ventures and assets invested or sold, which do not constitute a business, are eliminated based on the proportion attributable to the Group and then investment gains or losses are recognized. However, unrealized losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

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

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

14. Long-term equity investments - continued

14.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and receivable and the carrying amount is recognized in profit or loss for the period. For long-term equity investments accounted for using the equity method, if the remaining interest after disposal is still accounted for using the equity method, other comprehensive income previously recognized using the equity method is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; owners' equity recognized due to other changes in owners' equity of the investee (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis. For long-term equity investments accounted for using the cost method, if the remaining interest after disposal is still accounted for using the cost method, other comprehensive income previously recognized using the equity method or in accordance with the standards for the recognition and measurement of financial instruments before obtaining the control over the investee, is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities, and transferred to profit or loss for the period on a pro rata basis; other changes in owners' equity in the investee's net assets recognized under the equity method (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period on a pro rata basis.

Where the Group loses control over the investee due to disposal of part of shares, and in preparing the separate financial statements, remaining shares after disposal can have joint control or significant influence over the investee, the equity method shall be adopted to adjust the remaining shares as they are accounted for under equity method since the acquisition date. If remaining shares after disposal cannot have joint control or significant influence over the investee, they are accounted for in accordance with the standards for recognition and measurement of financial instruments, and the difference between fair value on date of losing control and carrying amount is recognized in profit or loss for the period. Other comprehensive income recognized using the equity method or in accordance with the standards for the recognition and measurement of financial instruments before losing control over the investee, is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities when the control over the investee is lost; other changes in owners' equity in the investee's net assets recognized under the equity method (other than net profit or loss, other comprehensive income and profit distribution) is transferred to profit or loss for the period. Where remaining shares after disposal are accounted for under equity method, other comprehensive income and other owners' equity are transferred on a pro rata basis. Where remaining shares after disposal are accounted for in accordance with the standards for recognition and measurement of financial instruments, other comprehensive income and other owners' equity are all transferred.

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(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

14. Long-term equity investments - continued

14.4 Disposal of long-term equity investments - continued

Where the Group loses joint control or significant influence over the investee after part disposal of shares, remaining shares after disposal are accounted for in accordance with the standards for recognition and measurement of financial instruments, and the difference between fair value at the date of losing joint control or significant influence and carrying amount is recognized in profit or loss for the period. Other comprehensive income previously recognized under the equity method, is accounted for on the same basis as would have been required if the investee had directly disposed of related assets or liabilities when the equity method is not adopted, and other changes in owners' equity other than net profit or loss, other comprehensive income and profit distribution are transferred to investment income for the period when the equity method is not adopted.

The Group disposes of its equity investment in subsidiaries through multiple transactions step by step until it loses control over the subsidiaries. If these transactions belong to "package deal", all transactions are deemed as one transaction on disposal of equity investment in subsidiaries, and the difference between the amount of disposal and carrying amount of long-term equity investment is recognized as other comprehensive income before the loss of control, and transferred to profit or loss for the period when the control is lost.

15. Investment properties

Investment property is the property held by the Group to earn rentals or for capital appreciation or both. It includes a land use right that is leased out and a building that is leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with the investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognized in profit or loss for the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment property, and the investment properties are depreciated over their useful lives using the straight-line method. The depreciation life, estimated residual value rate and annual depreciation rate of each category of investment properties are as follows:

Category	Depreciation life (year)	Residual value rate (%)	Annual depreciation rate (%)
Land use rights	21.25-50.00	-	2.00-4.71
Buildings and structures	10.00-43.17	5.00	2.20-9.50

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and it is estimated that no economic benefits can be obtained from its disposal, the investment properties is derecognized.

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(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

15. Investment properties - continued

When an investment property is sold, transferred, retired or damaged, the Group recognizes the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

16. Fixed assets and depreciation

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost. Upon being restructured into a stock company, the fixed assets initially contributed by the state-owned shareholders are recognized based on the valuation amounts confirmed by the state-owned assets administration department.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile the carrying amount of the replaced part is derecognized. Other subsequent expenditures are recognized in 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 starting from the month subsequent to the one in which it is ready for intended use. The depreciation life, estimated net residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Category	Depreciation life (year)	Residual value rate (%)	Annual depreciation rate (%)
Port and terminal facilities	5-50	5.00	1.90-19.00
Buildings and structures	5-30	5.00	3.17-19.00
Machinery and equipment, furniture and fixture and other equipment	3-20	5.00	4.75-31.67
Motor vehicles and cargo ships	5-25	5.00	3.80-19.00

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

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

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

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

17. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period, borrowing costs capitalized before it is ready for intended use and other relevant costs. Construction in progress is not depreciated.

Construction in progress is accounted for by categories of projects initiated, and is transferred to a fixed asset when it is ready for intended use. The criteria for judging the intended use shall be one of the following:

- (1) The physical construction (including installation) of fixed assets has been fully or substantially completed;
- (2) The trial production or trial operation has been carried out and the results of which indicate that the asset is capable of normal operation or producing qualified products on a stable basis, or the results of which indicate that it is capable of normal functioning or operation;
- (3) The fixed assets and intangible assets acquired and constructed have met the design or contractual requirements or are basically in compliance with the design or contractual requirements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued**18. Intangible assets**18.1 Useful life and the basis for determination, estimates, amortization method or review procedures

Intangible assets include land use rights, terminal operating rights, data resources and others.

An intangible asset is measured initially at cost. Upon being restructured into a stock company, the intangible assets initially contributed by the state-owned shareholders are recognized based on the valuation amounts confirmed by the state-owned assets administration department. Except for terminal operating rights, when an intangible asset with a finite useful life is available for use, its original cost minus the expected net residual value and the accumulated amount of impairment provision is amortized over its estimated useful life by using straight-line method. The terminal operating rights under the output method are amortized over periods according to the ratio of the estimated minimum guaranteed throughput to the estimated minimum guaranteed total throughput during the operation period. When the estimated minimum guaranteed throughput cannot be measured reliably, the straight-line method will be used for amortization. An intangible asset with indefinite useful life will not be amortized.

The amortization method, useful life and estimated net residual value rate of each category of intangible assets are as follows:

Category	Amortization method	Useful life (year) and recognition	Residual value (%)
Land use rights	Straight-line method	From the date of the land transfer, it is amortized using the straight-line method over the land transfer period	-
Terminal operating right	Output/Straight-line method	Output method - it is amortized over periods according to the ratio of the estimated minimum guaranteed throughput to the estimated minimum guaranteed total throughput; straight-line method - it is amortized using the straight-line method over the shortest of the estimated useful life, the beneficial period specified in the contract and the effective life as defined by law	-
Data resources and others	Straight-line method	It is amortized using the straight-line method over the shortest of the estimated useful life, the beneficial period specified in the contract and the effective life as defined by law	-

For an intangible asset with a finite useful life, the Group reviews the useful life and amortization method at the end of the year, and makes adjustments when necessary.

NOTES TO THE FINANCIAL STATEMENTS
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(Unless otherwise specified, the monetary unit shall be RMB)

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

18. Intangible assets - continued

18.2 Scope of R&D expenditure and method for accounting treatment

Expenditure during the research phase is recognized in profit or loss for the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognized as intangible asset. Expenditure during development phase that does not meet the following conditions is recognized in profit or loss for the period:

- (1) it is technically feasible to complete the intangible asset so that it will be available for use or sale.
- (2) the Group has the intention to complete the intangible asset and use or sell it.
- (3) the Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- (4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset.
- (5) the expenditure attributable to the intangible asset during its development phase can be reliably measured.

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognizes all of them in profit or loss for the year. The costs of intangible assets generated by the internal research only include the total expenditure incurred for the period from the time point of capitalization to the time point when the intangible assets are ready for intended use. For the identical intangible asset, the expenditures recorded as expenses before they qualify for capitalization during the development process are not adjusted.

The Group classifies the expenditures on an internal research and development project into expenditures in the research phase and expenditures in the development phase. The scope of R&D expenditures refer to those directly related to the R&D activities, including wages, salaries, and welfare expenses of personnel directly engaged in R&D activities, materials directly consumed in R&D activities, depreciation expenses for instruments and equipment used in R&D activities, travel, transportation, and communication expenses required for research and experimental development, etc. Technical feasibility and economic viability studies are adopted as specific criteria for classifying the research and development phases once such studies have been evaluated and approved.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

19. Long-term deferred expenses

Long-term deferred expenses refer to various expenses that have been incurred but should be borne in the current and subsequent periods with an apportionment period of more than one year. Long-term deferred expenses are amortized using the straight-line method over the expected periods in which benefits are derived.

20. Impairment of non-financial assets other than goodwill

On each balance sheet date, the Group checks whether there is any sign of possible impairment of long-term equity investments, investment properties measured by cost model, fixed assets, construction in progress, right-of-use assets, long-term deferred expenses, and intangible assets whose service life is determined. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets. Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on an individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or assets group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset.

The present value of the estimated future cash flow of the assets is determined according to the estimated future cash flow generated during the continuous use and final disposal of the assets, and the amount discounted which is determined by selecting an appropriate pre tax discount rate.

If the recoverable amount of an asset is less than its carrying amount, the deficit is accounted for as an impairment losses and is recognized in profit or loss.

Once the impairment losses of above-mentioned assets is recognized, it shall not be reversed in any subsequent period.

When determining the impairment losses of assets related to contract costs, first determine the impairment losses of other assets related to contracts that are recognized in accordance with other relevant accounting standards for business enterprises; Then, if the book value of the assets related to the contract costs is higher than the difference between the following two items, the excess part of the provision for impairment shall be recognized as impairment losses: (i) the Group's expected remaining consideration for the transfer of goods or services related to the assets; (ii) Estimate the cost to be incurred for the transfer of the relevant goods or services.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

20. Impairment of non-financial assets other than goodwill - continued

Except for the impairment losses related to the contract costs, once the above impairment losses is recognized, it will not be reversed in future accounting periods. After the provision for impairment of assets related to contract costs has been made, if the factors of impairment in previous periods have changed resulting in the above two differences are higher than the book value of the assets, the provision for impairment of the assets that has been made is reversed and included in the current profits and losses, but the book value of the assets after reversal does not exceed the book value of the assets on the reversal date assuming that no provision for impairment is made.

21. Provisions

Provisions are recognized when the Group has a present obligation related to a contingency, it is probable result in an outflow of economic benefits to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

If all or part of the expenses required to settle the estimated liabilities are expected to be compensated by a third party, the compensation amount will be separately recognized as assets when it is basically determined that it can be received, and the recognized compensation amount will not exceed the book value of the estimated liabilities.

22. Employee benefits

22.1 Short-term employee benefits

Short-term benefits refer to the employee benefits that the Group is required to make full payments within 12 months after the annual reporting period during which relevant services are provided by the employees, except the post-employment benefits and termination benefits. Specifically, the short-term benefits include: employee salaries, bonuses, allowances and subsidies, employee benefits, social insurance contributions such as the medical insurance and the work injury insurance, housing funds, trade union funds and employee education funds, short-term paid absence, short-term profit sharing plan, non-monetary welfare and other short-term benefits.

Short-term employee benefits payable are recognized as liabilities, with a corresponding charge to profit or loss for the period or in the costs of relevant assets according to the beneficiaries of services provided by employees in the accounting period in which employees provide services to the Group. Staff welfare expenses incurred by the Group are recognized in profit or loss for the period or the costs of relevant assets based on the actually occurred amounts when they actually occurred. Non-monetary staff welfare expenses are measured at fair value.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

22. Employee benefits - continued

22.1 Short-term employee benefits - continued

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance and maternity insurance, etc. and payments of housing funds, as well as union running costs and employee education costs provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognized as relevant liabilities, with a corresponding charge to profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

22.2 Post-employment benefits

Post-employment benefits refer to the rewards and benefits of various forms provided by the Group after the employees have retired or terminated the labor relationship with the enterprise for the services rendered by the employees, except the short-term benefits and the termination benefits. The post-employment benefits consist of the pension insurance, the annuity, the unemployment insurance and other post-employment benefits.

Post-employment benefit plans are classified by the Group into defined contribution plans and defined benefit plans. The post-employment benefit plan refers to the agreements the Group entered into with the employees on the post-employment benefits or the regulations or measures established by the Group for provisions of the post-employee benefits, among which the defined contribution plans refer to the post-employment benefit plan under which the Group shall no longer undertake any obligations of payments after paying fixed expenses to independent funds; the defined benefit plans refer to the post-employment benefit plans other than the defined contribution plans. During the accounting period in which employees render services to the Group, the amounts payable calculated based on the defined contribution plans are recognized as liabilities and included in profit or loss for the period or costs of related assets.

For defined benefit plans, the Group attributes the welfare obligations arising from the defined benefit plans to the period in which employees provide services to the Group according to the formula determined based on the projected cumulative benefit unit method, and includes them in profit or loss for the period or costs of related assets. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on settlements);
- Net interest of net liabilities or assets of defined benefit plans (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and
- Changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

22. Employee benefits - continued

22.2 Post-employment benefits - continued

Service costs and net interest of net liabilities and net assets of defined benefit plans are recognized in profit or loss for the period or costs of related assets. Remeasurement of the net defined benefit liabilities (assets) (including actuarial gains and losses, the return on planned assets, excluding amounts included in net interest on net defined benefit liabilities (assets), and any changes in the effect of the asset ceiling, excluding amounts included in net interest on net defined benefit liabilities (assets)) are recognized in other comprehensive income.

The deficit or surplus resulting from the present value of the defined benefit plan obligations less the fair value of the defined benefit plan assets is recognized as a net defined benefit plan liability or net asset.

22.3 Termination benefits

Termination benefits refer to the compensations the Group pay to the employees for terminating the employment relationship with employees before the expiry of the employment contracts or encouraging employees to accept voluntary redundancy. When the Group provides termination benefits to employees, employee benefit liabilities are recognized for termination benefits, with a corresponding charge to profit or loss for the period at the earlier of: (1) when the Group cannot unilaterally withdraw the offer of termination benefits because of the termination plan or a curtailment proposal; and (2) when the Group has a detailed and formal restructuring plan involving the payment of dismissal benefit; In addition, the restructuring plan has been implemented or the main contents of the plan have been notified to the affected parties, so that all parties have formed a reasonable expectation that the Group will implement the restructuring.

22.4 Other long-term employee benefits

Other long-term employee benefits refer to all employee benefits except for short-term benefits, post-employment benefits, and termination benefits.

Other long-term employee benefits that qualify as defined contribution plans are treated in accordance with the relevant provisions of the defined contribution plans mentioned above, except that the net liability or net asset for other long-term employee benefits is recognized and measured in accordance with the relevant provisions of the defined benefit plans. At the end of the reporting period, employee compensation costs arising from other long-term employee benefits are recognized as three components: service cost, net interest on net liability or net asset for other long-term employee benefits, and changes resulting from the remeasurement of the net liability or net asset for other long-term employee benefits. The total net amount of these items is included in profit or loss for the period or in the costs of related assets.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

22. Employee benefits - continued

22.4 Other long-term employee benefits - continued

The Group provides internal retirement benefits to employees accepting the internal retirement arrangements. Internal retirement benefits refer to the payments of salaries and social security contributions for employees who have not reached the retirement age regulated by the country and are approved to quit the job voluntarily. For internal retirement benefits, the internal retirement benefits the Group is expected to pay during the period from the date when employees stop providing services to the date of normal retirement are recognized as liabilities at the present value and included in profit or loss for the period when relevant recognition requirements of the internal retirement benefits are met.

23. Share-based payments

A share-based payment is a transaction which the Group grants equity instruments, in return for services rendered by employees or other parties. The Group's share-based payments include equity-settled share-based payments.

Equity-settled share-based payments in exchange for services rendered by employees are measured at fair value of the equity instruments granted to employees at the grant date. Such amount is recognized as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest/ as related costs or expenses at the grant date, if the equity instruments could be vested immediately, with a corresponding increase in capital reserve.

24. Bonds payable

The Group's bonds payable are measured at fair value when initially recognized, and relevant transaction costs are included in the initially recognized amount. It is subsequently measured at amortized cost.

The difference between the bond issue price and the total face value of the bonds is regarded as the bond premium or discount, which is amortized at the time of interest accrual according to the effective interest method during the duration of the bonds, and is treated according to the principle of handling borrowing costs.

25. Preference shares, perpetual bonds and other financial instruments

The actual issue price for the issuance of equity instruments is included in shareholders' equity after deducting relevant transaction costs from shareholders' equity (capital reserve). If the capital reserve is insufficient to offset, surplus reserve and retained earnings will be offset in turn. The consideration and transaction costs paid for repurchasing the Group's equity instruments reduce shareholders' equity.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

25. Preference shares, perpetual bonds and other financial instruments - continued

The Group classifies financial instruments, or their components, as financial liabilities or equity instruments at initial recognition based on the contractual terms of the issued perpetual bonds and their reflected economic substance, combined with the definitions of financial liabilities and equity instruments.

For financial instruments such as perpetual bonds classified as equity instruments, interest expense or dividend (dividend) distributions are treated as profit distributions of the Group, and their repurchases, write-offs, etc., are treated as changes in equity, and related transaction costs are deducted from equity.

26. Revenue recognition

26.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business

Revenue refers to the total inflow of economic benefits formed in the daily activities of the Group, which will lead to the increase of owner's equity and has nothing to do with the capital invested by owners. The Group's revenue is mainly from port business, bonded logistics business and other businesses.

The Group recognizes revenue based on the transaction price allocated to the performance obligation when the Group satisfies a performance obligation in the contract, namely, when the customer obtains control over relevant goods or services. A performance obligation is a commitment that the Group transfers a distinct goods or service to a customer in the contract. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to a customer. The transaction price recognized by the Group does not exceed the amount of accumulated recognized revenue that is unlikely to be significantly reversed when the relevant uncertainty is eliminated.

The Group evaluates the contract on the contract start date, identifies each individual performance obligation contained in the contract, and determines whether each individual performance obligation is performed within a certain period or at a certain time point. It is a performance obligation satisfied during a period of time and the Group recognizes revenue during a period of time according to the progress of performance if one of the following conditions is met: (i) the customer obtains and consumes economic benefits at the same time of the Group's performance; (ii) the customer is able to control goods or services in progress during the Group's performance; (iii) goods or services generated during the Group's performance have irreplaceable utilization, and the Group is entitled to collect amounts of cumulative performance part which have been done up to now. Otherwise, revenue is recognized at a point in time when the customer obtains control over the relevant goods or services.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

26. Revenue recognition - continued

26.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business - continued

The Group adopts output method, i.e., the value of goods or services transferred to customers to determine the appropriate progress of performance. Where the progress cannot be determined reasonably, the revenue is recognized based on the amount of cost that is expected to be compensated based on the cost already incurred, until the progress of performance is reasonably determined.

Contract assets refer to the right that the Group has transferred goods or services to customers and is entitled to receive consideration, and the right depends on other factors other than the passage of time. Please refer to Note (IV) 11 for details of the accounting policies for the impairment of contract assets. The Group's unconditional (that is, only depending on the passage of time) right to collect consideration from customers is separately listed as receivables.

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for consideration received or receivable from the customer.

Contract assets and contract liabilities under the same contract are presented in net amount.

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

In case of the existence of variable consideration (such as sales discount) in the contract, the Group shall determine the best estimate of variable consideration based on the expected value or the most probably occurred amount. The transaction price including variable consideration shall not exceed the amount of the cumulatively recognized revenue which is unlikely to be significantly reversed when relevant uncertainty is eliminated. At each balance sheet date, the Group re-estimates the amount of variable consideration which should be included in transaction price.

If the customer pays non-cash consideration, the Group determines the transaction price based on the fair value of the non-cash consideration. If the fair value of non-cash consideration cannot be reasonably estimated, the Group shall determine the transaction price indirectly by reference to the stand-alone selling price of the goods or services promised to transfer to the customer.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

26. Revenue recognition - continued

26.1 Disclosure of accounting policies adopted for revenue recognition and measurement by type of business - continued

In case of the existence of a significant financing component in the contract, the Group shall determine the transaction price on the assumption that the customer has paid the amount payable by cash when obtaining the control over the goods or services. Differences between transaction price and contract consideration are amortized using effective interest method during the contract life. At the inception of the contract, if the period between when the Group transfers a promised goods or service to a customer and when the customer pays for that goods or service will be one year or less, the Group would not consider the significant component in the contract.

The Group assesses whether it controls each specified goods or service before that goods or service is transferred to the customer to determine whether the Group is a principal or an agent. If the Group controls the specified good or service before that good or service is transferred to a customer, the Group is a principal and recognizes revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognizes revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party, or is determined in accordance with the established commission amount or percentage, etc.

Where the Group receives receipts in advance from a customer for sales of goods or rendering of services, the amount is first recognized as a liability and then transferred to revenue when the related performance obligation has been satisfied. When the Group's advance payments received are not required to be refunded and it is probable that the customer will waive all or part of its contractual rights, the Group recognizes the said amounts as revenue on a pro-rata basis in accordance with the pattern of exercise of the customer's contractual rights, if the Group expects to be entitled to the amounts relating to the contractual rights waived by the customer; otherwise, the Group reverses the related balance of the said liabilities to revenue only when it is highly unlikely that the customer will require performance of the remaining performance obligations.

For port business, the revenue from the handling of containers and bulk cargos is recognized over time based on the progress of completed services, and the revenue from the storage of containers and bulk cargos is recognized on a straight-line basis over the period of storage.

For bonded logistics business, the revenue is recognized based on the progress of services rendered, where the progress of completed services is determined based on the proportion of days on services provided to the estimated total number of service days. As at the balance sheet date, the Group has re-estimated the progress of completed bonded logistics service so that it reflects the changes in performance status.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

26. Revenue recognition - continued

26.2 Similar operations under different business models which involve different revenue recognition and measurement methods

The Group has no similar operations under different business models which involve different revenue recognition and measurement methods.

26.3 Costs of obtaining a contract

For the incremental cost of obtaining the contract (cost that will not occur if the contract is not obtained) that is expected to be recoverable, it is recognized as an asset. If the amortization period of such asset is less than one year, it is recognized in profit or loss for the period when incurred. Other expenses incurred for obtaining the contract is included in profit or loss for the period when incurred, except for those explicitly assumed by the customer.

26.4 Costs to fulfil a contract

If the costs incurred in fulfilling a contract are not within the scope of any standards other than Revenue Standards, the Group recognizes an asset only if those costs meet all of the following criteria: (1) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify; (2) the costs enhance resources of the Group that will be used in satisfying performance obligations in the future; and (3) the costs are expected to be recovered. The asset mentioned above shall be amortized on a basis that is consistent with the revenue recognition of the goods or services to which the asset relates and recognized in profit or loss for the period.

27. Government grants

Government grants refer to monetary assets and non-monetary assets obtained by the Group from the government free of charge. Government grants are recognized when they can meet the conditions attached to government grants and can be received.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognized immediately in profit or loss for the period.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

27. Government grants - continued

27.1 Determination basis and accounting treatment of government grant related to assets

Government grants of the Group mainly include grants for intelligent system, etc., and these government grants relate to assets as they will form long-term assets.

A government grant related to an asset is recognized as deferred income, and included in profit or loss by stages over the useful life of the related asset in a reasonable and systematic way. A government grant measured at a nominal amount is recognized immediately in profit or loss in the current period. Where the relevant asset is sold, transferred, retired or damaged prior to the end of its useful life, the related undistributed deferred income is transferred to profit or loss of the disposal period.

27.2 Determination basis and accounting treatment of government grant related to income

Government grants of the Group mainly include grants for business development and specialized operations, etc., and these government grants relate to income as they will not form long-term assets. The Group classifies government grants that are difficult to be distinguished as government grants related to income aggregately.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognized as deferred income and recognized in profit or loss for the period in which the related costs or losses are recognized; If the grant is a compensation for related expenses or losses already incurred, the grant is recognized immediately in profit or loss.

A government grant related to the Group's daily activities is recognized in other income; a government grant not related to the Group's daily activities is recognized in non-operating income.

28. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are 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. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted abnormally and when the interruption is for a continuous period of more than 3 months. Capitalization is suspended until the acquisition, construction or production of the asset is resumed. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

28. Borrowing costs - continued

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalized is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalized on such borrowings by applying a capitalization rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings. During the capitalization period, exchange differences related to a specific-purpose borrowing denominated in foreign currency are all capitalized. Exchange differences in connection with general-purpose borrowings are recognized in profit or loss for the period in which they are incurred.

29. Income tax

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

29.1 Current income tax

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

29.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognized as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognized using the balance sheet liability method.

Deferred income tax are generally recognized for all taxable temporary differences. Deferred tax assets for deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction, which is not a business combination that affects neither the accounting profit nor taxable profits (or deductible losses) and will not result in taxable temporary differences and deductible temporary differences in equivalent amounts at the time of transaction, no deferred tax asset or liability is recognized.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible losses and tax credits can be utilized.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

29. Deferred tax assets/ deferred tax liabilities - continued

29.2 Deferred tax assets and deferred tax liabilities - continued

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with investments in subsidiaries, associates and joint ventures are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized and they are expected to be reversed in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates applicable in the period in which the asset is realized or the liability is settled according to tax laws.

Current and deferred tax expenses or income are recognized in profit or loss for the period, except when they arise from transactions or events that are directly recognized in other comprehensive income or shareholders' equity, in which case they are recognized in other comprehensive income or shareholders' equity, and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilized. Any such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

29.3 Income tax offsetting

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

30. Transactions denominated in foreign currencies and translation of financial statements denominated in foreign currencies

30.1 Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of the transaction.

At the balance sheet date, foreign currency monetary items are translated into functional currency using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognized in profit or loss for the period, except that (1) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalization are capitalized as part of the cost of the qualifying asset during the capitalization period; (2) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting; (3) exchange differences arising from changes in the carrying amounts (other than the amortized cost) of monetary items at fair value through other comprehensive income are recognized as other comprehensive income.

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange differences arising from changes in exchange rates are recognized as "exchange differences arising from translation of financial statements denominated in foreign currencies" in other comprehensive income, and in profit or loss for the period upon disposal of the foreign operation.

Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date when the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes in exchange rate) and is recognized in profit or loss or as other comprehensive income.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

30. Transactions denominated in foreign currencies and translation of financial statements denominated in foreign currencies - continued

30.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; shareholders' equity items except for translation differences arising from translation of foreign currency financial statements items in retained earnings and other comprehensive income are translated at the spot exchange rates at the dates on which such items arose; all items in the income statement as well as items reflecting the distribution of profits are translated at the average exchange rates of the accounting period of the consolidated financial statements; retained earnings at the beginning of the year are the converted year-end retained earnings of the previous year. The year-end retained earnings are calculated and presented in accordance with the items of profit distribution after conversion. The difference between the translated assets and the aggregate of liabilities and shareholders' equity items is recognized as other comprehensive income and included in shareholders' equity.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at average exchange rate during the accounting period of consolidated financial statements. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the cash flow statement as "effect of exchange rate changes on cash and cash equivalents".

The amount at the beginning of the year and the comparative figures of previous year are presented at the translated amounts in the previous year's financial statements.

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain interest in it or other reasons, the Group transfers the accumulated exchange differences arising from translation of financial statements of this foreign operation attributable to the owners' equity of the Company and presented under other comprehensive income, to profit or loss in the period in which the disposal occurs.

In case of a disposal of part equity investments or other reason leading to lower interest percentage in foreign operations but does not result in the Group losing control over a foreign operation, the exchange differences arising from the translation difference of financial statements denominated in foreign currencies related to this disposed part are re-attributed to non-controlling interests and are not recognized in profit or loss. For partial disposals of equity interests in foreign operations which are associates or joint ventures, the proportionate share of the accumulated exchange differences arising from translation difference of financial statements denominated in foreign currencies is reclassified to profit or loss.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases

A lease is a contract in which the lessor, for a certain period of time, gives the lessee the right to use the assets to obtain a consideration.

On the contract start date, the Group assesses whether the contract is a lease or includes a lease. If one party in the contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract is a lease or includes a lease. Unless the contract terms and conditions change, the Group will not re-evaluate whether the contract is a lease or includes a lease.

31.1 The Group as lessee

31.1.1 Separating components of a lease

For a contract that contains one or more lease components or non-lease components, the Group separates each individual lease and non-lease component and allocates the contract consideration in the relative proportion of the sum of the individual price of each lease component and the individual price of the non-lease component.

31.1.2 Right-of-use assets

Except for short-term leases and leases of low-value assets, the Group recognizes the right-of-use assets of the leases at the commencement date. The commencement date of the lease is the date from which the lessor provides the leased assets to make them available for use by the Group. Right-of-use assets are initially measured at cost. The cost includes:

- the amount of the initial measurement of the lease liabilities.
- any lease payments made at or before the commencement date, less any lease incentives.
- any initial direct costs incurred by the Group.
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are depreciated by the Group in accordance with the *ASBE No.4 Fixed Assets*. If the Group is reasonably certain, that the lease will transfer ownership of the underlying asset to the Group by the end of the lease term, the right-of-use assets are depreciated from the commencement date to the end of the useful life of the underlying asset. Otherwise, the right-of-use assets are depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases - continued

31.1 The Group as lessee - continued

31.1.3 Lease liabilities

Except for short-term leases and leases of low-value assets, the Group initially measures lease liabilities at the present value of the outstanding lease payments at the commencement date. In calculating the present value of the lease payments, the Group uses the implicit interest rate of the lease as the discount rate. If it is not possible to determine the implicit interest rate of the lease, the incremental borrowing rate shall be applied.

The lease payments comprise the following payments by the Group for the right to use the underlying asset during the lease term:

- fixed payments (including in-substance fixed payments), less any lease incentives.
- variable lease payments that depend on an index or a rate.
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option.
- payments for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.
- amounts expected to be payable by the Group under residual value guarantees.

Variable lease payments that depend on an index or a rate, are initially measured using the index or rate as at the commencement date. Variable lease payments not included in the measurement of the lease liabilities, are recognized in profit or loss, or in the cost of relevant assets, in the period of those payments.

After the commencement date, interest expenses on the lease liabilities in each period during the lease term is calculated by a constant periodic rate of interest and included in profit or loss or charged to cost of related assets.

After the commencement date, the Group shall remeasure the lease liabilities and make corresponding adjustments to the related right-of-use assets in the following circumstances. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liabilities, the Group shall recognize the difference in profit or loss:

- where there is a change in the lease term, or in the assessment of an option to purchase the underlying asset, the Group remeasures the lease liabilities, on the basis of the revised lease payments and the revised discount rate.
- where there is a change in the amounts expected to be payable under a residual value guarantee, or in future lease payments resulting from a change in an index or a rate used to determine those payments, the Group remeasures the lease liabilities, on the basis of the revised lease payments and the unchanged discount rate, unless the change in the lease payments results from a change in floating interest rates, in which case a revised discount rate is applied to calculate the present value.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases - continued

31.1 The Group as lessee - continued

31.1.4 Short-term leases and leases of low-value assets

The Group elects not to recognize right-of-use assets or lease liabilities for short-term leases and leases of low-value assets, i.e., port and terminal facilities, buildings, machinery and equipment, furniture, fixture and other equipment, motor vehicles and cargo ships and others. A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not contain a call option. A lease of low-value assets is a lease that, the value of the underlying asset is lower when it is new. For short-term leases and leases of low-value assets, the Group recognizes the lease payments in profit or loss, or in the cost of related assets on a straight-line basis over each period within the lease term.

31.1.5 Lease modifications

A lease modification should be accounted for as a separate lease if both of the following apply:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets.
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price according to the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification, the Group should allocate the consideration in the modified contract, determine the lease term of the modified lease and remeasure the lease liabilities based on the present value of the changed lease payments and the revised discount rate.

For lease modifications that decrease the scope of the lease or shorten the term of the lease, the Group should decrease the carrying amount of the right-of-use assets with any gain or loss relating to the partial or full termination of the lease recognized in profit or loss. For re-measurement of lease liabilities due to other lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use assets.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases - continued

31.1 The Group as lessee - continued

31.1.6 Sale and leaseback transactions

The Group as seller-lessee

The Group applies the requirements of Revenue Standard to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset does not constitute a sale, the Group shall continue to recognize the transferred assets, recognize a financial liability equal to the transfer proceeds and accounts for such financial liability in accordance with the *Accounting Standards for Business Enterprises No. 22 - Financial Instruments: Recognition and Measurement*. If the transfer of an asset is a sale, the Group shall measure the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use, and recognize any gain or loss for rights transferred to the lessor only.

31.2 The Group as lessor

31.2.1 Separating components of a lease

For a contract that contains lease components and non-lease components, the Group allocates the contract consideration in accordance with the Revenue Standards on allocation of transaction prices, based on the respective individual prices of the lease components and the non-lease components.

31.2.2 Classification of leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership. All other leases are classified as operating leases.

31.2.2.1 The Group as lessor under operating leases

The Group recognizes lease receipts from operating leases as rental income using a straight-line method over the respective periods of the lease term. The Group's initial direct costs incurred in connection with operating leases are capitalized when the costs incurred, and are allocated to profit or loss for the period over the lease term on the same basis as the recognition of rental income.

Variable lease receipts acquired by the Group in connection with operating leases that are not included in the lease receipts are recognized in profit or loss for the period when they are actually incurred.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases - continued

31.2 The Group as lessor - continued

31.2.2 Classification of leases - continued

31.2.2.2 The Group as lessor under finance leases

At the commencement date, the Group recognizes a finance lease receivable at the amount equal to the net lease investment with assets under finance lease derecognized. The net lease investment is the sum of any unguaranteed residual value and the present value of the lease receipts over the lease term discounted at the interest rate implicit in lease.

The lease receivable comprises the following payments collected by the Group from the lessee for the transfer of the right to use the underlying assets during the lease term:

- fixed payments (including in-substance fixed payments) paid by the lessee, less any lease incentives.
- variable lease payments that depend on an index or a rate.
- the exercise price of a purchase option, provided that it is reasonably determined that the lessee will exercise the option.
- payments for terminating the lease, provided that the lease term reflects that the lessee will exercise the option to terminate the lease;
- residual value of guarantee provided to the Group by the lessee, a party related to the lessee and an independent third party with the financial ability to fulfil the guarantee obligations.

Variable lease receipts not included in the net lease investment are recognized in profit or loss when they are actually incurred.

Interest income for each period over the lease term is calculated and recognized by the Group at a fixed periodic rate.

31.2.3 Subleases

As the lessor of a sublease, the Group accounts for the original lease contract and the sublease contract on a separate basis. The Group classifies the subleases based on the right-of-use assets generating from the original lease rather than the underlying assets of the original lease.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

31. Leases - continued

31.2 The Group as lessor - continued

31.2.4 Lease modifications

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any lease advances or receivables relating to the original lease as the lease receipts for the new lease.

A lease modification should be accounted for as a separate lease if there is a modification in a finance lease and both of the followings apply:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope with any appropriate adjustment to that stand-alone price.

For a modification to a finance lease that is not accounted for as a separate lease, the Group accounts for the modification as follows:

- If the lease would have been classified as an operating lease had the modification been effective at the commencement date, the Group should account for the lease modification as a new lease from the effective date of the modification, and measure the carrying amount of the underlying assets at the amount equal to the net lease investment before the effective date of the modification;
- If the lease would have been classified as a finance lease had the modification been effective at the commencement date, the Group should account for it in accordance with the provisions on contract modification and renegotiation under Accounting Standards for Business Enterprises No. 22 - Financial Instruments: Recognition and Measurement.

31.2.5 Sale and leaseback transactions

The Group as the buyer-lessor

If the transfer of an asset in a sale and leaseback transaction does not constitute a sale, the Group does not recognize the transferred asset but a financial asset at an amount equal to the transfer proceeds, and accounts for such financial asset under the *Accounting Standards for Business Enterprises No. 22 - Financial Instruments: Recognition and Measurement*. If the transfer of an asset constitutes a sale, the Group accounts for the purchase of the asset in accordance with other applicable Accounting Standards for Business Enterprises and accounts for the lease of the asset.

(IV) SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

32. Safety production cost

According to the *Administrative Measures for the Collection and Utilization of Enterprise Work Safety Funds* (Cai Zi [2022] No. 136) jointly issued by the Ministry of Finance and the Emergency Department on 13 December 2022, safety production cost set aside by the Group is directly included in the cost of relevant products or recognized in profit or loss for the period, and transferred to specific reserve simultaneously. When safety production cost set aside is utilized, if the costs incurred can be categorized as expenditure, the costs incurred should be charged against the specific reserve. If the costs set aside are used to build up fixed assets, the costs should be charged to construction in progress, and reclassified to fixed assets when the safety projects are ready for intended use. Meantime, expenditures in building up fixed assets are directly charged against the specific reserve with the accumulated depreciation recognized at the same amount. Depreciation will not be made in the future period on such fixed assets.

33. Exchange of non-monetary assets

When the non-monetary assets are of commercial substance and the fair value of assets received or the assets given up can be measured reliably, the non-monetary transactions are measured at fair value. For the asset received, the fair value of the asset given up and related taxes payable are recognized as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value and the carrying amount is recognized in profit or loss for the current period. When there is clear evidence indicating that the fair value of the received asset is more reliable, for the asset received, the fair value of the asset received and related taxes payable are recognized as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value of the asset received and the carrying amount of the asset given up is recognized in profit or loss for the current period.

When the non-monetary transactions fail to meet criteria to be measured at fair value, the transactions are measured at carrying amounts. For the asset received, the carrying amount of the asset given up and relevant taxes payable are recognized as the cost of at initial recognition. For the asset given up, at derecognition, no profit or loss is recognized.

(V) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ASSUMPTIONS AND UNCERTAINTIES IN ACCOUNTING ESTIMATES

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

The Group regularly reviews the judgments, estimates and assumptions on a going concern basis. Changes in accounting estimates which only affect the current period should be recognized in the current period; changes which not only affect the current but the future periods should be recognized in the current and future periods.

1. Key assumptions and uncertainties used in important judgments and accounting estimates

At the balance sheet date, key assumptions and uncertainties in critical judgments and accounting estimates that are likely to lead to significant adjustments to the carrying amounts of assets and liabilities in the future are as follows:

1.1 Goodwill impairment

The book value of goodwill on 31 December 2024 is RMB 5,933,310,929.34. The Group will conduct impairment testing on goodwill at least annually. For the purpose of impairment testing, the recoverable amount of each assets group and combination of assets groups that generate goodwill of the Group is determined by fair value less estimated disposal expenses and by the present value of estimated future cash flows, which involve the judgment of management.

1.2 Recognition of deferred income tax

The Group calculates and makes provision for deferred tax liabilities according to the profit distribution plans of subsidiaries, associates and joint ventures and relevant provisions of tax law. For retained earnings of the investee which are not expected to be distributed, since the profits will be used for the daily operation and future development of the investee, no deferred tax liabilities are recognized. If the profits to be actually distributed in future years are more or less than those expected, corresponding deferred tax liabilities will be recognized or reversed in profit or loss for the period at the earlier of the date on which the profit distribution plan is changed and the date on which the profit distribution is declared.

Deferred tax assets are recognized based on the deductible temporary differences and the corresponding tax rate, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. If the actual taxable income in future years are more or less than that expected, corresponding deferred tax assets will be recognized or reversed in profit or loss for the period in which they are actually incurred.

(V) CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY ASSUMPTIONS AND UNCERTAINTIES IN ACCOUNTING ESTIMATES - continued

1. Key assumptions and uncertainties used in important judgments and accounting estimates - continued

1.3 Estimated useful lives and residual value of fixed assets and intangible assets

The Group assesses the estimated useful lives and residual value of fixed assets and intangible assets. Such estimate is made by reference to the historical experience of actual useful lives and residual value of fixed assets and intangible assets of similar nature and function, and is subject to significant changes due to technical innovation and fierce industry competition. Where the estimated useful lives and residual value of fixed assets and intangible assets are less than the previous estimates, the Group will increase the depreciation and amortization, or write off or eliminate the technically obsolete fixed assets or intangible assets.

(VI) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Changes in significant accounting policies and their impacts

(1) For the year ended 31 December 2024, the Group implemented the relevant provisions and guidelines of the Accounting Standards for Business Enterprises issued by the Ministry of Finance in recent years, mainly including:

1) Provisions on "Division of current liabilities and non-current liabilities" in *Accounting Standards for Business Enterprises Interpretation No. 17* (CK [2023] No. 21) (hereinafter referred to as "Interpretation No. 17")

According to Interpretation No. 17, when the Group classifies the liquidity of liabilities, it only considers whether the Group has the substantive right to postpone the settlement of liabilities to more than one year after the balance sheet date (hereinafter referred to as "the right to postpone the settlement of liabilities"), without considering whether the Group has the subjective possibility of exercising the above rights.

For the liabilities arising from the Group's loan arrangements, if the right of the Group to postpone the repayment of the liabilities depends on whether the Group has complied with the conditions specified in the loan arrangements (hereinafter referred to as "contractual conditions"), the Group only considers the contractual conditions that should be complied with on or before the balance sheet date when dividing the liquidity of the relevant liabilities, without considering the impact of contractual conditions that should be complied with by the Group after the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(VI) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES - continued

1. Changes in significant accounting policies and their impacts - continued

If the Group classifies the above options as equity instruments and recognizes them separately as equity components of composite financial instruments in accordance with the *Accounting Standards for Business Enterprises No. 37- Presentation of financial instruments*, the liquidity division of the liabilities that the Group pays off by delivering its own equity instruments at the option of the counterparty will not be affected; On the contrary, if the above options cannot be classified as equity instruments, it will affect the liquidity classification of the liabilities.

The adoption of this provision has not had a significant impact on the Group's financial position and operating results.

2) Provisions on "Accounting treatment for quality assurance of guarantee type that does not belong to individual performance obligations" in *Accounting Standards for Business Enterprises Interpretation No. 18* (CK [2024] No. 24) (hereinafter referred to as "Interpretation No. 18").

According to the provisions of Interpretation No. 18, the company will include the accrued warranty cost in the "operating costs".

The adoption of this provision has not had a significant impact on the Company's financial position and operating results.

(VII) TAXES

1. Major taxes and tax rates

Taxes	Tax basis	Tax rate
Enterprise income tax	Taxable income	8.25%-34% (Note 1)
	Dividend income tax	5%,10% (Note 2)
Value-added tax (Note 3) (hereinafter referred to as "VAT")	Income from sale of goods	9%,13%
	Income from transportation, loading and unloading business and part of modern service industries	6%
	Income from sale of real estate, property management, lease of real estate, etc.	3%, 5%, 9%
	Income from leases of movable properties	13%
Social contribution tax (Note 4)	Income	0.65%-7.6%
Deed tax	Land use right and property transfer amount	3%-5%
Property tax	70% of cost of property or rental income	1.2% or 12%
City maintenance and construction tax	VAT paid	1%-7%
Education surtax	VAT paid	3%
Land use tax	Land area actually occupied	RMB 1-12 per square meter
Environmental protection tax	Amount of pollution equivalents of the taxable air pollutants converted based on the quantity of pollutions discharged	RMB 1.2-1.8 per pollution equivalent

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(Unless otherwise specified, the monetary unit shall be RMB)

(VII) TAXES - continued

1. Major taxes and tax rates - continued

Note 1: The Group's enterprise income tax is calculated based on the current tax rate stipulated by local tax laws. Among them, the Company is subject to an enterprise income tax rate of 25%, the subsidiaries set up in Hong Kong are subject to an enterprise income tax rate of 8.25% and 16.5%, the majority of subsidiaries set up in China are subject to an enterprise income tax rate of 25%, and the other overseas subsidiaries are subject to enterprise income tax rates between 10% and 34%.

The Company obtains dividends distributed by overseas subsidiaries and should pay enterprise income tax at a rate of 25% in accordance with relevant Chinese tax laws. The Company obtains taxable income outside of China, and the amount of income tax that has been paid abroad can be offset with the current taxable amount. The credit limit is the taxable amount calculated in accordance with the provisions of the Enterprise Income Tax Law.

Note 2: Foreign investors who receive dividends of profits from Chinese subsidiaries in 2008 and thereafter generally shall pay withholding income tax at a rate of 10% in accordance with the relevant provisions on the PRC enterprise income tax. For companies incorporated in certain regions (including Hong Kong and Singapore), if the companies meet relevant conditions, they will enjoy a preferential tax rate of 5%.

Note 3: The VAT amount is the balance of the output tax less the deductible input tax, and the output tax is calculated in accordance with the sales income and the corresponding tax rate stipulated in the relevant tax laws of China.

Note 4: The social contribution tax is the tax paid by TCP Participações S.A. (hereinafter referred to as "TCP"), an overseas subsidiary of the Group, to the local government.

2. Tax preference and approval documents

Certain subsidiaries of the Group in China are recognized as high-tech enterprises or encouraged industrial enterprises in the region and are subject to an enterprise income tax rate of 15%. Some of Group's some subsidiaries inside of China may pay corporate income tax at the rate of 15% according to the preferential policies of Qianhai Shenzhen Hong Kong Modern Service Industry Cooperation Zone.

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(VII) TAXES - continued

2. Tax preference and approval documents - continued

Certain subsidiaries of the Group in China are small and micro enterprises and are subject to a preferential tax rate of 20%. In accordance with the Announcement on Relevant Tax and Fee Policies for *Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 12 of the Ministry of Finance and the State Administration of Taxation in 2023), for small and micro enterprises, the taxable income is calculated at a reduced rate of 25% and the enterprise income tax is paid at a rate of 20% from 1 January 2023 and 31 December 2027.

Some subsidiaries of the Group outside China can reduce or exempt corporate income tax according to relevant local tax policies.

From 1 January 2023 to 31 December 2027, the urban land use tax for certain domestic subsidiaries of the Group on the land for bulk commodity storage facilities is levied at the reduced rate of 50% of the tax amount applicable to the grade of the land.

As approved by Shekou Taxation Sub-bureau of Shenzhen Tax Bureau, State Administration of Taxation on 12 October 2017, certain subsidiaries of the Group are exempted from VAT for auxiliary logistics services (warehousing services, excluding delivery services) provided to overseas enterprises.

(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Item	31/12/2024			31/12/2023		
	Original Currency	Exchange rate	RMB	Original Currency	Exchange rate	RMB
Cash	—	—	457,486.90	—	—	974,692.93
Including: RMB	300.00	1.0000	300.00	2,767.60	1.0000	2,767.60
USD	1,327.58	7.1884	9,543.18	31,847.37	7.0827	225,565.37
HKD	6,354.10	0.9260	5,884.15	27,873.90	0.9062	25,259.89
Others	161,212,970.72	-	441,759.57	37,752,399.93	-	721,100.07
Bank deposits	—	—	11,769,350,938.86	—	—	13,934,385,410.92
Including: RMB	7,922,930,866.84	1.0000	7,922,930,866.84	8,215,456,953.08	1.0000	8,215,456,953.08
USD	328,306,260.16	7.1884	2,359,996,720.94	450,261,524.89	7.0827	3,189,067,302.34
HKD	764,174,676.63	0.9260	707,656,317.54	1,337,109,431.38	0.9062	1,211,715,308.91
EUR	3,955,241.68	7.5257	29,765,962.32	83,365,808.01	7.8592	655,188,558.31
GBP	68,592.09	9.0765	622,576.10	-	9.0411	-
AUD	4,590,999.43	4.5070	20,691,634.43	7,503,763.11	4.8484	36,381,245.06
Others	340,388,882,836.85	-	727,686,860.69	26,946,239,115.00	-	626,576,043.22
Other cash and bank balances	—	—	114,600,721.02	—	—	54,207,918.46
Including: RMB	74,726,938.79	1.0000	74,726,938.79	14,920,544.77	1.0000	14,920,544.77
HKD	283.50	0.9260	262.53	181.00	0.9062	164.03
Others	1,622,193,641.17	-	39,873,519.70	1,795,121,602.79	-	39,287,209.66
Cash deposited in the finance company	4,745,991,554.35	1.0000	4,745,991,554.35	2,090,078,155.93	1.0000	2,090,078,155.93
Total	—	—	16,630,400,701.13	—	—	16,079,646,178.24
Including: Total amount of funds deposited overseas	—	—	5,449,122,430.53	—	—	4,143,910,318.92

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

1. Cash and bank balances - continued

Note 1: The interest receivable at the end of the year amounted to RMB 35,470,534.89.

Note 2: Cash deposited in the finance company included the interest receivable amounting to RMB 35,221,381.65.

Note 3: Restricted use of cash at bank and on hand at the end of the year.

Item	31/12/2024	31/12/2023	Reasons for restricted use
Interest receivable	70,691,916.54	14,497,091.00	Not actually received
Performance bond	41,064,199.70	40,482,889.76	Not available for withdrawal at any time
Litigation freezing funds	1,826,085.98	1,826,085.98	Not available for withdrawal at any time
Bill deposit	1,536,194.00	-	Not available for withdrawal at any time
Guarantee deposit	200,000.00	4,214,480.40	Not available for withdrawal at any time
ETC card frozen funds	12,750.00	12,000.00	Not available for withdrawal at any time
Total	115,331,146.22	61,032,547.14	

2. Financial assets held for trading

Item	31/12/2024	31/12/2023
Financial assets classified as at FVTPL	5,685,135,472.01	4,568,806,108.84
Including: Investments in debt instruments	-	450,209.48
Structured deposits	5,685,135,472.01	4,568,355,899.36
Total	5,685,135,472.01	4,568,806,108.84

3. Bills receivable

(1) Category of bills receivable

Category	31/12/2024	31/12/2023
Bank acceptance	263,127,883.63	315,150,195.09
Commercial acceptance	7,000,000.00	10,000,000.00
Total	270,127,883.63	325,150,195.09

Note: For the year ended 31 December 2024, no provision for bad debts of bills receivable is assessed on an individual basis and, the acceptor of bank acceptance and commercial acceptance for which provision for bad debts is assessed on a portfolio basis has high credit ratings with no significant credit risks, therefore, no provision for bad debts is made.

(2) As at 31 December 2024, the Group has no bills receivable pledged.

(3) As at 31 December 2024, bills receivable endorsed or discounted by the Group and not yet due on the balance sheet date.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

3. Bills receivable - continued

Item	Amount derecognized at the end of the year	Unrecognized amount at the end of the year
Bank acceptance	68,052,445.59	17,496,058.18

(4) As at 31 December, 2024, the Group has no bills transferred to accounts receivable due to the drawer's failure to perform.

(5) The Group has no bills receivable written off for the year ended 31 December 2024.

4. Accounts receivable

(1) Overall situation of accounts receivable

Category	31/12/2024	31/12/2023
Accounts receivable	1,282,371,828.87	1,194,923,829.34
Less: Provision for bad debts	88,963,445.09	91,022,363.09
Total	1,193,408,383.78	1,103,901,466.25

(2) Aging analysis of accounts receivable

Aging	31/12/2024			31/12/2023		
	Book value	Proportion (%)	Provision for bad debts	Book value	Proportion (%)	Provision for bad debts
Within 1 year (Including 1 year)	1,184,171,645.45	92.34	3,052,874.64	1,112,613,215.99	93.11	19,149,366.89
1-2 years (Including 2 years)	25,773,736.31	2.01	15,217,006.15	23,735,983.67	1.99	18,626,841.23
2-3 years (Including 3 years)	18,788,751.53	1.47	17,375,034.32	3,139,299.76	0.26	793,064.06
More than 3 years	53,637,695.58	4.18	53,318,529.98	55,435,329.92	4.64	52,453,090.91
Total	1,282,371,828.87	100.00	88,963,445.09	1,194,923,829.34	100.00	91,022,363.09

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

4. Accounts receivable - continued

(3) Disclosure of accounts receivable by category

Credit rating	Expected credit loss rate (%)	Book value					Provision for bad debts					Carrying amount	Provision for bad debts
		Aging				Total	Aging				Total		
		Within 1 year	1-2 years	2-3 years	More than 3 years		Within 1 year	1-2 years	2-3 years	More than 3 years			
A	0.00-0.10	733,738,147.98	2,297,383.05	213,471.96	21,223.14	736,270,226.13	70,851.91	193,993.27	98,320.55	21,223.14	384,388.87	735,885,837.26	Accrued according to the expected loss rate of each rating
B	0.10-0.30	365,349,709.55	3,538,705.53	1,166,853.33	262,901.93	370,318,170.34	65,045.30	241,905.41	61,748.61	262,901.93	631,601.25	369,686,569.09	Accrued according to the expected loss rate of each rating
C	0.30-50.00	80,357,827.67	2,993,912.02	38,769.49	842,481.25	84,232,990.43	367,341.11	240,254.71	38,769.49	842,481.25	1,488,846.56	82,744,143.87	Accrued according to the expected loss rate of each rating
D	50.00-100.00	4,725,960.25	16,943,735.71	17,369,656.75	52,511,089.26	91,550,441.97	2,549,636.32	14,540,852.76	17,176,195.67	52,191,923.66	86,458,608.41	5,091,833.56	Low probability of recovery
合计		1,184,171,645.45	25,773,736.31	18,788,751.53	53,637,695.58	1,282,371,828.87	3,052,874.64	15,217,006.15	17,375,034.32	53,318,529.98	88,963,445.09	1,193,408,383.78	

Including: Provision for bad debts assessed on an individual basis at the end of the year:

Name	31 December 2024			Reason for provision
	Book value	Provision for bad debts	Expected credit loss rate (%)	
Client 1	24,908,308.44	24,908,308.44	100.00	Low probability of recovery
Client 2	14,965,689.98	14,965,689.98	100.00	Low probability of recovery
Client 3	6,304,434.02	6,304,434.02	100.00	Low probability of recovery
Client 4	6,104,490.21	6,104,490.21	100.00	Low probability of recovery
Client 5	5,700,298.86	5,700,298.86	100.00	Low probability of recovery
Others	33,567,220.46	28,475,386.90	84.83	— —
Total	91,550,441.97	86,458,608.41		— —

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FOR THE YEAR ENDED 31 DECEMBER 2024

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

4. Accounts receivable - continued

- (4) Measurement of expected credit loss at an amount equivalent to the lifetime expected credit loss

Item	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	Total
As at 1 January 2024	10,619,515.90	80,402,847.19	91,022,363.09
Book value of accounts receivable as at 1 January 2024			
- Transfer to credit-impaired accounts receivable	-2,727,505.55	2,727,505.55	-
- Reversal of accounts receivable that are not credit-impaired	-	-	-
Provision for the year	2,435,515.93	6,539,340.03	8,974,855.96
Reversal for the year	-6,794,914.75	-407,893.03	-7,202,807.78
Effect of changes in the scope of consolidation	-	788,447.74	788,447.74
Write off in current year	-	-57,892.46	-57,892.46
Other changes	-1,027,774.85	-3,533,746.61	-4,561,521.46
As at 31 December 2024	2,504,836.68	86,458,608.41	88,963,445.09

- (5) For the year ended 31 December 2024, the Group has no significant provision for bad debts recovered or reversed this year.

- (6) Accounts receivable written off in the year

Item	Nature	Amount	Reason for write-off	Procedures performed	Arising from related party transactions or not
Client 6	Service fees	47,020.00	Confirmed as irrecoverable	Yes	No
Client 7	Service fees	8,527.46	Confirmed as irrecoverable	Yes	No
Client 8	Service fees	2,345.00	Confirmed as irrecoverable	Yes	No
Total	— —	57,892.46	— —	— —	— —

- (7) The top five balances of accounts receivable at the end of the year classified by debtor

Name of entity	Relationship with the Group	Book value	Aging	Provision for bad debts	Proportion of the amount to the total accounts receivable (%)
Client 9	Third party	289,218,829.81	Within 1 year, 1-2 years	84,976.90	22.55
Client 10	Third party	54,619,613.76	Within 1 year, 1-2 years	11,418.80	4.26
Client 11	Third party	47,963,363.49	Within 1 year	23,473.72	3.74
Client 12	Third party	34,630,956.90	Within 1 year	-	2.70
Client 13	Third party	30,613,764.04	Within 1 year, 1-2 years	7,978.88	2.39
Total		457,046,528.00		127,848.30	35.64

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

5. Receivables under financing

(1) Classification of receivables under financing

Item	31/12/2024	31/12/2023
Bank acceptance measured at fair value	-	2,001,669.46

(2) As at 31 December 2024, the Group has no pledged receivables under financing.

(3) At the end of the year, there is no Company's receivables under financing that have been endorsed or discounted and have not yet matured at the balance sheet date.

6. Prepayments

(1) Aging analysis of prepayments

Aging	31/12/2024			31/12/2023		
	Book value	Proportion (%)	Impairment provision	Book value	Proportion (%)	Impairment provision
Within 1 year (including 1 year)	58,397,947.01	98.69	-	36,798,888.01	97.70	-
1-2 years (including 2 year)	620,707.85	1.05	-	615,427.75	1.63	-
2-3 years (including 3 year)	8,000.00	0.01	-	129,361.04	0.34	-
More than 3 years	150,462.36	0.25	-	120,875.50	0.33	-
Total	59,177,117.22	100.00	-	37,664,552.30	100.00	-

(2) As at 31 December 2024, the Group has no significant prepayments aged more than one year.

(3) The top five balances of prepayments at the end of the year classified by entities

Name of entity	Relationship with the Company	31/12/2024	Aging	Proportion in total prepayments (%)	Provision for bad debts
Supplier 1	Third party	15,347,156.55	Within 1 year	25.93	Unsettled prepayment for premium
Supplier 2	Third party	5,491,648.66	Within 1 year	9.28	Unsettled prepaid service charges
Supplier 3	Third party	3,344,997.38	Within 1 year	5.65	Unsettled advance purchase payment
Supplier 4	Third party	3,025,232.04	Within 1 year, more than 3 years	5.11	Unsettled prepayment for premium
Supplier 5	Third party	2,031,865.00	Within 1 year	3.43	Unsettled prepayment for premium
Total		29,240,899.63		49.40	

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables

7.1 Presentation of other receivables

Item	31/12/2024	31/12/2023
Dividends receivable	554,387,723.94	343,386,866.06
Other receivables	612,111,619.96	596,628,127.95
Total	1,166,499,343.90	940,014,994.01

7.2 Dividends receivable

(1) Presentation of dividends receivable by aging

Name of investee	31/12/2024	31/12/2023	Reason for non-recovery	Whether there is impairment and its judgment basis
Dividends receivable with an aging within 1 year	436,240,220.68	157,850,228.61	—	—
Including:	—	—	—	—
Shanghai International Port (Group) Co., Ltd. (hereinafter referred to as "Shanghai Port Group")	326,565,642.25	-	—	No
China Nanshan Development (Group) Incorporation (hereinafter referred to as "Nanshan Group")	74,028,000.00	74,028,000.00	—	No
Euro-Asia Oceangate S.a.r.l.	23,881,469.17	-	—	No
China Ocean Shipping Agency Shenzhen Co., Ltd.	10,575,000.00	11,232,000.00	—	No
Dalian Port Logistics Network Co., Ltd.	-	30,605,256.76	—	—
Yingkou Gangxin Technology Co., Ltd.	-	23,881,213.75	—	—
Tin-can Island Container Terminal Ltd.	-	18,103,758.10	—	—
Others	1,190,109.26	-	—	No
Dividends receivable with an aging of more than one year	118,702,445.93	185,880,368.05	—	—
Including:	—	—	—	—
Nanshan Group	74,028,000.00	129,549,000.00	Relevant procedures are being handled and past dividends are being paid in succession	No
Zhanjiang Merchants Port City Investment Co., Ltd. (hereinafter referred to as "Merchants Port City")	38,809,044.77	38,809,044.77	Lack of funds	No
COSCO Logistics (Zhanjiang) Co., Ltd.	5,649,001.16	13,449,001.16	Lack of funds, and payment is made in installments	No
Tin-can Island Container Terminal Ltd.	-	3,856,922.12	—	—
Others	216,400.00	216,400.00	Lack of funds	No
Sub-total	554,942,666.61	343,730,596.66	—	—
Less: Provision for bad debts	554,942.67	343,730.60	—	—
Total	554,387,723.94	343,386,866.06	—	—

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables - continued

7.2 Dividends receivable - continued

(2) Changes in provision for credit loss of dividends receivable

Item	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
As at 1 January 2024	343,730.60	-	-	343,730.60
Balance at 1 January 2024				
- Transfer to Stage 2	-	-	-	-
- Transfer to Stage 3	-	-	-	-
- Reverse to Stage 2	-	-	-	-
- Reverse to Stage 1	-	-	-	-
Provision for the year	211,212.07	-	-	211,212.07
Reversal for the year	-	-	-	-
As at 31 December 2024	554,942.67	-	-	554,942.67

(3) Details of provision for bad debts

Category	31/12/2023	Changes for the year				31/12/2024
		Provision	Recovery or reversal	Charge-off or write-off	Other changes	
Provision for bad debts assessed on an individual basis	-	-	-	-	-	-
Provision for bad debts assessed on a portfolio basis	343,730.60	211,212.07	-	-	-	554,942.67
Total	343,730.60	211,212.07	-	-	-	554,942.67

7.3 Other receivables

(1) Aging analysis of other receivables

Aging	31/12/2024			31/12/2023		
	Book value	Proportion (%)	Provision for bad debts	Book value	Proportion (%)	Provision for bad debts
Within 1 year (including 1 year)	270,686,270.92	23.00	5,873.33	261,380,065.65	16.83	3,386,613.18
1-2 years (including 2 year)	34,852,514.76	2.96	1,639,836.84	268,634,561.16	17.29	189,669,720.48
2-3 years (including 3 year)	254,724,777.74	21.64	182,279,617.60	189,029,374.18	12.17	4,675,136.05
More than 3 years	616,886,752.77	52.40	381,113,368.46	834,322,127.22	53.71	759,006,530.55
Total	1,177,150,316.19	100.00	565,038,696.23	1,553,366,128.21	100.00	956,738,000.26

(2) Disclosure of other receivables by nature

Item	31/12/2024	31/12/2023
Operation compensation (Note 1)	512,608,434.72	857,551,782.45
Advance payment	227,885,870.03	264,603,548.43
Land compensation (Note 2)	197,262,369.00	89,630,000.00
Special subsidies collected on behalf	19,779,450.00	24,800,000.00
Security deposit	28,631,566.40	24,853,374.42
Others	190,982,626.04	291,927,422.91
Sub-total	1,177,150,316.19	1,553,366,128.21
Less: Provision for bad debts	565,038,696.23	956,738,000.26
Total	612,111,619.96	596,628,127.95

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables - continued

7.3 Other receivables - continued

(2) Disclosure of other receivables by nature - continued

Note 1: It is the operating compensation that the subsidiary of the Company shall collect from the holding company of its non-controlling shareholders according to the agreement. As at 31 December 2023, the Group has accumulated the compensation that has not been received, equivalent to RMB 857,551,782.45, and has withdrawn the provision for bad debts in full. For the year ended 31 December 2024, the Group recovers the compensation equivalent to RMB 316,715,160.00, and transfer back the provision for bad debts of RMB 316,715,160.00 accordingly. As at 31 December 2024, the Group has accumulated the compensation that has not been received, which is equivalent to RMB 512,608,434.72. The provision for bad debts have been fully withdrawn.

Note 2: On 9 October 2021, Zhanjiang Port (Group) Co., Ltd. (hereinafter referred to as "Zhanjiang Port"), a subsidiary of the Company, signed the *Agreement on the Recovery of State owned Land Use Rights* with local government agencies, which stipulates that Zhanjiang Port will return 195.68 mu of land located in Zhanjiang Comprehensive Bonded Zone, east of Shugang Avenue, to local government agencies at a price of RMB 89,630,000.00. The above land has been handed over before 31 December 2021. As at 31 December 2024, the above land compensation of RMB 89,630,000.00 has not been recovered.

On 4 September 2024, Zhanjiang Port signed the *Agreement on the Recovery of State owned Land Use Rights* with local government agencies, which stipulates that Zhanjiang Port will return 146,970.20 square meters of land and assets on the ground located in the north of Xiashan Port District of Zhanjiang to local government agencies at a price of RMB 107,632,369.00. The above land and above ground assets have been transferred before 18 September 2024. As at 31 December 2024, the above land compensation of RMB 107,632,369.00 has not been recovered.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables - continued

7.3 Other receivables - continued

(3) Provision for credit loss of other receivables

Credit rating	Expected credit loss rate (%)	31/12/2024				31/12/2023			
		12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	Total	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	Total
A	0.00-0.10	499,361,668.36	-	-	499,361,668.36	596,631,116.95	-	-	596,631,116.95
B	0.10-0.30	-	-	-	-	-	-	-	-
C	0.30-50.00	-	-	-	-	-	-	-	-
D	50.00-100.00	-	-	677,788,647.83	677,788,647.83	-	-	956,735,011.26	956,735,011.26
Book value		499,361,668.36	-	677,788,647.83	1,177,150,316.19	596,631,116.95	-	956,735,011.26	1,553,366,128.21
Provision for bad debts		13,957.42	-	565,024,738.81	565,038,696.23	2,989.00	-	956,735,011.26	956,738,000.26
Carrying amount		499,347,710.94	-	112,763,909.02	612,111,619.96	596,628,127.95	-	-	596,628,127.95

Significant other receivables for which provision for bad debts is assessed on an individual basis (credit rating of D)

Name of entity	31/12/2024	Provision for bad debts	ECL rate (%)	Reason for provision
Entity 14	512,608,434.72	512,608,434.72	100.00	Expected to be unrecoverable (Note)
Entity 15	122,569,018.03	9,854,263.08	8.04	No specific payment plan
Entity 16	14,000,000.00	14,000,000.00	100.00	Expected to be unrecoverable
Total	649,177,452.75	536,462,697.80	— —	— —

Note: Refer to Note (VIII) 7.3(2).

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(Unless otherwise specified, the monetary unit shall be RMB)

(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables - continued

7.3 Other receivables - continued

(4) Provision for bad debts

Item	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
As at 1 January 2024	2,989.00	-	956,735,011.26	956,738,000.26
Balance of other receivables at 1 January 2024				
- Transfer to Stage 2	-	-	-	-
- Transfer to Stage 3	-	-	-	-
- Reverse to Stage 2	-	-	-	-
- Reverse to Stage 1	-	-	-	-
Provision for the year	10,914.76	-	16,417,637.56	16,428,552.32
Reversal for the year	-	-	-379,923,568.34	-379,923,568.34
Effect of changes in the scope of consolidation	-	-	-	-
Charge-off for the year	-	-	-	-
Write-off for the year	-	-	-	-
Other changes	53.66	-	-28,204,341.67	-28,204,288.01
As at 31 December 2024	13,957.42	-	565,024,738.81	565,038,696.23

(5) The provision for bad debts recovered or reversed for the period that is significant in amount is listed as below:

Name of entity	Book value of other receivables	Reason and method of recovery or reversal	Basis for determining the original provision for bad debts	Accumulated provision for bad debts before recovery or reversal	Amount recovered or reversed
Entity 14	512,608,434.72	According to the reconciliation agreement, the debtor repaid part of the amount	Determined according to the financial status of previous years	857,551,782.45	316,715,160.00
Entity 17	1,634,741.75	Debtor repays debt after negotiation between both parties	Determined according to the financial status of previous years	64,841,250.09	63,206,508.34
Total	514,243,176.47	—	—	922,393,032.54	379,921,668.34

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

7. Other receivables - continued

7.3 Other receivables - continued

(6) The Group has no other receivables actually written off this year.

(7) The top five balances of other receivables at the end of the year classified by debtor

Name of entity	Relationship with the Group	Book value	Aging	Proportion to total other receivables (%)	Provision for credit impairment at the end of the year	Nature
Entity 14	The third party	512,608,434.72	2-3 years, more than 3 years	43.55	512,608,434.72	Operation compensation
Entity 18	The third party	197,262,369.00	Within 1 year, more than 3 years	16.76	-	Land compensation
Entity 15	The third party	122,569,018.03	2-3 years, more than 3 years	10.41	9,854,263.08	Advanced payments
Entity 19	Associated enterprise	37,374,974.40	1-2 years, more than 3 years	3.18	-	loan
Entity 20	The third party	33,954,749.14	Within 1 year	2.88	-	Advanced payments
Total	— —	903,769,545.29	— —	76.78	522,462,697.80	— —

8. Inventories

(1) Inventories by category

Item	31/12/2024			31/12/2023		
	Book value	Provision for impairment of inventories	Carrying amount	Book value	Provision for impairment of inventories	Carrying amount
Raw materials	261,972,849.28	1,153,436.72	260,819,412.56	217,097,512.98	1,234,628.38	215,862,884.60
Finished goods	4,683,965.30	-	4,683,965.30	2,520,205.91	-	2,520,205.91
Others	4,454,642.48	-	4,454,642.48	515,102.36	-	515,102.36
Total	271,111,457.06	1,153,436.72	269,958,020.34	220,132,821.25	1,234,628.38	218,898,192.87

(2) Provision for impairment of inventories

Category	1/1/2024	Increase		Decrease		Effect of translation of financial statements denominated in foreign currencies	31/12/2024
		Provision	Others	Reversal or charge-off	Others		
Raw materials	1,234,628.38	-	-	92,227.23	-	11,035.57	1,153,436.72

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

8. Inventories - continued

(2) Provision for impairment of inventories - continued

Provision for decline in value of inventories is made on an item-by-item basis and no provision for decline in value of inventories is made on a portfolio basis. The reason for the write off of provision for impairment of inventories in this year is requisition and consumption.

(3) As at 31 December 2024, the Group has no capitalized borrowing cost in the balance of inventories.

9. Non-current assets due within one year

(1) Presentation of non-current assets due within one year

Item	31/12/2024	31/12/2023
Long-term receivables due within one year	35,033,025.11	17,468,849.83
Less: Provision for bad debts	35,033.03	17,468.85
Carrying amount	34,997,992.08	17,451,380.98

10. Other current assets

Item	31/12/2024	31/12/2023
Input VAT to be deducted and certified	110,187,182.64	115,121,766.13
Prepaid taxes	140,440,401.53	71,771,659.09
Others	1,070,228.60	2,780,075.65
Sub-total	251,697,812.77	189,673,500.87
Less: provision for impairment	-	-
Total	251,697,812.77	189,673,500.87

11. Long-term receivables

(1) Details of long-term receivables

Item	31/12/2024			31/12/2023			Range of discount rate at the end of year
	Book value	Provision for bad debts	Carrying amount	Book value	Provision for bad debts	Carrying amount	
Advances to shareholders (Note 1)	1,169,988,750.65	1,169,988.75	1,168,818,761.90	1,167,470,819.35	1,167,470.82	1,166,303,348.53	6.15%-8.08%
Guarantees for finance leases	1,453,195.68	1,453.20	1,451,742.48	10,695,876.01	10,695.88	10,685,180.13	0-4.72%
Land compensation receivable (Note 2)	2,641,932,000.00	-	2,641,932,000.00	2,691,932,000.00	-	2,691,932,000.00	
Others	169,062.40	-	169,062.40	4,996,969.31	-	4,996,969.31	
Total	3,813,543,008.73	1,171,441.95	3,812,371,566.78	3,875,095,664.67	1,178,166.70	3,873,917,497.97	
Less: Long-term receivables due within 1 year	35,033,025.11	35,033.03	34,997,992.08	17,468,849.83	17,468.85	17,451,380.98	
Long-term receivables due after 1 year	3,778,509,983.62	1,136,408.92	3,777,373,574.70	3,857,626,814.84	1,160,697.85	3,856,466,116.99	

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

11. Long-term receivables - continued

Note 1: It mainly represents the aggregate principal and interest receivable from Port of Newcastle and Terminal Link SAS, equivalent to RMB 920,674,796.27 and RMB 215,013,954.38, respectively.

On 14 June 2018, China Merchants Port Holdings Company (hereinafter referred to as "CM Port"), a subsidiary of the Company, provided a long-term loan to Port of Newcastle, which signed in 2023 and has been extended to 31 December 2034. The loan carries interest at a rate of weighted average interest rate on debt as determined by local authority of Port of Newcastle plus 0.5%.

On 31 May 2023, CM Port, a subsidiary of the Company, provided a long-term loan to Terminal Link SAS for making additional capital injection to Saigang project and charged interest to Terminal Link SAS at an interest rate of 6.15%.

Note 2: On 5 November 2019, Shantou CM Port Group Co., Ltd. (hereinafter referred to as "Shantou Port"), a subsidiary of the Company entered into the *Contract for the Acquisition of State-Owned Land Use Rights in Shantou* with Shantou Land Reserve Center. Pursuant to the contract, the land and attached buildings of approximately 370.96 mu located in Zhuchi Deepwater Port on the south of Zhongshan East Road of Shantou should be returned to Shantou Land Reserve Center by Shantou Port, which is amounting to RMB1,558,032,000.00. Among them, 183.63 mu of land and attached buildings have been transferred in 2019, and the remaining 187.33 mu of land and attached buildings have been transferred in 2020. As at 31 December 2024, the land compensation of RMB1,158,032,000.00 has not yet been recovered.

On 21 August 2020, Shantou Port and Shantou Haojiang District Land Reserve Center signed the *Shantou City State owned Land Use Right Purchase Contract*, which stipulates that Shantou Port will hand back 152.34 mu of land and attached buildings located in Wutian Farm, Yushi, Haojiang District, Shantou City to Shantou Haojiang District Land Reserve Center at a price of RMB250,000,000.00. The above land and attached buildings have been handed over before 31 December 2020. As at 31 December 2024, the land compensation of RMB200,000,000.00 has not yet been recovered.

On 22 December 2020, Shantou Port entered into the *Contract for the Acquisition of State-Owned Land Use Rights in Shantou* with Shantou Land Reserve Center. Pursuant to the contract, the land and attached buildings of approximately 648.78 mu located in Zhuchi Deepwater Port of Shantou should be returned to Shantou Land Reserve Center by Shantou Port, which is amounting to RMB2,724,876,000.00. Among them, 320 mu of land and attached buildings were transferred by 31 December 2020, which is amounting to RMB1,344,000,000.00, and the remaining 328.78 mu of land and attached buildings have not been transferred. As at 31 December 2024, the land compensation of RMB 1,283,900,000.00 has not yet been recovered.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

11. Long-term receivables - continued

(2) Long-term receivables disclosed by method of provision for bad debts

Category	31 December 2024					31 December 2023				
	Book value		Provision for bad debts		Carrying amount	Book value		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)		Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts assessed on a portfolio basis	3,813,543,008.73	100.00	1,171,441.95	0.03	3,812,371,566.78	3,875,095,664.67	100.00	1,178,166.70	0.03	3,873,917,497.97
Total	3,813,543,008.73	100.00	1,171,441.95		3,812,371,566.78	3,875,095,664.67	100.00	1,178,166.70		3,873,917,497.97

Provision for bad debts assessed on a portfolio basis

Credit rating	31 December 2024		
	Accounts receivable	Provision for bad debts	Proportion (%)
A	3,813,543,008.73	1,171,441.95	0.03
Total	3,813,543,008.73	1,171,441.95	

(3) Provision for bad debts of long-term receivables

Item	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit loss	Lifetime expected credit loss (not credit-impaired)	Lifetime expected credit loss (credit-impaired)	
As at 1 January 2024	1,178,166.70	-	-	1,178,166.70
Book value of long-term receivables as at 1 January 2024	-	-	-	-
- Transfer to Stage 2	-	-	-	-
- Transfer to Stage 3	-	-	-	-
- Reverse to Stage 2	-	-	-	-
- Reverse to Stage 1	-	-	-	-
Provision for the year	45,771.75	-	-	45,771.75
Reversal for the year	-52,496.50	-	-	-52,496.50
Charge-off for the year	-	-	-	-
Write-off for the year	-	-	-	-
Other changes	-	-	-	-
As at 31 December 2024	1,171,441.95	-	-	1,171,441.95

(4) Details of provision for bad debts

Category	31/12/2023	Changes for the year				31/12/2024
		Provision	Recovery or reversal	Charge-off or write-off	Effect of changes in the scope of consolidation	
Advances to shareholders	1,167,470.82	45,014.43	-42,496.50	-	-	1,169,988.75
Guarantees for finance leases	10,695.88	757.32	-10,000.00	-	-	1,453.20
Land compensation receivable	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	1,178,166.70	45,771.75	-52,496.50	-	-	1,171,441.95

(5) There are no long-term receivables written off during the year.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

12. Long-term equity investments

(1) Classification of long-term equity investments

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase	Decrease	Other increase (decrease expressed with "-")	Effect of translation of financial statements denominated in foreign currencies	31/12/2024
Investment in joint ventures	8,957,993,335.22	-	160,855,675.82	-	322,006,693.75	-124,869,176.85	9,315,986,527.94
Investment in associates	88,070,458,516.81	-	-	-120,000,000.00	2,919,591,008.79	167,416,104.04	91,037,465,629.64
Sub-total	97,028,451,852.03	-	160,855,675.82	-120,000,000.00	3,241,597,702.54	42,546,927.19	100,353,452,157.58
Less: provision for impairment of long-term equity investments	362,334,075.76	-	-	-	8,113,482.64	-35,025,295.78	335,422,262.62
Total	96,666,117,776.27	-	160,855,675.82	-120,000,000.00	3,233,484,219.90	77,572,222.97	100,018,029,894.96

(2) Details of long-term equity investments

Investees	31/12/2023	Changes for the year								31/12/2024	Provision for impairment at the end of the year	
		Increase	Decrease	Investment income under equity method	Other comprehensive income	Other equity movements	Cash dividends or profits declared	Provision for impairment	Effect of translation of financial statements denominated in foreign currencies			
I. Joint ventures												
Euro-Asia Oceangate S.à.r.l.	2,045,841,414.96	-	-	129,656,958.63	183,258,241.46	-	-115,493,866.93	-	-	31,870,075.84	2,275,132,823.96	-
Port of Newcastle	2,075,023,699.91	-	-	25,792,465.60	-8,849,767.13	-	-	-	-	-152,714,223.82	1,939,252,174.56	-
Others	4,837,128,220.35	160,855,675.82	-	211,997,573.56	-12,678,065.76	56,831.00	-91,733,676.68	-8,113,482.64	-	-4,025,028.87	5,093,488,046.78	8,113,482.64
Sub-total	8,957,993,335.22	160,855,675.82	-	367,446,997.79	161,730,408.57	56,831.00	-207,227,543.61	-8,113,482.64	-	-124,869,176.85	9,307,873,045.30	8,113,482.64
II. Associates												
Shanghai Port Group	37,212,885,138.77	-	-	4,181,987,765.08	78,387,100.55	19,065,221.75	-1,449,951,451.59	-	-	-	40,042,373,774.56	-
Nanshan Group	6,559,245,040.52	-	-	-378,299,555.51	-26,388,437.39	-47,008,815.51	-74,028,000.00	-	-	-	6,033,520,232.11	-
Terminal Link SAS	6,453,040,914.20	-	-	346,946,611.72	-327,831,030.14	-	-395,260,400.37	-	-	91,816,798.27	6,168,712,893.68	-
Liaoning Port Co., Ltd. (hereinafter referred to as "Liaoning Port")	4,124,157,791.26	-	-	129,530,471.96	3,921,721.81	9,391,216.02	-51,851,456.34	-	-	35,076,570.08	4,250,226,314.79	324,913,116.66
Shenzhen China Merchants Qianhai Industrial Development Co., Ltd.	7,445,725,318.18	-	-	13,195,540.90	-	-	-49,000,000.00	-	-	-	7,409,920,859.08	-
Ningbo Zhoushan Port Company Limited (hereinafter referred to as "Ningbo Zhoushan")	18,631,154,114.31	-	-	1,133,840,746.97	25,589,778.67	39,479,895.57	-408,578,523.82	-	-	-	19,421,486,011.70	-
Others	7,281,916,123.81	-	-120,000,000.00	646,357,034.34	-25,409,646.22	-503,725.07	-473,991,054.59	-	-	75,548,031.47	7,383,916,763.74	2,395,663.32
Sub-total	87,708,124,441.05	-	-120,000,000.00	6,073,558,615.46	-271,730,512.72	20,423,792.76	-2,902,660,886.71	-	-	202,441,399.82	90,710,156,849.66	327,308,779.98
Total	96,666,117,776.27	160,855,675.82	-120,000,000.00	6,441,005,613.25	-110,000,104.15	20,480,623.76	-3,109,888,430.32	-8,113,482.64	-	77,572,222.97	100,018,029,894.96	335,422,262.62

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

12. Long-term equity investments - continued

(2) Changes in provision for impairment of long-term equity investments are as follows

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase	Decrease		Effect of translation of financial statements denominated in foreign currencies	31/12/2024
				Decrease	Reasons for reduction		
Liaoning Port	359,989,686.74	-	-	-	-	-35,076,570.08	324,913,116.66
Silk Road Yishang Information Technology Co., Ltd.	-	-	8,113,482.64	-	-	-	8,113,482.64
HOA THUONG CORPORATION	2,344,389.02	-	-	-	-	51,274.30	2,395,663.32
Total	362,334,075.76	-	8,113,482.64	-	-	-35,025,295.78	335,422,262.62

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

13. Investments in other equity instruments

(1) Details of investments in other equity instruments

Item	31/12/2024	31/12/2023	Dividend income recognized for the year	Other comprehensive income during the year	Other comprehensive income at the end of the year	Reasons for designation at fair value through other comprehensive income	Amount transferred from other comprehensive income to retained earnings	Reasons for transferring other comprehensive income to retained earnings
China Ocean Shipping Agency Shenzhen Co., Ltd.	129,726,519.67	147,689,164.25	10,575,000.00	-17,962,644.58	116,216,519.67	It is a non-trading equity instrument investment	-	---
Others	9,725,367.38	9,772,483.91	240,000.00	-47,116.53	697,867.38	It is a non-trading equity instrument investment	-	---
Total	139,451,887.05	157,461,648.16	10,815,000.00	-18,009,761.11	116,914,387.05	---	-	---

(2) There are no other equity instruments derecognized for the year.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

14. Other non-current financial assets

Item	31/12/2024	31/12/2023
Financial assets at FVTPL	28,524,600.31	877,576,442.83
Including: Investments in equity instruments	28,524,600.31	877,576,442.83
Including: Qingdao Port International Co., Ltd.	-	850,222,729.23
Others	28,524,600.31	27,353,713.60
Total	28,524,600.31	877,576,442.83

15. Investment properties

(1) Investment properties measured at cost

Item	Land use rights	Buildings and structures	Total
I. Cost			
1. As at 1 January 2024	136,657,995.75	6,191,446,084.83	6,328,104,080.58
2. Effect of changes in the scope of consolidation	-	-	-
3. Increase for the year	-	1,137,419.00	1,137,419.00
(1) Other increase	-	1,137,419.00	1,137,419.00
4. Decrease for the year	-	1,873,167,331.64	1,873,167,331.64
(1) Transfer from investment properties to fixed assets	-	1,863,087,962.64	1,863,087,962.64
(2) Other decreases	-	10,079,369.00	10,079,369.00
5. As at 31 December 2024	136,657,995.75	4,319,416,172.19	4,456,074,167.94
II. Accumulated depreciation and amortization			
1. As at 1 January 2024	47,569,315.68	1,322,159,796.11	1,369,729,111.79
2. Effect of changes in the scope of consolidation	-	-	-
3. Increase for the year	2,566,349.89	178,953,157.85	181,519,507.74
(1) Provision for the year	2,566,349.89	178,953,157.85	181,519,507.74
4. Decrease for the year	-	383,864,522.19	383,864,522.19
(1) Transfer from investment properties to fixed assets	-	381,104,046.36	381,104,046.36
(2) Other decreases	-	2,760,475.83	2,760,475.83
5. As at 31 December 2024	50,135,665.57	1,117,248,431.77	1,167,384,097.34
III. Impairment provision			
1. As at 1 January 2024	-	-	-
2. Increase for the year	-	-	-
3. Decrease for the year	-	-	-
4. As at 31 December 2024	-	-	-
IV. Carrying amount			
1. As at 31 December 2024	86,522,330.18	3,202,167,740.42	3,288,690,070.60
2. As at 1 January 2024	89,088,680.07	4,869,286,288.72	4,958,374,968.79

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

15. Investment properties - continued

(2) Investment properties without ownership certificates

Item	Book value	Reasons for not obtaining certificate of title	Expected time of completion
Buildings, structures, and land use rights	20,459,485.82	Some buildings and structures have not yet obtained certificates of land use rights	The certificate of title is underway

16. Fixed assets

16.1 Summary of fixed assets

Item	31/12/2024	31/12/2023
Fixed assets	30,688,591,344.25	28,986,501,937.59
Disposal of fixed assets	626,447.20	36,388.76
Total	30,689,217,791.45	28,986,538,326.35

16.2 Fixed assets

(1) Details of fixed assets

Item	Port and terminal facilities	Buildings and structures	Machinery and equipment, furniture, fixture and other equipment	Motor vehicles and cargo ships	Total
I. Cost					
1. As at 1 January 2024	31,137,311,072.50	1,825,694,719.33	16,741,310,306.89	2,283,384,722.04	51,987,700,820.76
2. Effect of changes in the scope of consolidation	-	8,639,804.61	337,301,964.42	11,601,319.63	357,543,088.66
3. Increase for the year	1,819,513,356.73	1,863,192,506.98	651,257,110.88	31,339,741.71	4,365,302,716.30
(1) Purchase	69,273,432.67	-	162,300,871.17	22,615,228.17	254,189,532.01
(2) Transfer from development costs	16,350,441.53	-	9,176,677.03	-	25,527,118.56
(3) Transfer from construction in progress	876,465,768.13	104,544.34	401,214,617.20	8,724,513.54	1,286,509,443.21
(4) Transfer from right-of-use assets	851,877,385.80	-	78,484,945.48	-	930,362,331.28
(5) Transfer in of investment properties	-	1,863,087,962.64	-	-	1,863,087,962.64
(6) Others	5,546,328.60	-	80,000.00	-	5,626,328.60
4. Decrease for the year	84,446,135.59	5,002,422.15	152,929,989.08	49,408,822.15	291,787,368.97
(1) Disposal or retirement	84,446,135.59	5,002,422.15	152,929,989.08	49,408,822.15	291,787,368.97
5. Settlement variance adjustments	-855,245.85	11,201.40	-543,798.26	-	-1,387,842.71
6. Reclassification	-4,640,077.36	-	4,738,134.70	-98,057.34	-
7. Effect of translation of financial statements denominated in foreign currencies	-401,109,413.87	1,599,222.35	-195,755,119.86	10,393,920.98	-584,871,390.40
8. As at 31 December 2024	32,465,773,556.56	3,694,135,032.52	17,385,378,609.69	2,287,212,824.87	55,832,500,023.64
II. Accumulated depreciation					
1. As at 1 January 2024	10,597,481,043.45	625,019,594.44	10,412,566,166.66	1,152,627,595.54	22,787,694,400.09
2. Effect of changes in the scope of consolidation	-	4,951,847.68	68,925,007.36	6,835,917.07	80,712,772.11
3. Increase for the year	1,085,270,466.66	449,608,915.42	871,505,149.71	109,479,231.38	2,515,863,763.17
(1) Provision	941,913,500.61	68,504,869.06	833,441,200.38	109,479,231.38	1,953,338,801.43
(2) Transfer from right-of-use assets	140,546,194.41	-	37,998,573.33	-	178,544,767.74
(3) Transfer in of investment properties	-	381,104,046.36	-	-	381,104,046.36
(4) Others	2,810,771.64	-	65,376.00	-	2,876,147.64
4. Decrease for the year	56,020,787.44	3,411,645.42	137,603,093.42	46,975,191.60	244,010,717.88
(1) Disposal or retirement	56,020,787.44	3,411,645.42	137,603,093.42	46,975,191.60	244,010,717.88
5. Reclassification	3,274,013.70	-	-3,178,033.81	-95,979.89	-
6. Effect of translation of financial statements denominated in foreign currencies	-99,996,965.86	1,871,516.96	-115,014,678.02	3,498,205.76	-209,641,921.16
7. As at 31 December 2024	11,530,007,770.51	1,078,040,229.08	11,097,200,518.48	1,225,369,778.26	24,930,618,296.33
III. Impairment provision					
1. As at 1 January 2024	196,464,146.22	9,414,527.47	7,625,809.39	-	213,504,483.08
2. Increase for the year	-	-	-	-	-
3. Disposal or retirement for the year	-	-	-	-	-
4. Effect of translation of financial statements denominated in foreign currencies	-	-	-214,100.02	-	-214,100.02
5. As at 31 December 2024	196,464,146.22	9,414,527.47	7,411,709.37	-	213,290,383.06
IV. Carrying amount					
1. As at 31 December 2024	20,739,301,639.83	2,606,680,275.97	6,280,766,381.84	1,061,843,046.61	30,688,591,344.25
2. As at 1 January 2024	20,343,365,882.83	1,191,260,597.42	6,321,118,330.84	1,130,757,126.50	28,986,501,937.59
Including: Carrying amount of pledged assets at the end of the year	304,310,074.26	2,003,228.60	160,343,193.99	875,324.93	467,531,821.78

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

16. Fixed assets - continued

16.2 Fixed assets - continued

(2) The Group has no fixed assets that are temporarily idle as at 31 December 2024.

(3) Fixed assets leased out under operating leases

Item	Carrying amount as at 31/12/2024	Carrying amount as at 31/12/2023
Buildings and structures	185,465,560.82	190,979,949.85
Port and terminal facilities	41,979,439.95	35,709,105.32
Machinery and equipment, furniture, fixture and other equipment	10,203,232.09	5,012,091.76
Total	237,648,232.86	231,701,146.93

(4) Details of fixed assets depreciated but still in use and temporarily idle at the end of the year, and fixed assets disposed and retired in the year:

Item	Amount	Remark
I. Cost of fixed assets fully depreciated but still in use at the end of the year	5,396,775,614.66	
II. Cost of fixed assets temporarily idle at the end of the year	-	
III. Fixed assets disposed and retired in the year:		
Including: Cost of fixed assets disposed and retired in the year	291,787,368.97	
Net book value of fixed assets disposed and retired in the year	47,776,651.09	
Loss on disposal or retirement of fixed assets in the year	1,482,080.79	

(5) Fixed assets without ownership certificates

Item	Carrying amount as at 31/12/2024	Carrying amount as at 31/12/2023	Remark
Buildings, structures, port and terminal facilities	1,357,929,730.13	1,539,024,375.12	This is mainly due to the fact that certain buildings and structures have not yet obtained the land use rights of the corresponding land and the approval procedures have not yet been completed.

(6) The details of the Group's fixed assets with restricted ownership as at 31 December 2024 are set out in Note (VIII) 64.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

16. Fixed assets - continued

16.3 Disposal of fixed assets

Item	31/12/2024	31/12/2023
Machinery and equipment, furniture, fixture and other equipment	626,447.20	36,388.76
Total	626,447.20	36,388.76

17. Construction in progress

(1) Presentation of construction in progress

Item	31/12/2024	31/12/2023
Construction in progress	3,296,562,213.14	2,907,014,186.24
Materials for construction of fixed assets	14,547,783.45	2,803,095.22
Total	3,311,109,996.59	2,909,817,281.46

(2) Details of construction in progress

Item	31/12/2024			31/12/2023		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Port and terminal facilities	1,950,072,409.34	-	1,950,072,409.34	2,380,800,758.33	-	2,380,800,758.33
Infrastructure	608,560,125.43	-	608,560,125.43	252,638,193.22	-	252,638,193.22
Berths and yards	475,884,349.47	-	475,884,349.47	178,174,354.90	-	178,174,354.90
Cargo ships under construction	21,073,474.73	-	21,073,474.73	1,726,548.68	-	1,726,548.68
Others	241,750,332.70	778,478.53	240,971,854.17	93,674,331.11	-	93,674,331.11
Total	3,297,340,691.67	778,478.53	3,296,562,213.14	2,907,014,186.24	-	2,907,014,186.24

CHINA MERCHANTS PORT GROUP CO., LTD.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

17. Construction in progress - continued

(3) Changes of significant construction in progress

Item	Budget amount	31/12/2023	Increase for the year	Transfer to fixed assets	Other decreases for the year	Effect of translation of financial statements denominated in foreign currencies	31/12/2024	Proportion of accumulated construction investment in budget (%)	Construction progress (%)	Amount of accumulated capitalized interest	Including: Capitalized interest for the year	Interest capitalization rate for the current year (%)	Capital source
Reconstruction project of HIPG container, oil terminal and tank area	2,908,022,151.89	831,225,294.06	49,353.60	-	-	12,405,408.74	843,680,056.40	49.97	49.97	-	-	-	Own funds
Zhanjiang Port Baoman Port Area Container Terminal Phase I Expansion Project	2,342,775,800.00	228,565,139.35	369,216,050.96	-	-	-	597,781,190.31	25.52	25.52	4,153,870.60	3,142,500.00	2.70	Own funds and loans
Zhanjiang Port Donghai Island Port Area Grocery Wharf Project	905,348,400.00	448,945,219.84	31,056,095.20	-	-	-	480,001,315.04	53.02	53.02	44,364,372.49	-	-	Own funds and loans
Subsequent construction in progress of HIPG wharf	1,148,229,729.08	64,518,356.73	360,009,390.82	80,457,743.98	-	3,581,852.63	347,651,856.20	31.65	31.65	-	-	-	Own funds
Phase I of the second phase of the wharf project in the local operation area of Goshan Port Area is controlled in sequence	746,878,600.00	173,229,108.75	158,479,740.24	-	-	-	331,708,848.99	77.60	77.60	21,475,814.58	9,469,073.60	3.41	Own funds and loans
Phase II of the second phase project of the wharf in the local operation area of the port area of Goshan Port is controlled in sequence	512,745,400.00	2,335,611.25	134,392,773.36	-	-	-	136,728,384.61	26.67	26.67	-	-	-	Own funds
Dachanwan phase II project	6,201,904,300.00	49,989,488.44	44,156,751.37	35,618.58	-	-	94,110,621.23	1.52	1.52	-	-	-	Own funds and loans
Phase II warehouse of Djibouti Free Trade Zone Bonded Logistics Park	82,825,980.92	-	72,431,197.06	-	-	678,577.17	73,109,774.23	87.45	87.45	-	-	-	Own funds
Back land reclamation project on Haidagan Bulk Yard and Supporting Facilities and Liquid Bulk Berth	82,400,000.00	62,250,560.60	1,674,220.80	-	-	-	63,924,781.40	78.00	78.00	-	-	-	Own funds
Phase III Expansion Project of Bulk Grain Warehouse at 2 # and 3 # Berths in Xinshanan Operation Area of Machong Port	1,070,060,466.80	-	55,590,989.31	-	-	-	55,590,989.31	5.20	5.20	495,141.01	495,141.01	2.40	Own funds and loans
TCP tyre container crane project	167,813,680.92	154,353,640.05	16,042,118.68	155,362,726.60	-	-14,935,279.82	97,752.31	81.38	81.38	-	-	-	Own funds
Total	16,169,004,509.61	2,015,412,419.07	1,243,098,681.40	235,856,089.16	-	1,730,558.72	3,024,385,570.03	—	—	70,489,198.68	13,106,714.61	—	—

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

17. Construction in progress - continued

(4) Materials for construction of fixed assets

Item	31/12/2024			31/12/2023		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Materials for construction of fixed assets	14,547,783.45	-	14,547,783.45	2,803,095.22	-	2,803,095.22

(5) Impairment testing of construction in progress

The recoverable amount is determined at the present value of expected future cash flows.

Item	Carrying amount	Recoverable amount	Amount of impairment	Projection period	Key parameters for projection period	Key parameters for steady period	Basis to determine the key parameters for steady period
HIPG Asset Group	9,252,208,236.39	59,264,649,095.70	-	5 years	Pre-tax discount rate, 7.55%	Perpetual growth rate, 7%	Refer to the expected growth rate of the industry
Total	9,252,208,236.39	59,264,649,095.70	-				

18. Right-of-use assets

(1) Details of right-of-use assets

Item	Port and terminal facilities	Buildings and structures	Machinery and equipment, furniture, fixture and other equipment	Land use rights	Motor vehicles, cargo ships and others	Total
I. Cost						
1. As at 1 January 2024	7,562,353,952.80	209,373,502.30	90,415,354.96	3,196,799,850.46	12,324,371.27	11,071,267,031.79
2. Effect of changes in the scope of consolidation	-	-	-	438,590,768.78	-	438,590,768.78
3. Increase for the year	17,134,584.91	9,058,200.59	-	24,820,389.02	-	51,013,174.52
(1) Increase	17,134,584.91	9,058,200.59	-	24,820,389.02	-	51,013,174.52
4. Decrease for the year	1,178,966,833.33	66,417,257.76	83,675,896.45	-	6,146,986.54	1,335,206,974.08
(1) Termination of lease	327,089,447.53	66,417,257.76	5,190,950.97	-	6,146,986.54	404,844,642.80
(2) Transfer to fixed assets	851,877,385.80	-	78,484,945.48	-	-	930,362,331.28
5. Effect of translation of financial statements denominated in foreign currencies	94,334,911.72	2,053,416.77	-1,330,029.37	58,586,942.87	-	153,645,241.99
6. As at 31 December 2024	6,494,856,616.10	154,067,861.90	5,409,429.14	3,718,797,951.13	6,177,384.73	10,379,309,243.00
II. Accumulated depreciation						
1. As at 1 January 2024	1,133,512,711.03	69,917,866.45	41,288,905.85	378,727,399.69	6,151,837.55	1,629,598,720.57
2. Effect of changes in the scope of consolidation	-	-	-	4,385,907.55	-	4,385,907.55
3. Increase for the year	250,849,727.02	22,059,985.39	7,269,237.42	59,689,890.66	3,755,059.14	343,623,899.63
(1) Provision	250,849,727.02	22,059,985.39	7,269,237.42	59,689,890.66	3,755,059.14	343,623,899.63
4. Decrease for the year	467,635,641.93	55,479,245.30	43,057,128.13	-	6,146,986.54	572,319,001.90
(1) Termination of lease	327,089,447.52	55,479,245.30	5,058,554.80	-	6,146,986.54	393,774,234.16
(2) Transfer to fixed assets	140,546,194.41	-	37,998,573.33	-	-	178,544,767.74
5. Effect of translation of financial statements denominated in foreign currencies	11,433,680.67	545,267.40	-1,336,714.46	6,025,420.00	-	16,667,653.61
6. As at 31 December 2024	928,160,476.79	37,043,873.94	4,164,300.68	448,828,617.90	3,759,910.15	1,421,957,179.46
III. Impairment provision						
1. As at 1 January 2024	-	-	-	-	-	-
2. Increase for the year	-	-	-	-	-	-
3. Decrease for the year	-	-	-	-	-	-
4. As at 31 December 2024	-	-	-	-	-	-
IV. Carrying amount						
1. As at 31 December 2024	5,566,696,139.31	117,023,987.96	1,245,128.46	3,269,969,333.23	2,417,474.58	8,957,352,063.54
2. As at 1 January 2024	6,428,841,241.77	139,455,635.85	49,126,449.11	2,818,072,450.77	6,172,533.72	9,441,668,311.22

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

19. Intangible assets

(1) Details of intangible assets

Item	Land use rights	Terminal management rights	Data resources	Others	Total
I. Cost					
1. As at 1 January 2024	13,931,545,206.82	9,719,144,201.53	-	1,668,648,110.38	25,319,337,518.73
2. Effect of changes in the scope of consolidation	3,475,149.95	482,033,493.04	-	-	485,508,642.99
3. Increase for the year	208,609,912.90	103,107,263.27	6,339,622.62	55,518,365.92	373,575,164.71
(1) Purchase	208,609,912.90	103,107,263.27	-	49,014,833.85	360,732,010.02
(2) Transfer from development costs	-	-	6,339,622.62	4,082,980.32	10,422,602.94
(3) Other increase	-	-	-	2,420,551.75	2,420,551.75
4. Decrease for the year	85,264,264.69	-	-	11,500,767.04	96,765,031.73
(1) Disposal	85,264,264.69	-	-	11,500,767.04	96,765,031.73
5. Effect of translation of financial statements denominated in foreign currencies	5,055,363.79	-984,689,931.49	-	-131,175,661.86	-1,110,810,229.56
6. As at 31 December 2024	14,063,421,368.77	9,319,595,026.35	6,339,622.62	1,581,490,047.40	24,970,846,065.14
II. Accumulated amortization					
1. As at 1 January 2024	4,298,634,686.00	2,294,738,077.51	-	595,892,300.43	7,189,265,063.94
2. Effect of changes in the scope of consolidation	3,203,850.98	32,544,723.40	-	-	35,748,574.38
3. Increase for the year	325,634,621.59	283,628,119.67	88,502.35	79,005,661.70	688,356,905.31
(1) Provision	325,634,621.59	283,628,119.67	88,502.35	79,005,661.70	688,356,905.31
4. Decrease for the year	23,972,681.75	-	-	9,812,220.89	33,784,902.64
(1) Disposal	23,972,681.75	-	-	9,812,220.89	33,784,902.64
5. Effect of translation of financial statements denominated in foreign currencies	2,459,217.19	-254,480,639.52	-	-48,810,846.43	-300,832,268.76
6. As at 31 December 2024	4,605,959,694.01	2,356,430,281.06	88,502.35	616,274,894.81	7,578,753,372.23
III. Impairment provision					
1. As at 1 January 2024	44,199,381.24	-	-	12,810,888.83	57,010,270.07
2. Increase for the year	-	-	-	-	-
3. Decrease for the year	-	-	-	-	-
4. As at 31 December 2024	44,199,381.24	-	-	12,810,888.83	57,010,270.07
IV. Carrying amount					
1. As at 31 December 2024	9,413,262,293.52	6,963,164,745.29	6,251,120.27	952,404,263.76	17,335,082,422.84
2. As at 1 January 2024	9,588,711,139.58	7,424,406,124.02	-	1,059,944,921.12	18,073,062,184.72

(2) Land use rights without ownership certificates as at 31 December 2024:

Item	Carrying amount as at 31/12/2024	Carrying amount as at 31/12/2023
Land use rights (Note)	1,889,916,568.77	2,374,139,495.63

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

19. Intangible assets - continued

(2) Land use rights without ownership certificates as at 31 December 2024: - continued

Note: As at 31 December 2024, the land use rights without ownership certificates mainly represent the land use rights for berth and storage yard within Chiwan Port area obtained by the Group from Nanshan Group, with an area of 690,161.97 m², and Dachanwan Port area Phase II land use rights obtained by Ansuje Port Warehousing Services (Shenzhen) Co., Ltd. (hereinafter referred to as "ASJ"), the costs of which are RMB 1,179,259,029.47 and RMB 918,521,317.23 respectively.

The land use rights for berth and storage yard within Chiwan Port area obtained by the Group from Nanshan Group represent the capital contribution from Nanshan Group to the Company upon restructuring of the Company, while the remaining land use rights are obtained from Nanshan Group by way of long-term lease. Up to date, Nanshan Group has not yet obtained the land use rights in respect of the lands within Chiwan watershed, including aforementioned capital contribution and land lease to the Group, therefore, the Group cannot obtain the ownership certificate for relevant land and buildings on such land. The Company's management understood that Nanshan Group is negotiating with relevant government departments regarding the historical issues, and the date when the Group can obtain the ownership certificate of relevant land and buildings on such land cannot be estimated reliably.

ASJ is negotiating with relevant government departments for handling the ownership certificates of Dachanwan Port area Phase II land use rights obtained by it.

20. Goodwill

(1) Details of goodwill

Investee	Sources	31/12/2023	Increase this year		Decrease	Effect of translation of financial statements denominated in foreign currencies	31/12/2024
			Business combination (Note)	Other increase			
TCP	Acquisition of equity	2,986,472,072.14	-	-	-	-616,757,814.90	2,369,714,257.24
Mega Shekou Container Terminals Limited (hereinafter referred to as "Mega SCT")	Acquisition of equity	1,815,509,322.42	-	-	-	-	1,815,509,322.42
CM Port	Acquisition of equity	993,992,000.00	-	-	-	-	993,992,000.00
Shantou Port	Acquisition of equity	552,317,736.65	-	-	-	-	552,317,736.65
Zhanjiang Port	Acquisition of equity	418,345,307.68	-	-	-	-	418,345,307.68
Shenzhen Mawan Project	Acquisition of equity	408,773,001.00	-	-	-	-	408,773,001.00
Others	Acquisition of equity	288,255,850.88	55,719,132.86	-	-	1,347,364.94	345,322,348.68
Sub-total	—	7,463,665,290.77	55,719,132.86	-	-	-615,410,449.96	6,903,973,973.67
Provision for impairment of goodwill	—	970,663,044.33	-	-	-	-	970,663,044.33
Total	—	6,493,002,246.44	55,719,132.86	-	-	-615,410,449.96	5,933,310,929.34

Note: See Note X, 1 (2) for details

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

20. Goodwill - continued

(2) Provision for impairment of goodwill

Investee	31/12/2023	Effect of changes in the scope of consolidation	Provision	Effect of translation of financial statements denominated in foreign currencies	Decrease	31/12/2024
Zhanjiang Port	418,345,307.68	-	-	-	-	418,345,307.68
Shantou Port	552,317,736.65	-	-	-	-	552,317,736.65
Total	970,663,044.33	-	-	-	-	970,663,044.33

(3) Information of asset groups or portfolio of asset groups to which the goodwill belongs

Name	Composition of asset groups or portfolio of asset groups to which it is allocated and its basis	Is it consistent with that of the prior year?
TCP	The Group identifies asset groups or portfolio of asset groups based on their ability to generate cash inflows independently, the manner in which they manage their production and operating activities, and the unified decision-making on use or disposal of assets.	Yes
Mega SCT		Yes
CM Port		Yes
Shantou Port		Yes
Zhanjiang Port		Yes
Shenzhen Mawan Project		Yes
Others		Yes

When testing the goodwill for impairment, the Group compares the carrying amount of related asset groups and portfolio of asset groups (including goodwill) with the recoverable amount. If the recoverable amount is less than the carrying amount, the difference is included in profit or loss for the period. The Group determines the recoverable amount of the asset groups and portfolio of asset groups that generate goodwill at fair value less cost of disposal or at present value of expected future cash flows. The fair value is determined using market approach. The present value of cash flows is estimated based on the forecast of cash flows for the projection period between 5 years to 25 years and steady period. The estimated future cash flows for the projection period are based on the business plan established by the management; the expected future cash flows for the steady period are determined in conjunction with the level of the final year of the projection period, combined with the Group's business plans, industry trends and inflation rates. The growth rate adopted will not exceed the long-term average growth rate of the country where the asset groups and portfolio of asset groups are located. The key assumptions used by the Group in estimating the present value of future cash flows include growth rate and discount rate etc. The pre-tax discount rate and the growth rate adopted are 9.55%-23.55% and 2.00% respectively. The parameters of key assumptions determined by the Group's management are in line with the Group's historical experience or external source of information.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

20. Goodwill - continued

(4) Specific method for determination of recoverable amount

The recoverable amount is determined at the present value of expected future cash flows

Item	Projection period	Key parameters for projection period	Basis to determine the key parameters for projection period	Key parameters for steady period	Basis to determine the key parameters for steady period
Mega SCT	5 years	1. Pre-tax discount rate: 10.07% 2. Average revenue growth rate for projection period: 1.57% 3. Average profit margin for projection period: 37.27%	1. The discount rate is a pre-tax discount rate that reflects the specific risks of the underlying asset group or combination of asset groups. 2. Average revenue growth rate for projection period and average profit margin for projection period: Taking into account comprehensive factors such as each company's business operations, performance, key financial indicators and market environment	1. Pre-tax discount rate: 10.07% 2. Average revenue growth rate for steady period: 2.00% 3. Average profit margin for steady period: 37.34%	1. The discount rate is a pre-tax discount rate that reflects the specific risks of the underlying asset group or combination of asset groups 2. Average revenue growth rate for steady period: China's forward inflation rate published by the World Bank 3. Profit margin for steady period: Taking into account comprehensive factors such as each company's business operations, performance, key financial indicators and market environment
TCP	24 years (Note)	1. Pre-tax discount rate: 23.55% 2. Average revenue growth rate for projection period: 5.00% 3. Average profit margin for projection period: 53.54%		1. Pre-tax discount rate: Not applicable 2. Average revenue growth rate for steady period: Not applicable 3. Average profit margin for steady period: Not applicable	

Note: The franchise right of TCP, a subsidiary of the Group, to Paranagua Port will expire in October 2048. TCP predicts the future cash flow based on the remaining years of the franchise right.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

21. Long-term deferred expenses

Presentation of long-term deferred expenses:

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Amortization in the year	Other decreases	31/12/2024	Reason for other decreases
Tonggu channel widening project (Note 1)	440,997,664.99	-	52,318.30	14,595,534.66	95,991.44	426,358,457.19	Settlement Variance
West public channel widening project at West port area (Note 2)	237,979,944.19	-	43,673.14	6,603,626.16	1,742,829.21	229,677,161.96	Settlement Variance
Dredging project	79,289,435.04	-	11,113,590.34	24,529,084.50	90,886.94	65,783,053.94	Settlement Variance
Relocation project of Nanhai Rescue Bureau	36,446,743.10	-	-	1,107,368.40	-	35,339,374.70	---
Expenditures for the improvement of leased fixed assets	22,094,914.45	-	1,038,592.73	2,716,709.30	-	20,416,797.88	---
Others	176,984,803.52	-	36,750,598.83	50,881,199.77	24,568.31	162,829,634.27	Settlement Variance
Total	993,793,505.29	-	48,998,773.34	100,433,522.79	1,954,275.90	940,404,479.94	---

Note 1: This represents the Group's actual expenses on Shenzhen Western Port Area Tonggu Channel 210-270M Widening Project. According to relevant resolutions of Shenzhen Municipal Government, the enterprise and government shall bear 60% and 40% of the expenses incurred for the 210-240M widening project, and 50% and 50% of the expenses incurred for the 240-270M widening project respectively. The Company's subsidiary has included the expenses on deepening the channel in the item of " long-term deferred expenses ", and amortized such expenses over the expected useful lives of the two widening projects of 35 and 40 years using straight-line method since the completion of each project in 2008 and 2019, respectively.

Note 2: This represents the Group's actual expenses on Shenzhen West Port Area Public Channel Widening Project, of which the widening of 240-270M in the first section was completed on 1 June 2019 and the widening of 240-270M in the second and third sections was completed on 5 November 2020. According to relevant resolutions of Shenzhen Municipal Government, the enterprise and government shall bear 50% and 50% of the expenses incurred for the project respectively. The Company's subsidiary has included the expenses on deepening the channel in the item of " long-term deferred expenses ", and amortized such expenses over the expected useful life of 40 years using straight-line method since the completion of each section of the channel widening project.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

22. Deferred income tax

(1) Deferred tax assets before offsetting

Item	31/12/2024		31/12/2023	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Lease liabilities	666,428,741.59	163,857,577.86	812,240,581.51	218,145,932.73
Unrealized profit	742,725,529.54	181,536,190.45	749,254,178.80	183,009,204.87
Terminal operating right	725,211,723.54	217,563,517.06	714,547,999.18	214,364,399.78
Depreciation of fixed assets	180,532,470.26	38,716,737.33	162,352,087.79	40,588,021.95
Provision for bad debts	84,382,905.10	18,830,890.39	151,277,238.51	32,071,347.97
Accrued and unpaid wages	104,332,100.77	21,864,895.76	126,623,677.19	27,883,418.55
Estimated liabilities	72,335,644.41	24,250,379.90	85,590,059.41	29,100,620.20
Deductible losses	35,370,822.19	5,384,926.28	43,785,085.09	10,946,271.43
Deferred income	36,119,190.53	8,571,871.40	39,203,663.56	9,101,072.49
Amortization of computer software	6,236,548.44	1,226,964.34	7,345,031.20	1,836,257.80
Provision for impairment of assets	3,477,996.67	690,206.29	6,698,523.93	1,555,485.91
Organization costs	-	-	1,028,867.64	257,216.91
Others	98,150,808.94	22,429,487.85	70,987,022.41	18,570,226.51
Total	2,755,304,481.98	704,923,644.91	2,970,934,016.22	787,429,477.10

(2) Deferred tax liabilities before offsetting

Item	31/12/2024		31/12/2023	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Withholding dividend income tax	45,628,599,622.34	3,127,746,150.78	41,551,214,196.81	2,840,377,397.22
Right-of-use assets	972,527,705.73	257,345,925.13	1,017,854,192.39	282,003,933.26
Terminal operating right	273,655,040.04	82,096,512.01	307,617,857.01	92,285,357.10
Fair value adjustment of assets acquired from business combination	4,861,662,497.66	1,254,384,068.52	4,880,293,882.18	1,292,552,086.64
Depreciation of fixed assets	934,419,445.82	257,210,035.67	975,166,842.96	272,103,476.86
Changes in fair value of other non-current financial assets	-	-	408,104,042.76	99,604,068.18
Changes in fair value of investments in other equity instruments	116,216,519.64	29,054,129.91	134,179,164.24	33,544,791.03
Valuation of financial assets held for trading	3,019,863.08	754,965.77	2,161,643.84	540,410.96
Others	1,026,333,384.24	126,835,982.94	1,045,132,765.59	118,992,583.19
Total	53,816,434,078.55	5,135,427,770.73	50,321,724,587.78	5,032,004,104.44

(3) Deferred tax assets or liabilities that are presented at the net amount after offsetting

Item	Offset amount of deferred tax assets and liabilities at the end of the current year	Balance of deferred tax assets or liabilities after offsetting at the end of the current year	Offset amount of deferred tax assets and liabilities at the end of the prior year	Balance of deferred tax assets or liabilities after offsetting at the end of the prior year
Deferred tax assets	-339,442,437.14	365,481,207.77	-372,366,000.07	415,063,477.03
Deferred tax liabilities	-339,442,437.14	4,795,985,333.59	-372,366,000.07	4,659,638,104.37

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

22. Deferred income tax - continued

- (4) Deductible temporary differences and deductible losses for which deferred tax assets are not recognized

Item	31/12/2024	31/12/2023
Deductible temporary differences	1,126,951,677.30	966,126,806.19
Deductible losses	1,637,807,708.04	2,334,799,700.50
Total	2,764,759,385.34	3,300,926,506.69

The Group recognizes deferred income tax assets to the extent of future taxable income that is likely to be obtained to offset the deductible temporary differences and deductible losses. For the excess of deductible temporary differences and deductible losses over future taxable income, no deferred tax assets are recognized.

- (5) Deductible losses for which deferred tax assets are not recognized will be expired in the following years:

Year	31/12/2024	31/12/2023
2024	-	483,200,212.68
2025	375,181,018.80	375,189,307.19
2026	105,089,811.43	110,765,532.94
2027	332,432,966.78	612,819,518.30
2028	753,239,633.32	752,825,129.39
2029	71,864,277.71	-
Total	1,637,807,708.04	2,334,799,700.50

23. Other non-current assets

Item	31/12/2024	31/12/2023
Advances for the channel project (Note 1)	1,037,329,218.89	1,013,508,448.79
Prepayments for fixed assets	117,351,349.97	144,896,516.09
Prepayments for terminal operating right	28,542,865.38	29,807,737.16
Others	14,325,919.01	5,943,287.58
Sub-total	1,197,549,353.25	1,194,155,989.62
Less: provision for impairment (Note 2)	88,524,171.44	-
total	1,109,025,181.81	1,194,155,989.62

Note 1: This represents that the Company's subsidiary Zhanjiang Port, upon its reorganization into a joint stock company in 2007, signed the Channel Arrangement Agreement with State-owned Assets Supervision and Administration Commission of Zhanjiang (hereinafter referred to as "Zhanjiang SASAC") and China Merchants International Terminal (Zhanjiang) Co., Ltd. According to the agreement, the channel belongs to Zhanjiang SASAC, therefore, the Group presented the advances of channel project that should be repaid by Zhanjiang SASAC as other non-current assets.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

23. Other non-current assets - continued

Note 2: In this year, based on the credit risk rating results, the Group accrued the corresponding credit impairment of RMB 88,524,171.44 for the advances for the channel project.

24. Short-term borrowings

(1) Classification of short-term borrowings

Item	31/12/2024	31/12/2023
Credit borrowings	12,771,225,106.96	15,593,937,427.86
Guaranteed borrowings (Note 1)	-	110,096,708.33
Mortgage borrowings (Note 2)	20,017,034.73	10,011,152.78
Total	12,791,242,141.69	15,714,045,288.97

Note 1: The borrowings are guaranteed by Guangdong Zhanjiang Port Logistics Co., Ltd. (hereinafter referred to as "Zhanjiang Port Logistics"), a subsidiary of the Company, the loan has been repaid within this year.

Note 2: It represents the short-term borrowings obtained by China Merchants Port (Zhoushan) Ro/Ro Terminal Co., Ltd. (hereinafter referred to as "Zhoushan RoRo"), a subsidiary of the Company, with the land use rights and buildings on the land held by it as the collateral.

(2) As at 31 December 2024, the Group has no short-term borrowings that are overdue.

25. Bills payable

Category	31/12/2024	31/12/2023
Bank acceptance	1,536,194.00	64,280,925.21
Commercial acceptance	-	9,180,240.61
Total	1,536,194.00	73,461,165.82

Note: As at 31 December 2024, the Group has no bills payable due and unpaid.

26. Accounts payable

Item	31/12/2024	31/12/2023
Service fee	177,881,786.24	246,400,717.07
Material purchase fee	147,233,743.30	117,170,447.10
Construction fee	97,723,911.20	100,672,753.10
Equipment payments	79,246,916.34	52,762,565.74
Rental fee	19,621,514.17	13,591,518.23
Others	264,122,661.08	161,167,136.01
Total	785,830,532.33	691,765,137.25

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

26. Accounts payable - continued

(1) Aging of accounts payable

Aging	31/12/2024		31/12/2023	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (Including 1 year)	694,992,359.27	88.44	617,528,837.76	89.27
1-2 years (Including 2 years)	46,762,212.21	5.95	26,506,267.62	3.83
2-3 years (Including 3 years)	11,450,482.24	1.46	30,254,034.46	4.37
More than 3 years	32,625,478.61	4.15	17,475,997.41	2.53
Total	785,830,532.33	100.00	691,765,137.25	100.00

(2) Significant accounts payable aged more than 1 year

Name of entity	31/12/2024	Aging	Reason for outstanding
Quanzhou Antong Logistics Co., Ltd.	17,869,057.61	1-2 years, more than 3 years	To be paid upon confirmation by both parties.
Knor Ambado FZCO	14,376,800.00	1-2 years	To be paid after acceptance

27. Advance payments received

Item	31/12/2024	31/12/2023
Rental fee received in advance	14,371,546.45	8,993,727.31
Others	204,691.39	8,393,810.05
Total	14,576,237.84	17,387,537.36

(1) Aging of advance payments received

Aging	31/12/2024		31/12/2023	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (Including 1 year)	13,621,118.48	93.45	17,387,537.36	100.00
1-2 years (Including 2 years)	955,119.36	6.55	-	-
Total	14,576,237.84	100.00	17,387,537.36	100.00

(2) As at 31 December 2024, the Group has no significant advance payments received aged more than one year.

(3) For the year ended 31 December 2024, the Group has no advance payments received with significant changes in carrying amount.

28 Contract liabilities

(1) Details of contract liabilities

Item	31/12/2024	31/12/2023
Unused sales discounts	123,329,461.62	-
Port and service fees collected in advance	123,282,437.42	111,067,746.52
Storage fees collected in advance	5,407,746.76	3,204,091.87
Others	15,868,626.82	27,808,262.61
Total	267,888,272.62	142,080,101.00

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

28 Contract liabilities - continued

- (2) Revenue recognized in the current year, including the book value of contract liabilities at the beginning of the year

At the beginning of this year, the book value of contract liabilities was RMB 104,820,766.77, which was recognized as revenue in this year, including contract liabilities arising from settled and uncompleted accounts formed by contracts for advance collection of port and service fees, advance collection of storage fees and other contracts.

- (3) As at 31 December 2024, the Group has no significant contract liabilities aged more than one year.
- (4) Qualitative analysis of contract liabilities

Contract liabilities mainly refer to unused sales discounts and fees collected by the Group for providing port services to customers. Unused sales discount refers to the sales discount withdrawn by the Group on the date of financial statements for the sales contract that has fulfilled the performance obligation and is used to deduct future service fees. Advance port and service fees shall be collected according to the payment time agreed in the contract. The Group recognizes contract revenue according to the performance schedule, and contract liabilities will be recognized as revenue after the Group performs its performance obligations.

- (5) For the year ended 31 December 2024, the Group has no contract liabilities with significant changes in book value.

29. Employee benefits payable

- (1) Presentation of employee benefits payable

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Decrease for the year	31/12/2024
1. Short-term benefits	910,273,177.19	1,487,945.64	3,384,161,755.19	3,136,351,095.99	1,159,571,782.03
2. Post-employment benefits - defined contribution plan	8,354,000.03	-	356,453,583.76	356,287,016.67	8,520,567.12
3. Termination benefits	-	-	7,655,610.84	7,155,610.84	500,000.00
4. Other benefits due within 1 year	-	-	3,593,576.49	3,593,576.49	-
5. Others	-662,570.57	-	10,620,384.63	9,957,814.06	-
Total	917,964,606.65	1,487,945.64	3,762,484,910.91	3,513,345,114.05	1,168,592,349.15

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

29. Employee benefits payable - continued

(2) Presentation of short-term benefits

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Decrease for the year	31/12/2024
1. Wages and salaries, bonuses, allowances and subsidies	883,913,277.13	1,487,945.64	2,782,654,165.62	2,541,373,012.19	1,126,682,376.20
2. Staff welfare	-	-	155,464,313.47	155,464,313.47	-
3. Social insurance contributions	13,812,824.03	-	195,154,885.95	187,684,047.17	21,283,662.81
Including: Medical insurance	11,207,480.67	-	154,437,632.30	147,973,246.31	17,671,866.66
Work injury insurance	-	-	22,615,691.07	22,615,691.07	-
Others	2,605,343.36	-	18,101,562.58	17,095,109.79	3,611,796.15
4. Housing funds	-96,673.85	-	190,594,356.35	190,497,682.49	0.01
5. Labour union and employee education funds	12,735,219.61	-	46,979,164.16	48,108,640.76	11,605,743.01
6. Other short-term benefits	-91,469.73	-	13,314,869.64	13,223,399.91	-
Total	910,273,177.19	1,487,945.64	3,384,161,755.19	3,136,351,095.99	1,159,571,782.03

(3) Presentation of defined benefit plans

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Decrease for the year	31/12/2024
1. Basic pension	8,238,945.13	-	260,578,322.21	261,357,613.12	7,459,654.22
2. Unemployment insurance	-	-	11,291,732.66	11,291,732.66	-
3. Enterprise annuity	115,054.90	-	84,583,528.89	83,637,670.89	1,060,912.90
Total	8,354,000.03	-	356,453,583.76	356,287,016.67	8,520,567.12

The Company and its domestic subsidiaries participate in the pension insurance and unemployment insurance plan established by government institutions as required. According to such plans, the Group contributes in proportion to the local government. The Group has established an enterprise annuity system, and accrues and pays the enterprise annuity according to the enterprise annuity system of the Company and its domestic subsidiaries. In addition to above contributions, the Group has no further payment obligations. The corresponding expenses are included in profit or loss for the period or the cost of related assets when incurred.

30. Taxes payable

Item	31/12/2024	31/12/2023
Enterprise income tax	576,840,455.26	819,694,805.83
VAT	33,120,467.83	20,221,806.46
Other taxes	115,204,803.23	83,136,960.21
Total	725,165,726.32	923,053,572.50

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

31. Other payables

(1) Presentation of other payables

Item	31/12/2024	31/12/2023
Dividends payable	132,334,744.28	111,897,214.27
Other payables	1,791,645,568.70	1,542,724,955.75
Total	1,923,980,312.98	1,654,622,170.02

(2) Dividends payable

Item	31/12/2024	31/12/2023
Ordinary share dividends	132,334,744.28	111,897,214.27
Including: China Merchants Zhangzhou Development Zone Co., Ltd.	79,792,513.04	77,734,806.46
Zhanjiang Infrastructure Construction Investment Group Co., Ltd.	52,542,231.24	-
Dalian Port Container Development Co., Ltd. (hereinafter referred to as "Dalian Port Container")	-	16,160,696.61
Dalian Port Jifa Logistics Co., Ltd.	-	9,575,104.42
Yingkou Port Group Co., Ltd. (hereinafter referred to as "Jifa Logistics")	-	5,372,456.78
Yiu Lian Dockyards Limited	-	2,334,150.00
Qingdao Port (Group) Co., Ltd.	-	720,000.00

Note: As at 31 December 2024, The Group has a total of RMB 57,734,806.46 of important dividends payable with an aging of more than one year, all of which are dividends payable to China Merchants Zhangzhou Development Zone Co., Ltd. The reason for the non-disbursement is that the funding plan has not yet been arranged.

(3) Other payables

(a) Disclosure of other payables by nature

Item	31/12/2024	31/12/2023
Amount payable for construction and quality warranty	769,762,433.76	575,941,472.21
Guarantees and deposits	271,312,443.95	246,316,308.32
Accrued expenses	164,709,813.36	139,920,340.25
Customer discount	125,850,513.80	129,780,042.30
Port construction and security fee	26,454,133.47	27,939,655.23
Others	433,556,230.36	422,827,137.44
Total	1,791,645,568.70	1,542,724,955.75

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

31. Other payables - continued

(3) Other payables - continued

(b) Aging analysis of other payables

Aging	31/12/2024		31/12/2023	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (including 1 year)	1,181,359,579.96	65.94	912,855,441.64	59.17
1-2 years (including 2 years)	100,163,555.98	5.59	191,337,063.63	12.40
2-3 years (including 3 years)	144,116,749.00	8.04	92,243,658.72	5.98
More than 3 years	366,005,683.76	20.43	346,288,791.76	22.45
Total	1,791,645,568.70	100.00	1,542,724,955.75	100.00

(c) Significant other payables aged more than one year or past due

Company name	Amount payable	Aging	Reason for being outstanding
Transport Bureau of Shenzhen Municipality (Ports Administration of Shenzhen Municipality)	79,679,187.04	2-3 years and more than 3 years	To be paid upon confirmation by both parties
Lac Assal Investment Holding Company Limited	65,270,708.51	1-2 years and 2-3 years	To be paid upon confirmation by both parties
Shanghai Zhenhua Heavy Industries Co., Ltd.	37,859,359.19	1-2 years, 2-3 years and more than 3 years	The contracted settlement condition has not been reached
Shantou Finance Bureau	10,334,278.29	1-2 years and more than 3 years	To be paid upon confirmation by both parties
Guangdong New Guotong Group Co., Ltd. (formerly known as Guangdong Hengtai Guotong Industrial Co., Ltd.)	10,000,000.00	More than 3 years	To be paid upon confirmation by both parties
Total	203,143,533.03	—	—

32. Non-current liabilities due within one year

Item	31/12/2024	31/12/2023
Long-term borrowings due within one year (Note VIII, 34)	3,271,899,155.70	1,033,008,184.01
Including: Credit borrowings	3,083,776,769.64	532,282,391.00
Guaranteed borrowings	-	410,725,775.58
Mortgage borrowings	110,904,933.53	30,352,589.61
Guaranteed and mortgage borrowings	77,217,452.53	59,647,427.82
Bonds payable due within one year (Note VIII, 35)	6,866,623,467.03	5,267,490,749.32
Lease liabilities due within one year (Note VIII, 36)	101,402,045.53	248,634,286.86
Long-term payables due within one year (Note VIII, 37)	206,012,716.21	184,534,373.50
Long-term employee benefits payable due within one year (Note VIII, 38)	44,885,411.13	49,730,825.21
Other non-current liabilities due within one year (Note VIII, 41)	15,860,000.00	34,005,870.35
Total	10,506,682,795.60	6,817,404,289.25

33. Other current liabilities

(1) Details of other current liabilities

Item	31/12/2024	31/12/2023
Short-term bonds payable	4,020,214,246.58	2,007,190,136.98
Others	40,987,514.14	136,652,397.55
Total	4,061,201,760.72	2,143,842,534.53

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

33. Other current liabilities - continued

(2) Changes in short-term bonds payable

Name of bond	Face value	Coupon rate	Date of issue	Term of the bond	Amount of issue	31/12/2023	Amount issued in the current year	Interest accrued based on par value	Amortization of premiums or discounts	Repayment in the current year	31/12/2024	Is it in breach of contract?
1.95% RMB 2 billion Super & Short-term Commercial Paper	2,000,000,000.00	1.95%	2024-07-31	270 days	2,000,000,000.00	-	2,000,000,000.00	16,347,945.21	-	-	2,016,347,945.21	No
1.96% RMB 2 billion Super & Short-term Commercial Paper	2,000,000,000.00	1.96%	2024-11-25	180 days	2,000,000,000.00	-	2,000,000,000.00	3,866,301.37	-	-	2,003,866,301.37	No
2.43% RMB 2 billion Super & Short-term Commercial Paper	2,000,000,000.00	2.43%	2023-11-07	90 days	2,000,000,000.00	2,007,190,136.98	-	4,760,682.69	-	2,011,950,819.67	-	No
1.95% RMB 2 billion Super & Short-term Commercial Paper	2,000,000,000.00	1.95%	2024-05-06	90 days	2,000,000,000.00	-	2,000,000,000.00	9,616,438.36	-	2,009,616,438.36	-	No
Total	8,000,000,000.00				8,000,000,000.00	2,007,190,136.98	6,000,000,000.00	34,591,367.63	-	4,021,567,258.03	4,020,214,246.58	

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

34. Long-term borrowings

Category	31/12/2024	31/12/2023	Range of year-end interest rate
Credit borrowings	16,987,277,281.49	16,857,281,855.60	1.20%-3.80%
Guaranteed borrowings (Note 1)	-	845,725,775.58	/
Mortgage borrowings (Note 2)	683,224,190.76	314,794,387.22	3.15%-8.50%
Guaranteed and mortgage borrowings (Note 3)	1,183,990,939.10	1,242,750,120.32	2.95%
Total	18,854,492,411.35	19,260,552,138.72	—
Less: Long-term borrowings due within one year	3,271,899,155.70	1,033,008,184.01	—
Including: Credit borrowings	3,083,776,769.64	532,282,391.00	—
Guaranteed borrowings	-	410,725,775.58	—
Mortgage borrowings	110,904,933.53	30,352,589.61	—
Guaranteed and mortgage borrowings	77,217,452.53	59,647,427.82	—
Long-term borrowings due after one year	15,582,593,255.65	18,227,543,954.71	—

Note 1: The borrowings are guaranteed by Shenzhen Magang Godown & Wharf Co., Ltd., China Merchants Port (Shenzhen) Co., Ltd. and CM Port.

Note 2: On 31 December 2024, the Group obtained long-term loans of RMB 499,583,188.96 (31 December 2023: RMB 314,794,387.22) with the land and fixed assets held by Guangdong Yide Port Co., Ltd. (hereinafter referred to as "Yide Port") and the land held by Guangdong Shunkong Lingang Development and Construction Co., Ltd. (hereinafter referred to as "Shunkong Port") as collateral; Zhoushan RoRo, a subsidiary of the Company, obtained a long-term loan of RMB 124,053,435.96 (31 December 2023: none) with its land use right and mortgage of above ground buildings; PT Nusantara Pelabuhan Handal Tbk (hereinafter referred to as "NPH") obtained a long-term loan of RMB 59,587,565.84 (31 December 2023: none) with fixed assets as collateral.

Note 3: On 31 December 2024, Shenzhen Haixing Port Development Co., Ltd. (hereinafter referred to as "Shenzhen Haixing") obtained a long-term loan of RMB 1,183,990,939.10 (31 December 2023: RMB 1,242,750,120.32) with the land holding property rights as collateral and guaranteed by China Merchants Port Holdings and Sinotrans South China Co., Ltd.

Details of mortgage and pledged borrowings are as follows:

Company name	31/12/2024	31/12/2023	Collateral and pledge
Bank of China Qianhai Shekou Branch	1,183,990,939.10	1,242,750,120.32	Land use rights of Shenzhen Haixing
China Construction Bank Shunde Branch	176,172,088.91	206,239,867.27	Land use rights and fixed assets of Yide Port
Bank of Communications Co., Ltd. Guangdong Branch, Shenzhen Branch of China Merchants Group Finance Co., Ltd.	323,411,100.05	108,554,519.95	Land use rights (Phase II) of Shunkong Port
China Merchants Group Finance Co., Ltd.	124,053,435.96	-	Zhoushan RoRo Land Use Right and Ground Buildings
PT Bank Mandiri (Persero) Tbk	59,587,565.84	-	NPH fixed assets
Total	1,867,215,129.86	1,557,544,507.54	

Note: See Note (VIII) 64 for the above mortgages and pledges.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

35. Bonds payable

(1) Bonds payable

Item	31/12/2024	31/12/2023
5.000% USD 600 million corporate bond	4,374,939,570.06	4,304,565,371.23
4.750% USD 500 million corporate bond	3,661,941,770.15	3,605,285,143.36
4.000% USD 500 million corporate bond	3,599,756,588.81	3,544,024,689.32
2.690% RMB 3 billion corporate bond	3,027,415,890.40	3,027,415,890.40
2.450% RMB 3 billion corporate bond	-	3,023,560,273.97
3.520% RMB 2 billion medium term notes	-	2,050,147,945.19
2.180% RMB 2 billion corporate bond	2,015,648,219.17	-
2.800% RMB 1500 million medium term notes	1,531,413,698.63	-
2.300% RMB 1200 million medium term notes	1,213,081,643.84	-
2.100% RMB 800 million medium term notes	807,962,739.75	-
2.680% RMB 500 million medium term notes	510,022,465.74	-
Total	20,742,182,586.55	19,554,999,313.47
Less: Bonds payable due within one year	6,866,623,467.03	5,267,490,749.32
Bonds payable due after one year	13,875,559,119.52	14,287,508,564.15

CHINA MERCHANTS PORT GROUP CO., LTD.

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(Unless otherwise specified, the monetary unit shall be RMB)

(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

35. Bonds payable - continued

(2) Details of bonds payable

Name of bonds	Face value	Coupon rate	Date of issue	Term of the bond	Amount of issue	31/12/2023	Amount issued in the current year	Interest accrued based on par value	Amortization of premiums or discounts	Repayment in current year	Effect of translation of financial statements denominated in foreign currencies	31/12/2024	Is it in breach of contract?
5.000% USD 600 million corporate bond	USD 600,000,000.00	5.0000%	2018-08-06	10 years	USD 600,000,000.00	4,304,565,371.23	-	213,665,731.69	6,074,078.89	213,931,257.75	64,565,646.00	4,374,939,570.06	No
4.750% USD 500 million corporate bond	USD 500,000,000.00	4.7500%	2015-08-03	10 years	USD 500,000,000.00	3,605,285,143.36	-	169,139,831.43	2,823,615.22	169,139,831.36	53,833,011.50	3,661,941,770.15	No
4.000% USD 500 million corporate bond	USD 500,000,000.00	4.0000%	2022-06-01	5 years	USD 500,000,000.00	3,544,024,689.32	-	142,462,742.67	2,813,183.22	142,424,049.60	52,880,023.20	3,599,756,588.81	No
2.690% RMB 3 billion corporate bond	3,000,000,000.00	2.6900%	2022-08-29	3 years	3,000,000,000.00	3,027,415,890.40	-	80,700,000.00	-	80,700,000.00	-	3,027,415,890.40	No
2.450% RMB 3 billion corporate bond	3,000,000,000.00	2.4500%	2022-09-05	2 years	3,000,000,000.00	3,023,560,273.97	-	49,939,726.03	-	3,073,500,000.00	-	-	No
3.520% RMB 2 billion medium term notes	2,000,000,000.00	3.5200%	2021-04-14	3 years	2,000,000,000.00	2,050,147,945.19	-	20,252,054.81	-	2,070,400,000.00	-	-	No
2.180% RMB 2 billion corporate bond	2,000,000,000.00	2.1800%	2024-08-22	5 years	2,000,000,000.00	-	2,000,000,000.00	15,648,219.17	-	-	-	2,015,648,219.17	No
2.800% RMB 1500 million medium term notes	1,500,000,000.00	2.8000%	2024-04-01	10 years	1,500,000,000.00	-	1,500,000,000.00	31,413,698.63	-	-	-	1,531,413,698.63	No
2.300% RMB 1200 million medium term notes	1,200,000,000.00	2.3000%	2024-07-10	5 years	1,200,000,000.00	-	1,200,000,000.00	13,081,643.84	-	-	-	1,213,081,643.84	No
2.100% RMB 800 million medium term notes	800,000,000.00	2.1000%	2024-07-10	3 years	800,000,000.00	-	800,000,000.00	7,962,739.75	-	-	-	807,962,739.75	No
2.680% RMB 500 million medium term notes	500,000,000.00	2.6800%	2024-04-01	5 years	500,000,000.00	-	500,000,000.00	10,022,465.74	-	-	-	510,022,465.74	No
Total	---	---	---	---	---	19,554,999,313.47	6,000,000,000.00	754,288,853.76	11,710,877.33	5,750,095,138.71	171,278,680.70	20,742,182,586.55	---
Less: Bonds payable due within one year	---	---	---	---	---	5,267,490,749.32	---	---	---	---	---	6,866,623,467.03	---
Bonds payable due after one year	---	---	---	---	---	14,287,508,564.15	---	---	---	---	---	13,875,559,119.52	---

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

36. Lease liabilities

(1) Lease liabilities

Category	31/12/2024	31/12/2023
Lease payment	3,388,957,333.56	2,782,133,802.80
Less: Unrecognized financing cost	1,900,348,297.52	1,532,327,309.02
Total	1,488,609,036.04	1,249,806,493.78
Less: Lease liabilities due within one year	101,402,045.53	248,634,286.86
Net leases liabilities	1,387,206,990.51	1,001,172,206.92

(2) Maturity of lease liabilities

Item	31/12/2024
Minimum lease payments under non-cancellable leases:	
1 st year subsequent to the balance sheet date	181,534,294.23
2 nd year subsequent to the balance sheet date	159,023,726.17
3 rd year subsequent to the balance sheet date	121,189,155.66
Subsequent years	2,927,210,157.50
Total	3,388,957,333.56

The Group is not exposed to any significant liquidity risk associated with lease liabilities.

37. Long-term payables

(1) Presentation of long-term payables

Item	31/12/2024	31/12/2023
Long-term payables	3,404,462,444.72	4,001,789,922.65
Special payables	6,132,944.24	5,606,653.02
Total	3,410,595,388.96	4,007,396,575.67
Less: Long-term payables due within one year	206,012,716.21	184,534,373.50
Long-term payables due after one year	3,204,582,672.75	3,822,862,202.17

(2) Long-term payables

Item	31/12/2024	31/12/2023
Terminal management rights (Note)	3,330,284,743.90	3,958,393,516.47
Others	74,177,700.82	43,396,406.18
Total	3,404,462,444.72	4,001,789,922.65
Less: Long-term payables due within one year	206,012,716.21	184,534,373.50
Long-term payables due after one year	3,198,449,728.51	3,817,255,549.15

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

37. Long-term payables - continued

(2) Long-term payables - continued

Note: Mainly from CICT and TCP terminal management rights purchased. On 12 August 2011, the Group reached a 35-year building, operation and transfer agreement through the subsidiary CICT and Sri Lanka Port Authority on the building, operation, management and development of Colombo Port South Container Terminal (hereinafter referred to as "BOT"). The above-mentioned amount payable for the acquisition of terminal management rights is determined by discounting the amount to be paid in the future using the prevailing market interest rate according to the BOT agreement. As at 31 December 2024, the amount payable for the acquisition of terminal management rights is RMB 881,495,098.11.

TCP, a subsidiary of the Company, entered into a franchise agreement on the Port of Paranaguá with the Administration of the Ports of Paranaguá and Antonina- APPA (hereinafter referred to as "APPA"). The agreement provides for an initial term of 25 years for the franchising rights. In April 2016, TCP and APPA entered into the Supplemental Agreement, which extends the term to 50 years and will be expired in October 2048. As at 31 December 2024, the amount of franchising rights payable was RMB 2,448,789,645.79.

(3) Special payables

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Decrease for the year	31/12/2024	Reason
Employee housing fund	5,606,653.02	-	526,291.22	-	6,132,944.24	Note
Total	5,606,653.02	-	526,291.22	-	6,132,944.24	

Note: This represents the repairing fund for public areas and public facilities and equipment established after the Group sells the public-owned house on the collectively allocated land to employees. The fund is contributed by all the employees having ownership of the house according to the rules and is specially managed and used for specific purpose.

(4) Top four long-term payables at the end of the year

Item	31/12/2024	31/12/2023
APPA Port Authority	2,448,789,645.79	3,081,892,948.91
Sri Lanka Ports Authority	883,466,471.81	878,442,953.70
China Merchants Finance Leasing (Tianjin) Co., Ltd.	72,206,327.12	41,454,020.04
Staff housing fund	6,132,944.24	5,606,653.02
Total	3,410,595,388.96	4,007,396,575.67

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

38. Long-term employee benefits payable

(1) Long-term employee benefits payable

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Payment in current year	Actuarial adjustment	Interest adjustment	Effect of translation of financial statements denominated in foreign currencies	31/12/2024
Post-employment benefits - net liabilities of defined benefit plans	509,605,071.25	16,435,461.03	12,161,218.04	23,576,039.76	66,185,897.50	13,967,104.28	-1,016,674.04	593,762,038.30
Termination benefits	58,098,932.22	-	1,313,299.99	11,214,373.36	-	1,366,400.00	-	49,564,258.85
Other long-term benefit (note)	85,036,743.65	-	-	22,710,599.84	-	-5,108,984.85	-	57,217,158.96
Total	652,740,747.12	16,435,461.03	13,474,518.03	57,501,012.96	66,185,897.50	10,224,519.43	-1,016,674.04	700,543,456.11
Less: Long-term employee benefits payable due within one year	49,730,825.21	---	---	---	---	---	---	44,885,411.13
Long-term employee benefits payable due after one year	603,009,921.91	---	---	---	---	---	---	655,658,044.98

Note: This represents the employee relocation costs of the Company's subsidiary Shantou Port in connection with land acquisition and reservation.

NOTES TO THE FINANCIAL STATEMENTS
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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

38. Long-term employee benefits payable - continued

(2) Changes in defined benefit plans

Present value of defined benefit plan obligations:

Item	2024	2023
I. Opening balance	509,605,071.25	516,950,669.03
II. Defined benefit cost included in profit or loss for the period	26,128,322.32	31,630,084.71
1. Current service cost	12,161,218.04	14,097,094.50
2. Past service cost	-	2,420,000.00
3. Interest adjustment	13,967,104.28	15,112,990.21
III. Defined benefit cost included in other comprehensive income	65,169,223.46	-22,975,434.75
1. Actuarial gains	66,185,897.50	-23,856,287.15
2. Effect of exchange rate changes	-1,016,674.04	880,852.40
IV. Other changes	-7,140,578.73	-16,000,247.74
1. Benefits paid	-23,576,039.76	-16,000,247.74
2. Changes in the scope of consolidation	16,435,461.03	-
V. At the end of the year	593,762,038.30	509,605,071.25

The Company's subsidiaries provide the registered retirees and in-service staff with supplementary post-employment benefit plans.

The Group hired a third-party actuary to estimate the present value of the above-mentioned retirement benefit plan obligations in an actuarial manner based on the expected cumulative welfare unit method. The Group recognizes the liabilities based on the actuarial results. The relevant actuarial gains or losses are included in other comprehensive income and cannot be reclassified into profit or loss in the future. Past service costs are recognized in profit or loss for the period in which the plan is revised. The net interest is determined by multiplying the defined benefit plan net debt or net assets by the appropriate discount rate.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

39. Provisions

Item	31/12/2023	Increase for the year	Decrease for the year	Effect of translation of financial statements denominated in foreign currencies	31/12/2024	Reason
Pending litigation	85,590,059.41	95,114,382.34	3,230,773.42	-18,037,872.83	159,435,795.50	Note
Total	85,590,059.41	95,114,382.34	3,230,773.42	-18,037,872.83	159,435,795.50	

Note: This represents the estimated compensation amount RMB 70,526,490.72 that the Company's subsidiary TCP may need to pay due to the pending litigation and the estimated possible compensation amount of Zhanjiang Port, a subsidiary of the Company, due to pending litigation is RMB 88,909,304.78.

40. Deferred income

Item	31/12/2023	Effect of changes in the scope of consolidation	Increase for the year	Decrease for the year	31/12/2024
Government grants	1,024,776,557.73	-	295,701,250.00	51,502,491.12	1,268,975,316.61
Total	1,024,776,557.73	-	295,701,250.00	51,502,491.12	1,268,975,316.61

(1) Government grants included in deferred income

Category of government grants	31/12/2024	Amount included in current profit and loss	Amount refunded this year	Reason for return
Government grants	1,268,975,316.61	51,502,491.12	-	Not applicable
Total	1,268,975,316.61	51,502,491.12	-	Not applicable

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

41. Other non-current liabilities

Item	31/12/2023	Increase due to change of consolidation scope	Increase for the year	Decrease for the year	Effect of translation of financial statements denominated in foreign currencies	31/12/2024
Actuarial cost for the calculation of pension benefit difference for the public security bureau staff (Note 1)	198,642,177.67	-	10,130,000.00	13,892,319.00	-	194,879,858.67
Related party borrowings (Note 2)	11,945,870.35	-	241,786.35	12,187,656.70	-	-
Others	3,052,086.06	-	1,088,300.90	439,990.79	-	3,700,396.17
Total	213,640,134.08	-	11,460,087.25	26,519,966.49	-	198,580,254.84
Less: Other non-current liabilities due within one year	34,005,870.35	-	—	—	-	15,860,000.00
Including: Actuarial cost for the calculation of pension benefits difference for the public security bureau staff	22,060,000.00	-	—	—	-	15,860,000.00
Related party borrowings	11,945,870.35	-	—	—	-	-
Other non-current liabilities due after one year	179,634,263.73	-	—	—	-	182,720,254.84

Note 1: It represents the transfer of Zhanjiang Port Public Security Bureau to the People's Government of Zhanjiang Municipality by Zhanjiang Port, a subsidiary of the Company, in 2020 in accordance with the Notice on the *Issuance of the Program on Deepening the Management System Reform of Ganghang Public Security Organs* (Zhong Yang Bian Ban Fa No. 327 (2017)) and the Notice on the Issuance of the Implementation Plan for Deepening the Management System Reform of Ganghang Public Security Organs in Guangdong Province (Yue Ji Bian Ban Fa No. 221 (2018)). The former in-service police officers of Zhanjiang Port Public Security Bureau were transferred as civil servants in accordance with state regulations, the retired police officers were included in the scope of pension insurance of the government departments and public institutions in Zhanjiang, and the difference between the pension benefits under the original standard and the retirement benefits of Zhanjiang municipal police officers (hereinafter referred to as the "pension benefit difference") was borne by Zhanjiang Port.

Shantou Port, a subsidiary of the Company, transferred Shantou Municipal Public Security Bureau Ganghang Branch (formerly, the Shantou Port Public Security Bureau) to Shantou Municipal Government, and Shantou Municipal Public Security Bureau Ganghang Branch was fully taken over by Shantou Municipal Public Security Bureau. The in-service police officers were transferred as civil servants in accordance with state regulations, the retired police officers were included in the scope of pension insurance of the government departments and public institutions in Shantou, and the pension benefit difference was borne by Shantou Port.

Note 2: It represents the principal and interest on borrowings of the subsidiary of the Company Shunkong Port from its non-controlling shareholder Guangdong Shunkong City Investment Real Estate Co., Ltd. and its related party Guangdong Shunkong Transportation Investment Co., Ltd., repaid in the current year.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

42. Share capital

Name of investor	31/12/2023		Increase for the year	Decrease for the year	31/12/2024	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
China Merchants Port Investment Development Company Limited	1,148,648,648.00	45.96	-	-	1,148,648,648.00	45.92
Zhejiang Seaport Investment and Operation Group Co., Ltd.	576,709,537.00	23.08	-	-	576,709,537.00	23.06
China Merchants Gangtong Development (Shenzhen) Co., Ltd.	370,878,000.00	14.84	-	-	370,878,000.00	14.83
Infrastructure Investment Fund Management Co., Ltd. – infrastructure Investment Fund Partnership (Limited Partnership)	64,850,182.00	2.59	-	-	64,850,182.00	2.59
Broadford International Limited	55,314,208.00	2.21	-	-	55,314,208.00	2.21
China Africa Development Fund Co., Ltd.	42,190,151.00	1.69	-	26,579,783.00	15,610,368.00	0.62
Others	240,483,935.00	9.63	28,813,603.00	-	269,297,538.00	10.77
合计	2,499,074,661.00	100.00	28,813,603.00	26,579,783.00	2,501,308,481.00	100.00

43. Capital Reserve

Item	Amount at the beginning of the year	Increase	Decrease	Amount at the end of the year
2024				
I. Capital premium	36,453,130,588.72	256,397,774.72	-	36,709,528,363.44
Including: Capital contributed by investors	17,068,816,277.34	39,515,503.24	-	17,108,331,780.58
Differences arising from business combination involving enterprises under common control	13,302,937,205.73	-	-	13,302,937,205.73
Differences arising from acquisition non-controlling interests (Note 1)	4,407,857,529.27	216,882,271.48	-	4,624,739,800.75
Others	1,673,519,576.38	-	-	1,673,519,576.38
II. Other capital reserve	623,716,214.34	36,140,304.89	6,403,051.00	653,453,468.23
Including: Transfer from capital reserve under the previous accounting rules	-2,781,133.00	-	-	-2,781,133.00
Unexercised share-based payment (Note 2)	6,644,590.36	264,766.44	6,403,051.00	506,305.80
Other changes in owners' equity of the investee under equity method other than changes in net profit or loss, profit distribution and other comprehensive income	619,852,756.98	35,875,538.45	-	655,728,295.43
Total	37,076,846,803.06	292,538,079.61	6,403,051.00	37,362,981,831.67
2023				
I. Capital premium	34,208,812,963.50	2,244,317,625.22	-	36,453,130,588.72
Including: Capital contributed by investors	17,068,816,277.34	-	-	17,068,816,277.34
Differences arising from business combination involving enterprises under common control	13,302,937,205.73	-	-	13,302,937,205.73
Differences arising from acquisition non-controlling interests	2,165,423,814.02	2,242,433,715.25	-	4,407,857,529.27
Others	1,671,635,666.41	1,883,909.97	-	1,673,519,576.38
II. Other capital reserve	542,827,871.75	104,628,733.77	23,740,391.18	623,716,214.34
Including: Transfer from capital reserve under the previous accounting rules	-2,781,133.00	-	-	-2,781,133.00
Unexercised share-based payment	5,591,402.00	1,528,712.73	475,524.37	6,644,590.36
Other changes in owners' equity of the investee under equity method other than changes in net profit or loss, profit distribution and other comprehensive income	540,017,602.75	103,100,021.04	23,264,866.81	619,852,756.98
Total	34,751,640,835.25	2,348,946,358.99	23,740,391.18	37,076,846,803.06

Note 1: The change in this year is mainly because the Company and its subsidiary Port Development (Hong Kong) Co., Ltd. increased their holding of ordinary shares of China Merchants Group Port Holdings, and the capital reserve increased by RMB 216,882,271.48 in this period. See Note (XI) 2 for details

Note 2: Refer to Note (XVI) for details.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

44. Other comprehensive income

Item	Amount at the beginning of the year	2024						Other changes	Amount at the end of the year
		Pre-tax amount for the year	Less: Amount included in other comprehensive income in the prior period but transferred to profit or loss in the current period	Less: Amount included in other comprehensive income in the prior period but transferred to retained earnings in the current period	Less: Income tax expenses	Attributable to the Company, net of tax	Attributable to non-controlling shareholders, net of tax		
2024									
I. Other comprehensive income that will not be reclassified subsequently to profit or loss	-22,859,768.83	-221,412,074.80	-	-	-4,502,591.44	-102,848,966.14	-114,060,517.22	-	-125,708,734.97
Including: Changes arising from remeasurement of defined benefit plans	-2,709,609.54	-70,324,586.90	-	-	-11,930.28	-24,453,072.38	-45,859,584.24	-	-27,162,681.92
Other comprehensive income that can't be reclassified to profit or loss under equity method	-92,749,398.41	-133,077,726.79	-	-	-	-64,909,867.66	-68,167,859.13	-	-157,659,266.07
Changes in fair value of other equity instruments	72,599,239.12	-18,009,761.11	-	-	-4,490,661.16	-13,486,026.10	-33,073.85	-	59,113,213.02
II. Other comprehensive income that will be reclassified subsequently to profit or loss	-880,766,825.52	-1,312,433,197.04	-	-	-	-551,905,676.96	-760,527,520.08	-	-1,432,672,502.48
Including: Other comprehensive income recognised under the equity method	-426,790,507.27	23,077,622.64	-	-	-	25,113,263.42	-2,035,640.78	-	-401,677,243.85
Translation differences of financial statements denominated in foreign currencies	-453,976,318.25	-1,335,510,819.68	-	-	-	-577,018,940.38	-758,491,879.30	-	-1,030,995,258.63
Total other comprehensive income	-903,626,594.35	-1,533,845,271.84	-	-	-4,502,591.44	-654,754,643.10	-874,588,037.30	-	-1,558,381,237.45
2023									
I. Other comprehensive income that will not be reclassified subsequently to profit or loss	51,014,303.06	60,755,557.83	-	-	846,996.46	-73,874,071.89	133,782,633.26	-	-22,859,768.83
Including: Changes arising from remeasurement of defined benefit plans	-10,189,712.88	25,003,573.00	-	-	-	7,480,103.34	17,523,469.66	-	-2,709,609.54
Other comprehensive income that can't be reclassified to profit or loss under equity method	-8,907,673.34	32,473,509.74	-	-	-	-83,841,725.07	116,315,234.81	-	-92,749,398.41
Changes in fair value of other equity instruments	70,111,689.28	3,278,475.09	-	-	846,996.46	2,487,549.84	-56,071.21	-	72,599,239.12
II. Other comprehensive income that will be reclassified subsequently to profit or loss	-740,567,922.92	149,948,207.40	-	-	-	-140,198,902.60	290,147,110.00	-	-880,766,825.52
Including: Other comprehensive income recognised under the equity method	-60,762,188.43	-767,504,700.07	-	-	-	-366,028,318.84	-401,476,381.23	-	-426,790,507.27
Translation differences of financial statements denominated in foreign currencies	-679,805,734.49	917,452,907.47	-	-	-	225,829,416.24	691,623,491.23	-	-453,976,318.25
Total other comprehensive income	-689,553,619.86	210,703,765.23	-	-	846,996.46	-214,072,974.49	423,929,743.26	-	-903,626,594.35

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

45. Specific reserve

Item	31/12/2023	Increase	Decrease	31/12/2024
Safety production cost	34,003,994.41	59,210,779.71	53,140,126.85	40,074,647.27

46. Surplus reserve

2024

Item	31/12/2023	Increase	Decrease	31/12/2024
Statutory surplus reserve	1,095,980,563.68	153,556,766.82	-	1,249,537,330.50

2023

Item	31/12/2022	Increase	Decrease	31/12/2023
Statutory surplus reserve	1,001,917,449.15	94,063,114.53	-	1,095,980,563.68

Note 1: According to the *Company Law of the People's Republic of China* and the Articles of the Company, the Company withdraws the statutory surplus reserve at 10% of the annual net profit. When the accumulated amount of the statutory surplus reserve reaches more than 50% of the registered capital, it can no longer be withdrawn. The statutory surplus reserve can be used to cover losses or increase share capital after approval. According to the resolution of the Board of Directors, the Company appropriated the statutory surplus reserve of about RMB 153,556,766.82 for the year ended 31 December 2024, and the cumulative amount reached 50% of the registered capital on 31 December 2024 (2023: 10% of net profit, totalling about RMB 94,063,114.53)

47. Retained earnings

Item	Amount	Proportion of appropriation or allocation
2024		
Retained earnings at the beginning of the year before adjustment	19,045,313,519.75	
Add: Adjustment to Retained earnings at beginning of the year	-	
Including: Changes in accounting policies	-	
Retained earnings at the beginning of the year after adjustment	19,045,313,519.75	
Add: Net profit of the year attributable to shareholders of the Company	4,516,301,317.16	
Retained earnings carried forward from other comprehensive income	-	
Less: Transfer to statutory surplus reserve in the current year	153,556,766.82	
Transfer to discretionary surplus reserve in the current year	-	
Ordinary shares' dividends payable	1,450,279,490.98	Note 1
Ordinary shares' dividends converted into share capital	-	
Pension benefit difference	-	
Transfer to the National Council for Social Security Fund of the PRC	-	
Distribution to holders of other equity instruments	-	
Others	-	
Retained earnings at the end of the year	21,957,778,579.11	

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

47. Retained earnings - continued

Item	Amount	Proportion of appropriation or allocation
2023		
Retained earnings at the beginning of the year before adjustment	16,679,688,347.09	
Add: Adjustment to Retained earnings at beginning of the year	22,299,954.05	
Including: Changes in accounting policies	22,299,954.05	
Retained earnings at the beginning of the year after adjustment	16,701,988,301.14	
Add: Net profit of the year attributable to shareholders of the Company	3,571,800,762.16	
Retained earnings carried forward from other comprehensive income	-	
Less: Transfer to statutory surplus reserve in the current year	94,063,114.53	
Transfer to discretionary surplus reserve in the current year	-	
Ordinary shares' dividends payable	1,124,583,597.45	
Ordinary shares' dividends converted into share capital	-	
Pension benefit difference	7,944,921.60	
Transfer to National Council of Social Security Fund	-	
Distribution to holders of other equity instruments	-	
Others	1,883,909.97	
Retained earnings at the end of the year	19,045,313,519.75	

Note 1: According to the resolution of shareholders' meeting on 31 May 2024, the Company distributes cash dividends of RMB 5.80 (inclusive of tax) for every 10 shares, totalling RMB 1,450,279,490.98 on the basis of the total shares of 2,500,481,881.

48. Operating income and operating costs

(1) Details of operating income and operating costs

Item	2024		2023	
	Income	Costs	Income	Costs
Principal operation	15,943,748,346.43	8,972,147,936.19	15,568,944,030.70	9,085,897,544.06
Other operations	187,029,681.81	223,868,756.16	181,531,749.52	232,289,163.69
Total	16,130,778,028.24	9,196,016,692.35	15,750,475,780.22	9,318,186,707.75

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

48. Operating income and operating costs - continued

(2) Breakdown information of operating income and operating costs

Category of contracts	Ports operation		Bonded logistics operation		Other operations		Total	
	Operating income	Operating costs	Operating income	Operating costs	Operating income	Operating costs	Operating income	Operating costs
Mainland China, Hong Kong and Taiwan area	9,912,051,601.27	6,223,113,881.90	522,133,599.68	278,539,419.65	187,029,681.81	223,868,756.16	10,621,214,882.76	6,725,522,057.71
- Pearl River Delta	6,431,616,103.24	3,643,704,953.94	370,565,003.19	204,025,842.87	187,029,681.81	223,868,756.16	6,989,210,788.24	4,071,599,552.97
- Yangtze River Delta	1,244,488.00	7,879,940.23	-	-	-	-	1,244,488.00	7,879,940.23
- Bohai Rim	35,429,691.48	21,554,240.31	151,568,596.49	74,513,576.78	-	-	186,998,287.97	96,067,817.09
- Other areas	3,443,761,318.55	2,549,974,747.42	-	-	-	-	3,443,761,318.55	2,549,974,747.42
Other countries	5,450,560,759.22	2,427,214,953.44	59,002,386.26	43,279,681.20	-	-	5,509,563,145.48	2,470,494,634.64
Total	15,362,612,360.49	8,650,328,835.34	581,135,985.94	321,819,100.85	187,029,681.81	223,868,756.16	16,130,778,028.24	9,196,016,692.35

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

48. Operating income and operating costs - continued

(3) Description of performance obligations

The Group provides port service, bonded logistics service and other services. These services are obligations performed over a period of time. For bonded logistics service and other services, the customers evenly obtain and consume the economic benefits from the Group's performance of contract, meanwhile the charging rules as agreed in the contract terms usually adopt daily/month/yearly basis. During the process of rendering services, the Group recognizes revenue using straight-line method. At the same time, the Group is primarily responsible for the above services and generally does not have any commitment to the amount of money expected to be returned to the customer.

Part of the Group's handling contracts are established with discount terms, i.e., the customers whose business volume reaches agreed level, are granted with preferential charge rate or discount. At the end of the year, as the business volume finally realized within the contract period is uncertain, the contract consideration is subject to variable factors. The management includes this part of discount in other payables and provisions. At the end of the year, the variable considerations arising from sales discount are set out in Note (VIII) 28、 Note (VIII) 33 and Note (VIII) 39.

(4) Descriptions on allocation to remaining performance obligations

At the end of the year, the amount of revenue corresponding to the performance obligations which the Group has entered into a contract for but has not fulfilled or completely fulfilled mainly included the contract liabilities of RMB 267,888,272.62, of which RMB 186,851,357.51 is expected to be recognized as revenue in 2025; and RMB 81,036,915.11 is expected to be recognized as revenue in 2026 and subsequent years.

49. Taxes and surcharges

Item	2024	2023
Property tax	79,101,136.67	75,912,651.85
Land use tax	36,984,937.58	37,809,190.33
City construction and maintenance tax	10,881,226.12	7,891,945.97
Education surcharges and local education surcharges	8,081,655.86	5,953,401.79
Stamp duty	3,673,318.12	5,057,465.35
Others (Note)	193,611,488.80	180,373,370.90
Total	332,333,763.15	312,998,026.19

Note: Others mainly represent the social contribution tax and tax on services borne by TCP, a subsidiary of the Company, totalled BRL 137,112,284.14 (equivalent to RMB 181,212,315.70) for the year.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

50. General and administrative expenses

Item	2024	2023
Employee benefits	1,352,143,332.57	1,297,690,387.03
Depreciation expenses	69,734,482.97	75,710,865.79
Fees paid to agencies	76,667,277.58	63,693,285.42
Amortization of intangible assets	57,062,967.74	56,233,463.25
Others	265,936,221.32	283,313,153.89
Total	1,821,544,282.18	1,776,641,155.38

51. Research and development expenses

Item	2024	2023
Employee benefits	127,706,303.07	163,593,250.77
Direct materials and outsourced R&D	67,418,187.58	41,115,107.10
Depreciation and amortization	4,454,711.92	11,500,358.17
Others	2,175,863.79	7,530,356.03
Total	201,755,066.36	223,739,072.07

52. Financial expenses

Item	2024	2023
Interest expenses	2,255,372,593.38	2,283,293,756.05
Including: Bank and other borrowings	1,084,714,767.25	894,778,564.54
Bond interest and bill discount	800,626,160.05	1,027,690,554.55
Interest expenses of terminal management right(Note)	203,047,018.99	206,277,567.64
Interest expenses of lease liabilities	70,660,449.69	60,834,329.16
Other interest expenses	56,170,722.54	48,571,780.77
Less: Capitalized interest expenses	40,153,474.86	45,140,959.39
Less: Interest income	477,430,320.41	497,593,921.36
Net exchange loss	109,256,513.08	85,519,920.28
Others	10,320,325.68	13,034,532.56
Total	1,857,365,636.87	1,839,113,328.14

Note: Details are set out in Note (VIII) 37.

53. Other income

Item	2024	2023	Whether it is government subsidy
Business development subsidy	75,662,052.93	113,983,657.91	Yes
Transfer from deferred income (Note VIII 40)	51,502,491.12	47,704,466.26	Yes
Subsidy for general and administrative expenses of bonded port area	45,939,617.40	-	Yes
Others	12,306,141.84	62,701,136.60	---
Total	185,410,303.29	224,389,260.77	---
Including: Government grants	183,382,851.80	196,942,969.60	---

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

54. Investment income

(1) Details of investment income:

Item	2024	2023
Income from long-term equity investments under equity method	6,441,005,613.25	5,979,007,585.96
Including: Income from long-term equity investments of associates under equity method	6,073,558,615.46	5,582,402,904.90
Income from long-term equity investments of joint ventures under equity method	367,446,997.79	396,604,681.06
Investment income from disposal of subsidiaries	-	216,949,902.47
Income from disposal of long-term equity investments	-	77,647.56
Investment income from financial assets held for trading	59,078,998.12	91,219,728.19
Investment income from other non-current financial assets	36,181,898.66	41,365,576.62
Dividend income from investments in other equity instruments	10,815,000.00	20,056,500.00
Others	-84,978.53	-
Total	6,546,996,531.50	6,348,676,940.80

55. Gains from changes in fair value

Item	2024	2023
Financial assets held for trading	40,176,493.90	49,197,662.35
Other non-current financial assets	350,055,871.25	24,155,138.17
Including: Financial assets at fair value through profit or loss	350,055,871.25	24,155,138.17
Total	390,232,365.15	73,352,800.52

56. Reversal of credit impairment

Item	2024	2023
I. Credit impairment of accounts receivable	-1,772,048.18	-9,285,389.19
II. Reversal of impairment of other receivables	363,283,803.95	43,872,200.88
III. Reversal of impairment of long-term receivables	6,724.75	2,697,229.49
IV. Credit impairment of other non-current assets	-88,524,171.44	-
Total	272,994,309.08	37,284,041.18

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

57. Impairment losses

Item	2024	2023
Impairment losses of fixed assets	-	-149,923,619.44
Impairment losses of intangible assets	-	-41,473,147.97
Reversal of impairment losses of inventories	-	99,456.13
Impairment losses of long-term equity investments	-8,113,482.64	-
Impairment losses of construction in progress	-767,306.24	-
Total	-8,880,788.88	-191,297,311.28

58. Gains from asset disposals

Item	2024	2023	Amount included in non-recurring profit or loss for the current year
Gains from disposal of non-current assets	34,062,395.75	36,759,532.61	34,062,395.75
Including: Gains from disposal of intangible assets	18,456,558.06	35,051,791.80	18,456,558.06
Gains from disposal of fixed assets	15,323,446.42	1,713,921.04	15,323,446.42
Others (“-” for losses)	282,391.27	-6,180.23	282,391.27
Total	34,062,395.75	36,759,532.61	34,062,395.75

59. Non-operating income

Item	2024	2023	Amount included in non-recurring profit or loss for the current year
Compensation received for violation of contracts	25,233,458.06	55,396,338.32	25,233,458.06
Income from relocation compensation	9,072,904.37	5,558,730.17	9,072,904.37
Gains from retirement or damage of non-current assets	4,433,441.49	1,966,904.66	4,433,441.49
Including: Gains from retirement or damage of fixed assets	4,433,441.49	1,765,984.40	4,433,441.49
Exempted current accounts	2,087,824.66	197,118.09	2,087,824.66
Others	18,191,026.74	24,182,932.88	18,191,026.74
Total	59,018,655.32	87,302,024.12	59,018,655.32

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued**60. Non-operating expenses**

Item	2024	2023	Amount included in non-recurring profit or loss for the current year
Litigation loss	8,725,469.87	42,689,603.93	8,725,469.87
Losses on retirement of non-current assets	18,274,807.12	24,548,001.45	18,274,807.12
Including: Losses on retirement or damage of fixed assets	18,274,807.12	22,356,701.04	18,274,807.12
Expenditure on public welfare donations	11,881,883.05	11,153,329.51	11,881,883.05
Compensation and liquidated damages	689,548.54	1,819,985.90	689,548.54
Others	30,680,393.15	16,861,919.93	30,680,393.15
Total	70,252,101.73	97,072,840.72	70,252,101.73

61. Borrowing costs

Item	Capitalization rate	Amount capitalized
Construction in progress	— —	— —
Phase I of the second phase of the wharf project in the local operation area of Goshan Port Area is controlled in sequence	3.41%	9,469,073.60
Phase I project for the stuffing and destuffing service area of Baoman Port Area, Zhanjiang Port	3.50%	3,225,990.15
Zhanjiang Port Baoman Port Area Container Terminal Phase I Expansion Project	2.70%	3,142,500.00
Dongguan Machong Port Area Berth 2 # and 3 # Project Bulk Grain Warehouse Phase III Expansion Project	2.40%	495,141.01
Other non-current assets	— —	— —
Advances for channels	4.35%	23,820,770.10
Sub-total	— —	40,153,474.86
Interest expenses included in profit or loss for the period (Excludes interest expense on terminal operating rights and lease liabilities)	— —	1,941,511,649.84
Total	— —	1,981,665,124.70

Note: The capitalization rate is calculated and determined according to the weighted average interest rate of general borrowings

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

62. Translation of foreign currencies

Item	2024
Exchange differences included in profit or loss for the period	109,256,513.08
Total	109,256,513.08

63. Income tax expenses

Item	2024	2023
Current income tax expenses	1,056,743,121.95	1,129,424,872.77
Deferred income tax expenses	196,094,824.95	174,154,980.16
Total	1,252,837,946.90	1,303,579,852.93

Reconciliation between income tax expense and accounting profit is as follows:

Item	2024
Total profit	10,131,344,256.81
Income tax expenses calculated at 25%	2,532,836,064.20
Effect of non-deductible costs, expenses and losses	288,893,402.02
Accrued income tax	421,257,432.43
Effect of deductible temporary differences and deductible losses for which deferred tax assets are not recognized in the year	67,370,194.91
Effect of tax-free income (Note)	-1,055,413,260.46
Effect of tax incentives and changes in tax rate	-602,787,139.81
Effect of different tax rates of subsidiaries operating in other jurisdictions	-224,973,706.80
Effect of utilizing deductible losses for which deferred tax assets were not recognized in prior period	-84,152,877.73
Effect of adjustments to income tax of prior year	-110,274,785.32
Others	20,082,623.46
Income tax expenses	1,252,837,946.90

Note: This mainly represents the tax effect of income from investments in joint ventures and associates.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

64. Assets with restricted ownership and use right

Item	31/12/2024				31/12/2023			
	Book value	Carrying amount	Type of restriction	Status of restriction	Book value	Carrying amount	Type of restriction	Status of restriction
Cash and bank balances (Note 1)	115,331,146.22	115,331,146.22	Restricted margin, interest receivable not actually received	Interest receivable, performance bond, frozen funds, etc	61,032,547.14	61,032,547.14	Restricted guarantees	Performance bond, frozen funds, etc
Fixed assets (Note 2)	551,053,503.71	467,531,821.78	Mortgage	Mortgage borrowings	330,222,332.58	291,001,239.59	Mortgage	Mortgage borrowings
Intangible assets (Note 3)	624,297,693.92	624,297,693.92	Mortgage	Mortgage borrowings	457,654,685.65	457,654,685.65	Mortgage	Mortgage borrowings
Total	1,290,682,343.85	1,207,160,661.92	— —	— —	848,909,565.37	809,688,472.38	— —	— —

Note 1: Details of restricted cash and bank balances are set out in Note (VIII) 1.

Note 2: Details of mortgage borrowings are set out in Note (VIII) 24 and Note (VIII) 34.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

65. Provision for impairment of assets and provision for bad debts

Item	31/12/2023	Effect of changes in the scope of consolidation	Provision for the year	Reversal for the year	Write-off and charge-off for the year	Transfer-out due to sale in the current year	Other increases for the year	Other decreases for the year	Effect of translation of financial statements denominated in foreign currencies	31/12/2024
Provision for bad debts of accounts receivable	91,022,363.09	788,447.74	8,974,855.96	-7,202,807.78	-57,892.46	-	-	-	-4,561,521.46	88,963,445.09
Provision for bad debts of other receivables	957,081,730.86	-	16,639,764.39	-379,923,568.34	-	-	-	-	-28,204,288.01	565,593,638.90
Provision for decline in value of inventories	1,234,628.38	-	-	-	-92,227.23	-	-	-	11,035.57	1,153,436.72
Provision for bad debts of long-term receivables	1,178,166.70	-	45,771.75	-52,496.50	-	-	-	-	-	1,171,441.95
Provision for impairment of long-term equity investments	362,334,075.76	-	8,113,482.64	-	-	-	-	-	-35,025,295.78	335,422,262.62
Provision for impairment of fixed assets	213,504,483.08	-	-	-	-	-	-	-	-214,100.02	213,290,383.06
Provision for impairment of construction in progress	-	-	767,306.24	-	-	-	-	-	11,172.29	778,478.53
Provision for impairment of intangible assets	57,010,270.07	-	-	-	-	-	-	-	-	57,010,270.07
Provision for impairment of goodwill	970,663,044.33	-	-	-	-	-	-	-	-	970,663,044.33
Other non-current assets	-	-	88,524,171.44	-	-	-	-	-	-	88,524,171.44
Total	2,654,028,762.27	788,447.74	123,065,352.42	-387,178,872.62	-150,119.69	-	-	-	-67,982,997.41	2,322,570,572.71

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

66. Items in cash flow statement

(1) Cash relating to operating activities

Proceeds from other operating activities

Item	2024	2023
Interest income	307,426,299.38	316,807,536.02
Government grants	420,033,639.31	163,169,407.30
Guarantees and deposits	49,702,895.76	59,967,562.07
Insurance indemnities	5,913,248.16	11,868,450.00
Rentals	35,992,263.90	11,677,109.86
Operation compensation received	337,185,774.00	-
Others	256,914,973.60	364,073,953.84
Total	1,413,169,094.11	927,564,019.09

Payment for other operating activities

Item	2024	2023
Advance payment	123,589,342.34	191,928,420.03
Payment of operating costs and management expenses and other daily operating related expenditures	129,352,215.13	167,200,604.70
Guarantees and deposits	34,887,031.26	59,616,680.63
Others	488,214,418.74	434,481,353.85
Total	776,043,007.47	853,227,059.21

(2) Cash relating to investing activities

Cash receipts relating to significant investing activities

Item	2024	2023
Recovered structured deposits	26,450,000,000.00	28,397,000,000.00
Proceeds from lending	16,260,626.10	2,965,681,743.10
Dividends received	2,843,360,904.43	2,186,696,975.69
Proceeds from disposal of investments (Note 1)	1,113,331,868.18	-
Proceeds from disposal of subsidiaries (Note 2)	-	1,683,385,533.43
Total	30,422,953,398.71	35,232,764,252.22

Note 1: The proceeds from disposal of investments are mainly the proceeds from disposal of the shares of Qingdao Port International Co.,Ltd.

Note 2: The proceeds received from disposal of subsidiaries last year represent the amount received for disposal of Ningbo Daxie Container Terminal Co., Ltd.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

66. Items in cash flow statement - continued

(2) Cash relating to investing activities - continued

Cash payments relating to significant investing activities

Item	2024	2023
Purchase of structured deposits	27,450,000,000.00	29,967,000,000.00
Total	27,450,000,000.00	29,967,000,000.00

Proceeds from other investing activities

Item	2024	2023
Proceeds from lending by Assal Lake Investment Holding Co.,Ltd.	16,260,626.10	-
Proceeds from lending by Terminal Link SAS	-	2,965,681,743.10
Proceeds from interest on advances for projects	-	177,940,904.60
Others	-	21,332,655.57
Total	16,260,626.10	3,164,955,303.27

Payment for other investing activities

Item	2024	2023
Payment of taxes on land acquisition	259,533,828.27	-
Payments for performance guarantees	-	39,087,797.69
Proceeds from disposal of subsidiaries	-	35,267,442.35
Others	1,606,719.07	8,308,063.29
Total	261,140,547.34	82,663,303.33

(3) Cash relating to financing activities

Proceeds from other financing activities

Item	2024	2023
Sale and leaseback proceeds	40,000,000.00	328,026,212.50
Others	15,862,550.05	6,728,017.13
Total	55,862,550.05	334,754,229.63

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

66. Items in cash flow statement - continued

(3) Cash relating to financing activities - continued

Payment for other financing activities

Item	2024	2023
Repayment of perpetual bonds	-	4,222,148,460.84
Payment for the Company's acquisition of non-controlling interests of CM Port	148,276,411.09	872,848,916.41
Payment for lease	316,100,576.04	829,455,300.35
Repurchase shares of China Merchants Harbor Group Co., Ltd.	50,559,789.14	-
Payment for the Company's acquisition of non-controlling interests of Oasis King International Limited	-	818,659,106.04
Payment for the Company's acquisition of non-controlling interests of China Merchants International Technology Co., Ltd. (hereinafter referred to as " CM International Tech ")	-	109,901,500.00
Others	24,987,752.08	14,080,546.68
Total	539,924,528.35	6,867,093,830.32

Changes in liabilities arising from financing activities

Item	31/12/2023	Increase for the year		Decrease for the year		31/12/2024
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	15,714,045,288.97	9,797,576,997.55	944,766,153.00	12,943,190,318.63	721,955,979.20	12,791,242,141.69
Long-term borrowings	18,227,543,954.71	4,967,267,977.29	439,339,278.38	5,135,247,147.85	2,916,310,806.88	15,582,593,255.65
Non-current liabilities due within one year	6,817,404,289.25	-	11,411,848,839.19	7,474,762,370.57	247,807,962.27	10,506,682,795.60
Bonds payable	14,287,508,564.15	6,000,000,000.00	180,279,787.37	-	6,592,229,232.00	13,875,559,119.52
Lease liabilities	1,001,172,206.92	-	609,931,951.60	-	223,897,168.01	1,387,206,990.51
Dividends payable	111,897,214.27	-	4,971,101,800.37	4,950,664,270.36	-	132,334,744.28
Other current liabilities	2,007,190,136.98	6,000,000,000.00	34,591,367.63	4,021,567,258.03	-	4,020,214,246.58
Total	58,166,761,655.25	26,764,844,974.84	18,591,859,177.54	34,525,431,365.44	10,702,201,148.36	58,295,833,293.83

(4) The Group has no significant cash flows presented on a net basis.

(5) The Group has no significant activities that do not involve cash receipts and payment for the current period but have an impact on the enterprise's financial position or may affect the enterprise's cash flows in the future and their financial effects.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

67. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

Supplementary information	2024	2023
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	8,878,506,309.91	7,495,612,085.76
Add: Impairment losses	8,880,788.88	191,297,311.28
Reversal of credit impairment	-272,994,309.08	-37,284,041.18
Depreciation of fixed assets	1,953,338,801.43	1,983,548,731.36
Depreciation of investment properties	181,519,507.74	182,833,076.22
Depreciation of right-of-use assets	343,623,899.63	357,502,960.45
Amortization of intangible assets	688,356,905.31	686,879,674.72
Amortization of long-term deferred expenses	100,433,522.79	92,971,461.67
Gains from disposal of fixed assets, intangible assets and other long-term assets	-34,062,395.75	-36,759,532.61
Losses on retirement of fixed assets, intangible assets and other long-term assets	13,841,365.63	22,581,096.79
Losses rising from changes in fair value ("-" for gains)	-390,232,365.15	-73,352,800.52
Financial expenses	2,311,915,401.98	2,185,350,735.70
Investment loss (income) ("-" for income)	-6,546,996,531.50	-6,348,676,940.80
Decrease in deferred tax assets	49,582,269.26	19,435,343.92
Increase in deferred tax liabilities	146,512,555.69	154,719,636.24
Decrease (Increase) in inventories ("-" for increase)	-50,978,635.81	6,316,130.87
Decrease (Increase) in operating receivables ("-" for increase)	146,070,761.75	-132,511,582.62
Increase (Decrease) in operating payables ("-" for decrease)	485,894,971.69	-170,856,712.08
Net cash inflow from operating activities	8,013,212,824.40	6,579,606,635.17
2. Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital	-	-
Convertible bonds due within one year	-	-
3. Net changes in cash and cash equivalents:		
Cash at the end of the year	16,515,069,554.91	16,018,613,631.10
Less: Opening balance of cash	16,018,613,631.10	13,567,309,471.62
Add: Cash equivalents at the end of the year	-	-
Less: Opening balance of cash equivalents	-	-
Net increase in cash and cash equivalents	496,455,923.81	2,451,304,159.48

(2) Cash and cash equivalents at the end of the year

Item	31/12/2024	31/12/2023
I. Cash	16,515,069,554.91	16,018,613,631.10
Including: Cash on hand	457,486.90	974,692.93
Bank deposits available for payment at any time	16,444,638,576.67	16,009,954,475.85
Other monetary funds available for payment at any time	69,973,491.34	7,684,462.32
II. Cash equivalents	-	-
III. Balance of cash and cash equivalents at the end of the year	16,515,069,554.91	16,018,613,631.10

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

67. Supplementary information to the cash flow statement - continued

(3) Net payment for acquisition of subsidiaries

Item	Amount
Cash or cash equivalents received in the current year from acquisition of subsidiaries in the current year	428,196,206.32
Less: Cash and cash equivalents held by subsidiaries on the purchase date	120,511,752.33
Less: Payable equity purchase funds	14,325,890.39
Add: Cash or cash equivalents received in the current year for business combinations in previous periods	-
Net cash paid to acquire subsidiaries	293,358,563.60
Net assets obtained from subsidiaries	372,477,073.46

(4) Payment for dividends, profit distributions or interest

Item	2024	2023
Dividends and profits paid to non-controlling shareholders of subsidiaries	3,553,580,816.50	1,955,677,172.68
Cash paid for interest repayment	1,955,539,593.93	2,085,251,461.30
Profit distributions	1,452,793,553.86	1,126,766,912.03
Total	6,961,913,964.29	5,167,695,546.01

(5) The Group has no limited scope of use but is still listed as cash and cash equivalents.

(6) See Note VIII, 1 (3) for details of cash at bank and on hand not belonging to cash and cash equivalents.

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

68. Foreign currency monetary items

Item	Foreign currency at the end of the year	Exchange rate	RMB at the end of the year
Cash and bank balances			2,912,640,425.51
Including: HKD	22,599,852.41	0.9260	20,927,463.33
USD	210,719,518.34	7.1884	1,514,736,185.64
RMB	1,124,472,916.40	1.0000	1,124,472,916.40
EUR	30,807,502.80	7.5257	231,848,023.82
AUD	4,583,056.65	4.5070	20,655,836.32
Accounts receivable			202,376,754.52
Including: HKD	89,996.31	0.9260	83,336.58
USD	1,395,811.63	7.1884	10,033,652.32
EUR	25,547,094.04	7.5257	192,259,765.62
Other receivables			761,290,697.14
Including: HKD	1,005,827.69	0.9260	931,396.44
USD	74,817,750.03	7.1884	537,819,914.32
EUR	5,479,143.73	7.5257	41,234,391.97
RMB	181,256,685.00	1.0000	181,256,685.00
AUD	10,718.75	4.5070	48,309.41
Long-term receivables			1,097,372,535.36
Including: EUR	25,995,028.12	7.5257	195,630,783.12
AUD	200,075,826.99	4.5070	901,741,752.24
Short-term borrowings			2,480,000,000.00
Including: RMB	2,480,000,000.00	1.0000	2,480,000,000.00
Accounts payable			37,715,519.96
Including: HKD	1,343,915.75	0.9260	1,244,465.98
USD	340,726.28	7.1884	2,449,276.79
EUR	4,520,745.87	7.5257	34,021,777.19
Other payables			833,584,685.87
Including: HKD	38,048,963.19	0.9260	35,233,339.91
USD	59,229,016.40	7.1884	425,761,861.49
EUR	45,596,922.20	7.5257	343,148,757.40
RMB	29,440,727.07	1.0000	29,440,727.07
Non-current liabilities due within one year			5,759,766,301.11
Including: USD	523,215,014.39	7.1884	3,761,078,809.42
RMB	1,998,687,491.69	1.0000	1,998,687,491.69
Long-term borrowings			2,350,000,000.00
Including: RMB	2,350,000,000.00	1.0000	2,350,000,000.00
Bonds payable			7,875,559,119.55
Including: USD	1,095,592,777.19	7.1884	7,875,559,119.55

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

69. Leases

(1) Lessor under operating lease

Item	Amount
I. Operating income	— —
Lease income	317,717,398.85
Including: Income related to variable lease payments that are not included in lease receipts	-
II. Undiscounted lease receipts received after the balance sheet date	623,166,122.47
1 st year	200,957,788.17
2 nd year	123,484,871.98
3 rd year	101,760,390.99
4 th year	68,366,980.15
5 th year	42,448,803.16
Over 5 years	86,147,288.02

Note: The operating leases where the Group acts as the lessor are related to port and terminal facilities, machinery and equipment, vehicles, land and buildings, with lease terms ranging from 0.6 years to 50 years and option to renew the lease of port and terminal facilities, machinery and equipment, land and buildings. The Group considers that the unguaranteed balance of leased assets does not constitute significant risk of the Group, as the assets are properly used.

(2) Lessee

Item	Amount
Interest expenses on lease liabilities	70,660,449.69
Short-term lease expenses that are accounted for using simplified approach and included in cost of related assets or profit or loss for the period	63,996,021.37
Expenses on leases of low-value assets (exclusive of expenses on short-term leases of low-value assets) that are accounted for using simplified approach and included in cost of related assets or profit or loss for the period	-
Variable lease payments that are included in cost of related assets or profit or loss but not included in measurement of lease liabilities	-
Including: The portion arising from sale and leaseback transactions	-
Income from sub-lease of right-of-use assets	14,578,101.47
Total cash outflows relating to leases	380,096,597.41
Losses from sale and leaseback transactions	3,337,879.11
Cash inflows from sale and leaseback transactions	40,000,000.00
Cash outflows from sale and leaseback transactions	98,454,482.39
Others	-

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(VIII) NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS - continued

69. Leases - continued

(2) Lessee - continued

Sale and leaseback transactions and basis for determination:

For the purpose of raising funds and leasing back for use, the Company carries out sale and leaseback transaction with the legally owned terminal assets as the subject of the transfer and the leased assets, for a term of three years. As the Company is entitled to repurchase at the expiry of the lease term and the repurchase price is not lower than the original selling price, it is considered as a financing transaction and is recognized as a long-term payable when the amount is received from the lessor, and the difference between the original selling price and the repurchase price is recognized as interest expenses.

(IX) R&D EXPENDITURE

1. Disclosure by nature of expenses

Item	2024	2023
Employee benefits	130,912,466.55	166,273,348.83
Direct materials and outsourced R&D	82,743,846.15	78,769,899.84
Depreciation and amortisation	4,568,822.85	11,654,856.90
Others	31,884,552.82	15,963,664.54
Total	250,109,688.37	272,661,770.11
Including: R&D expenditure recorded as expenses	201,755,066.36	223,739,072.07
R&D expenditure capitalised	48,354,622.01	48,922,698.04

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(IX) R&D EXPENDITURE - continued

2. Expenditures on R&D projects which are eligible for capitalisation

Item	31/12/2023	Increase	Decrease			31/12/2024
		Internal development costs	Recognised as fixed assets	Recognised as intangible assets	Transferred to profit or loss for the period	
ePort comprehensive service platform	30,150,532.71	13,655,121.15	-	-	-	43,805,653.86
Other R&D projects	20,839,620.47	39,717,905.17	25,527,118.56	10,422,602.94	5,018,404.31	19,589,399.83
Total	50,990,153.18	53,373,026.32	25,527,118.56	10,422,602.94	5,018,404.31	63,395,053.69

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(X) CHANGES IN SCOPE OF CONSOLIDATION

1. Business combination not involving enterprises under common control

(1) Business combination involving entities not under common control in the current period

No	Name of the purchase party	Date of acquisition	Determination basis of purchase date	Proportion of equity held by the acquiree before the purchase date (%)	Equity acquisition ratio(Excluding the increase or decrease of equity after merger (%))	Total book net assets of the acquiree on the purchase date	Total fair value of identifiable net assets of the acquiree on the acquisition date		Transaction consideration	Goodwill	Revenue of the acquiree from the purchase date to the end of the year	Net profit of the acquiree from the purchase date to the end of the year	Cash flow of the acquiree from the purchase date to the end of the year
							Amount	Method					
1	NPH	28 June 2024	Transfer of actual control	-	51.00	416,919,421.83	730,347,202.86	Multi-term Excess Surplus Method	428,196,206.32	55,719,132.86	207,359,466.75	28,980,451.83	142,293,175.74

NPH is a company incorporated on 29 December 2003 and headquartered in Jakarta, Indonesia, and its principal activities are engaged in the provision of container, multi-purpose and general terminal services and the provision of port equipment engineering services in Indonesia. Prior to the Merger, the parent company of NPH was PT Episenta Utama Invest asi. On 20 November 2023, China Merchants Port Holdings, a subsidiary of the Company, entered into a share purchase agreement with the former controlling shareholder of NPH. Pursuant to the agreement, the Group plans to acquire 51% of the shares of NPH. The aforesaid transaction was completed on 28 June 2024 and since then, the Group has the right to appoint most of the members of the NPH Board, and the Board is the authority leading the NPH related business, the mechanism of the Board of Directors is approved by more than half of the votes. As a result, the Group is able to control NPH and include it in the scope of the Group's consolidated financial statements.

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(X) CHANGES IN SCOPE OF CONSOLIDATION - continued

1. Business combination not involving enterprises under common control - continued

(2) Consolidated cost and goodwill

Consolidation costs	NPH
Consolidation costs	428,196,206.32
—Cash	413,870,315.93
—Payable equity purchase funds	14,325,890.39
Total consolidated costs	428,196,206.32
Less: Share of fair value of identifiable net assets acquired	372,477,073.46
Goodwill	55,719,132.86

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(X) **CHANGES IN SCOPE OF CONSOLIDATION** - continued

1. Business combination not involving enterprises under common control - continued

(3) Identifiable assets and liabilities of the acquiree on the acquisition date

Consolidation costs	Fair value on the purchase date	Book value on the purchase date
Assets:		
Current assets	228,095,320.00	228,095,320.00
Fixed assets	276,830,316.55	233,575,346.96
Right-of-use assets	434,204,861.23	434,204,861.23
Intangible assets	449,760,068.61	44,255,725.09
Goodwill	-	12,641,544.20
Deferred tax assets	6,496,130.00	6,496,130.00
Other non-current assets	12,645,464.35	12,645,464.35
Liabilities:		
Current liabilities	98,088,290.00	98,088,290.00
Long term borrowings	40,488,900.00	40,488,900.00
Lease liabilities	399,000,160.00	399,000,160.00
Deferred tax liabilities	100,345,568.88	1,618,520.00
Other non-current liabilities	15,799,100.00	15,799,100.00
Net assets	754,310,141.86	416,919,421.83
Less: non-controlling shareholders' equity	23,962,939.00	23,962,939.00
Net assets attributable to the parent company	730,347,202.86	392,956,482.83
Less: Goodwill	-	12,641,544.20
Identifiable net assets attributable to the parent company	730,347,202.86	380,314,938.63
Net assets acquired	372,477,073.46	193,960,618.70

If there is an active market for the above identifiable assets, their fair values shall be determined according to the quoted prices in the active market; if there is no active market, but there is an active market for the same or similar assets, the fair value shall be determined by referring to the market price of the same or similar assets; if there is no active market for the same or similar assets, valuation techniques shall be used to determine their fair values.

The fair value of the above identifiable liabilities shall be the amount payable or the present value of the amount payable.

2. Business combination under the same control

There is no business combination under the same control of the Group this year.

3. Reverse purchase

The Group has no reverse purchase this year.

4. Disposal of subsidiaries

The Group did not lose control over the disposal of investment in subsidiaries this year.

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(X) CHANGES IN SCOPE OF CONSOLIDATION - continued

5. Change in consolidation scope for other reasons

The Group has not changed the consolidation scope for other reasons this year.

(XI) EQUITY IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group - Major subsidiaries

Name of the subsidiary	Principal place of business	Place of incorporation	Nature of business	Registered capital (RMB'0000, unless otherwise specified)	Shareholding ratio of the Company (%)		Acquisition method
					Direct	Indirect	
Shenzhen Chiwan International Freight Agency Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	550.00	100.00	-	Established through investment
Chiwan Port and Shipping (Hong Kong) Co., Ltd. (hereinafter referred to as "Wharf Holdings Hong Kong")	HK China	HK China	Investment holding	HKD 1,000,000	100.00	-	Established through investment
Dongguan Shenchiwan Port Affairs Co., Ltd.	Dongguan China	Dongguan China	Logistics support services	45,000.00	85.00	-	Established through investment
Dongguan Shenchiwan Wharf Co., Ltd.	Dongguan China	Dongguan China	Logistics support services	40,000.00	100.00	-	Established through investment
Shenzhen Chiwan Harbor Container Co. Ltd.	Shenzhen China	Shenzhen China	Logistics support services	28,820.00	100.00	-	Business combination involving enterprises under common control
Shenzhen Chiwan Port Development Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	10,000.00	100.00	-	Business combination involving enterprises under common control
Chiwan Container Terminal Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	USD 95,300,000	55.00	20.00	Business combination involving enterprises under common control
Shenzhen Chiwan Tugboat Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	2,400.00	100.00	-	Business combination involving enterprises under common control
Chiwan Shipping (Hong Kong) Limited	HK China	HK China	Logistics support services	HKD 800,000	100.00	-	Business combination involving enterprises under common control
CM Port (Note 1)	HK China	HK China	Investment holding	HKD 48,730,938,800	0.38	49.67	Business combination involving enterprises under common control
China Merchants Bonded Logistics Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	70,000.00	40.00	60.00	Business combination involving enterprises under common control
CM International Tech	Shenzhen China	Shenzhen China	IT service	8,784.82	56.26	43.74	Business combination involving enterprises under common control
China Merchants International (China) Investment Co., Ltd.	Shenzhen China	Shenzhen China	Investment holding	USD67,400,000	-	100.00	Business combination involving enterprises under common control
China Merchants International Container Terminal (Qingdao) Co., Ltd.	Qingdao China	Qingdao China	Logistics support services	USD 206,300,000	-	100.00	Business combination involving enterprises under common control
China Merchants Container Services Limited	HK China	HK China	Logistics support services	HKD 500,000	-	100.00	Business combination involving enterprises under common control
China Merchants Port (Shenzhen) Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	55,000.00	-	100.00	Business combination involving enterprises under common control
Shenzhen Haiqin Project Management Co., Ltd.	Shenzhen China	Shenzhen China	Engineering supervision service	1,000.00	-	100.00	Business combination involving enterprises under common control
Antonje Wharf Storage Service (Shenzhen) Co., Ltd.	Shenzhen China	Shenzhen China	Preparation for the warehousing project	HKD 100,000,000	-	100.00	Business combination involving enterprises under common control
ASJ	Shenzhen China	Shenzhen China	Preparation for the warehousing project	HKD 100,000,000	-	100.00	Business combination involving enterprises under common control
China Merchants International Terminal (Qingdao) Co., Ltd.	Qingdao China	Qingdao China	Logistics support services	USD 44,000,000	-	90.10	Business combination involving enterprises under common control
CICT	Sri Lanka	Sri Lanka	Logistics support services	USD 150,000,100	-	85.00	Business combination involving enterprises under common control
Magang Godown & Wharf	Shenzhen China	Shenzhen China	Logistics support services	33,500.00	-	100.00	Business combination involving enterprises under common control
Zhangzhou China Merchants Tugboat Co., Ltd.	Zhangzhou China	Zhangzhou China	Logistics support services	1,500.00	-	100.00	Business combination involving enterprises under common control
Zhangzhou China Merchants Port Co., Ltd.	Zhangzhou China	Zhangzhou China	Logistics support services	116,700.00	-	60.00	Business combination involving enterprises under common control
Zhangzhou Investment Promotion Bureau Xiamenwan Port Affairs Co., Ltd. (hereinafter referred to as "Xiamenwan Port Affairs") (Note 2)	Zhangzhou China	Zhangzhou China	Logistics support services	44,450.00	-	31.00	Business combination involving enterprises under common control
Shekou Container Terminals Ltd.	Shenzhen China	Shenzhen China	Logistics support services	HKD 618,201,200	-	100.00	Business combination involving enterprises under common control
Shenzhen Lianyunjie Container Terminals Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	60,854.90	-	100.00	Business combination involving enterprises under common control
Anxunjie Container Terminals (Shenzhen) Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	127,600.00	-	100.00	Business combination involving enterprises under common control
Anyunjie Port Warehousing Service (Shenzhen) Co., Ltd.	Shenzhen China	Shenzhen China	Preparation for the warehousing project	6,060.00	-	100.00	Business combination involving enterprises under common control

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(XI) EQUITY IN OTHER ENTITIES - continued

1. Interests in subsidiaries - continued

(1) Composition of the Group - Major subsidiaries - continued

Name of the subsidiary	Principal place of business	Place of incorporation	Nature of business	Registered capital (RMB'0000, unless otherwise specified)	Shareholding ratio of the Company (%)		Acquisition method
					Direct	Indirect	
Shenzhen Haixing	Shenzhen China	Shenzhen China	Logistics support services	53,072.92	-	100.00	Business combination involving enterprises under common control
Shenzhen Lianyongtong Terminal Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	USD 7,000,000	-	100.00	Business combination involving enterprises under common control
Yide Port	Foshan China	Foshan China	Logistics support services	21,600.00	51.00	-	Business combination involving enterprises under common control
Mega SCT	BVI	BVI	Investment holding	USD 120.00	-	80.00	Business combination involving enterprises under common control
Oasis King International Limited	BVI	BVI	Investment holding	USD 100.00	-	100.00	Business combination involving enterprises under common control
Lome Container Terminal S.A. (Note 3)	Republic of Togo	Republic of Togo	Logistics support services	XOF 200,000,000	-	100.00	Business combination involving enterprises under common control
Gainpro Resources Limited	BVI	BVI	Investment holding	USD 1.00	-	76.47	Business combination involving enterprises under common control
Hambantota International Port Group (Private) Limited	Sri Lanka	Sri Lanka	Logistics support services	USD 1,145,480,000	-	85.00	Business combination involving enterprises under common control
Shantou port	Shantou China	Shantou China	Logistics support services	12,500.00	-	60.00	Business combination involving enterprises under common control
Shenzhen Jinyu Rongtai Investment Development Co., Ltd.	Shenzhen China	Shenzhen China	Property lease, etc.	80,000.00	-	100.00	Asset acquisition
Shenzhen Merchants Qianhaiwan Real Estate Co., Ltd.	Shenzhen China	Shenzhen China	Property lease, etc.	20,000.00	-	100.00	Asset acquisition
Juzhongzhi Investment (Shenzhen) Co., Ltd.	Shenzhen China	Shenzhen China	Investment consulting	4,000.00	-	75.00	Business combination involving enterprises under common control
Shenzhen Lianda Tugboat Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	200.00	-	60.29	Business combination involving enterprises under common control
China Ocean Shipping Tally Zhangzhou Co., Ltd.	Zhangzhou China	Zhangzhou China	Logistics support services	200.00	-	84.00	Business combination involving enterprises under common control
China Merchants Holdings (Djibouti) FZE	Djibouti	Djibouti	Logistics support services	USD 38,140,000	-	100.00	Business combination involving enterprises under common control
Xinda Resources Limited	BVI	BVI	Investment holding	USD 107,620,000	-	77.45	Business combination involving enterprises under common control
Kong Rise Development Limited	HK China	HK China	Investment holding	USD 107,620,000	-	100.00	Business combination involving enterprises under common control
TCP	Brazil	Brazil	Logistics support services	BRL 68,851,600	-	100.00	Business combination not involving enterprises under common control
Direct Achieve Investments Limited	HK China	HK China	Investment holding	USD 814,781,300	-	100.00	Business combination involving enterprises under common control
Zhoushan RoRo	Zhoushan China	Zhoushan China	Logistics support services	17,307.86	51.00	-	Asset acquisition
Shenzhen Haixing Logistics Development Co., Ltd.	Shenzhen China	Shenzhen China	Logistics support services	7,066.79	-	100.00	Asset acquisition
Zhanjiang Port	Zhanjiang China	Zhanjiang China	Logistics support services	587,420.91	30.78	27.58	Business combination not involving enterprises under common control
Zhanjiang Port International Container Terminal Co., Ltd.	Zhanjiang China	Zhanjiang China	Logistics support services	60,000.00	-	80.00	Business combination not involving enterprises under common control
Zhanjiang Port Petrochemical Terminal Co., Ltd. (Note 4)	Zhanjiang China	Zhanjiang China	Logistics support services	18,000.00	-	50.00	Business combination not involving enterprises under common control
China Ocean Shipping Tally Co., Ltd., Zhanjiang	Zhanjiang China	Zhanjiang China	Logistics support services	300.00	-	84.00	Business combination not involving enterprises under common control
Zhanjiang Port Donghaidao Bulk Cargo Terminal Co., Ltd.	Zhanjiang China	Zhanjiang China	Logistics support services	5,000.00	-	100.00	Business combination not involving enterprises under common control
Zhanjiang Port Logistics	Zhanjiang China	Zhanjiang China	Logistics support services	10,000.00	-	100.00	Business combination not involving enterprises under common control
Guangdong Zhanjiang Port Longteng Shipping Co., Ltd.	Zhanjiang China	Zhanjiang China	Logistics support services	9,000.00	-	51.00	Business combination not involving enterprises under common control
Shantou Harbor Towage Service Co., Ltd.	Shantou China	Shantou China	Logistics support services	1,000.00	-	100.00	Established through investment
Sanya Merchants Port Development Co., Ltd.	Sanya China	Sanya China	Logistics support services	1,000.00	51.00	-	Established through investment
China Merchants Harbor Modern Logistics Technology (Shenzhen) Co., Ltd. (Original name: China Division of Malai Warehousing (Shenzhen) Co., Ltd.)	Shenzhen China	Shenzhen China	Owning China Qianhai property	HKD 1,600,000,000	-	100.00	Business combination involving enterprises under common control
Ports Development (Hong Kong) Limited	Hong Kong China	Hong Kong China	Investment holding	2,768,291.56	100.00	-	Established through investment
Shunkong Port	Foshan China	Foshan China	Property development and management	27,997.59	51.00	-	Asset acquisition
South Asia Trade and Logistics Center Co., Ltd.	Sri Lanka	Sri Lanka	Logistics support services	USD 37,140,000	-	70.00	Established through investment
NPH (Note 5)	Indonesia	Indonesia	Logistics support services	IDR 281,394,199,000	51.00	-	Business combination not involving enterprises under common control

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(XI) EQUITY IN OTHER ENTITIES - continued

1. Interests in subsidiaries - continued

(1) Composition of the Group - Major subsidiaries - continued

Note 1: For the year ended 31 December 2024, Port Development (Hong Kong) Co., Ltd. purchased 16,364,000.00 ordinary shares of China Merchants Port Holdings through the secondary market. After the completion of the aforementioned purchase transaction, the proportion of the ordinary shares held by the Group in the total issued ordinary shares of China Merchants Port Holdings has changed from 49.28% to 49.67%.

China Merchants Group (Hong Kong) Co., Ltd. (hereinafter referred to as "CMHK") accounts for 21.85% of the total issued ordinary shares of China Merchants Port Holdings. On 19 June 2018, the Company signed the *Agreement on Concerted Action of China Merchants Port Holdings Limited with CMHK*. According to the agreement, CMHK has the voting right of China Merchants Port Holdings entrusted to exercise, when voting on the matters to be considered at the General Meeting of Port Holding Shareholders of China Merchants Group, they are unconditionally consistent with the Company, and the opinions of the Company shall prevail. In March 2022, the Company transferred 43.00% of the shares held by China Merchants Group Port Holdings to its Hong Kong wholly-owned subsidiary Port Development (Hong Kong) Co., Ltd. Therefore, the Group holds 71.52% of the voting rights of China Merchants Group Port Holdings in total, and can control them.

Note 2: The Group signed the *Equity Custody Agreement* with China Merchants Zhangzhou Development Zone Co., Ltd., which agreed that China Merchants Zhangzhou Development Zone Co., Ltd. entrusted its 29% equity of Xiamenwan Port Affairs to the Group for operation and management. Therefore, the Group has 60% of the voting rights in Xiamenwan Port Affairs, which can be controlled and included in the consolidation scope of the Group's consolidated financial statements.

Note 3: The Group has the right to control Lome Container Terminal S.A. by appointing most members of the Executive Committee, so the Group includes the company into the consolidation scope of the consolidated financial statements.

Note 4: The Group holds 50% equity interest in Zhanjiang Port Petrochemical Terminal Co., Ltd. According to the agreement, the Group has control over Zhanjiang Port Petrochemical Terminal Co., Ltd., and therefore includes it in the scope of consolidation of the consolidated financial statements.

Note 5: The Group completed the acquisition of 51% shares of NPH on 28 June 2024. See Note (X) for details.

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(XI) EQUITY IN OTHER ENTITIES - continued

1. Interests in subsidiaries - continued

(2) Significant non-wholly-owned subsidiaries

Year 2024

Name of the subsidiary	Proportion of ownership interest held by the non-controlling shareholders (%)	Profit or loss attributable to non-controlling shareholders in the current year	Dividends distributed to non-controlling shareholders in the current year	Balance of non-controlling interests at the end of the year
CM Port	50.33	4,277,480,912.41	1,774,966,740.92	61,825,440,800.08

Year 2023

Name of the subsidiary	Proportion of ownership interest held by the non-controlling shareholders (%)	Profit or loss attributable to non-controlling shareholders in the current year	Dividends distributed to non-controlling shareholders in the current year	Balance of non-controlling interests at the end of the year
CM Port	50.72	3,790,168,766.29	1,716,130,041.14	61,593,070,426.41

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(XI) EQUITY IN OTHER ENTITIES - continued

1. Interests in subsidiaries - continued

(3) Major financial information of significant non-wholly-owned subsidiaries

Name of the subsidiary	31/12/2024						31/12/2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
CM Port	15,225,606,631.78	135,382,012,965.53	150,607,619,597.31	22,281,042,457.07	21,803,874,037.96	44,084,916,495.03	15,917,026,132.04	135,313,877,243.36	151,230,903,375.40	18,457,977,486.53	27,802,818,508.45	46,260,795,994.98

Name of the subsidiary	2024				2023			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
CM Port	10,990,023,251.60	7,477,357,716.48	6,371,332,629.59	5,708,869,820.55	10,503,277,811.44	6,466,697,575.11	7,608,794,449.88	4,852,710,141.52

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(Unless otherwise specified, the monetary unit shall be RMB)

(XI) EQUITY IN OTHER ENTITIES - continued

2. Transactions resulting from changes in ownership interests in subsidiaries without losing control over the subsidiaries

(1) Description of changes in ownership interests in subsidiaries

During the year, the Group's ownership interests in CM Port is changed from 49.28% to 49.67%. Details are set out in Note (XI) 1 (1).

(2) Effect of the transactions on non-controlling interests and equity attributable to owners of the Company

	CM Port
Acquisition cost	
- Cash	147,607,116.30
- Fair value of non-cash assets	-
Total acquisition cost	147,607,116.30
Less: Share of net assets of subsidiaries calculated based on the proportion of equity acquired	364,489,387.78
Difference	-216,882,271.48
Including: Adjustment to capital reserve	216,882,271.48
Adjustment to surplus reserve	-
Adjustment to Retained earnings	-

3. Interests in joint ventures and associates

(1) Significant joint ventures or associates

Investee	Principal place of business	Place of registration	Nature of business	Proportion of ownership interests held by the Group (%)		Proportion of voting rights (%)	Accounting treatment of investments in associates
				Direct	Indirect		
Associate							
SIPG	Shanghai, PRC	Shanghai, PRC	Port and container terminal business	-	28.05	28.05	Equity method
Ningbo Zhoushan	Ningbo, PRC	Ningbo, PRC	Port and container terminal business	20.98	2.10	23.08	Equity method

CHINA MERCHANTS PORT GROUP CO., LTD.

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(XI) EQUITY IN OTHER ENTITIES - continued

4. Key financial information of significant associate

Item	SIPG	
	31/12/2024 / 2024	31/12/2023/ 2023
Current assets	48,744,038,847.45	53,049,570,240.87
Including: Cash and cash equivalents	32,830,782,585.55	35,721,676,040.14
Non-current assets	163,311,502,225.58	150,525,944,932.10
Total assets	212,055,541,073.03	203,575,515,172.97
Current liabilities	23,068,287,468.52	22,835,359,505.98
Non-current liabilities	41,578,448,514.91	44,553,743,360.00
Total liabilities	64,646,735,983.43	67,389,102,865.98
Net assets	147,408,805,089.60	136,186,412,306.99
Non-controlling interests	14,101,913,028.59	13,010,972,126.11
Net assets attributable to owners of the Company	133,306,892,061.01	123,175,440,180.88
Share of net assets calculated based on the proportion of ownership interests	37,392,583,223.11	34,550,710,970.74
Adjustments		
- Goodwill	2,427,508,397.27	2,427,508,397.27
- Others	222,282,154.18	234,665,770.76
Carrying amount of equity investments in associates	40,042,373,774.56	37,212,885,138.77
Fair value of publicly quoted equity investments in associates	39,971,634,611.40	32,003,432,940.50
Operating income	38,116,972,285.82	37,551,570,005.56
Net profit	16,063,786,892.13	14,007,787,452.35
Net profit attributable to the owner of the parent company of the investee in the current year	14,954,353,821.25	13,203,137,528.87
Other comprehensive income	281,406,740.21	-58,126,233.99
Total comprehensive income	16,345,193,632.34	13,949,661,218.36
Dividends received from associates in the current year	1,449,951,451.59	914,383,798.30

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(XI) EQUITY IN OTHER ENTITIES - continued

4. Key financial information of significant associate - continued

Item	Ningbo Zhoushan	
	31/12/2024 / 2024	31/12/2023/ 2023
Current assets	15,453,223,000.00	19,223,549,000.00
Including: Cash and cash equivalents	4,586,107,000.00	9,635,337,000.00
Non-current assets	97,445,761,000.00	93,105,852,000.00
Total assets	112,898,984,000.00	112,329,401,000.00
Current liabilities	17,449,594,000.00	22,201,633,000.00
Non-current liabilities	9,899,823,000.00	9,429,720,000.00
Total liabilities	27,349,417,000.00	31,631,353,000.00
Net assets	85,549,567,000.00	80,698,048,000.00
non-controlling interests	7,256,126,000.00	5,828,457,000.00
Net assets attributable to owners of the Company	78,293,441,000.00	74,869,591,000.00
Share of net assets calculated based on the proportion of ownership interests	18,070,126,182.80	17,279,901,602.80
Adjustments		
- Goodwill	1,231,115,756.87	1,231,115,756.87
- Others	120,244,072.03	120,136,754.64
Carrying amount of equity investments in associates	19,421,486,011.70	18,631,154,114.31
Fair value of publicly quoted equity investments in associates	17,284,475,843.25	15,982,528,312.20
Operating income	28,702,311,000.00	25,993,200,000.00
Net profit	5,408,738,000.00	5,156,174,000.00
Net profit attributable to the owner of the parent company of the investee in the current year	4,897,513,000.00	4,653,615,000.00
Other comprehensive income	110,866,000.00	76,072,000.00
Total comprehensive income	5,519,604,000.00	5,232,246,000.00
Dividends received from associates in the current year	408,578,523.82	390,875,794.33

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(XI) EQUITY IN OTHER ENTITIES - continued

4. Key financial information of significant associate - continued

Note: Ningbo Zhoushan's financial data are accurate to the nearest RMB 1,000.00.

5. Summarized financial information of insignificant associates and joint ventures

Item	31/12/2024 /2024	31/12/2023 / 2023
Joint ventures:		
Total carrying amount of investments	9,307,873,045.30	8,957,993,335.22
Aggregate of following items calculated based on the proportion of ownership interest		
- Net profit	367,446,997.79	396,604,681.06
- Other comprehensive income	161,730,408.57	-879,272,391.47
- Total comprehensive income	529,177,406.36	-482,667,710.41
Associates:		
Total carrying amount of investments	31,246,297,063.40	31,864,085,187.97
Aggregate of following items calculated based on the proportion of ownership interest		
- Net profit	757,730,103.41	831,571,993.78
- Other comprehensive losses (Income) ("-" for losses)	-375,707,391.94	138,977,006.59
- Total comprehensive income	382,022,711.47	970,549,000.37

6. The investees where the Group holds long-term equity investments are not restricted to transfer funds to the Group.

(XII) GOVERNMENT GRANTS

1. Government grants recognised as receivables at the end of current year

Balance of receivables at the end of current year	-
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2. Liabilities involving government grants

Item	31/12/2023	New government grants	Amount included in non-operating income	Amount included in other income	Other changes	31/12/2024	Related to assets/income
Deferred income	1,024,776,557.73	295,701,250.00	-	51,502,491.12	-	1,268,975,316.61	Related to assets
Total	1,024,776,557.73	295,701,250.00	-	51,502,491.12	-	1,268,975,316.61	— —

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(XII) GOVERNMENT GRANTS - continued

3. Government grants included in profit or loss

Item	2024	2023
Business development subsidy	75,662,052.93	113,983,657.91
Subsidy fund for Qianhai Comprehensive Bonded Zone	45,939,617.40	-
Special operation subsidy	3,184,128.00	18,439,586.22
Others	7,094,562.35	16,815,259.21
Total	131,880,360.68	149,238,503.34

(XIII) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Group's major financial instruments include cash and bank balances, financial assets held for trading, bills receivable, accounts receivable, receivables under financing, other receivables, long-term receivables, other non-current financial assets, borrowings, bills payable, accounts payable, other payables, other current liabilities, non-current liabilities due within one year, bonds payable, long-term payables, other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (VIII). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management of the Group manages and monitors these exposures to ensure the risks are monitored at a certain level.

The Group adopts sensitivity analysis technique to analyse how the profit and loss for the period and shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. Risk management objectives, policies and procedures, and changes for the period

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operation performance, and maximise the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitors regularly and effectively these exposures to ensure the risks are monitored at a certain level.

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(XIII) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS - continued

1. Risk management objectives, policies and procedures, and changes for the period
- continued

1.1 Market risk

1.1.1 Currency risk

Currency risk is the risk that losses will occur because of changes in foreign exchange rates. The Group's exposure to the currency risk is primarily associated with HKD, USD, EUR and AUS. Except for part of the purchases and sales, the Group's other principal activities are denominated and settled in RMB. As at 31 December 2024, the balances of the Group's assets and liabilities are both denominated in functional currency, except that the assets and liabilities set out below are recorded using foreign currencies. Currency risk arising from the foreign currency balance of assets and liabilities may have impact on the Group's performance.

Item	31/12/2024	31/12/2023
Cash and bank balances	1,234,472,138.05	523,517,515.06
Accounts receivable	10,116,992.50	10,544,159.14
Other receivables	697,525,377.19	339,133,935.79
Long-term receivables	1,097,372,535.36	1,109,592,094.82
Short-term borrowings	2,480,000,000.00	2,990,000,000.00
Accounts payable	3,693,796.53	1,379,762.77
Other payables	282,056,319.78	300,187,007.82
Non-current liabilities due within one year	1,998,687,491.69	9,339,586.11
Long-term borrowings	2,350,000,000.00	4,656,000,000.00
Long-term payables	-	9,391,615.50

The Group closely monitors the effects of changes in the foreign exchange rates on the Group's currency risk exposures. According to the current risk exposure and judgment on the exchange rate movements, the management considers it is unlikely that the exchange rate changes in the next year will result in significant loss to the Group.

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(XIII) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS - continued

1. Risk management objectives, policies and procedures, and changes for the period
- continued

1.1 Market risk - continued

1.1.1 Currency risk - continued

Sensitivity analysis on currency risk

The assumption for the sensitivity analysis on currency risk is that all the cash flow hedges and hedges of a net investment in a foreign operation are highly effective. On the basis of the above assumption, where all other variables are held constant, the reasonably possible changes in the foreign exchange rate may have the following pre-tax effect on the profit or loss for the period and shareholders' equity:

Item	Changes in exchange rate	2024		2023	
		Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
All foreign currencies	5% increase against RMB	-277,619,930.87	-277,619,930.87	-362,713,439.88	-362,713,439.88
All foreign currencies	5% decrease against RMB	277,619,930.87	277,619,930.87	362,713,439.88	362,713,439.88
All foreign currencies	5% increase against USD	-7,224,341.41	-7,224,341.41	-18,083,083.38	-18,083,083.38
All foreign currencies	5% decrease against USD	7,224,341.41	7,224,341.41	18,083,083.38	18,083,083.38
All foreign currencies	5% increase against HKD	23,518,592.02	23,518,592.02	23,046,933.58	23,046,933.58
All foreign currencies	5% decrease against HKD	-23,518,592.02	-23,518,592.02	-23,046,933.58	-23,046,933.58
All foreign currencies	5% increase against EUR (including FCFA)	11,455,857.12	11,455,857.12	11,592,634.53	11,592,634.53
All foreign currencies	5% decrease against EUR (including FCFA)	-11,455,857.12	-11,455,857.12	-11,592,634.53	-11,592,634.53
All foreign currencies	5% increase against AUD	46,122,294.90	46,122,294.90	47,096,082.98	47,096,082.98
All foreign currencies	5% decrease against AUD	-46,122,294.90	-46,122,294.90	-47,096,082.98	-47,096,082.98

1.1.2 Interest rate risk - changes in cash flows

Risk of changes in cash flows of financial instruments arising from interest rate changes is mainly related to bank loans with floating interest rate. (See Note (VIII) 24 and Note (VIII) 34). The Group continuously and closely monitors the impact of interest rate changes on the Group's interest rate risk. The Group's policy is to maintain these borrowings at floating rates. Presently, the Group has no arrangement such as interest rate swaps.

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(XIII) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS - continued

1. Risk management objectives, policies and procedures, and changes for the period
- continued

1.1 Market risk - continued

1.1.2 Interest rate risk - changes in cash flows - continued

Sensitivity analysis on interest rate risk

Sensitivity analysis on interest rate risk is based on the following assumptions:

- Fluctuations of market interest rate can affect the interest income or expense of a financial instrument with floating interest rate;
- For a financial instrument at fair value with fixed interest rate, the fluctuations of market interest rate can only affect its interest income or expense;
- For a derivative financial instrument designated as hedging instrument, the fluctuations of market interest rate affect its fair value, and all interest rate hedges are expected to be highly effective;
- The changes in fair value of derivative financial instruments and other financial assets and liabilities are calculated using cash flow discounting method by applying the market interest rate at balance sheet date.

On the basis of above assumptions, where the other variables held constant, the pre-tax effect of possible and reasonable changes in interest rate on the profit or loss for the period and shareholders' equity are as follows:

Item	Changes in interest rate	2024		2023	
		Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
Short-term borrowings and long-term borrowings	1% increase	-286,274,021.36	-286,274,021.36	-342,406,182.88	-342,406,182.88
Short-term borrowings and long-term borrowings	1% decrease	286,274,021.36	286,274,021.36	342,406,182.88	342,406,182.88

1.2 Credit risk

As at 31 December 2024, the Group's maximum exposure to credit risk which may cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group (without considering the available collateral or other credit enhancements) is arising from cash and bank balances (Note (VIII), 1), bills receivable (Note (VIII), 3), accounts receivable (Note (VIII), 4), other receivables (Note (VIII), 7), long-term receivables (Note (VIII), 11), etc. At the balance sheet date, the carrying amounts of the Group's financial assets represent its maximum exposure to credit risk. In addition, the Group's maximum credit risk exposure to credit losses includes the amount of financial guarantee contract as disclosed in Note (XVII), 2 "Contingencies". For financial instruments measured at fair value, the book value reflects its risk exposure, but not the maximum risk exposure, and its maximum risk exposure will change with the change of future fair value.

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(XIII) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS - continued

1. Risk management objectives, policies and procedures, and changes for the period
- continued

1.2 Credit risk - continued

In order to minimise the credit risk, the Group has delegated a department responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of financial assets at each balance sheet date to ensure that adequate provision for bad debts is made for relevant financial assets. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The credit risk on cash and bank balances is limited because they are deposited with financial institutions with high credit ratings.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

The Group has adopted a policy to ensure that all sales customers have good credit records.

1.3 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

As at 31 December 2024, the Group had total current liabilities in excess of total current assets of RMB 6,685,293,596.39. As at 31 December 2024, the Group had available and unused line of credit and bonds amounting to RMB 40,616,331,020.58, which is greater than the balance of the net current liabilities. The Group can obtain financial support from the available line of credit and bonds when needed. Therefore, the Group's management believes that the Group has no significant liquidity risk.

The following is the maturity analysis for financial assets and financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

Item	Carrying amount	Within 1 year	1 to 5 years	Over 5 years	Total
Short-term borrowings	12,791,242,141.69	13,278,299,013.64	-	-	13,278,299,013.64
Bills payable	1,536,194.00	1,536,194.00	-	-	1,536,194.00
Accounts payable	785,830,532.33	785,830,532.33	-	-	785,830,532.33
Other payables	1,923,980,312.98	1,923,980,312.98	-	-	1,923,980,312.98
Non-current liabilities due within one year	10,445,937,384.47	11,641,752,954.44	-	-	11,641,752,954.44
Other current liabilities	4,061,201,760.72	4,089,382,582.64	-	-	4,089,382,582.64
Long-term borrowings	15,582,593,255.65	-	14,250,559,751.05	2,039,917,590.76	16,290,477,341.81
Bonds payable	13,875,559,119.52	-	13,227,779,162.74	1,678,701,369.86	14,906,480,532.60
Lease liabilities	1,387,206,990.51	-	580,490,205.45	2,626,932,833.88	3,207,423,039.33
Long-term payables	3,198,449,728.51	-	672,259,427.79	4,652,872,609.47	5,325,132,037.26

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(XIV) DISCLOSURE OF FAIR VALUE**1. Assets and liabilities measured at fair value at the end of the year**

Item	Fair value as at 31/12/2024			Total
	Level 1	Level 2	Level 3	
	Fair value measurement	Fair value measurement	Fair value measurement	
Continuously measured at fair value				
Financial assets held for trading	-	5,685,135,472.01	-	5,685,135,472.01
Investments in other equity instruments	-	-	139,451,887.05	139,451,887.05
Other non-current financial assets	-	-	28,524,600.31	28,524,600.31
Total assets continuously measured at fair value	-	5,685,135,472.01	167,976,487.36	5,853,111,959.37

2. Qualitative and quantitative information of valuation techniques and key parameters adopted for items continuously measured at level 2 fair value

Item	Fair value as at 31/12/2024	Valuation techniques	Inputs
Financial assets held for trading	5,685,135,472.01	Cash flow discounting	Expected rate of return

The fair value of debt instruments at fair value through profit or loss is determined using the cash flow discounting approach. During the valuation, the Group adopts the expected return as the input.

3. Qualitative and quantitative information of valuation techniques and key parameters adopted for items continuously measured at level 3 fair value

Item	Fair value as at 31/12/2024	Valuation techniques	Inputs
Investments in other equity instruments	139,451,887.05	Net Asset Method	Carrying amount
Other non-current financial assets	28,524,600.31	Net Asset Method	Carrying amount

The fair value of non-listed equity instruments included in equity instruments at fair value through profit or loss or other comprehensive income is determined using the net asset method.

(XIV) DISCLOSURE OF FAIR VALUE - continued

4. Fair value of financial assets and financial liabilities not measured at fair value

The financial assets and liabilities not measured at fair value mainly include bills receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, bills payable, accounts payable, other payables, long-term borrowings, bonds payable and long-term payables etc.

The Group's management believes that the carrying amounts of financial assets and financial liabilities at amortized cost in the financial statements approximate their fair values.

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent of the Company

Name of the Company	Related party relationship	Type of the entity	Place of registration	Nature of business	Issued share capital	Proportion of ownership interests held by the Company (%)	Proportion of voting power held by the Company (%)
Broadford Global Limited	Parent	Private limited company (share limited)	Hong Kong	Investment holding	HKD 21,120,986,262	2.21	62.96 (Note)

Note: Broadford International Co., Ltd. directly holds 2.21% of the Company's equity, and holds 14.83% of the Company's equity through its subsidiary China Merchants Gangtong Development (Shenzhen) Co., Ltd. For the year ended 31 December 2024, the controlling shareholder Broadford International Co., Ltd. transferred its 74.66% shares of Honghui (Hong Kong) Co., Ltd. to CMHK, and China Merchants Group Hong Kong entrusted the 74.66% shares of Honghui (Hong Kong) Co., Ltd. obtained from the above transfer to Broadford International Co., Ltd. for management. After the completion of this share transfer and share custody, the controlling shareholder of the company will still be Broadford International Co., Ltd., The ultimate controlling shareholder of the Company is China Merchants Group Co., Ltd..

2. Subsidiaries of the Company

Details of the subsidiaries of the Company are set out in Note (X) 1, Note (XI) 1.

CHINA MERCHANTS PORT GROUP CO., LTD.

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

3. Associates and joint ventures of the Company

Details of the Company's significant joint ventures and associates are set out in Note (XI) 3.

Other joint ventures or associates that have related party transactions with the Group in the current year, or formed balances of related party transactions with the Group in the prior year are as follows:

Name of joint venture or associate	Relationship with the Company
Port of Newcastle and its subsidiaries	Joint venture
Qingdao Qianwan West Port United Wharf Co., Ltd.	Joint venture
Qingdao Qianwan New United Container Terminal Co., Ltd.	Joint venture
COSCO Logistics (Zhanjiang) Co., Ltd.	Joint venture
China Ocean Shipping Agency (Zhanjiang) Co., Ltd.	Joint venture
Yantai Port Group Laizhou Port Co., Ltd.	Joint venture
Qingdao Wutong Century Supply Chain Co., Ltd.	Joint venture
Euro-Asia Oceangate S.a.r.l.	Joint venture
Great Horn Development Company FZCo	Associate
International Djibouti Industrial Parks Operation FZCo	Associate
Port de Djibouti S.A.	Associate
Terminal Link SAS	Associate
Tin-Can Island Container Terminal Ltd.	Associate
Guizhou Qiangongnan Continental Land Port Operation Co., Ltd.	Associate
Nanshan Group and its subsidiaries	Associate
Shanggang Group and its subsidiaries	Associate
Ningbo Zhoushan and its subsidiaries	Associate
Shenzhen Baohong Technology Co., Ltd.	Associate
Tianjin Haitian Bonded Logistics Co., Ltd.	Associate
Chu Kong River Trade Terminal Co., Ltd.	Associate
Shantou Zhonglian Tally Co., Ltd.	Associate
Shantou International Container Terminals Limited	Associate
Shenzhen Bay Electricity Industry Co., Ltd.	Associate
Lac Assal Investment Holding Company Limited	Associate
CM Port Chuangrong (Shenzhen) Technology Co., Ltd.	Associate
Liaoning Port and its subsidiaries	Associate, controlled by the same ultimate controlling shareholder
New Land-Sea Corridor Operation (Zhanjiang) Co., Ltd.	Associate
Antong Holdings Co., Ltd. (hereinafter referred to as "Antong Holdings") and its subsidiaries	Associate
RED SEA WORLD S.A.	Associate

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

4. Other related parties of the Company

Name of other related parties	Relationship with the Company
Dalian Port Logistics Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Port Logistics Network Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Port Communications Engineering Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Marine Shipping Agency Guangdong Co., Ltd.	Controlled by the same ultimate controlling shareholder
Hoi Tung (Shanghai) Company Limited	Controlled by the same ultimate controlling shareholder
South China Sinotrans Supply Chain Management Co., Ltd.	Controlled by the same ultimate controlling shareholder
EuroAsia Dockyard Enterprise and Development Limited	Controlled by the same ultimate controlling shareholder
Qingdao Bonded Logistics Park Sinotrans Warehousing Logistics Co., Ltd.	Controlled by the same ultimate controlling shareholder
Qingdao Sinotrans Supply Chain Management Co., Ltd.	Controlled by the same ultimate controlling shareholder
Penavico Shenzhen Warehousing Co., Ltd.	Controlled by the same ultimate controlling shareholder
Shenzhen Foreign Forwarding International Freight Co., Ltd.	Controlled by the same ultimate controlling shareholder
Shenzhen Nanyou (Holdings) Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Shenzhen Qianhai Supply Chain Management Ltd.	Controlled by the same ultimate controlling shareholder
Shenzhen Qianhai Shekou Free Trade Investment Development Co. Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants International Shipping Agency (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Real Estate (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Real Estate Co., Ltd.	Controlled by the same ultimate controlling shareholder
Shenzhen Merchants to Home Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Shenzhen Ro-Ro Shipping Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Commercial Property Investment (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Property Management (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Marine Shipping Agency Shenzhen Co., Ltd.	Controlled by the same ultimate controlling shareholder
Yiu Lian Dockyards (Shekou) Limited	Controlled by the same ultimate controlling shareholder
Yiu Lian Dockyards Limited	Controlled by the same ultimate controlling shareholder
China Merchants International Cold Chain (Shenzhen) Company Limited	Controlled by the same ultimate controlling shareholder
China Merchants Group Finance Company Limited	Controlled by the same ultimate controlling shareholder
China Merchants Investment Development Company Limited	Controlled by the same ultimate controlling shareholder
China Merchants Finance Lease (Shanghai) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Finance Lease (Tianjin) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Shekou Industrial Zone Holdings Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchant Food (China) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Tongshang Finance Lease Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Zhangzhou Development Zone Power Supply Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Securities Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Traffic Import and Export Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Changhang Group Limited	Controlled by the same ultimate controlling shareholder
Shenzhen Dehan Investment Development Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Marine Shipping Agency Guangdong Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Healthcare (Qichun) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Ocean Shipping Tally Shenzhen Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Central China Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans (HK) Shipping Limited	Controlled by the same ultimate controlling shareholder
China Merchants Port Investment Development Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Group (Hong Kong) Co., Ltd.	Controlled by the same ultimate controlling shareholder

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

4. Other related parties of the Company - continued

Name of other related parties	Relationship with the Company
Sinoway Shipping Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Heavy Industry (Jiangsu) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Shantou Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants-Logistics Shenzhen Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Zhangzhou Development Zone Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Ocean Shipping Agency Shenzhen Co. Ltd.	Controlled by the same ultimate controlling shareholder
China Marine Shipping Agency Ningbo Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Container Lines (Hong Kong) Company Limited	Controlled by the same ultimate controlling shareholder
Sinotrans Container Lines Co., Ltd.	Controlled by the same ultimate controlling shareholder
Yingkou Port Group Co., Ltd. and its subsidiaries	Controlled by the same ultimate controlling shareholder
Liaoning Port Group Co., Ltd.	Controlled by the same ultimate controlling shareholder
Liaoning Electronic Port Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Yangtze River Shipping Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Gangrong Big Data Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Port Construction Supervision Consulting Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Port Group Corporation Limited	Controlled by the same ultimate controlling shareholder
Dalian Container Terminal Co., Ltd.	Controlled by the same ultimate controlling shareholder
Shenzhen West Port Security Service Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Port Container	Controlled by the same ultimate controlling shareholder
China Merchants Apartment Development (Shenzhen) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Bonded Zone Yongdixin Real Estate Development & Construction Co., Ltd.	Controlled by the same ultimate controlling shareholder
Jifa Logistics	Controlled by the same ultimate controlling shareholder
Dalian Jifa South Coast International Logistics Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Jifa Port Logistics Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Shipping and Enterprises Company Limited	Controlled by the same ultimate controlling shareholder
Ningbo Transocean International Forwarding Agency Co., Ltd.	Controlled by the same ultimate controlling shareholder
Qingdao Sinotrans Mining Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
Yingkou Xingang Kuangshi Terminals Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dandong Port Group Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Ocean Driller III Limited	Controlled by the same ultimate controlling shareholder
Dalian Ganglong Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
Qingdao Sinotrans Logistics Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Container Transportation Overseas Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Haida Insurance Brokerage Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Guangxi Co., Ltd.	Controlled by the same ultimate controlling shareholder
Zhejiang Youlian Shipbuilding Repair Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Xinzhi Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Surplus Property Management Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Jinling Dingheng Ship (Yangzhou) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Industrial Intelligence Technology (Jiangsu) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Innovation Technology (Group) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Hong Kong Haitong Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans South China Co., Ltd.	Controlled by the same ultimate controlling shareholder
Dalian Jingang United Auto International Trade Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinotrans Container Transportation (Hainan) Co., Ltd.	Controlled by the same ultimate controlling shareholder
China Merchants Logistics Group (Tianjin) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Haitong (Shenzhen) Trade Co., Ltd.	Controlled by the same ultimate controlling shareholder
CIAO International Limited	Controlled by the same ultimate controlling shareholder
Shenzhen Wanhai Building Management Co., Ltd.	Significantly influenced by the ultimate controlling shareholder
China Merchants Union (BVI) limited	Significantly influenced by the ultimate controlling shareholder
Datong Securities Co., Ltd.	Significantly influenced by the ultimate controlling shareholder

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

4. Other related parties of the Company - continued

Name of other related parties	Relationship with the Company
Dalian Automobile Terminal Co., Ltd.	Significantly influenced by the ultimate controlling shareholder
Dalian Port Design Research Institute Co., Ltd.	Significantly influenced by the ultimate controlling shareholder
Khor Ambado FZCo	Significantly influenced by the ultimate controlling shareholder
China Merchants Bank Co., Ltd.	Significantly influenced by the ultimate controlling shareholder
China Merchants (Shenzhen) Power Supply Co., Ltd.	Significantly influenced by the ultimate controlling shareholder
Merchants Port City	Significantly influenced by the ultimate controlling shareholder

5. Related party transactions

(1) Rendering and receipt of services

Related party	Content of transaction	Pricing method and decision procedures of related transactions	2024	2023
Rendering of services:				
COSCO Logistics (Zhanjiang) Co., Ltd.	Service income	Negotiation	225,947,824.45	243,101,038.82
Anton Holdings and its subordinate companies	Service income	Negotiation	176,859,159.34	108,978,140.94
China Ocean Shipping Agency (Zhanjiang) Co., Ltd.	Service income	Negotiation	79,233,370.18	75,114,485.59
China Marine Shipping Agency Guangdong Co., Ltd.	Service income	Negotiation	35,584,126.70	36,263,254.23
Qingdao Qianwan New United Container Terminal Co., Ltd.	Service income	Negotiation	24,252,170.73	69,319,211.87
China Merchants International Shipping Agency (Shenzhen) Co., Ltd.	Service income	Negotiation	21,010,835.23	26,223,978.84
Sinotrans Container Lines Co., Ltd.	Service income	Negotiation	17,893,748.17	11,703,055.83
Yiu Lian Dockyards (Shekou) Limited	Service income	Negotiation	11,901,121.11	12,403,540.05
China Ocean Shipping Agency Shenzhen Co., Ltd.	Service income	Negotiation	11,097,445.63	6,779,104.47
Sinotrans Shenzhen Qianhai Supply Chain Management Ltd.	Service income	Negotiation	10,909,073.38	10,684,159.25
CM Port Chuangrong (Shenzhen) Technology Co., Ltd.	Service income	Negotiation	8,885,773.90	8,632,714.51
CIAO International Limited	Service income	Negotiation	8,880,824.63	-
China Merchants International Cold Chain (Shenzhen) Co., Ltd.	Service income	Negotiation	7,292,368.68	7,196,978.46
China Merchants Investment Development Co., Ltd.	Service income	Negotiation	6,943,066.05	6,905,698.13
Sinotrans Container Transportation (Hainan) Co., Ltd.	Service income	Negotiation	6,131,576.11	-
China Merchants Logistics Group (Tianjin) Co., Ltd.	Service income	Negotiation	5,648,853.04	-
Shenzhen Baohong Technology Co., Ltd.	Service income	Negotiation	5,383,991.91	8,201,361.90
Liaoning Port and its subsidiaries	Service income	Negotiation	5,172,690.67	80,155,659.35
New Land-Sea Corridor Operation (Zhanjiang) Co., Ltd.	Service income	Negotiation	4,288,394.23	9,724,814.72
China Marine Shipping Agency Shenzhen Co., Ltd.	Service income	Negotiation	4,232,109.18	4,957,791.03
Other related parties	Service income	Negotiation	48,711,457.81	136,002,178.51
Terminal Link SAS	Interest income	Negotiation	12,543,736.17	138,262,807.50
Port of Newcastle and its subsidiaries	Interest income	Negotiation	74,581,122.68	55,424,394.92
China Merchants Bank Co., Ltd.	Interest income	Negotiation	42,250,797.70	51,248,973.95
China Merchants Group Finance Company Limited	Interest income	Negotiation	50,639,773.07	33,052,458.75
Tianjin Haitian Bonded Logistics Co., Ltd.	Interest income	Negotiation	1,137,311.05	1,210,342.38
China Merchants Real Estate (Shenzhen) Co., Ltd.	Relocation compensation revenue	Negotiation	7,000,000.00	-
Total			914,412,721.80	1,141,546,144.00

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(1) Rendering and receipt of services - continued

Related party	Content of transaction	Pricing method and decision procedures of related transactions	2024	2023
Receipt of services:				
Shenzhen Bay Electricity Industry Co., Ltd.	Service expenditure	Negotiation	60,383,382.87	56,553,895.23
Shenzhen Nanyou (Holdings) Ltd.	Service expenditure	Negotiation	36,049,247.11	37,373,052.06
Qingdao Qianwan West Port United Wharf Co., Ltd.	Service expenditure	Negotiation	20,836,557.33	18,954,315.25
Hong Kong Haitong Co., Ltd.	Service expenditure	Negotiation	15,893,828.70	-
Shenzhen West Port Security Service Co., Ltd.	Service expenditure	Negotiation	12,075,631.88	11,300,450.18
Liaoning Port and its subsidiaries	Service expenditure	Negotiation	11,984,893.16	-
International Djibouti Industrial Parks Operation FZCo	Service expenditure	Negotiation	10,914,744.17	6,264,666.66
Sinotrans South China Co., Ltd.	Service expenditure	Negotiation	9,245,283.03	-
China Merchants (Shenzhen) Power Supply Co., Ltd.	Service expenditure	Negotiation	8,934,659.73	19,085,551.42
Yiu Lian Dockyards Limited	Service expenditure	Negotiation	7,591,973.82	8,104,140.51
Dalian Jingang United Auto International Trade Co., Ltd.	Service expenditure	Negotiation	6,081,398.25	-
China Merchants Commercial Property Investment (Shenzhen) Co., Ltd.	Service expenditure	Negotiation	5,703,597.81	5,000,000.00
Nanshan Group and its subsidiaries	Service expenditure	Negotiation	5,572,556.91	12,922,553.88
China Merchants Investment Development Company Limited	Service expenditure	Negotiation	5,407,766.54	2,675,141.65
China Merchants Zhangzhou Development Zone Power Supply Co., Ltd.	Service expenditure	Negotiation	5,339,186.66	6,449,368.77
Shenzhen Foreign Forwarding International Freight Co., Ltd.	Service expenditure	Negotiation	4,471,086.56	-
Hoi Tung (Shanghai) Company Limited	Service expenditure	Negotiation	4,127,174.67	5,014,184.85
Other related parties	Service expenditure	Negotiation	42,819,598.21	69,625,465.22
China Merchants Bank Co., Ltd.	Purchase of structured deposits	Negotiation	7,260,000,000.00	3,180,000,000.00
China Merchants Group Finance Company Limited	Interest expense	Negotiation	36,451,832.93	26,303,900.66
China Merchants Bank Co., Ltd.	Interest expense	Negotiation	72,154,609.24	17,596,634.76
China Merchants Finance Lease (Tianjin) Co., Ltd.	Interest expense	Negotiation	3,483,279.42	2,117,332.10
China Merchants Finance Lease (Shanghai) Co., Ltd.	Interest expense	Negotiation	2,356,009.46	-
Total			7,647,878,298.46	3,485,340,653.20

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(2) Leases with related parties

The Group as the lessor:

Name of the lessee	Type of leased assets	Pricing method and decision procedures of related transactions	Lease income recognized in the current year	Lease income recognized in the prior year
Qingdao Qianwan West Port United Wharf Co., Ltd.	Port and terminal facilities	Negotiation	14,351,518.19	14,311,677.72
Qingdao Bonded Logistics Park Sinotrans Warehousing Logistics Co., Ltd.	Port and terminal facilities	Negotiation	5,375,787.11	6,680,118.90
China Traffic Import and Export Co., Ltd.	Buildings and structures	Negotiation	5,179,670.76	5,473,072.56
Qingdao Sinotrans Supply Chain Management Co., Ltd.	Port and terminal facilities	Negotiation	4,811,101.79	3,438,231.48
Qingdao Sinotrans Mining Technology Co., Ltd.	Port and terminal facilities	Negotiation	4,750,557.12	4,750,557.12
Qingdao Qianwan United Container Terminal Co., Ltd.	Buildings and structures	Negotiation	3,332,269.56	3,323,938.08
Haitong (Shenzhen) Trade Co., Ltd.	Buildings and structures	Negotiation	2,811,192.84	-
Qingdao Wutong Century Supply Chain Co., Ltd.	Port and terminal facilities	Negotiation	2,713,039.19	2,705,626.50
CM Port Chuangrong (Shenzhen) Technology Co., Ltd.	Port and terminal facilities	Negotiation	2,577,426.36	2,719,625.46
Qingdao Sinotrans Logistics Co., Ltd.	Buildings and structures	Negotiation	2,477,668.56	2,064,723.80
China Merchants Securities Co., Ltd.	Buildings and structures	Negotiation	2,460,986.37	2,697,967.83
Yiu Lian Dockyards (Shekou) Limited	Buildings and structures	Negotiation	2,149,478.11	2,268,270.47
Nanshan Group and its subsidiaries	Buildings and structures	Negotiation	1,816,393.88	2,283,922.57
China Merchants Food (China) Co., Ltd.	Buildings and structures	Negotiation	1,806,760.02	5,964,675.96
Other related parties	Buildings and structures, Port and terminal facilities	Negotiation	6,659,722.39	5,928,324.10
Total	—	—	63,273,572.25	64,610,732.55

CHINA MERCHANTS PORT GROUP CO., LTD.

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(Unless otherwise specified, the monetary unit shall be RMB)

(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(2) Leases with related parties - continued

The Group as the lessee:

Name of the lessor	Type of leased assets	Short-term lease expenses or expenses on leases of low-value assets that are accounted for using simplified approach		Variable lease payments that are not included in the measurement of lease liabilities		Rental paid		Interest expenses on lease liabilities		Addition to right-of-use assets	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
China Merchants Finance Lease (Shanghai) Co., Ltd.	Machinery and equipment, Port and terminal facilities	-	-	-	-	72,617,183.15	110,343,653.60	2,356,009.46	7,734,573.29	-	-
Nanshan Group and its subsidiaries	Buildings and structures, Port and terminal facilities, Land use right, Others	458,524.82	34,242.32	-	-	72,495,152.94	69,881,796.93	1,549,113.49	4,454,094.13	-	-
China Merchants Shekou Industrial Zone Holdings Co., Ltd.	Port and terminal facilities, Land use right	-	-	-	-	33,671,185.02	36,699,122.62	2,627,207.77	1,209,619.98	6,841,334.09	91,911,426.83
China Merchants Finance Lease (Tianjin) Co., Ltd.	Port and terminal facilities	-	-	-	-	25,037,299.24	41,997,224.42	3,627,216.64	4,035,780.92	-	-
EuroAsia Dockyard Enterprise and Development Limited	Port and terminal facilities	-	-	-	-	16,267,717.80	14,908,924.82	452,003.87	446,855.68	-	14,462,069.14
Others	Buildings and structures, Port and terminal facilities, Land use right, Others	9,931,864.47	9,885,580.01	-	-	25,353,081.02	67,503,750.43	351,374.20	1,855,436.70	5,583,342.98	12,628,928.22
Total		10,390,389.29	9,919,822.33	-	-	245,441,619.17	341,334,472.82	10,962,925.43	19,736,360.70	12,424,677.07	119,002,424.19

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(3) Related party guarantees

The Group as the guarantor:

Secured party	Credit line	Guaranteed amount	Commencement date	Maturity	The guarantee has been completed or not
2024					
Terminal Link SAS (Note 1)	58,245,642.59	58,245,642.59	11 June 2013	2033	No
Khor Ambado FZCo (Note 3)	207,025,920.00	167,923,750.92	24 May 2019	2032	No
Terminal Link SAS (Note 2)	237,217,200.00	116,236,428.00	25 Jan 2023	2030	No
Total	502,488,762.59	342,405,821.51	—	—	—
2023					
Terminal Link SAS (Note 1)	76,655,687.32	76,655,687.32	11 June 2013	2033	No
Khor Ambado FZCo (Note 3)	203,981,760.00	156,254,811.86	24 May 2019	2032	No
Terminal Link SAS (Note 2)	114,527,259.00	114,527,259.00	25 Jan 2023	2030	No
Total	395,164,706.32	347,437,758.18	—	—	—

Note 1: In previous years, CMA CGM S.A., another shareholder of Terminal Link SAS, an associate of the Group, provided 100% guarantee for the bank loan financing and other liabilities of Terminal Link SAS. The Group makes a commitment to CMA CGM S.A. to provide guarantee for the bank loan financing and other liabilities to Terminal Link SAS in accordance with the 49% equity ratio of Terminal Link SAS held by the Group. The actual guaranteed amount is RMB 58,245,642.59 as at 31 December 2024. If any guarantee liability occurs, the Group will compensate CMA CGM S.A..

Note 2: The Group and CMA CGM S.A. provide guarantee for bank loan financing and other liabilities of the associated company Terminal Link SAS according to their shareholding ratio. The actual guarantee amount on 31 December 2024 is RMB 116,236,428.00.

Note 3: Khor Ambado FZCo is a related party of the Group's ultimate controlling shareholder. The Group and other shareholders of Khor Ambado FZCo provide guarantee for its bank loans and other liabilities, the actual amount of which as at 31 December 2024 is RMB 167,923,750.92.

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(4) Borrowings and loans with related parties

Related party	Amount	Commencement date	Maturity date	Description
2024				
Borrowings				
China Merchants Bank Co., Ltd.	1,298,369,781.25	Actual borrowing date	Agreed repayment date	Short-term borrowings
China Merchants Bank Co., Ltd.	1,336,953,012.50	Actual borrowing date	Agreed repayment date	Long-term borrowings
China Merchants Group Finance Company Limited	268,456,381.95	Actual borrowing date	Agreed repayment date	Short-term borrowings
China Merchants Group Finance Company Limited	59,158,045.05	Actual borrowing date	Agreed repayment date	Long-term borrowings
Total	2,962,937,220.75	— —	— —	— —
2023				
Borrowings				
China Merchants Bank Co., Ltd.	1,150,941,725.01	Actual borrowing date	Agreed repayment date	Short-term borrowings
China Merchants Group Finance Company Limited	576,421,628.29	Actual borrowing date	Agreed repayment date	Long-term borrowings
Ocean Driller III Limited	332,846,013.33	Actual borrowing date	Agreed repayment date	Other current liabilities
China Merchants Group Finance Company Limited	207,179,377.43	Actual borrowing date	Agreed repayment date	Short-term borrowings
China Merchants Bank Co., Ltd.	68,062,333.33	Actual borrowing date	Agreed repayment date	Long-term borrowings
Total	2,335,451,077.39	— —	— —	— —

Note 1: As at 31 December 2024, the total credit lines of the Group from the related parties China Merchants Bank Co., Ltd. and China Merchants Group Finance Co., Ltd. are RMB 4,463,300,000.00 and RMB10,000,000,000.00 respectively.

(5) Asset transfer from related parties

Related party	Content of transaction	Pricing method and decision procedures of related transactions	2024	2023
Shantou International Container Terminals Limited	Reduce of registered capital	Registered capital	120,000,000.00	-
RED SEA WORLD S.A.	Equity investment	Fair value	160,855,674.82	-
Dalian Port Container	Equity investment	Fair value	-	57,083,400.00
Jifa Logistics	Equity investment	Fair value	-	33,815,300.00
Yingkou Port Group	Equity investment	Fair value	-	19,002,800.00
Hoi Tung (Shanghai) Company Limited	Fixed assets	Negotiation	2,876,106.19	-
Dalian Jingang United Auto International Trade Co., Ltd.	Fixed assets	Negotiation	2,454,981.76	-
Hong Kong Haitong Co., Ltd.	Construction in progress	Negotiation	15,893,828.70	-
Other related parties	Construction in progress	Negotiation	5,170,708.51	-
Ningbo Zhoushan	Transfer of equity investment	Valuation	-	1,845,000,000.00
Liaoning Port	Transfer of equity investment	Valuation	-	83,027,500.00
Total	— —	— —	307,251,299.98	2,037,929,000.00

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

5. Related party transactions - continued

(6) Compensation for key management personnel

Item	2024	2023
Compensation for key management personnel	17,310,521.40	18,932,731.03

6. Amounts due from/to related parties that have not settled

(1) Amounts due from related parties

Item	Related party	31/12/2024	31/12/2023
Cash and bank balances	China Merchants Bank Co., Ltd.	3,404,002,420.98	3,778,553,414.06
	China Merchants Group Finance Company Limited	4,745,991,554.35	2,090,078,155.93
	Total	8,149,993,975.33	5,868,631,569.99
Accounts receivable	COSCO Logistics (Zhanjiang) Co., Ltd.	12,222,891.71	1,505,114.97
	Antong Holdings and its subordinate companies	9,901,450.77	8,919,131.23
	Sinotrans Container Lines Co., Ltd.	4,496,476.26	2,763,240.00
	China Ocean Shipping Agency Shenzhen Co., Ltd.	3,778,789.25	2,035,495.50
	China Merchants Investment Development Company Limited	3,439,600.00	-
	China Merchants Logistics Group (Tianjin) Co., Ltd.	3,109,502.50	-
	Sinotrans Container Transportation (Hainan) Co., Ltd.	2,350,603.78	-
	Great Horn Development Company FZCo	2,201,806.92	2,162,941.76
	Dalian Container Terminal Co., Ltd.	2,157,150.00	1,725,150.00
	China Merchants International Shipping Agency (Shenzhen) Co., Ltd.	1,860,650.90	1,750,277.36
	China Marine Shipping Agency Guangdong Co., Ltd.	1,641,276.39	2,765,338.38
	Merchants Port City	1,404,084.82	-
	New Land-Sea Corridor Operation (Zhanjiang) Co., Ltd.	1,328,516.60	-
	Sinotrans (HK) Shipping Limited	1,188,868.03	682,942.44
	China Marine Shipping Agency Shenzhen Co., Ltd.	1,124,282.95	-
	Other related parties	7,451,938.55	11,177,808.69
	Total	59,657,889.43	35,487,440.33

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

6. Amounts due from/to related parties - continued

(1) Amounts due from related parties - continued

Item	Related party	31/12/2024	31/12/2023
Dividends receivable	Shanghai Port Group	326,565,642.25	-
	Nanshan Group and its subsidiaries	148,056,000.00	203,577,000.00
	Merchants Port City	38,809,044.77	38,809,044.77
	Euro-Asia Oceangate S.a.r.l.	23,881,469.17	-
	China Ocean Shipping Agency Shenzhen Co., Ltd.	10,575,000.00	11,232,000.00
	COSCO Logistics (Zhanjiang) Co., Ltd.	5,649,001.16	13,449,001.16
	Qingdao Wutong Century Supply Chain Co., Ltd.	1,190,109.26	-
	Tin-Can Island Container Terminal Ltd.	-	21,960,680.22
	Yingkou Gangxin Technology Co., Ltd.	-	23,881,213.75
	Dalian Port Logistics Network Co., Ltd.	-	30,605,256.76
Total	554,726,266.61	343,514,196.66	
Other receivables	Chu Kong River Trade Terminal Co., Ltd.	37,374,974.40	36,575,039.20
	Shenzhen Nanyou (Holdings) Ltd.	30,639,652.92	30,639,652.92
	Shenzhen Qianhai Shekou Free Trade Investment Development Co., Ltd.	6,310,000.00	6,310,000.00
	China Merchants Investment Development Company Limited	3,837,775.52	2,830,188.69
	China Merchants Group (Hong Kong) Co., Ltd.	2,300,860.48	-
	CM Port Chuangrong (Shenzhen) Technology Co., Ltd.	1,929,055.32	-
	EuroAsia Dockyard Enterprise and Development Limited	1,565,400.24	1,531,896.04
	China Merchants Commercial Property Investment (Shenzhen) Co., Ltd.	1,166,408.40	1,166,408.40
	Tin-Can Island Container Terminal Ltd.	1,056,415.05	1,320,562.03
	PORT DE DJIBOUTI S.A.	-	24,966,517.50
	Other related parties	1,922,371.33	3,332,541.61
	Total	88,102,913.66	108,672,806.39
Prepayments	Other related parties	306,332.45	250,084.22
Non-current assets due within one year	Tianjin Haitian Bonded Logistics Co., Ltd.	34,300,000.00	-
	China Merchants Finance Lease (Tianjin) Co., Ltd.	733,025.11	3,800,000.00
	Terminal Link SAS	-	7,468,849.83
	China Merchants Finance Lease (Shanghai) Co., Ltd.	-	6,200,000.00
	Total	35,033,025.11	17,468,849.83
Long-term receivables	Port of Newcastle and its subsidiaries	920,674,796.27	921,402,438.00
	Terminal Link SAS	215,013,954.38	204,299,511.52
	China Merchants Finance Lease (Tianjin) Co., Ltd.	720,170.57	695,876.01
	Zhoushan Blue Ocean Investment Co., Ltd.	338,124.80	4,996,989.39
	Tianjin Haitian Bonded Logistics Co., Ltd.	-	34,300,000.00
Total	1,136,747,046.02	1,165,694,814.92	

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

6. Amounts due from/to related parties - continued

(2) Amounts due to related parties

Item	Related party	31/12/2024	31/12/2023
Short-term borrowings	China Merchants Bank Co., Ltd.	1,298,369,781.25	1,150,880,891.67
	China Merchants Group Finance Company Limited	180,132,916.65	200,176,534.70
	Total	1,478,502,697.90	1,351,057,426.37
Accounts payable	Antong Holdings and its subordinate companies	17,869,057.61	20,360,897.30
	Khor Ambado FZCo	14,376,800.00	22,639,585.37
	Nanshan Group and its subsidiaries	7,757,550.49	5,968,662.37
	Sinotrans South China Co., Ltd.	7,731,300.00	-
	China Merchants (Shenzhen) Power Supply Co., Ltd.	7,491,614.83	-
	Shenzhen Bay Electricity Industry Co., Ltd.	5,886,136.82	5,394,353.74
	China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd.	4,785,479.04	2,905,000.00
	China Merchants Xinzhi Technology Co., Ltd.	2,695,000.00	-
	Qingdao Qianwan West Port United Wharf Co., Ltd.	2,302,401.72	4,066,438.84
	China Merchants Port Investment Development Company Limited	1,916,766.44	1,649,069.28
	Yiu Lian Dockyards Limited	1,831,651.56	1,135,115.31
	EuroAsia Dockyard Enterprise and Development Limited	1,562,589.15	2,413,589.56
	Dalian Port Logistics Technology Co., Ltd.	166,521.32	17,607,121.00
	Dalian Port Logistics Network Co., Ltd.	-	8,355,644.80
	Dalian Ganglong Technology Co., Ltd.	-	2,739,450.00
	Other related parties	3,535,354.94	4,803,051.61
Total	79,908,223.92	100,037,979.18	
Advance payments received	Other related parties	1,020,627.96	196,301.30
	China Merchants Investment Development Company Limited	-	5,358,074.44
	Total	1,020,627.96	5,554,375.74
Contract liabilities	Other related parties	990,669.32	3,214,834.92
	COSCO Logistics (Zhanjiang) Co., Ltd.	-	4,552,313.24
	Qingdao Sinotrans Supply Chain Management Co., Ltd.	-	1,464,429.12
	Total	990,669.32	9,231,577.28
Dividends payable	China Merchants Zhangzhou Development Zone Co., Ltd.	79,792,513.04	77,734,806.46
	Zhanjiang Infrastructure Construction Investment Group Co., Ltd.	52,542,231.24	-
	Dalian Port Container	-	16,160,696.61
	Jifa Logistics	-	9,575,104.42
	Yingkou Port Group	-	5,372,456.78
	Yiu Lian Dockyards Limited	-	2,334,150.00
Total	132,334,744.28	111,177,214.27	
Other payables	Lac Assal Investment Holding Company Limited	81,768,095.74	64,310,900.95
	China Merchants Shekou Industrial Zone Holdings Co., Ltd.	6,930,409.58	-
	Antong Holdings and its subordinate companies	4,743,266.37	4,743,266.37
	China Merchants Port Investment Development Company Limited	3,559,625.15	-
	Bayesian Computing (Tianjin) Information Technology Co., Ltd.	3,458,400.00	-
	CIAO International Limited	2,999,920.00	-

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(XV) RELATED PARTY RELATIONSHIPS AND TRANSACTIONS - continued

6. Amounts due from/to related parties - continued

(2) Amounts due to related parties - continued

Item	Related party	31/12/2024	31/12/2023
Other payables	China Merchants Commercial Property Investment (Shenzhen) Co., Ltd.	2,975,713.65	5,000,000.03
	Sinotrans Shenzhen Qianhai Supply Chain Management Ltd.	1,744,765.30	1,690,130.78
	Nanshan Group and its subsidiaries	1,487,524.53	-
	Other related parties	12,615,452.63	9,420,961.74
	Terminal Link SAS	-	10,423,425.44
	China Merchants Real Estate (Shenzhen) Co., Ltd.	-	10,079,369.00
	China Merchant Food (China) Co., Ltd.	-	1,069,017.00
	China Traffic Import and Export Co., Ltd.	-	1,055,975.76
	Total	122,283,172.95	107,793,047.07
Non-current liabilities due within one year	China Merchants Group Finance Company Limited	153,940,240.06	288,071,994.22
	China Merchants Bank Co., Ltd.	115,025,994.45	199,326,195.84
	China Merchants Finance Lease (Tianjin) Co., Ltd.	40,241,960.67	7,548,329.72
	China Merchants Shekou Industrial Zone Holdings Co., Ltd.	37,080,955.45	35,719,107.95
	EuroAsia Dockyard Enterprise and Development Limited	14,776,413.72	-
	Baosteel Zhanjiang Iron&Steel Co.,Ltd.	1,741,135.31	-
	Other related parties	843,949.71	375,528.56
	Nanshan Group and its subsidiaries	-	63,331,699.85
	China Merchants Commercial Property Investment (Shenzhen) Co., Ltd.	-	6,396,788.04
	China Merchants Finance Lease (Shanghai) Co., Ltd.	-	76,461,173.65
	Total	363,650,649.37	677,230,817.83
Long-term borrowings	China Merchants Bank Co., Ltd.	1,316,000,000.00	158,000,000.00
	China Merchants Group Finance Company Limited	658,012,389.53	721,624,592.13
	Total	1,974,012,389.53	879,624,592.13
Lease liabilities	China Merchants Shekou Industrial Zone Holdings Co., Ltd.	32,067,795.24	62,185,360.58
	China Merchants International Cold Chain (Shenzhen) Company Limited	1,182,801.92	-
	Other related parties	-	1,070,904.61
	Total	33,250,597.16	63,256,265.19
Long-term payables	China Merchants Finance Lease (Tianjin) Co., Ltd.	31,964,366.45	33,905,690.32

(XVI) SHARE-BASED PAYMENTS

1. Equity instruments

Type of targets granted	Granted in the current year		Exercised in the current year		Unlocked in the current year		Lapsed in the current year	
	Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount
Management	-	-	2,233,820.00	7,276,001.00	3,797,080.00	12,401,407.00	49,200.00	159,900.00

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(XVI) SHARE-BASED PAYMENTS - continued

1. Equity instruments - continued

Outstanding stock option or other equity instruments at the end of current year

Type of targets granted	Outstanding stock option at the end of current year	
	Range of exercise prices	Remaining term of contract
Management	RMB 13.25 to RMB 15.50	25 months

2. Equity-settled share-based payments

The method used to determine the fair value of equity instruments at the grant date	The cost of granted stock options was estimated using the Black Scholes Model.
The basis for determining the number of exercisable equity instruments	At each balance sheet date in the vesting period, the best estimate was made and the estimated number of exercisable equity instruments was modified according to the latest changes in the number of employees who can exercise the rights and other subsequent information.
Reasons for the significant difference between the estimates of the current year and the estimates of prior year	Nothing
The aggregate amount of equity-settled share-based payments that is included in capital reserve	506,305.80

Pursuant to the *Official Reply on the Implementation of the Stock Option Incentive Plan of China Merchants Port Group Co., Ltd.* by State-owned Assets Supervision and Administration Commission of the State Council (No. 748 [2019], SASAC), which was deliberated and approved by the 1st Extraordinary General Meeting of the Company in 2020 on 3 February 2020, the Company implemented a stock option plan with effect from 3 February 2020 to grant 238 incentive recipients 17,198,000 stock options with an exercise price of RMB17.80 per share. With a lockup period of 24 months from the grant date, the stock options are exercisable upon expiry of the 24-month lockup period in the premise that the vesting conditions are satisfied. The stock options are exercisable in three batches, specifically, 40% for the first batch (after 24 months but within 36 months subsequent to the grant date), 30% for the second batch (after 36 months but within 48 months subsequent to the grant date) and the remaining 30% for the third batch (after 48 months but within 84 months subsequent to the grant date). Each stock option entitles the holder to subscribe for one ordinary share of the Company.

On 5 March 2021, the granting of stock option (reserved portion) under stock option incentive plan (phase I) was completed. The reserved portion of stock option targets to total 3 persons, granting 530,000 shares of stock option with exercise price of RMB15.09 per share. The grant date is 29 January 2021. With a lockup period of 24 months from the grant date, the stock options are exercisable upon expiry of the 24-month lockup period in the premise that the vesting conditions are satisfied. The stock options are exercisable in two batches, specifically, 50% for the first batch (after 24 months but within 36 months subsequent to the grant date), and the remaining 50% for the second batch (after 36 months but within 72 months subsequent to the grant date). Each stock option entitles the holder to subscribe for one ordinary share of the Company.

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(XVI) SHARE-BASED PAYMENTS - continued

2. Equity-settled share-based payments - continued

According to *Article 32 of Stock Option Incentive Plan*, since the grant date of the stock option, if the Company distributes dividends prior to the exercise of the option, the exercise price shall be adjusted accordingly. Therefore, the Company uniformly adjusted the exercise price from RMB17.80 per share to 17.34 per share in respect of the first batch of stock option granted under the stock option incentive plan (phase I) on 30 January 2021; the Company uniformly adjusted the exercise price from RMB 17.34 per share to 16.96 per share in respect of the first batch of stock option granted under the stock option incentive plan (phase I), and the exercise price of the reserved portion of stock option from RMB 15.09 per share to 14.71 per share on 29 January 2022; the Company uniformly adjusted the exercise price from RMB 16.96 per share to 16.53 per share in respect of the first batch of stock option granted under the stock option incentive plan (phase I), and the exercise price of the reserved portion of stock option from RMB 14.71 per share to 14.28 per share on 20 January 2023. Company uniformly adjusted the exercise price from RMB 16.53 per share to 16.08 per share in respect of the first batch of stock option granted under the stock option incentive plan (phase I), and the exercise price of the reserved portion of stock option from RMB 14.28 per share to 13.83 per share on 16 January 2024. Company uniformly adjusted the exercise price from RMB 16.08 per share to 15.50 per share in respect of the first batch of stock option granted under the stock option incentive plan (phase I), and the exercise price of the reserved portion of stock option from RMB 13.83 per share to 13.25 per share on 31 August 2024.

As at the date on which the financial statements are issued, as 2 of the incentive targets for the first batch of stock option granted under the stock option incentive plan (phase I) have lost the qualification to participate in the company's incentive plan, the board of directors of the Company decided to cancel in total of 49,200 shares of stock option granted but not yet exercised by such persons.

As at the date on which the financial statements are issued, 193 incentive targets who can exercise the rights for the third vesting period of the stock option (1st batch) under the stock option incentive plan (phase I) included: (1) 188 incentive targets who met the designated grades in the performance assessment, holding 100% of the stock option (totalling 3,422,400 shares) for the third vesting period of the stock option (1st batch) under the stock option incentive plan (phase I) of the Company and satisfying the criteria of exercise; and (2) 5 incentive targets who met the designated grades in the performance assessment, holding 80% of the stock option (totalling 60,480 shares) for the third vesting period of the stock option (1st batch) under the stock option incentive plan (phase I) of the Company and satisfying the criteria of exercise. The second vesting period of the stock option (reserved portion) under the stock option incentive plan (phase I) targets to total 3 persons who can exercise the rights. The 3 incentive targets have met the designated grades in the performance assessment, and 100% of stock option for the second vesting period of the stock option (reserved portion) under the stock option incentive plan (phase I) of the Company held by them have satisfied the criteria of exercise, granting 265,000 shares of exercisable stock option for the second vesting period of the stock option (reserved portion) under the stock option incentive plan (phase I).

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(XVI) SHARE-BASED PAYMENTS - continued

3. Share-based payment expenses in the current year

Type of targets granted	Equity-settled share-based payment expenses
Management	264,766.44

(XVII) COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Item	31/12/2024	31/12/2023
Commitments that have been entered into but have not been recognized in the financial statements		
- Commitment to make contributions to the investees	68,882,165.47	467,604,906.76
- Commitment to acquire and construct long-term assets	2,891,660,439.17	2,407,538,867.35
Total	2,960,542,604.64	2,875,143,774.11

2. Contingencies

Item	31/12/2024	31/12/2023
Contingent liabilities brought by external litigations (Note 1)	804,570,710.82	946,218,359.48
Guarantee for borrowings of related parties (Note 2)	342,405,821.51	347,437,758.18
Total	1,146,976,532.33	1,293,656,117.66

Note 1: This mainly represents the significant contingent liabilities arising from the litigations between TCP and its subsidiaries and local tax authority, employee or former employee of TCP and its subsidiaries in Brazil at as the year end. The amount involved in the pending litigation is RMB 804,570,710.82. At the same time, for the pending litigation existing before the Group's acquisition of TCP, the counter compensation agreement in favour of the Group will be executed by the original TCP shareholders who sell shares. According to the counter compensation agreement, the original TCP shareholders need to compensate the Group for contingent liabilities, and the amount of compensation should not exceed the predetermined amount and the specified period. According to the latest estimates of the management of the Company, the above pending litigation is unlikely to lead to the outflow of economic benefits from the enterprise. Therefore, the Group has not recognized the estimated liabilities for the contingent liabilities caused by the above pending litigation.

(XVII) COMMITMENTS AND CONTINGENCIES - continued

2. Contingencies - continued

Note 2: As at 31 December 2024, the guarantees provided by the Group for related parties are detailed in Note (XV) 5.

As at 31 December 2024, the directors of the Company evaluated the default risks of related companies on the above-mentioned loan financing and other liabilities, and believed that the risks were not significant and the possibility of guaranteed payments was very low.

Except for the above-mentioned contingencies, as at 31 December 2024, the Group had no other major guarantees and other contingencies that need to be explained.

(XVIII) EVENTS AFTER THE BALANCE SHEET

According to the profit distribution plan for 2024 and as approved by the 4th meeting of the 11th board of directors on 1 April 2025, the Company, based on the total share capital after deducting the number of shares held in the special repurchase account of 2,490,229,307 as at 24 March 2025, distributes cash dividends at RMB 7.40 (inclusive of tax) for every 10 shares, totalling RMB 1,842,769,687.18. The above profit distribution plan has not yet been approved by shareholders' meeting.

(XIX) OTHER SIGNIFICANT EVENTS

1. Segment reporting

(1) Basis for determining reporting segments and accounting policies

The key management team of the Company is regarded as the CODM, who reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments. The CODM considers the operation of the Group in terms of business and locations.

Individual operating segments for which discrete financial information is available are identified by the CODM and are operated by their respective management teams. These individual operating segments are aggregated in arriving at the reporting segments of the Group.

From business and location perspectives, the management assesses the performance of the Group's business operations including ports operation, bonded logistics operation and other operations.

Ports operation

Ports operation includes container terminal operation, bulk and general cargo terminal operation operated by the Group and its associates and joint ventures.

(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(1) Basis for determining reporting segments and accounting policies - continued

Ports operation - continued

The Group's ports operation is presented as follows:

(a) Mainland China, Hong Kong and Taiwan

- Pearl River Delta
- Yangtze River Delta
- Bohai Rim
- Others

(b) Other locations outside of Mainland China, Hong Kong and Taiwan

Bonded logistics operation

Bonded logistics operation includes logistics park operation, ports transportation and airport cargo handling operated by the Group and its associates and joint ventures.

Other operations

Other operations mainly include property development and investment and logistics business operated by the Group's associates, property investment operated by the Group and corporate function.

Each of the segments under ports operation includes the operations of a number of ports in various locations within one geographic location. For the purpose of segment reporting, these individual operating segments have been aggregated into reportable segments on geographic basis in order to present a more systematic and structured segment information. To give details of each of the operating segments, in the opinion of the directors of the Company, would result in particulars of excessive length.

Bonded logistics operation and other operations include a number of different operations, each of which is considered as a separate but insignificant operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated according to the nature of their operations to give rise to more meaningful presentation.

There are no material sales or other transactions between the segments.

The revenue from a major customer of ports operation amounts to RMB 2,298,041,181.02, representing 14.25% (2023: 12.74%) of the Group's operating income for 2024.

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(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(2) Financial information of reporting segments

Segment financial information for 2024 is as follows:

Item	Ports operation						Bonded logistics operation	Others	Unallocated amount	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
Operating income	6,431,616,103.24	1,244,488.00	35,429,691.48	3,443,761,318.55	5,450,560,759.22	15,362,612,360.49	581,135,985.94	187,029,681.81	-	16,130,778,028.24
Operating costs	3,643,704,953.94	7,879,940.23	21,554,240.31	2,549,974,747.42	2,427,214,953.44	8,650,328,835.34	321,819,100.85	223,868,756.16	-	9,196,016,692.35
Segment operating profit ("-" for losses)	2,787,911,149.30	-6,635,452.23	13,875,451.17	893,786,571.13	3,023,345,805.78	6,712,283,525.15	259,316,885.09	-36,839,074.35	-	6,934,761,335.89
Taxes and surcharges	36,099,143.56	1,108,732.05	1,142,301.89	53,246,818.52	188,035,503.59	279,632,499.61	26,824,541.00	24,354,678.99	1,522,043.55	332,333,763.15
Administrative expense	441,642,697.27	3,306,900.14	13,422,831.03	528,149,064.56	300,139,650.63	1,286,661,143.63	75,409,818.29	1,125,717.14	458,347,603.12	1,821,544,282.18
R&D expenses	175,109,423.61	-	-	26,645,642.75	-	201,755,066.36	-	-	-	201,755,066.36
Financial expenses	37,387,836.75	7,762,806.23	-299,175.51	88,123,829.70	254,737,267.23	387,712,564.40	-4,790,361.01	14,653,358.03	1,459,790,075.45	1,857,365,636.87
Other income	143,256,859.08	1,225,442.53	26,641.94	29,233,233.29	-	173,742,176.84	11,444,551.72	223,574.73	-	185,410,303.29
Investment income ("-" for losses)	132,466,129.59	5,278,531,361.17	344,928,827.95	449,467,610.73	592,968,393.40	6,798,362,322.84	99,910,880.05	-374,726,770.23	23,450,098.84	6,546,996,531.50
Including: Investment income from associates and joint ventures	54,377,294.47	5,315,828,512.05	308,915,198.02	443,732,105.49	592,968,393.40	6,715,821,503.43	99,910,880.05	-374,726,770.23	-	6,441,005,613.25
Gains from changes in fair value ("-" for losses)	36,202,805.35	-	348,884,984.49	1,166,382.24	-	386,254,172.08	-	2,172,987.58	1,805,205.49	390,232,365.15
Reversal of/(Losses on) credit impairment	-2,173,136.38	-	-	-96,866,918.68	309,219,962.77	210,179,907.71	63,614,401.37	-800,000.00	-	272,994,309.08
Impairment losses ("-" for losses)	-767,306.24	-	-	-	-	-767,306.24	-	-8,113,482.64	-	-8,880,788.88
Gains from asset disposals ("-" for losses)	2,100,085.81	-	-108,483.27	35,115,963.87	-3,054,695.65	34,052,870.76	53,074.13	-	-43,549.14	34,062,395.75
Operating profit ("-" for losses)	2,408,757,485.32	5,260,942,913.05	693,341,464.87	615,737,487.05	3,179,567,044.85	12,158,346,395.14	336,895,794.08	-458,216,519.07	-1,894,447,966.93	10,142,577,703.22

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(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(2) Financial information of reporting segments - continued

Segment financial information for 2024 is as follows: - continued

Item	Ports operation						Bonded logistics operation	Others	Unallocated amount	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
Non-operating income	14,854,852.86	56,603.78	494,224.01	12,062,080.43	25,247,186.94	52,714,948.02	123,746.37	958,639.58	5,221,321.35	59,018,655.32
Non-operating expenses	7,303,147.15	8,273.40	-	11,096,299.32	41,686,171.97	60,093,891.84	18,742.91	12,929.40	10,126,537.58	70,252,101.73
Total profit ("-" for losses)	2,416,309,191.03	5,260,991,243.43	693,835,688.88	616,703,268.16	3,163,128,059.82	12,150,967,451.32	337,000,797.54	-457,270,808.89	-1,899,353,183.16	10,131,344,256.81
Income tax expenses	365,999,294.40	201,089,604.04	93,283,248.35	58,529,808.00	498,880,170.41	1,217,782,125.20	40,781,729.30	-5,407,160.82	-318,746.78	1,252,837,946.90
Net profit ("-" for losses)	2,050,309,896.63	5,059,901,639.39	600,552,440.53	558,173,460.16	2,664,247,889.41	10,933,185,326.12	296,219,068.24	-451,863,648.07	-1,899,034,436.38	8,878,506,309.91
Segment assets	26,481,857,320.70	61,773,227,599.24	9,089,898,859.40	27,215,990,680.75	41,379,476,385.11	165,940,450,845.20	4,728,601,803.38	17,454,804,395.36	13,393,994,837.51	201,517,851,881.45
Total assets in the financial statements	201,517,851,881.45									
Segment liabilities	7,005,450,645.63	1,432,965,514.91	155,616,589.06	6,879,752,045.97	6,573,177,512.48	22,046,962,308.05	520,327,840.86	478,408,300.92	50,313,714,657.37	73,359,413,107.20
Total liabilities in the financial statements	73,359,413,107.20									
Supplementary information:										
Depreciation and amortization	1,101,974,370.36	5,227,042.20	909,172.37	880,034,559.48	953,267,886.64	2,941,413,031.05	94,938,612.00	194,188,349.73	36,732,644.12	3,267,272,636.90
Interest income	44,376,828.93	528,801.58	435,955.95	15,351,650.68	191,275,463.28	251,968,700.42	4,716,104.32	1,208,189.24	219,537,326.43	477,430,320.41
Interest expense	84,380,450.90	8,265,931.82	-	103,358,149.34	292,588,128.85	488,592,660.91	7,626,009.14	12,338,219.71	1,706,662,228.76	2,215,219,118.52
Investment income from long-term equity investments under equity method	54,377,294.47	5,315,828,512.05	308,915,198.02	443,732,105.49	592,968,393.40	6,715,821,503.43	99,910,880.05	-374,726,770.23	-	6,441,005,613.25
Long-term equity investments under equity method	1,800,864,231.47	59,463,859,786.26	9,035,598,922.91	1,625,511,203.46	12,422,348,899.54	84,348,183,043.64	1,783,293,756.67	13,886,553,094.65	-	100,018,029,894.96
Non-current assets other than long-term equity investments	19,044,348,224.36	393,057,726.70	14,332,679.80	20,423,093,188.66	25,146,123,941.56	65,020,955,761.08	2,664,151,796.28	3,292,646,256.39	649,834,176.05	71,627,587,989.80

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(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(2) Financial information of reporting segments - continued

Segment financial information for 2023 is as follows:

Item	Ports operation						Bonded logistics operation	Others	Unallocated amount	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
Operating income	6,075,691,801.01	557,788,311.93	76,760,801.96	3,574,402,653.20	4,751,630,018.56	15,036,273,586.66	532,670,444.04	181,531,749.52	-	15,750,475,780.22
Operating costs	3,640,281,453.34	361,926,675.75	63,825,074.56	2,648,882,080.97	2,081,165,945.51	8,796,081,230.13	289,816,313.93	232,289,163.69	-	9,318,186,707.75
Segment operating profit ("-" for losses)	2,435,410,347.67	195,861,636.18	12,935,727.40	925,520,572.23	2,670,464,073.05	6,240,192,356.53	242,854,130.11	-50,757,414.17	-	6,432,289,072.47
Taxes and surcharges	36,973,822.23	2,937,337.05	1,126,391.13	45,970,219.08	174,670,480.72	261,678,250.21	26,757,765.42	24,332,840.83	229,169.73	312,998,026.19
Administrative expense	437,814,344.01	26,162,000.70	9,644,685.03	529,927,581.34	289,653,304.36	1,293,201,915.44	49,569,679.55	1,111,358.13	432,758,202.26	1,776,641,155.38
R&D expenses	176,892,569.73	23,890,344.38	-	22,956,157.96	-	223,739,072.07	-	-	-	223,739,072.07
Financial expenses	57,700,690.44	20,953,099.98	1,883,921.89	85,621,075.66	55,969,633.29	222,128,421.26	3,129,354.57	20,854,412.74	1,593,001,139.57	1,839,113,328.14
Other income	148,491,604.96	10,227,298.67	203,918.26	50,512,014.48	-	209,434,836.37	14,668,272.54	286,151.86	-	224,389,260.77
Investment income ("-" for losses)	130,131,600.03	4,956,167,513.13	416,731,511.24	50,706,320.64	454,900,989.67	6,008,637,934.71	59,521,957.15	245,264,989.05	35,252,059.89	6,348,676,940.80
Including: Investment income from associates and joint ventures	44,963,451.52	4,750,830,911.12	375,529,615.82	47,995,671.63	454,900,989.67	5,674,220,639.76	59,521,957.15	245,264,989.05	-	5,979,007,585.96
Gains from changes in fair value ("-" for losses)	102,777,832.55	-58,125,015.24	80,543,109.95	-6,584,009.33	-	118,611,917.93	-57,875,873.69	9,644,865.10	2,971,891.18	73,352,800.52
Reversal of (Losses on) credit impairment	7,327,814.78	-36,129.03	-	3,468,262.80	-7,171,766.68	3,588,181.87	33,695,859.31	-	-	37,284,041.18
Impairment losses ("-" for losses)	-1,091,994.67	-189,030,229.12	-	-	-1,175,087.49	-191,297,311.28	-	-	-	-191,297,311.28
Gains from asset disposals ("-" for losses)	6,196,256.45	-	-7,362.22	34,965,994.86	507,804.31	41,662,693.40	-602,074.20	-4,253,879.72	-47,206.87	36,759,532.61
Operating profit ("-" for losses)	2,119,862,035.36	4,841,122,292.48	497,751,906.58	374,114,121.64	2,597,232,594.49	10,430,082,950.55	212,805,471.68	153,886,100.42	-1,987,811,767.36	8,808,962,755.29

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(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(2) Financial information of reporting segments - continued

Segment financial information for 2023 is as follows: - continued

Item	Ports operation						Bonded logistics operation	Others	Unallocated amount	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
Non-operating income	30,640,040.33	206,852.93	541,008.01	8,475,666.30	41,553,418.13	81,416,985.70	151,072.00	397,901.93	5,336,064.49	87,302,024.12
Non-operating expenses	7,067,285.26	269,926.28	89,933.45	20,553,447.08	59,763,043.59	87,743,635.66	323,424.06	-	9,005,781.00	97,072,840.72
Total profit ("-" for losses)	2,143,434,790.43	4,841,059,219.13	498,202,981.14	362,036,340.86	2,579,022,969.03	10,423,756,300.59	212,633,119.62	154,284,002.35	-1,991,481,483.87	8,799,191,938.69
Income tax expenses	496,377,795.59	258,020,898.94	44,218,770.18	58,080,621.40	383,193,406.85	1,239,891,492.96	35,421,490.70	27,848,029.46	418,839.81	1,303,579,852.93
Net profit ("-" for losses)	1,647,056,994.84	4,583,038,320.19	453,984,210.96	303,955,719.46	2,195,829,562.18	9,183,864,807.63	177,211,628.92	126,435,972.89	-1,991,900,323.68	7,495,612,085.76
Segment assets	23,724,145,365.09	57,709,896,939.07	9,703,687,046.02	27,727,348,979.52	42,500,927,378.99	161,366,005,708.69	4,712,961,257.31	19,403,999,499.27	13,074,330,201.99	198,557,296,667.26
Total assets in the financial statements										198,557,296,667.26
Segment liabilities	7,029,170,965.33	1,275,695,327.99	158,452,621.02	6,498,242,286.20	7,189,272,994.18	22,150,834,194.72	540,614,061.66	617,809,748.89	49,678,104,233.18	72,987,362,238.45
Total liabilities in the financial statements										72,987,362,238.45
Supplementary information:										
Depreciation and amortization	1,126,510,216.09	113,947,562.11	882,064.68	875,850,774.90	866,605,229.04	2,983,795,846.82	102,034,394.34	194,738,423.53	23,167,239.73	3,303,735,904.42
Interest income	42,679,230.74	2,243,451.14	714,733.07	22,543,238.68	256,085,052.61	324,265,706.24	7,210,199.57	1,678,151.13	164,439,864.42	497,593,921.36
Interest expense	90,781,497.89	10,849,293.26	-	107,297,773.92	314,310,921.43	523,239,486.50	8,495,591.27	19,075,433.27	1,687,342,285.62	2,238,152,796.66
Investment income from long-term equity investments under equity method	44,963,451.52	4,750,830,911.12	375,529,615.82	47,995,671.63	454,900,989.67	5,674,220,639.76	59,521,957.15	245,264,989.05	-	5,979,007,585.96
Long-term equity investments under equity method	1,764,751,439.03	55,844,039,253.08	8,777,428,828.42	1,715,660,813.08	12,507,306,667.48	80,609,187,001.09	1,756,185,613.17	14,300,745,162.01	-	96,666,117,776.27
Non-current assets other than long-term equity investments	18,193,324,391.19	398,488,128.16	14,938,012.93	20,908,386,344.60	26,031,938,950.63	65,547,075,827.51	2,381,793,244.49	4,753,153,217.29	419,380,677.78	73,101,402,967.07

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(XIX) OTHER SIGNIFICANT EVENTS - continued

1. Segment reporting - continued

(2) Financial information of reporting segments - continued

The Group's total revenue from external transactions in Mainland China and other countries and regions, and total non-current assets other than financial assets and deferred tax assets located in Mainland China and other countries and regions are presented as follows:

Revenue from external transactions	2024	2023
Mainland China, Hong Kong and Taiwan	10,621,214,882.76	10,958,608,605.93
Pearl River Delta	6,989,210,788.24	6,600,817,552.32
Yangtze River Delta	1,244,488.00	557,788,311.93
Bohai Rim	186,998,287.97	225,600,088.48
Others	3,443,761,318.55	3,574,402,653.20
Other locations	5,509,563,145.48	4,791,867,174.29
Total	16,130,778,028.24	15,750,475,780.22

Total non-current assets	31/12/2024	31/12/2023
Mainland China, Hong Kong and Taiwan	131,164,149,562.93	128,859,143,257.19
Pearl River Delta	38,760,830,551.24	40,390,524,565.51
Yangtze River Delta	59,856,917,512.96	56,242,527,381.24
Bohai Rim	9,537,186,598.85	9,297,697,381.31
Others	23,009,214,899.88	22,928,393,929.13
Other locations	40,481,468,321.83	40,908,377,486.15
Total	171,645,617,884.76	169,767,520,743.34

(3) Degree of reliance on major customers

The total operating income derived from the top five customers of the Group is RMB 4,945,574,524.17, accounting for 30.66% of the Group's operating income.

(XX) NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Other receivables

1.1 Summary of other receivables

Item	31/12/2024	31/12/2023
Dividends receivable	965,690,879.89	167,092,526.14
Other receivables	1,447,751,781.79	1,575,369,144.18
Total	2,413,442,661.68	1,742,461,670.32

CHINA MERCHANTS PORT GROUP CO., LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

- continued

1. Other receivables - continued

1.2 Dividends receivable

(1) Dividends receivable listed by aging

Investee	31/12/2024	31/12/2023	Reason for outstanding	Impaired or not and the determination basis
Dividend receivable aged less than 1 year	816,439,596.16	19,195,762.26	---	---
Including: Port Development (Hong Kong) Co., Ltd.	805,654,800.00	-	---	No
Chiwan Shipping (Hong Kong) Limited	209,796.16	3,205,094.23	---	No
China Ocean Shipping Agency Shenzhen Co., Ltd.	10,575,000.00	11,232,000.00	---	No
China Merchants International Technology Co., Ltd.	-	4,758,668.03	---	No
Dividend receivable aged more than 1 year	149,251,283.73	147,896,763.88	---	---
Including: Wharf Holdings Hong Kong	147,680,363.88	147,680,363.88	Relevant procedures are being handled and past dividends are being paid in succession	No
Chiwan Shipping (Hong Kong) Limited	1,354,519.85	-	Relevant procedures are being handled and past dividends are being paid in succession	No
Others	216,400.00	216,400.00	Lack of funds	No
Sub-total	965,690,879.89	167,092,526.14	---	---
Less: Provision for bad debts	-	-	---	---
Total	965,690,879.89	167,092,526.14	---	---

CHINA MERCHANTS PORT GROUP CO., LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

- continued

1. Other receivables - continued

1.3 Other receivables

(1) Aging analysis of other receivables

Item	31/12/2024			31/12/2023		
	Book value	Proportion (%)	Provision for bad debts	Book value	Proportion (%)	Provision for bad debts
Within 1 year (including 1 year)	1,447,405,298.82	99.95	-	910,122,251.73	57.75	-
1 to 2 years (including 2 years)	18,167.50	-	-	662,450,976.98	42.04	-
2 to 3 years (including 3 years)	-	-	-	2,467,600.00	0.16	-
More than 3 years	711,772.07	0.05	383,456.60	711,772.07	0.05	383,456.60
Total	1,448,135,238.39	100.00	383,456.60	1,575,752,600.78	100.00	383,456.60

(2) Disclosure of other receivables by nature

Item	31/12/2024	31/12/2023
Amounts due from related parties	1,438,029,807.71	1,553,447,353.90
Advance payments	5,779,708.72	4,965,337.56
Others	4,325,721.96	17,339,909.32
Sub-total	1,448,135,238.39	1,575,752,600.78
Less: Provision for bad debts	383,456.60	383,456.60
Total	1,447,751,781.79	1,575,369,144.18

CHINA MERCHANTS PORT GROUP CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS - continued

1. Other receivables - continued

1.3 Other receivables - continued

(3) Provision for bad debts of other receivables

Credit rating	Expected credit loss rate (%)	Book value					Provision for bad debts					Carrying amount	Reason for provision
		Aging					Aging						
		Within 1 year	1-2 years	2-3 years	More than 3 years	Total	Within 1 year	1-2 years	2-3 years	More than 3 years	Total		
A	0.00-0.10	1,447,405,298.82	18,167.50	-	328,315.47	1,447,751,781.79	-	-	-	-	-	1,447,751,781.79	---
B	0.10-0.30	-	-	-	-	-	-	-	-	-	-	-	---
C	0.30-50.00	-	-	-	-	-	-	-	-	-	-	-	---
D	50.00-100.00	-	-	-	383,456.60	383,456.60	-	-	-	383,456.60	383,456.60	-	Not expected to be recovered
Total		1,447,405,298.82	18,167.50	-	711,772.07	1,448,135,238.39	-	-	-	383,456.60	383,456.60	1,447,751,781.79	---

CHINA MERCHANTS PORT GROUP CO., LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

- continued

1. Other receivables - continued

1.3 Other receivables - continued

(4) Provision, recovery and reversal of credit impairment of other receivables

Item	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	
As at 1 January 2024	-	-	383,456.60	383,456.60
Balance of other receivables as at 1 January 2024				
- Transfer to Stage 2	-	-	-	-
- Transfer to Stage 3	-	-	-	-
- Reverse to Stage 2	-	-	-	-
- Reverse to Stage 1	-	-	-	-
Provision for the year	-	-	-	-
Reversal for the year	-	-	-	-
Transfer out due to derecognition of financial assets (including direct write-down)	-	-	-	-
Other changes	-	-	-	-
As at 31 December 2024	-	-	383,456.60	383,456.60

(5) Details of bad debt provision

Category	31/12/2023	Changes for the year					31/12/2024
		Provision	Recovery or reversal	Effect of changes in the scope of consolidation	Charge-off or write- off	Other changes	
Provision for bad debts assessed on an individual basis	383,456.60	-	-	-	-	-	383,456.60
Provision for bad debts assessed on a portfolio basis	-	-	-	-	-	-	-
Total	383,456.60	-	-	-	-	-	383,456.60

(6) The Company has no recovery or reversal of significant provision for bad debts in the current year.

CHINA MERCHANTS PORT GROUP CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

- continued

1. Other receivables - continued

1.3 Other receivables - continued

(7) The Group has no other receivables written off during the year.

(8) The top five balances of other receivables at the end of the year classified by debtor

Name of entity	Relationship with the Company	Nature	Carrying amount	Aging	Proportion to total other receivables (%)	Provision for bad debts at the end of the year
Wharf Holdings Hong Kong	Related parties	Loan to related parties	1,438,029,807.71	Within 1 year	99.30	-
China Merchants Investment Development Company Limited	Related parties	Advance payments	3,837,775.52	Within 1 year	0.27	-
China Securities Depository and Clearing Corporation Limited Shenzhen Branch	Third party	Others	2,149,711.30	Within 1 year	0.15	-
Shenzhen Shekou Local Taxation Bureau	Third party	Others	711,772.07	More than 3 years	0.05	-
CNOOC Sales Shenzhen Co., Ltd.	Third party	Others	35,880.59	Within 1 year	0.00	-
Total	—	—	1,444,764,947.19	—	99.77	-

CHINA MERCHANTS PORT GROUP CO., LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(Unless otherwise specified, the monetary unit shall be RMB)

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS - continued

2. Long-term equity investments

(1) Breakdown of long-term equity investments

Investee	31/12/2023	Changes for the year								31/12/2024	Provision for impairment at the end of the year
		Increase	Decrease	Investment income under equity method	Other comprehensive income	Other equity movements	Cash dividends or profit declared	Provision for impairment	Others		
I. Subsidiaries											
Wharf Holdings Hong Kong	1,070,000.00	-	-	-	-	-	-	-	-	1,070,000.00	-
Chiwan Shipping (Hong Kong) Limited	1,051,789.43	-	-	-	-	-	-	-	-	1,051,789.43	-
Chiwan Container Terminal Co., Ltd.	421,023,199.85	-	-	-	-	-	-	-	-	421,023,199.85	-
Dongguan Shenchiwán Port Affairs Co., Ltd.	186,525,000.00	-	-	-	-	-	-	-	-	186,525,000.00	-
Dongguan Shenchiwán Wharf Co., Ltd.	175,000,000.00	-	-	-	-	-	-	-	-	175,000,000.00	-
Ports Development (Hong Kong) Limited	29,203,045,326.23	-	-	-	-	-	-	-	-	29,203,045,326.23	-
Shunkong Port (Note 1)	194,673,400.00	45,339,800.00	-	-	-	-	-	-	-	240,013,200.00	-
Guangdong Yide Port Co., Ltd.	131,866,700.00	-	-	-	-	-	-	-	-	131,866,700.00	-
Sanya Merchants Port Development Co., Ltd.	2,040,000.00	-	-	-	-	-	-	-	-	2,040,000.00	-
Shenzhen Chiwan Harbor Container Co. Ltd.	250,920,000.00	-	-	-	-	-	-	-	-	250,920,000.00	-
Shenzhen Chiwan Port Development Co., Ltd.	206,283,811.09	-	-	-	-	-	-	-	-	206,283,811.09	-
Shenzhen Chiwan International Freight Agency Co., Ltd.	5,500,000.00	-	-	-	-	-	-	-	-	5,500,000.00	-
Shenzhen Chiwan Tugboat Co., Ltd.	24,000,000.00	-	-	-	-	-	-	-	-	24,000,000.00	-
Zhanjiang Port	3,381,825,528.52	-	-	-	-	-	-	-	-	3,381,825,528.52	-
Zhoushan RoRo	106,104,786.00	-	-	-	-	-	-	-	-	106,104,786.00	43,605,014.00
CM Port (Note 2)	181,316,161.41	163,260.82	-	-	-	-	-	-	-	181,479,422.23	-
CM International Tech	130,462,575.02	-	-	-	-	-	-	-	-	130,462,575.02	-
Sub-total	34,602,708,277.55	45,503,060.82	-	-	-	-	-	-	-	34,648,211,338.37	43,605,014.00
II. Associates											
Antong Holdings	922,332,364.58	-	-	41,664,538.16	-	-	-	-	-	963,996,902.74	-
Ningbo Zhoushan	16,813,664,839.73	-	-	1,030,682,677.97	23,261,592.67	35,887,971.57	-371,449,726.01	-	-	17,532,047,355.93	-
China Merchants Bonded Logistics Co., Ltd.	382,205,734.47	-	-	58,262,622.73	-	-	-47,284,052.37	-	-	393,184,304.83	-
China Merchants Northeast Asia Development & Investment Co., Ltd.	1,018,534,351.56	-	-	3,368,318.48	-	2,562.75	-	-	-	1,021,905,232.79	-
Sub-total	19,136,737,290.34	-	-	1,133,978,157.34	23,261,592.67	35,890,534.32	-418,733,778.38	-	-	19,911,133,796.29	-
III. Joint ventures											
Fujian Zhaohang Logistics Management Partnership (Limited Partnership)	614,726,959.48	-	-	23,131,989.57	-	-	-	-	-	637,858,949.05	-
Shenzhen Gangteng Internet Technology Co., Ltd.	11,918,626.99	-	-	-3,692,644.11	-	-	-	-	-	8,225,982.88	-
Yantai Port Group Laizhou Port Co., Ltd.	802,527,184.43	-	-	1,164,090.28	104,000.00	56,831.00	-	-	-	803,852,105.71	-
Sub-total	1,429,172,770.90	-	-	20,603,435.74	104,000.00	56,831.00	-	-	-	1,449,937,037.64	-
Total	55,168,618,338.79	45,503,060.82	-	1,154,581,593.08	23,365,592.67	35,947,365.32	-418,733,778.38	-	-	56,009,282,172.30	43,605,014.00

(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

- continued

2. Long-term equity investments - continued

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

Note 1: In July and December 2023, the Company and Guangdong Shunkong City Investment Real Estate Co. Ltd. entered into a capital increase agreement for Shunkong Port in two parts, whereby the two parties agreed to increase the capital by RMB 218,751,400.00 and RMB 153,823,600.00 together in accordance with their respective shareholding ratios of 51% and 49%, of which the Company contributed RMB 111,563,200.00 and RMB 78,450,000.00. According to the capital increase agreement, the Company paid a total of RMB 144,673,400.00 for the capital increase in 2023, the remaining amount paid this year is RMB 45,339,800.00. The shareholding ratio of the two investors remained unchanged after the capital increase.

Note 2: Details are set out in Note (XI) 1 (1).

3. Operating income and operating costs

Item	2024		2023	
	Income	Cost	Income	Cost
Principal operation	-	-	-	-
Other operations	18,456,183.80	3,739,443.84	17,326,885.29	3,686,411.84
Total	18,456,183.80	3,739,443.84	17,326,885.29	3,686,411.84

SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024**(XX)NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS**

- continued

4. Investment income

(1) Details of investment income

Item	2024	2023
Income from long-term equity investments under cost method	1,259,829,095.19	416,405,658.26
Income from long-term equity investments under equity method	1,154,581,593.08	1,111,522,805.93
Income from financial assets held for trading	28,210,701.38	49,614,971.08
Income from investments in other equity instruments	10,575,000.00	20,056,500.00
Total	2,453,196,389.65	1,597,599,935.27

(2) Income from long-term equity investments under cost method

Investee	2024	2023	Reason for changes
CM Port	10,475,154.15	11,184,689.72	Changes in profit distribution of investee
Chiwan Container Terminal Co., Ltd.	124,392,799.44	149,527,479.94	Changes in profit distribution of investee
Zhanjiang Port	83,925,753.46	36,552,790.18	Changes in profit distribution of investee
CM International Tech	-	9,517,336.07	Changes in profit distribution of investee
Shenzhen Chiwan Harbor Container Co. Ltd.	143,167,589.81	111,712,423.41	Changes in profit distribution of investee
Shenzhen Chiwan Tugboat Co., Ltd.	28,061,835.33	20,137,075.44	Changes in profit distribution of investee
Dongguan Shenchiwán Wharf Co., Ltd.	42,509,038.50	33,386,741.74	Changes in profit distribution of investee
Shenzhen Chiwan International Freight Agency Co., Ltd.	957,771.62	212,854.30	Changes in profit distribution of investee
Dongguan Shenchiwán Port Affairs Co., Ltd.	13,703,850.69	26,519,896.50	Changes in profit distribution of investee
Shenzhen Chiwan Port Development Co., Ltd.	3,409,806.03	9,751,697.73	Changes in profit distribution of investee
Chiwan Shipping (Hong Kong) Limited	209,796.16	7,902,673.23	Changes in profit distribution of investee
Sanya Merchants Port Development Co., Ltd.	3,360,900.00	-	Changes in profit distribution of investee
Ports Development (Hong Kong) Limited	805,654,800.00	-	Changes in profit distribution of investee
Total	1,259,829,095.19	416,405,658.26	

1. RETURN ON NET ASSETS AND EARNINGS PER SHARE ("EPS")

In accordance with the China Securities Regulatory Commission's Compilation Rules for *Information Disclosure and Presentation Rules for Companies Making Public Offering No. 9 - Calculation and Disclosure of Return on Net Assets and Earnings per Share* (revised in 2010), the weighted average return on net assets, basic earnings per share and diluted earnings per share of the Group for the year ended 31 December 2024 are as follows:

Profit in reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders	7.5087	1.8064	1.8061
Net profit attributable to ordinary shareholders after deducting non-recurring profit or loss	6.7285	1.6187	1.6184

SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024

2. BREAKDOWN OF NON-RECURRING PROFIT OR LOSS

In accordance with the provisions of China Securities Regulatory Commission's *Explanatory Announcement No. 1 on Information Disclosure for Companies Making Public Offering - Non-recurring Profit or Loss (Revised in 2023)*, the Group's non-recurring profit and loss for the year ended 31 December 2024 is as follows:

Item	Amount	Remark
Gains or losses on disposal of non-current assets, including those charged off for which provision for impairment of assets has been made	20,221,030.12	
Government grants recognized in profit or loss (other than grants which are closely related to the Company's business, in line with the national regulations, enjoyed under established standards and have a continuous impact on the Company's profit or loss)	131,947,787.92	
Income earned from lending funds to non-financial institutions and recognized in profit or loss	88,262,169.90	
The excess of attributable fair value of identifiable net assets over the consideration paid for subsidiaries, associates and joint ventures	-	
Gains or losses on exchange of non-monetary assets	-	
Gains or losses on entrusted investments or asset management	-	
Losses on assets due to force majeure, e.g., natural disasters	-	
Gains or losses on debt restructuring	-	
Lump-sum costs incurred by the enterprises as a result of the discontinuation of relevant business activities, e.g., expenditure for layoff of employees, etc.	-	
Gains from transactions with unfair transaction price	-	
Net profit or loss of subsidiaries recognized as a result of business combination of enterprises under common control from the beginning of the year up to the business combination date	-	
Gains or losses arising from contingencies other than those related to normal operating business	-	
Gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises other than effective hedging operation relating to the Company's normal operations, and gains or losses from disposal of financial assets and financial liabilities	449,311,363.27	
Reversal of provision for accounts receivable that are tested for impairment individually	380,331,461.37	
Gains or losses on entrusted loans	-	
Gains or losses from changes in fair value of investment properties that are subsequently measured using the fair value model	-	
One-time effect of adjustments in tax laws and accounting laws and regulations on profit or loss for the period	-	
Custodian fees earned from entrusted operation	-	
Share-based payment expenses recognized once due to the cancellation or modification of equity incentive plans	-	
For cash-settled share-based payments, gains or losses arising from changes in fair value of employee benefits payable after the vesting date	-	
Other non-operating income or expenses other than above	2,607,919.22	
Other profit or loss that meets the definition of non-recurring profit or loss	-	
Sub-total	1,072,681,731.80	
Tax effects	-125,198,868.45	
Effects of non-controlling interests (after tax)	-478,213,147.90	
Total	469,269,715.45	