山东港口
SHANDONG PORT GROUP

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

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

Stock Code: 06198.HK 601298.SH

2025 ANNUAL REPORT



* *For identification purpose only*

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DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the following meanings:

"2024 COSCO SHIPPING Goods and Services Agreement"	the goods and services framework agreement dated 27 October 2023 entered into between the Company and COSCO SHIPPING Group, in relation to (i) the sales of goods and services by the Group to COSCO SHIPPING Group and the relevant connected subsidiaries; (ii) the purchase of goods and services by the Group from COSCO SHIPPING Group and the relevant connected subsidiaries; and (iii) the provision of asset lease services by the Group to COSCO SHIPPING Group and the relevant connected subsidiaries
"2024 SDP Financial Services Agreement"	the financial services framework agreement dated 27 October 2023 entered into between the Company and Shandong Port Group, in relation to the provision of financial services by Shandong Port Group to the Group
"2024 SDP Goods and Services Agreement"	the goods and services framework agreement dated 27 October 2023 entered into between the Company and Shandong Port Group in relation to (i) the purchase of goods and services by the Group from Shandong Port Group; (ii) the sales of goods and services by the Group to Shandong Port Group; (iii) the provision of asset lease services by the Group to Shandong Port Group; and (iv) the provision of asset lease services by Shandong Port Group to the Group
"2025 AGM"	the 2025 annual general meeting of the Company
"2025 Worldex Logistics Comprehensive Service Framework Agreement"	the comprehensive service framework agreement dated 28 August 2025 entered into between the Company and Worldex Logistics, in relation to the Group and Worldex Logistics and/or its subsidiaries and associates provide comprehensive logistics services to each other
"A share(s)"	share(s) with a nominal value of RMB1.00 each issued by the Company which are listed on the main board of Shanghai Stock Exchange (stock code: 601298) and traded in RMB
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Asset Purchase Agreement I"	Agreement on the Acquisition of Equity Interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) by Qingdao Port International Co., Ltd.* (青島港國際股份有限公司) from Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Rizhao Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Rizhao Port Group, both dated 12 July 2024

"Asset Purchase Agreement II"	Agreement on the Acquisition of Equity Interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Yantai Port Group, both dated 12 July 2024
"Audit Committee"	the board audit committee of the Company
"Board"	the board of directors of the Company
"CFS"	container freight station, of which, container freight station at loading ports refers to the location designated by carriers for the receiving of cargo to be loaded into containers by the carrier, while container freight station at discharge or destination ports refers to the location designated by carriers for devanning of containerized cargo
"Commonly Held Entities"	having the meaning ascribed to it in the Hong Kong Listing Rules
"Company" or "Qingdao Port"	Qingdao Port International Co., Ltd.* (青島港國際股份有限公司), a joint stock company established in the PRC with limited liability on 15 November 2013
"Consideration Shares"	new A shares to be issued by the Company to Yantai Port Group as the consideration of the Target Asset II pursuant to the Asset Purchase Agreement II and the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations
"Consolidated Group Companies"	the subsidiaries of the Company (including its branches) which are consolidated into the consolidated financial statements of the Company
"Container Development Company"	Qingdao Port International Container Development Co., Ltd.* (青島港國際集裝箱發展有限公司), a company established in the PRC with limited liability on 21 January 2022 and a wholly-owned subsidiary of the Company, which is mainly engaged in the market development service and the comprehensive customer service of container business

"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"COSCO Logistics"	COSCO SHIPPING Logistics and Supply Chain Management Co., Ltd.* (中遠海運物流供應鏈有限公司), a company established in the PRC with limited liability on 24 April 2001, being a subsidiary of China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司)
"COSCO SHIPPING Group"	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a company established in the PRC with limited liability on 5 February 2016 and the ultimate controlling shareholder of COSCO SHIPPING Ports and Shanghai China Shipping Terminal, indirectly holding approximately 21.78% equity interests in the Company as of 31 December 2025, which is a substantial shareholder and a connected person of the Company. When references are made to connected transactions, also including its subsidiaries and associates (if applicable)
"COSCO SHIPPING Ports"	COSCO SHIPPING Ports Limited* (中遠海運港口有限公司), a limited liability company established in Bermuda with its shares listed on the main board of the Hong Kong Stock Exchange (Stock Code: 01199), indirectly holding approximately 20.30% equity interests in the Company as of 31 December 2025, which is a substantial shareholder and a connected person of the Company
"CSRC"	China Securities Regulatory Commission* (中國證券監督管理委員會)
"Dagang Branch"	Dagang Branch of Qingdao Port International Co., Ltd.* (青島港國際股份有限公司大港分公司), a branch of the Company, which is mainly engaged in the business of domestic container, break bulk cargo, grains and other cargo handling and ancillary services
"Director(s)"	the director(s) of the Company
"Distributable Profit"	calculated by net profit attributable to shareholders of the Company in the scope of the consolidated financial statements prepared in the PRC Accounting Standards for Business Enterprise, deducting recovery of accumulated losses, appropriation to statutory surplus reserve and other necessary reserve by the parent company and subsidiaries as well as the impact of the appraisal value-added amount of the asset invested in the Company by Qingdao Port Group, the promoter at the establishment of the Company, on net profit for the year, etc.
"Dongjiakou Branch"	Dongjiakou Branch of Qingdao Port International Co., Ltd.* (青島港國際股份有限公司董家口分公司), a branch of the Company, which is mainly engaged in the business of break bulk cargo handling and ancillary services

"Dongjiakou Oil"	Qingdao Port Haiye Dongjiakou Oil Co., Ltd.* (青島港海業董家口油品有限公司), a company established in the PRC with limited liability on 23 May 2011 and a subsidiary in which the Company holds 70% equity interests, which is mainly engaged in the business of terminal stevedoring and warehousing services of liquid bulk cargo
"Ganglianhai Logistics"	Qingdao Ganglianhai International Logistics Co., Ltd.* (青島港聯海國際物流有限公司), a company established in the PRC with limited liability on 2 January 2018. Qingdao Port Logistics and COSCO Logistics each holds 50% equity interests of it
"Gangxin Oil"	Qingdao Gangxin Oil Co., Ltd.* (青島港鑫油品有限責任公司, formerly known as Qingdao Hongxing Logistics Industry Co., Ltd.* (青島紅星物流實業有限責任公司)), a company established in the PRC with limited liability on 10 March 2004 and a subsidiary in which the Company holds 90% equity interests, which is mainly engaged in the business of stevedoring and warehousing services of liquid chemicals
"Group"	the Company and its branches and subsidiaries, when references are made to operational data such as throughput, including joint ventures and associates of the Company
"H share(s)"	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the main board of the Hong Kong Stock Exchange (stock code: 06198) and are traded in HKD
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	the Stock Exchange of Hong Kong Limited
"LPG"	liquefied petroleum gas
"Mercuria Logistics"	Qingdao Haiye Mercuria Logistics Co., Ltd.* (青島海業摩科瑞物流有限公司), a company established in the PRC with limited liability on 23 May 2011 and a subsidiary in which the Company holds 62.07% equity interests, which is mainly engaged in the business of freight forwarding, importing and exporting cargo warehousing, transshipment and distribution, construction of warehousing and logistics facilities and other businesses

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"Nomination Committee"	the board nomination committee of the Company
"OBOR"	"Silk Road Economic Belt" and "21st Century Maritime Silk Road"
"Ocean Bridge International"	Ocean Bridge International Ports Management Co., Ltd.* (海路國際港口運營管理有限公司), a joint stock company established in Hong Kong on 16 March 2018 and a joint venture in which the Company holds 49% equity interests, which is mainly engaged in investment and management of foreign projects and other businesses
"PRC" or "China"	the People's Republic of China, and for the purpose of this report, excluding Hong Kong, Macau and Taiwan
"Proposed Restructuring"	the purchase of the Target Assets by the Company by way of issuance of Consideration Shares and cash payments under the Asset Purchase Agreement I and Asset Purchase Agreement II pursuant to the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations
"QDOT"	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.* (青島港董家口礦石碼頭有限公司), a company established in the PRC with limited liability on 9 January 2014 and a joint venture in which the Company holds 30% equity interests, which is mainly engaged in the business of ore, coal and other cargoes handling and ancillary services
"Qiangang Branch"	Qiangang Branch of Qingdao Port International Co., Ltd.* (青島港國際股份有限公司前港分公司), a branch of the Company, which is mainly engaged in the business of ore, coal and other cargo handling and ancillary services
"Qingdao Orient"	Qingdao Orient International Container Storage & Transportation Co., Ltd.* (青島東港國際集裝箱儲運有限公司), a company established in the PRC with limited liability on 18 November 1997 and a joint venture in which the Company holds 45% equity interests, which is mainly engaged in the business of warehousing, transshipment, transportation of the container and other businesses
"Qingdao OST"	Qingdao Ocean Shipping Tally Co., Ltd.* (青島外輪理貨有限公司), a company established in the PRC with limited liability on 13 September 2008 and a subsidiary in which the Company holds 84% equity interests, which is mainly engaged in the business of tallying services. When references are made to connected transactions, also including its subsidiaries, joint ventures with 30% and more equity interests held by Qingdao OST and the Commonly Held Entities of Qingdao OST (if applicable)

"Qingdao Port Engineering"	Qingdao Port (Group) Engineering Co., Ltd.* (青島港(集團)港務工程有限公司), a company established in the PRC with limited liability on 13 May 1992 and an associate in which the Company holds 49% equity interests, which is mainly engaged in the business of construction engineering, architectural decoration and engineering design services and other businesses
"Qingdao Port Group"	Shandong Port Qingdao Port Group Co., Ltd.* (山東港口青島港集團有限公司), a company established in the PRC with limited liability on 12 August 1988 and the controlling shareholder of the Company, holding approximately 55.56% equity interests in the Company as of 31 December 2025. When references are made to connected transactions, also including its subsidiaries, joint ventures with 30% and more equity interests held by Qingdao Port Group and the Commonly Held Entities of Qingdao Port Group (if applicable)
"Qingdao Port Logistics"	Qingdao Port International Logistics Co., Ltd.* (青島港國際物流有限公司), a company established in the PRC with limited liability on 2 February 2004 and a wholly-owned subsidiary of the Company, which is mainly engaged in the business of logistics and port value-added services, such as business of transportation, agency and warehousing services
"Qingdao Shihua"	Qingdao Shihua Crude Oil Terminal Co., Ltd.* (青島實華原油碼頭有限公司), a company established in the PRC with limited liability on 23 February 2006 and a joint venture in which the Company holds 50% equity interests, which is mainly engaged in the business of liquid bulk cargo handling and ancillary services
"QQCT"	Qingdao Qianwan Container Terminal Co., Ltd.* (青島前灣集裝箱碼頭有限責任公司), a company established in the PRC with limited liability on 17 May 2000 and a joint venture in which the Company holds 51% equity interests, which is mainly engaged in the business of container handling and ancillary services
"QQCTN"	Qingdao Qianwan New Container Terminal Co., Ltd.* (青島新前灣集裝箱碼頭有限責任公司), a company established in the PRC with limited liability on 6 February 2009 and a subsidiary in which QQCT holds 95.32% equity interests, which is mainly engaged in the business of container handling and ancillary services at the fully automated container terminals

"QQCTU"	Qingdao Qianwan United Container Terminal Co., Ltd.* (青島前灣聯合集裝箱碼頭有限責任公司), a company established in the PRC with limited liability on 28 December 2009 and a joint venture in which QQCTN holds 50% equity interests, which is mainly engaged in the business of container handling and ancillary services
"RCEP"	Regional Comprehensive Economic Partnership
"Remuneration Committee"	the board remuneration committee of the Company
"Rizhao Port Group"	Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司), a company established in the PRC with limited liability on 24 February 2004 and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in the business of port operation, port industry investment, port infrastructure construction, port and shipping ancillary services, logistics services and other businesses
"RMB"	Renminbi, the lawful currency of the PRC
"RZP"	Rizhao Port Co., Ltd.* (日照港股份有限公司), a joint stock company established in the PRC with limited liability on 15 July 2002, A shares of which are listed on the main board of the Shanghai Stock Exchange (Stock Code: 600017), which is mainly engaged in bulk cargo handling, storage and transshipment business, port freight forwarding and storage, and other value-added logistics services
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shandong Free Trade Zone"	China (Shandong) Pilot Free Trade Zone
"Shandong Port Finance Company"	Shandong Port Group Finance Co., Ltd.* (山東港口集團財務有限責任公司), a company established in the PRC with limited liability on 22 July 2014 and an associate in which the Company holds 34.63% equity interests, which is mainly engaged in the business of the depository services, credit granting services, financial and financing advisory services, credit assurance services and relevant consulting and agency services, trade receivables collection and payment services; internal fund transfer settlement and the design of corresponding settlement and clearing solutions and other financial services
"Shandong Port Group"	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), a company with limited liability established on 2 August 2019 in the PRC, holding 100% equity interests in Qingdao Port Group, and an indirect controlling shareholder of the Company, with Shandong SASAC as the actual controller. When references are made to connected transactions, also including its subsidiaries and associates (if applicable)

"Shandong Port Lianhua"	Shandong Port Lianhua Pipeline Petroleum Transportation Co., Ltd.* (山東港聯化管道石油輸送有限公司), a company established in the PRC with limited liability on 9 December 2015 and a subsidiary in which the Company holds 51% equity interests, which is mainly engaged in the business of liquid bulk cargo handling and ancillary services
"Shandong SASAC"	State-owned Assets Supervision and Administration Commission of the People's Government of Shandong Province* (山東省人民政府國有資產監督管理委員會), the actual controller of the Company
"Shanghai China Shipping Terminal"	Shanghai China Shipping Terminal Development Co., Ltd.* (上海中海碼頭發展有限公司), a company established in the PRC with limited liability on 18 February 2008 and a wholly-owned subsidiary of China Shipping Terminal Development Co., Ltd.* (中海碼頭發展有限公司), holding approximately 15.64% equity interests in the Company as of 31 December 2025
"Shanghai Cooperation Demonstration Zone"	China-Shanghai Cooperation Organization Local Economic and Trade Cooperation Demonstration Zone
"Strategy Development and ESG Committee"	the board strategy development and ESG committee of the Company
"Supervisor(s)"	the supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company
"Target Assets"	Target Asset I and Target Asset II
"Target Asset I"	100% equity interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) held by Rizhao Port Group
"Target Asset II"	53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) held by Yantai Port Group
"TEU"	an abbreviation of Twenty-Foot Equivalent Unit, an international measuring unit with the standard of a container with a length of twenty feet, a width of eight feet and a height of eight feet and six inches, also known as the international unit of standard container

"Weihai Port"	Shandong Port Weihai Port Co., Ltd.* (山東港口威海港有限公司), a company established in the PRC with limited liability on 7 November 1997 and a wholly-owned subsidiary of Qingdao Port Group, which is mainly engaged in the handling of international express, passenger and vehicle, warehousing, transportation, agency services and other businesses
"Weihai Port Development Company"	Shandong Weihai Port Development Co., Ltd.* (山東威海港發展有限公司), a company established in the PRC with limited liability on 19 December 2001 and the Company and Weihai Port hold 51% equity interests and 49% equity interests of it, respectively, which is mainly engaged in the business of handling of containers and dry bulk cargo warehousing, road transportation, freight forwarding and other businesses
"Weihai Qingwei"	Weihai Qingwei Container Terminal Co., Ltd.* (威海青威集裝箱碼頭有限公司), a company established in the PRC with limited liability on 31 December 2005, which is owned as to 49% equity interests by the Company and 51% equity interests by Weihai Port Development Company, respectively, which is mainly engaged in the business of container handling and ancillary services
"West United"	Qingdao Qianwan West Port United Terminal Co., Ltd.* (青島前灣西港聯合碼頭有限責任公司), a company established in the PRC with limited liability on 9 June 2010 and a joint venture in which the Company holds 51% equity interests, and which is mainly engaged in the business of dry bulk cargo and break bulk cargo handling and ancillary services
"Worldex Logistics"	Worldex Logistics Co., Ltd.* (全球捷運物流有限公司), a company established in the PRC with limited liability on 5 February 2016, which is mainly engaged in the freight forwarding, storage and other logistics businesses. When references are made to connected transactions, also including its subsidiaries and associates (if applicable)
"Yantai Port Group"	Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司), a company established in PRC with limited liability on 27 November 1984 and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in the business of handling of containers, liquid bulk, dry bulk, logistics services and other businesses

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

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

CORPORATE INFORMATION

CHINESE NAME OF THE COMPANY

青島港國際股份有限公司

ENGLISH NAME OF THE COMPANY

Qingdao Port International Co., Ltd.

LEGAL REPRESENTATIVE

Mr. SU Jianguang

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

(1) Headquarters in the PRC:
No. 12 Jingba Road, Huangdao District
Qingdao, Shandong Province
PRC

(2) Principal Place of Business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

DATES OF LISTING

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

PLACES OF LISTING

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

ABBREVIATED CHINESE STOCK NAME

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

ABBREVIATED ENGLISH STOCK NAME

Qingdao Port (only applied to H shares)

STOCK CODES

06198 (H shares)
601298 (A shares)

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qggj@qdport.com

WEBSITE

http://www.qingdao-port.com

BOARD OF DIRECTORS

(1) Executive Directors

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

(2) Non-executive Directors

Mr. LI Wucheng *(Vice Chairman)*
Ms. WU Yu
Mr. CUI Liang
Ms. WANG Fuling

(3) Independent Non-executive Directors

Mr. CHAU Kwok Keung
Ms. LI Xiaohui
Mr. JIANG Xinglu

COMPANY SECRETARY

Ms. SUN Hongmei

AUTHORISED REPRESENTATIVES

Mr. SU Jianguang
Ms. SUN Hongmei

SPECIAL COMMITTEES OF THE BOARD

(1) Strategy Development and ESG Committee

Mr. SU Jianguang *(Chairman)*
Mr. LI Wucheng
Ms. WU Yu
Mr. ZHANG Baohua
Mr. CUI Liang
Ms. WANG Fuling
Mr. JIANG Xinglu

(2) Nomination Committee

Mr. JIANG Xinglu *(Chairman)*
Mr. SU Jianguang
Ms. LI Xiaohui

(3) Remuneration Committee

Ms. LI Xiaohui *(Chairman)*
Mr. LI Wucheng
Mr. CHAU Kwok Keung

(4) Audit Committee

Mr. CHAU Kwok Keung *(Chairman)*
Ms. WANG Fuling
Ms. LI Xiaohui

H SHARE REGISTRAR

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

LEGAL ADVISERS

(1) As to Hong Kong law

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

(2) As to PRC law

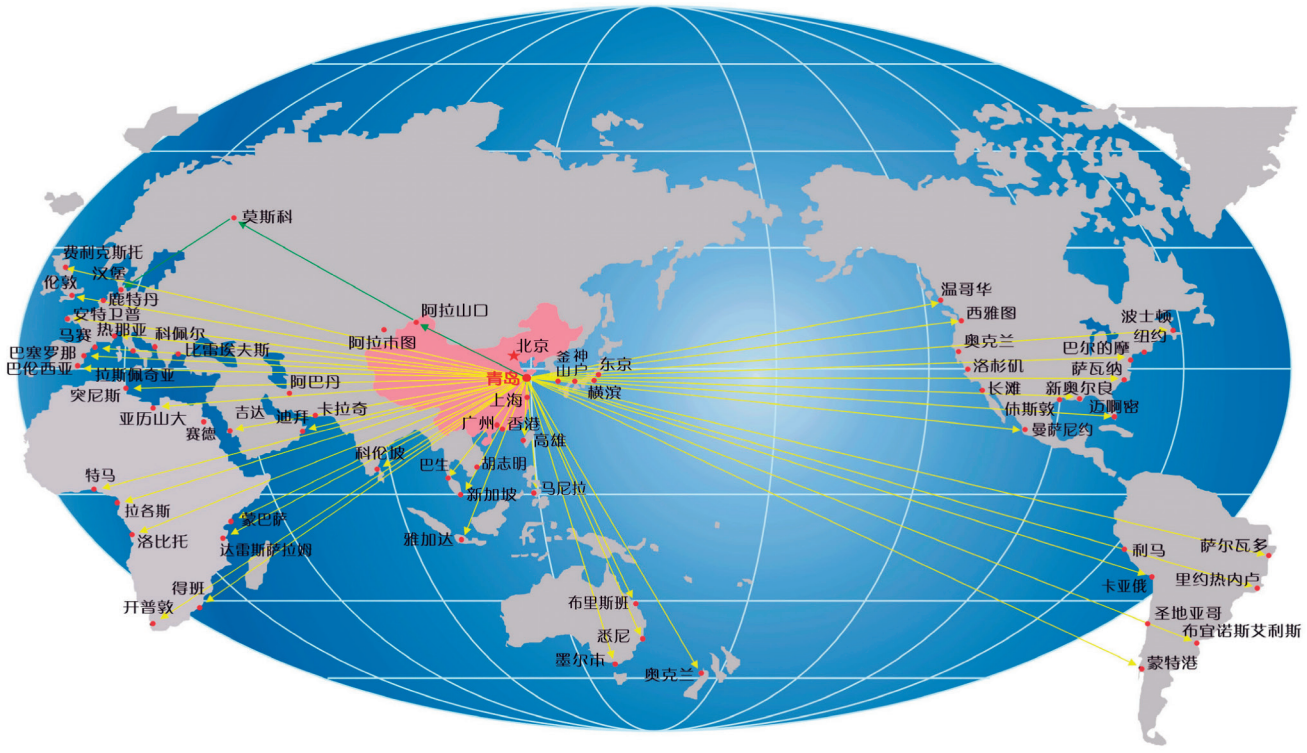
Jia Yuan Law Offices
F408 Ocean Plaza
158 Fuxing Men Nei Avenue
Xicheng District
Beijing, PRC

AUDITOR

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

PRINCIPAL BANKERS

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



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

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

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

As of 31 December 2025, the Group operated 115 berths and increased by 1 berth as compared to the same period in the prior year, which included 73 special berths dedicated to handling a single type of cargo and 42 general berths capable of handling metal ore, coal and other general cargo.

Leveraging on the natural deep-water capacity and industry-leading facilities and equipment, services and management, the Group can provide customers with comprehensive, diversified integrated supply chain services. The Group possesses the world-leading stevedoring efficiency, the fully automated container terminal achieved an average crane efficiency of 62.62 units per hour, setting a new world record for handling efficiency for the thirteenth time.

DISTRIBUTION OF PORT AREAS

Qianwan Port Area

Principal operating companies

QQCT, QQCTN, QQCTU, Qiangang Branch, West United and Qingdao Port Logistics

Principal cargo types

container, dry bulk and break bulk

Number of berths

42

Maximum water depth

-21 meters



Huangdao Oil Port Area

Principal operating companies

Qingdao Shihua and Gangxin Oil

Principal cargo type

liquid bulk

Number of berths

13

Maximum water depth

-24 meters





Dongjiakou Port Area

Principal operating companies

Dongjiakou Branch, QDOT and Qingdao Shihua

Principal cargo types

dry bulk, break bulk and liquid bulk

Number of berths

28

Maximum water depth

-25 meters



Dagang Port Area

Principal operating company

Dagang Branch

Principal cargo types

container, break bulk and liquid bulk

Number of berths

18

Maximum water depth

-15 meters

Weihai Port Area

Principal operating companies

Weihai Port Development Company and Weihai Qingwei

Principal cargo types

container, dry bulk and break bulk

Number of berths

14

Maximum water depth

-16.5 meters



JAN

On 6 January, the 120,000-ton oil terminal berths D26 and D27 at the Dongjiakou Port Area of Qingdao Port officially commenced operations, adding the throughput of 9.95 million tons of foreign trade cargo annually.



On 28 January, Qingdao Port officially launched its nationally pioneering Full-scene Tally Terminal Operation System (T-TOS) for use, further promoting the digital transformation of tally operations of Qingdao Port.





FEB

On 24 February, Qingdao Port's "Yuheng" platform successfully completed the localized deployment of the DeepSeek's large language model, accelerating the development of new quality productive forces in the port.

2025 MAJOR EVENTS

MAR

On 6 March, the Liquid Chemical Storage Phase II Project at Qingdao Port's Dongjiakou Port Area passed the completion acceptance, adding 132,000 cubic meters of storage capacity and further enhancing the storage and transportation capabilities of the liquid chemicals of Dongjiakou Port Area.



On 20 March, Qingdao Port signed the Green Energy Supply Cooperation Memorandum with ten shipping companies, including Maersk and Evergreen Marine Corp, jointly promoting the construction of green port and shipping.

APR



On 30 April, Qingdao Port was designated as the national artificial intelligence application pilot base, being one of the first batch in the country, the first in the transportation sector and the only one in the port industry.

MAY

On 22 May, the average single-quay crane operation efficiency of the fully automated container terminal of Qingdao Port reached 62.62 units per hour, for the thirteenth time to set a new world record for handling efficiency.

On 30 May, the Company's A-share was included as the constituent stock of the SSE 180 Index.



JUN



On 14 June, Qingdao Port completed its first biofuel bunkering operation for an international vessel among all ports in northern China, which strongly promoted the development of the green port and shipping industry and the enhancement of the service level of the port.

JUL

On 8 July, Qingdao Port taken the lead among ports across the country in achieving intelligent tallying for gantry crane container operations.



AUG

On 14 August, Qingdao Port completed its first methanol bunkering operation for ships, marking that Qingdao Port has become a port equipped with both biofuel and methanol bunkering capabilities.



SEP

On 2 September, the second 400,000-ton ore terminal project at Qingdao Port's Dongjiakou Port Area passed the completion acceptance. With a designed annual throughput capacity of 16 million tons and an additional storage yard area of 1.25 million square meters, the project has significantly enhanced Qingdao Port's international competitiveness in the global transportation market of iron ore.



On 5 September, the Company's A-share was included as the constituent stock of the CSI 300 Index.

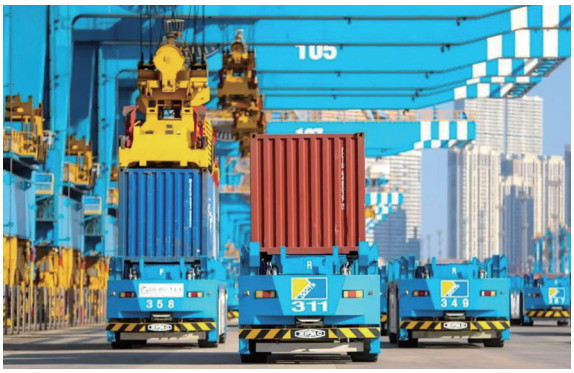
OCT

On 24 October, Qingdao Port was listed among the "China ESG Listed Companies State-owned Enterprise Pioneer 100" ranking.



65	顺鑫农业	顺鑫农业	000860.SZ	★★★★	制造业
66	昊华能源	北京昊华能源股份有限公司	601101.SH	★★★★	采矿业
67	财通证券	财通证券	601108.SH	★★★★	金融业
68	南京医药	南京医药 ChinaHealthCare	600713.SH	★★★☆	批发和零售业
69	青岛港	山东港口 青岛港国际股份有限公司	601298.SH (06198.HK)	★★★☆	交通运输、仓储和邮政业
70	锦江酒店	上海锦江国际酒店股份有限公司	600754.SH	★★★☆	住宿和餐饮业

NOV



On 28 November, Qingdao Port's QQCT and QQCTU container terminals were awarded the title of "Five-star Green Port", the south bank of the Qianwan Port Area for containers was awarded the title of "Five-star Green Port Area", which marked Qingdao Port became one of the first batch in China and the first in northern China to have "Five-star Green Port Area" for containers and to achieve full coverage of the "Five-star" green certification for its core container operation areas for the first time.

DEC

On 24 December, Qingdao Port broke the world record for the fifth time of the round-the-clock stevedoring for the pulp.



I. REVENUE

Unit: RMB'000

	2025	2024	2023	2022 (restated)	2021
Gross profit	**6,894,507**	6,713,948	6,471,580	6,056,947	5,328,949
Period expenses	**1,409,949**	1,297,328	1,326,790	986,486	955,637
Investment income	**1,535,316**	1,693,245	1,570,334	1,434,016	1,435,043
Earnings before interest, tax, depreciation and amortization	**8,842,092**	8,641,936	8,428,721	8,040,107	7,177,173
Total Profit	**7,128,701**	7,067,786	6,789,744	6,555,653	5,835,399
Net profit	**5,723,547**	5,732,264	5,517,664	5,250,137	4,666,203
Including: amounts attributable to shareholders of the Company	**5,271,506**	5,234,897	4,923,322	4,528,240	3,982,212

II. ASSETS

Unit: RMB'000

	2025	2024	2023	2022 (restated)	2021
Total assets	**66,578,767**	62,749,753	60,245,861	57,475,893	62,219,585
Total liabilities	**16,462,274**	15,957,667	15,707,198	16,198,992	22,202,450
Including: borrowings and bonds	**3,866,504**	2,520,842	2,098,296	1,811,616	1,957,392
Total equity	**50,116,493**	46,792,086	44,538,663	41,276,900	40,017,135
Including: share capital	**6,491,100**	6,491,100	6,491,100	6,491,100	6,491,100
Equity attributable to the shareholders of the Company	**45,712,869**	42,487,932	40,277,057	37,399,537	35,550,885
Equity per share attributable to the shareholders of the Company (RMB/share)	**7.04**	6.55	6.20	5.76	5.48
Asset-liability ratio	**24.7%**	25.4%	26.1%	28.2%	35.7%

Note: Asset-liability ratio is calculated as the total liabilities at the end of the year (including the payables not incurred in the ordinary course of business) divided by the total assets.

III. FINANCIAL INDICATORS

Unit: RMB

	2025	2024	2023	2022 (restated)	2021
Earnings per share	**0.81**	0.81	0.76	0.70	0.61
Dividend payments per 1,000 shares	**345.40**	314.10	292.70	269.30	256.40
Return on total assets	**8.85%**	9.32%	9.37%	8.77%	7.82%
Weighted average return on net assets	**11.95%**	12.65%	12.70%	12.43%	11.51%

Note: Subject to the approval at the 2025 AGM, the remaining dividend of RMB1,290.4306 million (distribution of dividend at RMB1.988 per 10 shares, tax inclusive) will be paid within two months (no later than 28 August 2026) after the 2025 AGM.



TO SHAREHOLDERS:

On behalf of the Board, I am pleased to present the annual report of the Company for the year ended 31 December 2025 to the shareholders of the Company.

Looking back on 2025, amidst a complex and volatile market environment and arduous development tasks, the Company, under the scientific decision-making and strategic guidance of the Board, remained steadfast in its pursuit of high-quality development goals. The management led all employees to work together with one heart and one mind and unite with unwavering dedication and loyalty, showing an extraordinary results to shareholders and stakeholders of the Company.

Operating results reached new heights. In 2025, the Group recorded cargo throughput of 722 million tons, representing an increase of 4.1% as compared to the same period in the prior year, among which, the container throughput reached 34.20 million TEUs, representing an increase of 6.3% as compared to the same period in the prior year. In 2025, the Company achieved operating revenue of RMB18,806 million, representing a decrease of 0.7% as compared to the same period in the prior year, and the net profit attributable to shareholders of the Company amounted to RMB5,272 million, representing an increase of 0.7% as compared to the same period in the prior year, achieving a steady development.

Hub capabilities achieved new milestones. The Company fully leveraged its resource integration capabilities and regional radiating influence, adding 20 new shipping routes throughout the year, with both the number and density of shipping lines ranking the first among the ports in northern China. The Company's competitiveness index of international shipping hubs remained the first among ports in Northeast Asia. The port of Qingdao ranked first in the evaluation of the business environment at China's maritime ports for five consecutive years. The fully automated container terminal of Qingdao Port achieved an average crane efficiency of 62.62 units per hour, setting a new world record for the thirteenth time, while the daily pulp stevedoring volume set a world record for the fifth time.

Intelligent and green development yielded new fruits. In 2025, the Company was approved to establish the national artificial intelligence application pilot base, being one of the first batch in the country, the first in the transportation sector and the only one in the port industry. We put the country's first vacuum-type automatic mooring system into operation and received 20 national, provincial and industry-level science and technology awards. We served a model in green and low-carbon practices, the world's first hydrogen-electric tugboat was put into operation, QQCT and QQCTU were awarded as the "Five-star Green Port", and the south bank of the Qianwan Port Area for containers was awarded as the nation's first batch of container "Five-star Green Port Areas".

Capacity expansion and upgrading achieved new breakthroughs. The Company accelerated the construction of the world-class port infrastructure. In 2025, several key projects were completed and commissioned, including the second 400,000-ton ore terminal and the phase II liquid chemical storage project at the Dongjiakou Port Area, making Qingdao Port the only port in northern China capable of accommodating two 400,000-ton ore carriers simultaneously. The container terminal renovation project on the north bank of the Qianwan Port Area and other projects have commenced in full, steadily enhancing the comprehensive service capabilities.

Modern governance achieved the remarkable progress. The Company refined and restructured the governance system, systematically revised corporate governance system, completed the Board re-election, and optimized the responsibilities of certain special committees. In 2025, the Company participated in formulating multiple national, industry, local and group standards. We deepened management at the grassroots, foundational and basic skills levels, implemented enhancement initiatives, and consolidated the Group's development foundation.

Social responsibility demonstrated new commitments. In 2025, the Company organized over 1,200 port-specific volunteer activities, including blood donations and marine litter cleanups, and contributed RMB1 million in charitable donations, serving the city development through concrete actions. We dispatched 2,495 tugboat and pilot vessels to complete 11,000 hours of waterway clearance and standby duties, fully demonstrating the port's sense of responsibility and social commitment.

The year of 2026 is the inaugural year of the 15th five-year plan. The Company will firmly focus on the three strategic goals of building a world-class maritime port cluster, a world-class integrated supply chain service system rooted in port operations, and a world-class enterprise. We will concentrate our efforts on advancing the "Four Quality Improvement Initiatives", for enhancing the quality of the core port business, upgrading the supply chain services, optimizing investment effectiveness and strengthening cost control and profit gains, thereby achieving higher-quality and more sustainable development.

In closing, we extend our sincere gratitude to our shareholders for their enduring trust and support, our heartfelt appreciation to all partners for their continued collaboration and shared journey, and our deep respect to every employee for their dedication and selfless contributions to the Company's development. Moving forward, we will work hand in hand with all stakeholders to continue contributing the port strength to the sustainable economic and social development.

SU Jianguang
Chairman

27 March 2026

I. MACRO SITUATION AND INDUSTRY OVERVIEW

In 2025, amid the complex and severe external environment, China's economy forged ahead under pressure, pursuing new and high-quality growth. The country achieved fresh progress in reform and opening-up, while its goods trade maintained robust growth, demonstrating strong resilience and vitality (source: General Administration of Customs). In 2025, China's total foreign trade import and export value increased by 3.8% as compared to the same period in the prior year, of which exports and imports increased by 6.1% and 0.5% as compared to the same period in the prior year, respectively (source: National Bureau of Statistics).

II. REVIEW OF BUSINESS AND FINANCIAL CONDITION

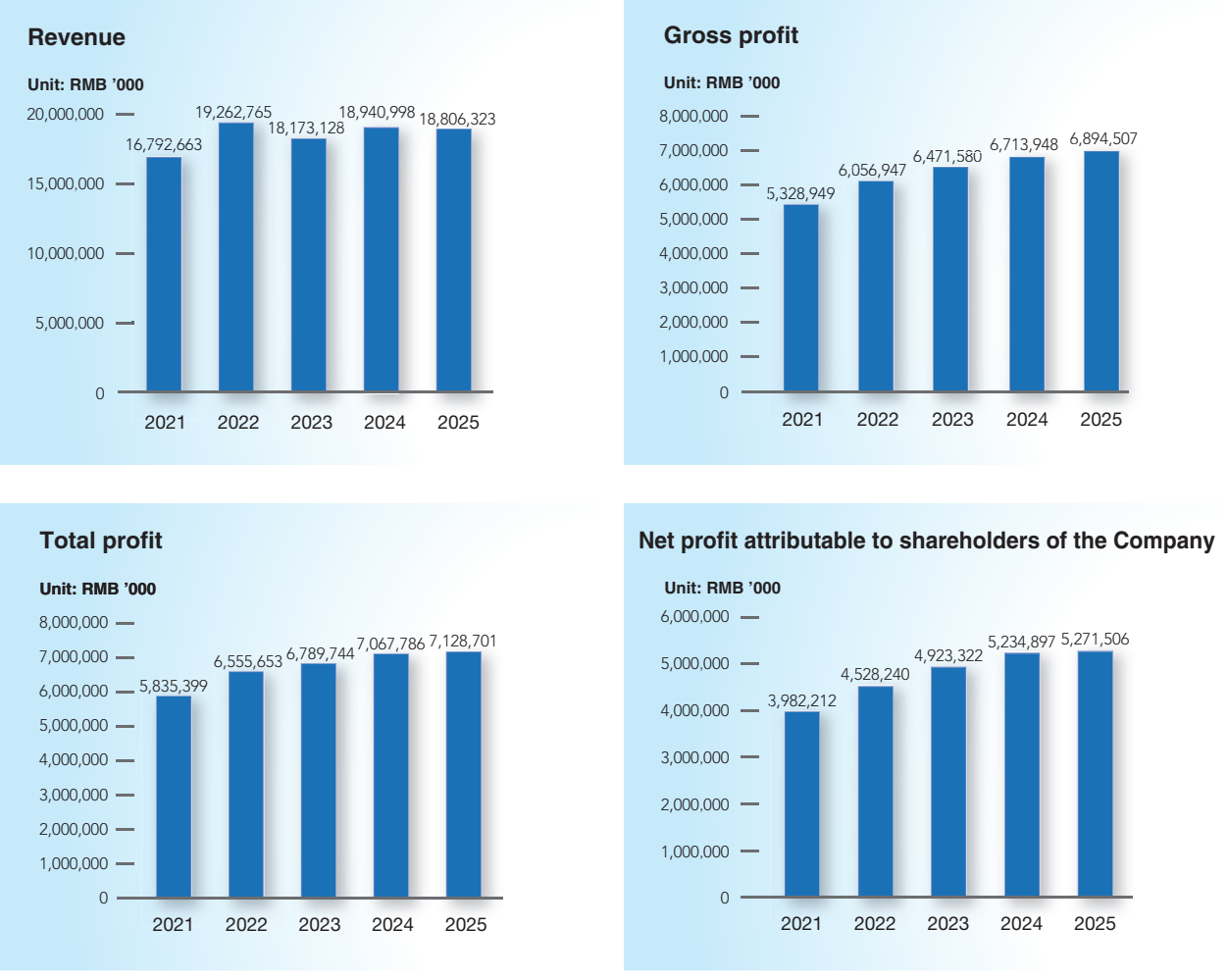
In 2025, amid the complicated and changeable external environment, the Group fully integrated into the integration reform of Shandong port, proactively seized multiple national strategic opportunities, including the high-quality development of OBOR, the deep implementation of RCEP, and the construction of Shandong Free Trade Zone and Shanghai Cooperation Demonstration Zone. The Group comprehensively deployed advantageous shipping lines, established new inland ports, expanded the sea-rail intermodal transport network, and enhanced the smooth operation of the land-sea corridor along the Yellow River Basin. The Group optimized resource allocation, innovated operational models, and improved production efficiency, achieving steady development in its core business and continuous enhancement of its comprehensive competitiveness.

In 2025, the cargo throughput of the Group (without taking into account the respective shareholding percentages of the Company in its joint ventures and associates) completed 722 million tons, increased by 4.1% as compared to the same period in the prior year, among which, the container throughput of the Group completed 34.20 million TEUs, increased by 6.3% as compared to the same period in the prior year; the dry and break bulk cargo throughput of the Group completed 245 million tons, decreased by 2.7% as compared to the same period in the prior year; the liquid bulk cargo throughput of the Group completed 98 million tons, decreased by 4.1% as compared to the same period in the prior year.

1. Review of Overall Business and Results

The Group is the primary operator of the port of Qingdao, and mainly engaged in container handling and ancillary services, dry and break bulk cargo handling and ancillary services, liquid bulk cargo handling and ancillary services, logistics and port value-added services, port ancillary services and other services.

Comparison of Major Operating Indicators



For the year ended 31 December 2025, the Group recorded a revenue of RMB18,806 million, representing a decrease of RMB135 million, or 0.7%, as compared to the same period in the prior year, mainly because the liquid bulk cargo handling and ancillary services segment experienced the decreased revenue resulting from the influence of external factors and the lower rate of productivity of refineries, the logistics and port value-added services segment experienced the decreased revenue in the agency service.

For the year ended 31 December 2025, the Group recorded a gross profit of RMB6,895 million, representing an increase of RMB181 million, or 2.7%, as compared to the same period in the prior year, mainly due to the increase in the gross profit from the container handling and ancillary services segment.

For the year ended 31 December 2025, the Group's total profit amounted to RMB7,129 million, representing an increase of RMB61 million, or 0.9%, as compared to the same period in the prior year, mainly due to the increase in profit from the container handling and ancillary services segment.

For the year ended 31 December 2025, the Group's net profits attributable to shareholders of the Company amounted to RMB5,272 million, representing an increase of RMB37 million, or 0.7%, as compared to the same period in the prior year, mainly due to the increase in profit from the container handling and ancillary services segment.

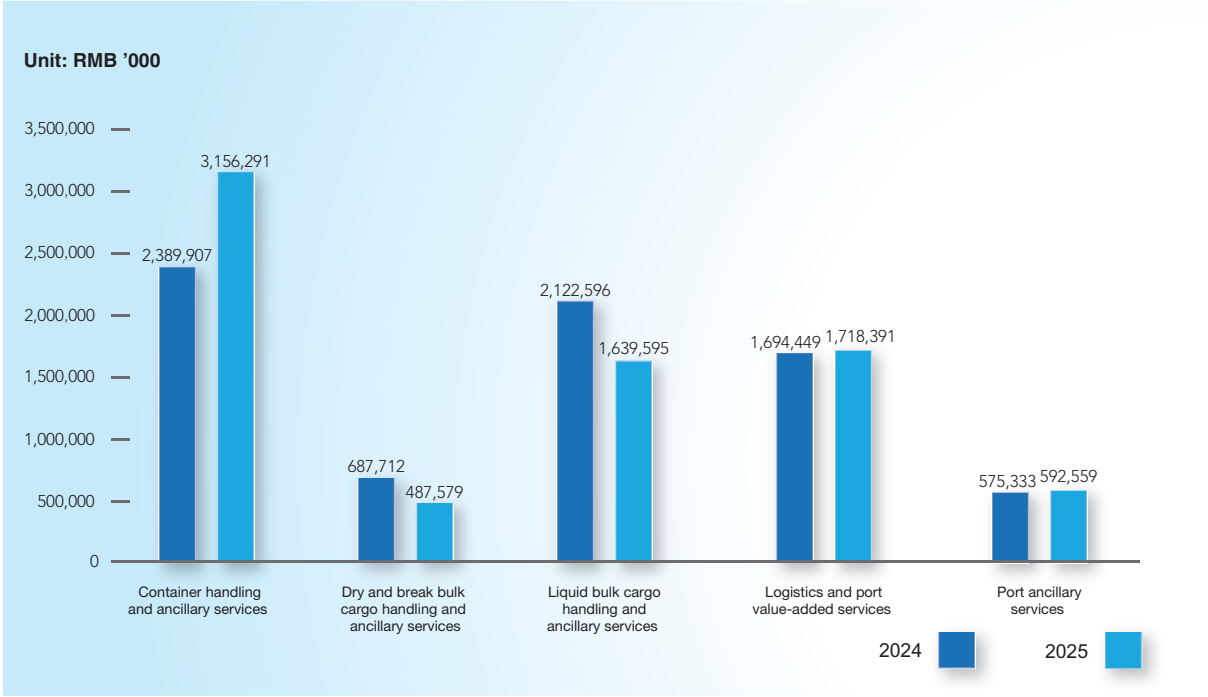
2. Segment Review and Business Review

Segment Results Table

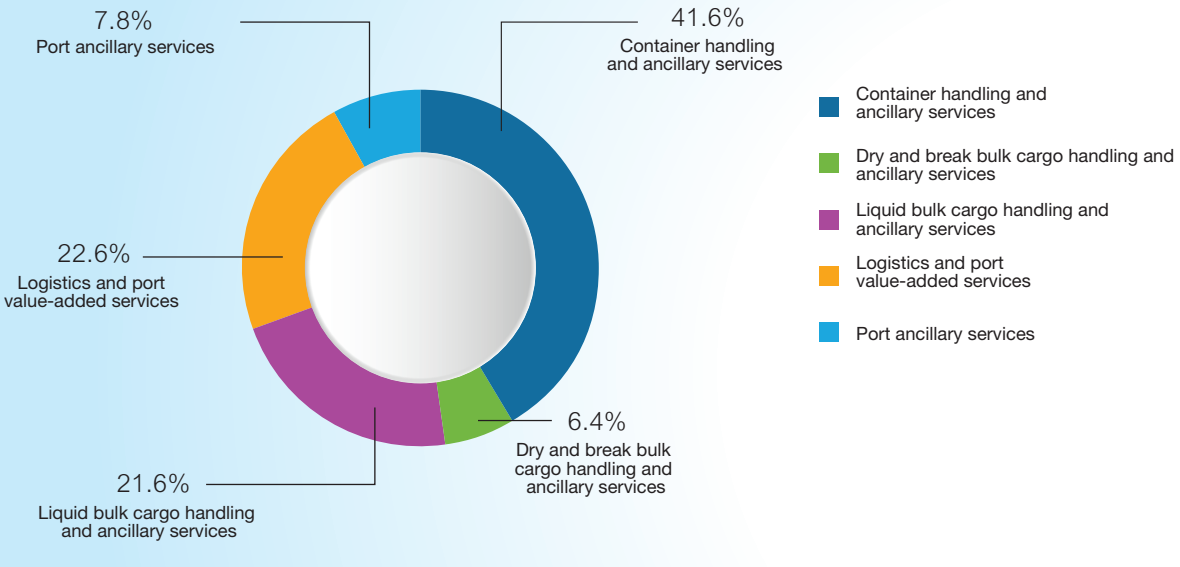
Unit: RMB'000

	2025		2024		
Business Segments	**Results**	**Percentage of the total**	Results	Percentage of the total	**Percentage of Change**
Container handling and ancillary services	**3,156,291**	**41.6%**	2,389,907	32.0%	**32.1%**
Dry and break bulk cargo handling and ancillary services	**487,579**	**6.4%**	687,712	9.2%	**-29.1%**
Liquid bulk cargo handling and ancillary services	**1,639,595**	**21.6%**	2,122,596	28.4%	**-22.8%**
Logistics and port value-added services	**1,718,391**	**22.6%**	1,694,449	22.7%	**1.4%**
Port ancillary services	**592,559**	**7.8%**	575,333	7.7%	**3.0%**
Total results before inter-segment elimination	**7,594,415**	**100.0%**	7,469,997	100.0%	**1.7%**

Comparison of Each Segment Results



Breakdown of Each Segment Results for the Year Ended 31 December 2025



The details of each segment results are set out as below:

1 Container handling and ancillary services

In 2025, the Group deepened strategic synergy with shipping companies, vigorously developed the hinterland market, expanded business increment, and speeded up the construction of "International Shipping Hub in Northeast Asia". The new achievements were mainly as follows:

a. the Group cooperated with shipping companies to expand the network of shipping lines and comprehensively deploy advantageous shipping lines, newly added 20 container lines, and continued to rank first among the ports in northern China in terms of the total number and density of the shipping lines, significantly enhancing the status of "International Shipping Hub in Northeast Asia"; and

b. the Group leveraged on the advantages of land-sea linkage, proactively developed inland hinterland cargo sources, added up 5 new inland ports, newly opened 3 sea-rail intermodal trains, which continuously enhanced its radiating influence and growth momentum.

For the year ended 31 December 2025, the revenue of the container handling and ancillary services amounted to RMB2,700 million, representing an increase of RMB1,022 million, or 60.9%, as compared to the same period in the prior year; the cost of sales amounted to RMB670 million, representing an increase of RMB285 million, or 74.1%, as compared to the same period in the prior year; the profit of Consolidated Group Companies amounted to RMB1,963 million, representing an increase of RMB759 million, or 63.0%, as compared to the same period in the prior year; the segment results amounted to RMB3,156 million, representing an increase of RMB766 million, or 32.1%, as compared to the same period in the prior year, mainly due to the increased container business volume and optimization of the commercial policies.

2 Dry and break bulk cargo handling and ancillary services

In 2025, amid a complex and severe external environment, the Group adhered to high-level marketing by senior management, continually deepened strategic cooperation with key customers, strengthened customer loyalty, extended value-added services, and expanded the market share. The new development mainly achieved were as follows:

a. the Group leveraged on joint marketing with the railway company to fully develop dry and break bulk cargo market, and newly added 29 customers, achieving an increase of approximately over 3 million tons of cargo sources;

b. the Group deeply cultivated the hinterland market, the distribution volume of iron ore from overlapping hinterlands reached a record high. The import volume of pulp maintained the first place among coastal ports in China; and the copper concentrate imports maintained the first place among the ports in northern China; and

c. leveraging its infrastructure advantages such as large-scale terminals and large-area storage yards, and supported by value-added services including ore blending and screening operations, the Group achieved a new breakthrough in iron ore imports from major global mines and further strengthened the customer loyalty.

For the year ended 31 December 2025, the revenue of dry and break bulk cargo handling and ancillary services amounted to RMB4,533 million, representing an increase of RMB51 million, or 1.1%, as compared to the same period in the prior year; the cost of sales amounted to RMB3,613 million, representing an increase of RMB104 million, or 3.0%, as compared to the same period in the prior year. The profit of Consolidated Group Companies amounted to RMB565 million, representing a decrease of RMB116 million, or 17.0%, as compared to the same period in the prior year, mainly due to the decrease in the business volume of grain, coal and other cargoes; the segment results amounted to RMB488 million, representing a decrease of RMB200 million, or 29.1%, as compared to the same period in the prior year, mainly due to the decrease in the business volume of grain, coal and other cargoes and the decrease in investment income.

3 Liquid bulk cargo handling and ancillary services

In 2025, the Group overcame adverse factors, leveraged newly added production capacity and capitalized on its tank storage advantages to expand emerging business. The new breakthroughs mainly achieved were as follows:

a. the Group built a crude oil transshipment hub by virtue of three logistics channels, including the mode of transshipment, pipeline and railway, with cargo sources from outside Shandong province exceeding 9 million tons. The Group developed 10 new clients and added more than 6 million tons of cargo source; and

b. in the first half of 2025, the liquid chemical terminal storage phase II project in Dongjiakou port area commenced operations, adding 132 thousand cubic meters of storage capacity and driving the terminal to handle 2.40 million tons of LPG throughput in the year 2025. Leveraging its advantages in futures delivery, the Group completed the delivery of 260 thousand tons of crude oil futures.

For the year ended 31 December 2025, the revenue of liquid bulk cargo handling and ancillary services amounted to RMB3,064 million, representing a decrease of RMB606 million, or 16.5%, as compared to the same period in the prior year; the cost of sales amounted to RMB1,491 million, representing a decrease of RMB21 million, or 1.4%, as compared to the same period in the prior year; the profit of Consolidated Group Companies amounted to RMB1,537 million, representing a decrease of RMB423 million, or 21.6%, as compared to the same period in the prior year; the segment results amounted to RMB1,640 million, representing a decrease of RMB483 million, or 22.8%, as compared to the same period in the prior year, mainly due to the decreased business volume amid the external challenges and the lower rate of productivity of refineries.

4 Logistics and port value-added services

In 2025, the Group focused on building the world-class port-relying supply chain comprehensive service system, expanding the logistics network featuring "based on Shandong province, covering the Yellow River Basin, radiating across the nation, and connecting to the world", forming a completed whole-process logistics service system. The new development mainly achieved were as follows:

a. the Group strengthened the integrated and coordinated development of CFS business within the region and completed 5.03 million TEUs for the year, with an increase of 14.3% year-on-year;

b. the Group vigorously expanded agency services, achieving freight forwarding volume of 50.23 million tons, with an increase of 5.0% year-on-year; achieving vehicle agency volume of 2.96 million cubic meters, with an increase of 32.1% year-on-year; achieving sea freight booking of 0.31 million TEUs, with an increase of 16.1% year-on-year; and

c. the Group expanded and strengthened its warehousing business, striving to develop core cargoes including pulp and rubber to broaden its domestic and international footprint. It diversified its futures product, securing qualifications as a delivery warehouse for polyvinyl chloride and offset printing paper futures. The Group's logistics warehousing volume of the year 2025 reached 2.83 million tons, with an increase of 10.3% year-on-year.

For the year ended 31 December 2025, the revenue of logistics and port value-added services amounted to RMB7,089 million, representing a decrease of RMB483 million, or 6.4%, as compared to the same period in the prior year; the cost of sales amounted to RMB5,198 million, representing a decrease of RMB552 million, or 9.6%, as compared to the same period in the prior year; the profit of Consolidated Group Companies amounted to RMB1,577 million, representing an increase of RMB13 million, or 0.8%, as compared to the same period in the prior year; the segment results amounted to RMB1,718 million, representing an increase of RMB24 million, or 1.4%, as compared to the same period in the prior year.

5 Port ancillary services

For the year ended 31 December 2025, the revenue of port ancillary services amounted to RMB1,422 million, representing a decrease of RMB118 million, or 7.7%, as compared with the same period in the prior year; the cost of sales amounted to RMB940 million, representing a decrease of RMB131 million, or 12.2%, as compared to the same period in the prior year, mainly due to the decreased revenue and cost in power-supply business; the profit of Consolidated Group Companies amounted to RMB422 million, representing an increase of RMB4 million, or 1.0%, as compared to the same period in the prior year; the segment results amounted to RMB593 million, representing an increase of RMB17 million, or 3.0%, as compared to the same period in the prior year.

3. Financial Position Analysis

Unit: RMB'000

Item	As at 31 December 2025	As at 31 December 2024	Amount of Change	Percentage of Change
Other receivables	**1,177,393**	835,529	**341,864**	**40.92%**
Other current assets	**532,326**	320,559	**211,767**	**66.06%**
Right-of-use assets	**313,098**	569,786	**-256,688**	**-45.05%**
Other non-current assets	**740,511**	552,226	**188,285**	**34.10%**
Notes payable	**258,794**	485,891	**-227,097**	**-46.74%**
Contract liabilities	**563,880**	278,862	**285,018**	**102.21%**
Long-term borrowings	**3,140,173**	1,997,892	**1,142,281**	**57.17%**

As at 31 December 2025, the Group's other receivables increased by RMB342 million, or 40.92%, as compared to the beginning of the year, mainly due to the increase of equity interests transfer receivable, dividend receivable and agency business receivable during this reporting period.

As at 31 December 2025, the Group's other current assets increased by RMB212 million, or 66.06%, as compared to the beginning of the year, mainly due to the increase of the prepayment of corporate income tax during this reporting period.

As at 31 December 2025, the Group's right-of-use assets decreased by RMB257 million, or 45.05%, as compared to the beginning of the year, mainly due to the termination of certain finance lease business during this reporting period.

As at 31 December 2025, the Group's other non-current assets increased by RMB188 million, or 34.10%, as compared to the beginning of the year, mainly due to the increase of the prepayment of engineering equipment fees during this reporting period.

As at 31 December 2025, the Group's notes payable decreased by RMB227 million, or 46.74%, as compared to the beginning of the year, mainly due to the payments of notes upon maturity during this reporting period.

As at 31 December 2025, the Group's contract liabilities increased by RMB285 million, or 102.21%, as compared to the beginning of the year, mainly due to the increase of stevedoring advance receipts during this reporting period.

As at 31 December 2025, the Group's long-term borrowings increased by RMB1,142 million, or 57.17%, as compared to the beginning of the year, mainly due to the increase of newly-added external loans during this reporting period.

4. Cash Flow Analysis

For the year ended 31 December 2025, the net cash inflow of the Group amounted to RMB539 million, among which:

(1) the net cash inflow from operation activities amounted to RMB5,549 million, mainly deriving from the net cash inflow from operation activities of Consolidated Group Companies;

(2) the net cash outflow from investment activities amounted to RMB3,117 million, mainly due to the receipt of RMB468 million in investment income from equity investment, the net outflow of RMB1,270 million from the payment of the fixed deposit with a term exceeding three months, the payment of RMB2,464 million for purchase and construction of fixed assets and construction in progress, the net inflow of RMB191 million from the disposal of fixed assets and other long-term assets, and the net outflow of RMB42 million from equity interests investment; and

(3) the net cash outflow from financing activities amounted to RMB1,885 million, mainly due to the received borrowings of RMB3,015 million, absorbing investment from minority shareholders of RMB41 million, the payment of RMB2,610 million from the distribution of dividends, the repayment of borrowings of RMB1,807 million, the repayment of leases liabilities of RMB366 million, and the repayment of debt interests of RMB105 million.

5. Liquidity and Financial Resources

As at 31 December 2025, the cash at bank and on hand of the Group amounted to RMB14,486 million with the main currency of RMB. The Group's total interest-bearing liabilities amounted to RMB3,983 million, among which, the liabilities bearing interests at the floating interests rate amounted to RMB3,164 million.

6. Capital Structure

As at 31 December 2025, the shareholders' equity interests of the Group amounted to RMB50,116 million, representing an increase of RMB3,324 million as compared to the beginning of the year, among which, the increase of equity interest attributable to the shareholders of the Company was RMB3,225 million, mainly due to the increase of RMB5,272 million from the operating profit, the decrease of RMB2,254 million from distributed dividends, the increase of RMB222 million from other comprehensive incomes; the equity interests of minority shareholders increased by RMB99 million, mainly due to the increase of RMB452 million from operating profits and the decrease of RMB359 million from distributed dividends.

As at 31 December 2025, the Company had 6,491,100,000 issued shares, comprising of 5,392,075,000 A shares and 1,099,025,000 H shares. The total market capitalization and H share market capitalization of the Company was approximately RMB51,879 million and HKD7,649 million, respectively, which were calculated based on the closing price of RMB8.34 per share on the Shanghai Stock Exchange and the closing price of HKD6.96 per share on the Hong Kong Stock Exchange as at 31 December 2025.

7. Gearing Ratio

As at 31 December 2025, the Group's cash at bank and on hand exceeded interest-bearing liabilities.

8. Interest Rate and Exchange Rate Risks

As at 31 December 2025, the Group didn't have cash at bank and on hand or receivables at floating interests rate, and payables at floating interests rate amounted to RMB3,164 million. The Group assessed the interest rate risk and anticipated that changes in interest rate would have no material impact on the Group.

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

The Group will continue to closely monitor risks in interest rate and exchange rate. The Group did not enter into any hedging arrangements with respect to interest rate and exchange rate risks in 2025.

9. Key Financial Indicators

Indicators	**2025**	2024	**Change**
Weighted average return on net assets	**11.95%**	12.65%	**Decreased by 0.70 percentage point**
Return on total assets	**8.85%**	9.32%	**Decreased by 0.47 percentage point**
Interest coverage ratio	**55.01 times**	54.28 times	**Increased by 0.73 time**
Current ratio	**2.30 times**	1.98 times	**Increased by 0.32 time**

For the year ended 31 December 2025, the weighted average return on net assets was 11.95%, representing a decrease of 0.70 percentage point as compared to the same period in the prior year, mainly due to the growth in average net assets from operating accumulation outpacing the growth in net profit attributable to the shareholders of the Company. The return on total assets was 8.85%, representing a decrease of 0.47 percentage point as compared to the same period in the prior year, mainly due to the fact that the new projects were still in the initial stage of operation or under construction and their capacity had not yet been fully released. The interest coverage ratio was 55.01 times, representing an increase of 0.73 time as compared to the same period in the prior year, mainly due to an increase of earnings before interest and taxes and a decrease in interest expenses. The current ratio was 2.30 times, representing an increase of 0.32 time as compared to the same period in the prior year, mainly due to the increase in current assets including cash at bank and on hand.

10. Significant Capital Investment

For the year ended 31 December 2025, the Group's significant capital investment was RMB1,230 million, mainly investing in projects such as the Dongjiakou port area north jetty III 7-8 berths, the renovation and capacity expansion project in the north bank of Qingdao Port Qianwan port area and other related ancillary projects.

11. Significant Entrusted Wealth Management

For the year ended 31 December 2025, the Group had no significant entrusted wealth management.

12. Significant Acquisition and Disposal of Subsidiaries, Joint Ventures and Associates

For the year ended 31 December 2025, there was no significant acquisition or disposal regarding the Group, joint ventures or associates.

13. Mortgages or Pledges of Assets

As at 31 December 2025, the Group had no asset mortgages or pledges.

14. Contingent Liabilities

As at 31 December 2025, the Group had no significant contingent liabilities.

15. Employees

As at 31 December 2025, the Company engaged 3,084 employees, and the Company and its subsidiaries engaged 9,728 employees in total, among which, the female employees accounted for approximately 14.88% in the employees of the Company and its subsidiaries. Due to the nature of the port industry to which the Group belongs, there is a greater demand for male employees. The Group has always been committed to gender diversity of employees, implemented a fair employment policy and reasonably increased the proportion of female employees to achieve an appropriate balance of gender diversity.

The details of employees are set out as below:

Unit: per person

Number of in-service employees of the Company	3,084
Number of in-service employees of the subsidiaries	6,644
In-service employees in total	9,728
Number of retirees for whom the Company and its subsidiaries bear expenses	7,812

Expertise composition category	**Number**	**Education level category**	**Number**
Production staff	6,240	Master's degree and above	554
Sales staff	213	Undergraduate degree	3,278
Technicians	1,734	Junior college and academy	4,014
Financial staff	311	Below junior college	1,882
Administration staff	1,118	**Total**	**9,728**
Other	112		
Total	**9,728**		

The employees' remunerations of the Group include basic salaries and performance incentives. The growth of employees' remunerations is determined by their working performance, economic environment, and supply and demand conditions of human resource market, under the "two matches" principle matching the employees' income growth with the growth of the Company's operating results and the increase of production rate. Meanwhile, the Group's remuneration policy is reviewed on a regular basis as well. The Group adhered to focusing on people, safeguarded the legitimate rights and interests of employees, paid the social insurances, enterprise annuity and supplementary medical insurance as required by the relevant regulations of the PRC and provided extra welfare schemes for employees.

16. Description of Other Business Operations

As the Dagang port area is planned to be transformed and upgraded into an international home port for cruise liners, some businesses of the Dagang port area will be gradually relocated to the Dongjiakou port area and the Qianwan port area. In March 2020, the construction of Qingdao international cruise homeport launch zone commenced, and the project has been progressing in accordance with the planned schedule. As of 31 December 2025, the construction of international home port for cruise liners had no effect on the main business of the Dagang port area.

The government of Qingdao Economic and Technological Development Zone proposed to adopt a new urban planning scheme that may relocate the port operations in the Huangdao oil port area and operations of certain clients around the Huangdao oil port area to the Dongjiakou port area. As at 31 December 2025, the Group did not receive any relocation plan or relevant notice, and did not obtain any information in relation to such relocation of clients or businesses to the Dongjiakou port area, and the operation of the Huangdao oil port area was not affected.

17. Outlook for the Year 2026

Looking ahead to 2026, China's external environment is undergoing profound and complex changes, where strategic opportunities and risks coexist, and uncertainties and unpredictable factors are on the rise. Internationally, the world is experiencing accelerated shifts in a century-long transformation, while a new wave of technological revolution and industrial change is rapidly breaking through. Domestically, China's economy maintains a solid foundation, multiple advantages, strong resilience and vast potential, and its fundamental conditions and trends supporting long-term growth remain unchanged.

In 2026, the Company will firmly focus on the three strategic goals of building the world-class maritime port cluster, the world-class integrated supply chain service system rooted in port business, and the world-class enterprise. The Company will continue optimizing business layout, enhancing service systems and improving operational quality and efficiency to make new contributions to regional economic and social development and deliver greater value to the shareholders of the Company.

(1) To sustain simultaneous growth in volume and efficiency in the core port business

In terms of container segment, the Company will make every effort to consolidate the position of the international container hub port in Northeast Asia, adding no fewer than 10 new shipping lines. Both the number and density of the shipping lines will continue to rank first among ports of northern China. In terms of dry and break bulk cargo segment, the Company will focus on building an "ore supermarket" and advance the development of the base for dry bulk cargo storage, transshipment, and distribution in Northeast Asia. The pulp import volume will maintain the first place nationwide, and the copper concentrate import will continue to rank first in northern China. In terms of liquid bulk cargo segment, the Company will further strengthen the position as the largest foreign trade oil port in northern China, to enhance the operational efficiency and customer service capabilities.

(2) To stimulate development momentum through investment optimization

Focusing on the core port business, the Company will seize policy opportunities to strengthen investment in port infrastructure. The Company will accelerate the construction of several key projects, including the container terminal upgrading and renovation project in the north bank of the Qianwan port area, the container terminal and the general-purpose terminal on the east part as well as at the bottom of the bay in the Dongjiakou port area. The Company will seek quality investment targets to expand the growth potential for the port.

(3) To advance innovation through intelligent and green development

The Company will accelerate the construction of intelligent port, and the construction of the main part of the national artificial intelligence application pilot base in the transportation sector will be basically completed, to empower the intelligent transformation and upgrading of the port. The Company will promote the green port development by synergistically advancing carbon reduction, pollution control, green expansion and economic growth, and build an energy system characterized by "clean energy as the mainstay, multi-energy integration", to accelerate the construction of "zero-carbon" port.

(4) To enhance modern governance efficiency

The Company will deepen corporate governance innovation, optimize decision-making procedures, strengthen information disclosure, and institutionalize compliance management to further improve the standardization of corporate governance. Guided by the orientation of "value creation", the Company will intensify the comprehensive budget management, improve the full-circle tracking mechanism for investment projects, and enhance post-investment evaluation and performance analysis. The Company will improve the compliance management system, solidify the foundation for risk prevention and control, conduct in-depth risk identification and special rectifications in key areas, and establish a systematic risk early warning and emergency response mechanism to firmly uphold the bottom line of risk prevention.

III. PROPOSED DISTRIBUTION OF FINAL DIVIDEND AND WITHHOLDING OF INCOME TAX

The Company proposes to distribute approximately 45% of Distributable Profits for the year of 2025 as dividends, with the total dividend amounting to RMB2,242.0259 million (tax inclusive). This represents approximately 43% of the net profit attributable to the Company's shareholders in the consolidated financial statements. Based on the total share capital of 6,491,100,000 shares of the Company, the Company plans to distribute a dividend of RMB3.454 per 10 shares (tax inclusive) to all shareholders, among which, the Company has distributed an interim dividend of RMB951.5953 million for the year of 2025 (distribution of dividend at RMB1.466 per 10 shares, tax inclusive) to all shareholders on 24 December 2025. Subject to the approval at the 2025 AGM, the remaining dividend of RMB1,290.4306 million (distribution of dividend at RMB1.988 per 10 shares, tax inclusive) will be paid within two months (no later than 28 August 2026) after the 2025 AGM.

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

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

IV. COMPLIANCE WITH CORPORATE GOVERNANCE CODE

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

The Company has complied with all code provisions set out in the Corporate Governance Code for the year ended 31 December 2025.

V. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2025, the Company or any of its subsidiaries did not make any purchase, sale or redemption of any listed securities of the Company (including sale of the treasury shares).

As at 31 December 2025 and the date of this report, there were no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise).

VI. AUDIT COMMITTEE

The Audit Committee has reviewed, with management of the Company, the accounting principles and policies adopted by the Group and the financial statements for the year ended 31 December 2025.

VII. AMENDMENTS TO CONSTITUTIONAL DOCUMENT

The Company convened the second extraordinary general meeting of 2025 on 28 October 2025, at which amendments to the Articles of Association were made. The revised version became effective upon approval at the aforementioned general meeting. The current effective Articles of Association has been published on the website of the Company and the website of Hong Kong Stock Exchange.

VIII. SIGNIFICANT LITIGATIONS

For the year ended 31 December 2025, the Group was not involved in any material litigations or arbitrations.

IX. SIGNIFICANT SUBSEQUENT EVENTS

On 14 January 2026, the Board approved the resolution in relation to the amendment to the articles of association of Ganglianhai Logistics. Prior to the completion of the amendment, the financial statements of Ganglianhai Logistics were not included into the consolidated financial statements of Qingdao Port Logistics or COSCO Logistics. Upon the completion of the amendment, although the equity interest structure of Ganglianhai Logistics remains unchanged, the voting rights of Qingdao Port Logistics in the general meeting of Ganglianhai Logistics has been further enhanced. Therefore, Qingdao Port Logistics gained the control over Ganglianhai Logistics and included it into the Group's consolidated financial statements from 1 January 2026. Ganglianhai Logistics has become a subsidiary of the Company. For further details, please refer to the announcement dated 14 January 2026.

Save as disclosed above, after 31 December 2025, the Group did not have any significant subsequent events.

X. CORPORATE SOCIAL RESPONSIBILITY

1. Environment Protection

The Group takes social responsibility as its own responsibility, adheres to the concept of sustainable development, implements the national goals of "carbon peaking and carbon neutrality", spares no effort to promote the construction of green and low-carbon port, actively takes measures to prevent and control air, water and solid waste pollution, enhances ecological and environmental management standards. In 2025, the Group constructed two new high-voltage shore power facilities and completed one fully intelligentized battery swap station. The annual shore power consumption exceeded 20 million kWh, reducing carbon emissions from fuel consumption in the port area and contributing to the reduction of the port's carbon emissions. The world's first hydrogen-electric tugboat was put into operation, the construction of a hydrogen-fueled combined heat and power system was completed, 5.7 MW of photovoltaic capacity was installed, and a 3.4 MW photovoltaic project was initiated, enhancing self-sufficiency in green power. QQCT and QQCTU were awarded as the title of "Five-star Green Port", the south bank of the Qianwan Port Area for containers was awarded as the title of "Five-star Green Port Area", and Qiangang Branch and QDOT were awarded as "Zero-waste Factories" in Qingdao.

In 2025, the Group continuously carried out a landscaped port renovation project, with greening space area of approximately 130,000 square meters, constructing 6 pocket parks, optimizing the green landscape of the port area, and enhancing the overall environment of the port area.

The Group continues to enhance sanitation management. In 2025, the Group completed cumulative disinfection and elimination of vector organisms covering approximately 30 million square meters in the port area.

2. Employee Care

The Group strives to provide a platform for employees to improve their talents and builds a channel for their personal development. The Group insists on respecting people, training people, shaping people, using advanced culture to gather people and using flexible mechanisms to motivate people. The Group creates good conditions and builds the platform to promote the all-round development of employees and achieve all-win harmony between enterprises and employees.

The Group concentrates on the cultivation and development of talents and works hard to implement its talent cultivation plan. In 2025, the number of employees in the Group who obtained various professional and technical titles in senior, intermediate and junior levels reached 280, and the number of employees who were newly qualified as senior technicians, technicians and senior workers reached 395. The age, education, knowledge, and ability structure of key personnel in management, technical workers, and other critical positions has shifted towards high skills and high quality, providing a talent guarantee for the Group's development.

The Group's learning-oriented employees and learning-oriented organizations have achieved new improvements. In 2025, training was conducted through offline key training sessions and online mobile learning through the Zhiniao platform. Specifically, 117 offline training sessions were held, including training for middle-level management and newly appointed middle-level management. Additionally, professional skills training for all employees was conducted through the Zhiniao platform, with 1.21 million online training participations, 479 exams were organized, and employee learning coverage reached 100%.

3. Community Care

The Group actively fulfills its social responsibilities and carries out various forms of social welfare activities while promoting its sustained and steady development.

Leveraging the unique position as a port, the Company provides diverse volunteer services to surrounding communities, customers, social organizations, and other groups. It works with local communities to advance initiatives such as poverty alleviation, care for the elderly and children, and youth education support. Regular blood donation campaigns are organized as part of its public welfare efforts. Employee volunteers take part in community activities including garbage cleanup, free haircuts, and home appliance repairs in neighborhoods and streets. The Company also engages with primary and secondary schools and universities to share port-related knowledge and promote patriotic education with revolutionary heritage. Care and warmth are extended to various groups including migrant workers, truck drivers and foreign crew members.

Please refer to the "The Environmental, Social and Governance (ESG) Report in 2025 of Qingdao Port International Co., Ltd." published by the Company for further details on the corporate social responsibility.

XI. RISK ALERT

1. Risk in Relation to the Macro Economy Volatility

As a fundamental industry of the national economy, the development of the port sector is closely related to the macro political and economic environment. The current international situation is complex and volatile, and industry risks have evolved into compound risks characterized by the intertwining of multiple factors such as geopolitics, trade policies, and supply chain security. Fluctuations in global trade directly affect the import and export businesses of all countries, which in turn impact on the production and operation of ports, particularly export-oriented ones. Simultaneously, China's economy is at a critical stage of transitioning towards high-quality development, with continuous deepening of economic structural adjustments and industrial upgrades. If significant changes occur in the global political and economic situation, or adjustments arise during the domestic economic transformation, these could impact China's economic development and domestic and international trade, thereby affecting the Group's production and operation as well as its business performance.

2. Risk in Relation to the Dependence on the Economic Development of the Hinterland

The Group's main economic hinterlands include Shandong, Jiangsu, Hebei, Shanxi and Henan, with its extending hinterlands including Shaanxi, Ningxia, Gansu and Xinjiang. The economic development as well as the international and domestic trade demand in these regions are the main factors affecting the Company's development. If the economic growth in these regions slows down or declines, it would cause certain negative impacts to the Group's operation.

3. Risk in Relation to the Adjustment of Port Rate

The Group's main revenue comes from the cargo stevedoring and ancillary services at the port, the charging standard of which is in compliance with the regulations in "Port Charges Calculation Measures" formulated by governmental authorities. If the country adjusts port charging rules or changes the port charging system, the Group's operating results may be influenced.

4. Risk in Integration of the Port

The Group has certain horizontal competition with Shandong Port Group and some of its subsidiaries in the core businesses. Shandong Port Group promises to take a series of measures to integrate the port related businesses within the consolidated scope within 5 years after becoming an indirect controlling shareholder of the Company, to solve the horizontal competition, which may lead to changes in the scope of the Group's assets and have a certain impact on the Group's operations.

BIOGRAPHICAL DETAILS OF MEMBERS OF THE BOARD OF THE COMPANY



Mr. SU Jianguang (蘇建光), born in 1969, is an engineering master of harbor coastal and offshoring engineering in Ocean University of China* (中國海洋大學) and a researcher of engineering technology application. He has joined the Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1989 and the Company since November 2013. He currently serves as the secretary to the Party Committee, chairman, executive Director, chairman of Strategy Development and ESG Committee, a member of Nomination Committee and an authorized representative of the Company, a Standing Committee member of the Party Committee and a deputy general manager of Shandong Port Group, the secretary to the Party Committee and the chairman of Qingdao Port Group, the secretary to the Party Committee and the chairman of Container Development Company, the commander of Qingdao Port Construction Headquarters, a member of the Party group and the deputy director of Qingdao International Cruise Port Service Administration* (青島國際郵輪港區服務管理局), and a director of Qingdao Port International Development (HK) Co., Ltd.* (青島港國際發展(香港)有限公司). He served as the secretary to the Party Committee, the manager and secretary to the discipline inspection committee of Qingdao Port Engineering, the secretary to the Party Committee and the manager of Gangjian Branch of Qingdao Port International Co., Ltd., the secretary to the Party Committee and the general manager of Qingdao Port Investment and Construction (Group) Co., Ltd.* (青島港口投資建設(集團)有限責任公司), the deputy secretary to the Party Committee, the vice president, the vice chairman and the non-executive director of the Company, the deputy secretary to the Party Committee, the director and the general manager of Qingdao Port Group, and other positions. Mr. SU Jianguang has over 30 years of working experience in the port industry, and is experienced in the management of large-scale port enterprises.



Mr. LI Wucheng (李武成), born in 1965, is an economics bachelor of planning statistics in Shandong College of Economics* (山東經濟學院) (now known as Shandong University of Finance and Economics* (山東財經大學)). He is an engineer and an assistant statistician. He has joined the Qingdao Port Authority (青島港務局) (now known as Qingdao Port Group) since July 1987 and the Company since November 2013. He currently serves as the deputy secretary to the Party Committee, the vice chairman, a non-executive Director, a member of Strategy Development and ESG Committee and a member of Remuneration Committee of the Company. He served as a member of Party Committee and the deputy general manager of QQCT, the secretary to the Party Committee and the general manager of Qingdao Port Logistics, the secretary to the Party Committee and the manager of Logistics Branch of the Company, a supervisor of the Company, the secretary to the Party Committee, an executive director and the general manager of Shandong Port Land-Sea International Logistics Group Co., Ltd.* (山東港口陸海國際物流集團有限公司), the deputy secretary to the Party Committee, the director and the general manager of Shandong Port Bohaiwan Port Group Co., Ltd.* (山東港口渤海灣港集團有限公司), the director of Container Operation Center of Shandong Port Group, the deputy secretary to the Party Committee, a director, the general manager and a chief quality officer of Qingdao Port Group, the deputy secretary to the Party Committee, the director and the general manager of Container Development Company, and other positions. Mr. LI Wucheng has over 30 years of working experience in the port industry, and is experienced in the management of large-scale port enterprises.

Note: The information of Directors and senior management described in this section is as of the date of approval for release by the Board on 27 March 2026.



Ms. WU Yu (吳宇), born in 1976, is a master of business administration in Fudan University* (復旦大學) and an economist. She has joined the Company since October 2025. She currently serves as a non-executive Director and a member of Strategy Development and ESG Committee of the Company, an executive director, the managing director, the chairwoman of the company risk management committee, a member of the executive committee, a member of the remuneration committee, a member of the nomination committee and a member of the investment and strategic planning committee of COSCO SHIPPING Ports (a company listed on the Hong Kong Stock Exchange, stock code: 01199), the deputy general manager of COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601919; a company listed on the Hong Kong Stock Exchange, stock code: 01919), the deputy general manager of COSCO SHIPPING Lines Co., Ltd.* (中遠海運集裝箱運輸有限公司), a director and a member of the executive committee of Orient Overseas Container Line Limited* (東方海外貨櫃航運有限公司), the chief executive officer of OOCL Logistics Limited* (東方海外物流有限公司), the chairman of Shanghai COSCO SHIPPING Information & Technology Co., Ltd.* (上海中遠海運資訊科技有限公司), and other positions. She served as a business manager of the E-commerce Division of the Corporate Information Development Department, a deputy manager of the Route Information Department, a manager of the Planning and Operations Division of the Strategic Development Department, a deputy general manager of the Corporate Information Development Department, the general manager of the Corporate Information Development Department and the assistant general manager of COSCO Container Lines Co., Ltd.* (中遠集裝箱運輸有限公司) (now known as COSCO SHIPPING Lines Co., Ltd.), and other positions.



Mr. ZHANG Baohua (張保華), born in 1968, is a master of law majoring in Party history of the Communist Party of China of Tianjin Normal University* (天津師範大學), a professor-level senior political worker and an engineer. He has joined the Company since March 2020. He currently serves as a deputy secretary to the Party Committee, an executive Director, a member of Strategy Development and ESG Committee, the general manager and the secretary of the Party Committee of Intra-Organizational Department of the Company, the deputy secretary to the Party Committee and the director of Qingdao Port Group. He served as the director of Container Operation Center of Shandong Port Group, the chairman and a non-executive director of Rizhao Port Jurong Co., Ltd.* (日照港裕廊股份有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 06117), the supervisor of RZP (a company listed on the Shanghai Stock Exchange, stock code: 600017), a member of the Party Committee and the deputy general manager of Rizhao Port Group, the secretary of the Party Committee and the manager of Second Harbor Branch Company* (第二港務分公司) of Rizhao Port Co., Ltd.* (日照港股份有限公司), the general party branch secretary and the general manager of Rizhao Port Jurong Terminals Co., Ltd.* (日照港裕廊碼頭有限公司) (now known as Rizhao Port Jurong Co., Ltd.* (日照港裕廊股份有限公司), a company listed on the Hong Kong Stock Exchange, stock code: 06117), the chairman of the board of QQCT, the director of QQCTU, the director and the general manager of Container Development Company, and other positions. Mr. ZHANG Baohua has over 30 years of working experience in port industry and is experienced in the management of large-scale port enterprises.



Mr. CUI Liang (崔亮), born in 1968, is an associate degree in Chinese language and literature of Shandong Normal University* (山東師範大學) and a political worker. He has joined the Company since January 2024. He currently serves as a member of the Party Committee, a non-executive Director and a member of Strategy Development and ESG Committee of the Company, a member of the Party Committee, a deputy general manager and a chief despatcher of Qingdao Port Group, the chairman of Qingdao Port Pilot Station Co., Ltd.* (青島港引航站有限公司), a director of Container Development Company, the chairman of Mercuria Logistics and the director of several joint ventures and associates of the Company, and other positions. He served as a deputy manager of Third Harbor Branch Company* (第三港務分公司) of Rizhao Port Co., Ltd.* (日照港股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600017), a member of the Party Committee, the chairman of the labor union, the director of production business department of Rizhao Port Group and a manager of Marketing Branch* (市場營銷分公司), the chairman of the supervisory committee and a director of RZP, the chairman and a non-executive director of Rizhao Port Jurong Co., Ltd.* (日照港裕廊股份有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 06117), the director and the vice chairman of Rizhao Zhongran Marine Fuel Supply Co., Ltd.* (日照中燃船舶燃料供應有限公司), the director and the vice chairman of Rizhao Port Shangang Terminal Co., Ltd.* (日照港山鋼碼頭有限公司), a supervisor of Rizhao Port Development Co., Ltd.* (日照港發展有限公司), and other positions. Mr. CUI Liang has over 30 years of working experience in port industry and is experienced in the management of large-scale port enterprises.



Ms. WANG Fuling (王芙玲), born in 1974, is an engineering master of Nanjing University of Posts and Telecommunications* (南京郵電大學) majoring in computer technology, a senior political worker and an economist. She has joined the Company since April 2020. She currently serves as a member of the Party Committee, the chairman of the labor union, an employee representative Director, a member of Strategy Development and ESG Committee, a member of Audit Committee of the Company, a member of the Party Committee and the chairman of the labor union of Qingdao Port Group. She served as a deputy director of the decision supervision division of Qingdao Municipal Party Committee, a deputy director and an investigator of the intra-party network and government affairs division of the general office of Qingdao Municipal Party Committee, an investigator of the general duty office, the director of the publicity and education division of the office of the secrecy commission, and the director of the publicity and education division of administration bureau of secrets protection of Qingdao Municipal Party Committee, an assistant to the general manager of Qingdao Port Group, and other positions. Ms. WANG Fuling has more than 25 years of management experience.



Mr. CHAU Kwok Keung (鄒國強), born in 1976, is a bachelor of business administration majoring in accounting in the Chinese University of Hong Kong* (香港中文大學). He has joined the Company since October 2025. He currently serves as an independent non-executive Director, the chairman of Audit Committee and a member of Remuneration Committee of the Company, the chief financial officer of Laekna, Inc.* (來凱醫藥有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 02105), an independent director of The9 Limited* (上海第九城市信息技術有限公司) (a company listed on NASDAQ, stock code: NCTY), an independent non-executive director of China Infrastructure & Logistics Group Ltd.* (中國通商集團有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 01719), and an independent director of Bank of Zhangjiakou Co., Ltd.* (張家口銀行股份有限公司). He served as an independent non-executive director of the Company, an independent non-executive director of China Xinhua Education Group Limited* (中國新華教育集團有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 02779), an independent non-executive director of China Tobacco International (HK) Company Limited* (中煙國際(香港)有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 06055), an executive director of BetterLife Holding Limited* (百得利控股有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 06909), and other positions. Mr. CHAU Kwok Keung has practice qualifications of the Chartered Financial Analyst (CFA), the certified public accountant in Hong Kong, the certified public accountant in the United Kingdom and the certified public accountant and financial accountant in Australia, and has over 20 years of work experience in accounting and financial management.



Ms. LI Xiaohui (李曉慧), born in 1967, is a doctor in economics and a professor in Central University of Finance and Economics* (中央財經大學). She has joined the Company since October 2025. She currently serves as an independent non-executive Director, the chairman of Remuneration Committee, a member of Audit Committee and a member of Nomination Committee of the Company, a professor and a doctoral supervisor at the School of Accountancy of Central University of Finance and Economics, a member of the Audit Professional Committee of the Accounting Society of China* (中國會計學會審計專業委員會), a member of the Academic Committee of the China Institute of Internal Audit* (中國內部審計協會學術委員會), an independent non-executive director of Bank of Communications Co., Ltd.* (交通銀行股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601328; a company listed on the Hong Kong Stock Exchange, stock code: 03328), an independent director of China Everbright Group Ltd.* (中國光大集團股份公司), and an independent director of BCEG Resources Recycling Co., Ltd.* (北京建工資源循環利用股份有限公司). She served as an independent director of Bank of Beijing Co., Ltd.* (北京銀行股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601169) and an independent director of State Grid Information and Communication Co., Ltd.* (國網信息通信股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600131), and other positions. Ms. LI Xiaohui has a practice qualification of the Chinese Certified Public Accountant, and has over 30 years of work experience in accounting, audit and internal control.



Mr. JIANG Xinglu (姜省路), born in 1971, is a bachelor of laws in Shandong University* (山東大學). He has joined the Company since October 2025. He currently serves as an independent non-executive Director, the chairman of Nomination Committee and a member of Strategy Development and ESG Committee of the Company, a director and the general manager of Shandong Blue Economy Industrial Fund Management Co., Ltd.* (山東藍色經濟產業基金管理有限公司), an independent director of SINOSTAR PEC HOLDINGS LIMITED (a company listed on the Singapore Exchange, stock code: C9Q), and an independent director of Lingong Heavy Machinery Co., Ltd.* (臨工重機股份有限公司). He served as an external supervisor of Bank of Qingdao Co., Ltd.* (青島銀行股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002948; a company listed on the Hong Kong Stock Exchange, stock code: 03866), an independent non-executive director of Tsingtao Brewery Company Limited* (青島啤酒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600600; a company listed on the Hong Kong Stock Exchange, stock code: 00168), an independent director of Liqun Commercial Group Co., Ltd.* (利群商業集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601366), an independent director of Hailir Pesticides and Chemicals Group Co., Ltd.* (海利爾藥業集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603639), an independent director of Qingdao East Soft Communication Technology Co., Ltd.* (青島東軟載波科技股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 300183), a partner of Shandong Qindao Law Office* (山東琴島律師事務所), a partner of Grandall Law Firm* (國浩律師事務所), a partner of King & Wood Mallesons (Beijing)* (北京市金杜律師事務所), and other positions. Mr. JIANG Xinglu has a practice qualification of a lawyer and a license of fund practitioner, and has over 30 years of work experience in legal expertise and the equity investment.

BIOGRAPHICAL DETAILS OF THE SENIOR MANAGEMENT OF THE COMPANY



Mr. ZHANG Baohua (張保華), please refer to details of members of the Board.



Mr. CHANG Zhizhuan (常志專), born in 1972, is a bachelor of industrial and business management of Central Radio and Television University* (中央廣播電視大學) and an economist. He has joined Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1992 and the Company since December 2013. He currently serves as a deputy general manager, the director of investment and development department, a member of the Organ Party Committee of the Company, a director of Qingdao Shihua, a director of QQCT, a director of West United, a director of Qingdao OST, a director of QDOT, a director of Mercuria Logistics, a director of Dongjiakou Oil, a director of Shandong Port Lianhua, a director of Weihai Port, a director of Weihai Port Development Company, a director of Qingdao Port Pilot Station Co., Ltd.* (青島港引航站有限公司), a director of Qingdao Huanhai Bay Development and Construction Co., Ltd. (青島環海灣開發建設有限公司), an external director of Qingdao Cardiovascular Hospital Co., Ltd.* (青島心血管病醫院有限公司) and a director of Qingdao Donglian Railway Co., Ltd.* (青島董蓮鐵路有限公司). He served as a deputy director of development department of Qingdao Port Group, a chairman of Qingdao Orient, a chairman of supervisory committee of Weihai Qingwei, a director of Qingdao Changrong Container Storage and Transportation Co., Ltd.* (青島長榮集裝箱儲運有限公司), and other positions. Mr. CHANG Zhizhuan has over 30 years of working experience in port industry and has extensive experience in the management of large-scale port enterprises.



Mr. LI Jingkui (李靖逵), born in 1972, is a bachelor of English of Central Radio and Television University* (中央廣播電視大學), an engineering master of logistics engineering major of China University of Petroleum (East China)* (中國石油大學(華東)), and a political worker and an economist. He has joined Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1992 and the Company since November 2013. He currently serves as a deputy general manager of the Company, a member of the Party Committee of Container Development Company, the vice chairman of Weihai Qingwei, a director of COSCO SHIPPING Ports (Abu Dhabi) Limited* (中遠海運港口(阿布扎比)有限公司), and a director of COSCO SHIPPING Ports Abu Dhabi Terminal Co., Ltd.* (中遠海運港口阿布扎比碼頭有限公司). He served as the secretary to the Party Committee, the chairman and the general manager of QQCT, the vice chairman and the general manager of Ocean Bridge International, the chairman and the general manager of Qingdao Ganghai International Logistics Co., Ltd.* (青島港海國際物流有限公司), the chairman of China Shipping Agency (Qingdao) Co., Ltd.* (青島中海船務代理有限公司), the chairman of Qingdao Ganglianshun Shipping Co., Ltd.* (青島港聯順船務有限公司), the chairman and the general manager of Qingdao Port Yizhihang Cold-Chain Logistics Co., Ltd., the chairman of Qingdao Changrong Container Storage and Transportation Co., Ltd.* (青島長榮集裝箱儲運有限公司), the chairman of Qingdao Orient and other positions. Mr. LI Jingkui has over 30 years of working experience in the port industry and has extensive experience in the management of large-scale port enterprises.



Mr. YU Shoushui (于守水), born in 1980, is a provincial party school master of law theory at the Party School of the Shandong Provincial Committee of the Communist Party of China* (中共山東省委黨校), an engineering master of engineering major in control engineering field of Qingdao University* (青島大學) and a senior engineer. He has joined Qingdao Port Group since August 2002 and the Company since November 2013. He currently serves as a deputy general manager of the Company, the secretary to the Party Committee and the general manager of Qingdao Port International Oil Port Co., Ltd.* (青島港國際油港有限公司), the secretary to the Party Committee, a director and the general manager of Qingdao Shihua, the secretary to the Party Committee, a director and the general manager of Shandong Port Lianhua, and the director of subsidiaries or joint stock companies in the sector of liquid bulk cargo and other positions. He served as the assistant director of the safety and technology department of the Company, the deputy manager and a member of Party Committee of Qiangang Branch, a director of Qingdao Yongli Insurance Agency Co., Ltd.* (青島永利保險代理有限公司), a director of safety, environmental protection and technology department, and other positions. Mr. YU Shoushui has over 20 years of working experience in the port industry and has extensive experience in the management of large-scale port enterprises.



Mr. LI Zhengxu (李正旭), born in 1970, is a provincial party school bachelor of law at the Party School of the Shandong Provincial Committee of the Communist Party of China* (中共山東省委黨校) and an engineer. He has joined Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1991 and the Company since November 2013. He currently serves as a deputy general manager of the Company, the secretary to the Party Committee and a manager of the Dagang Branch, a chairman and a general manager of Ark Intelligent Port and Navigation Service (Qingdao) Co., Ltd.* (方舟智能港航口岸服務(青島)有限公司). He served as a supervisor, the director of the department of audit, a member of Organ Party Committee of the Company, the director of Inspection Leading Group Office of Qingdao Port Group, a member of the Party Committee and the deputy manager of Qingdao Shihua, the secretary to the Party branch and the director of the materials and equipment bidding and procurement center, the chairman of supervisory committee and the supervisor of the Company and some subsidiaries of Shandong Port Group, and other positions. Mr. LI Zhengxu has over 30 years of working experience in port industry and is experienced in the management of large-scale port enterprises.



Mr. DAI Weijun (代偉軍), born in 1972, is a master of economics and management at the Party School of the Shandong Provincial Committee of the Communist Party of China* (中共山東省委黨校), a senior economist and an engineer. He has joined Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1992 and the Company since November 2013. He currently serves as a deputy general manager, the director of safety, environmental protection and technology department and a member of the Organ Party Committee of the Company. He served as a member of the Party Committee and a deputy manager of Xigang Branch* (西港分公司) of Qingdao Port Group, the secretary to the Party Committee, the secretary of the discipline inspection committee and the chairman of the labor union of Qiangang Branch* (前港分公司) of Qingdao Port Group, the deputy director of the office, the secretary of the Party branch and the director of logistics service management center of Qingdao Port Group, the director of logistics service management center of the Company, the deputy director of the office of the Company, the secretary to the Party Committee and the manager of Tugboat Branch* (輪駁分公司) of the Company, the secretary to the Party Committee, the director and the general manager of QDOT, and other positions. Mr. DAI Weijun has over 30 years of working experience in port industry and is experienced in the management of large-scale port enterprises.



Mr. LIU Shuiguo (劉水國), born in 1975, is a master of transportation planning and management of Dalian Maritime University* (大連海事大學), a professor and a qualified lawyer of the PRC. He has joined Qingdao Port Authority* (青島港務局) (now known as Qingdao Port Group) since July 1998 and the Company since April 2017. He currently serves as a deputy general manager, the director of legal compliance department, a member of the Organ Party Committee and the chairman of labor union of intra-organizational department of the Company, a director of Shandong Port Lianhua, a director of Weihai Port, a director of Weihai Port Development Company and the external director of Qingdao Cardiovascular Hospital Co., Ltd.* (青島心血管病醫院有限公司). He served as a member of the Party Committee and an assistant to the dean of Qingdao Harbour Vocational & Technical College* (青島港灣職業技術學院), an assistant to the director and a deputy director (presiding over work) of legal department of the Company, the vice chairman of labor union of intra-organizational department and an employee representative Supervisor of the Company, and other positions. Mr. LIU Shuiguo has over 25 years of working experience in port industry and is experienced in the management of large-scale port enterprises.



Ms. SUN Hongmei (孫洪梅), born in 1980, is a literature master majoring in foreign linguistics and applied linguistics of Tongji University* (同濟大學) and a senior economist. She has joined Qingdao Port Group since August 2007 and the Company since December 2013. She currently serves as the secretary to the Board, the company secretary, authorized representative and the director of general office to the board of the Company, a director of Container Development Company, a director of Weihai Port and a director of Weihai Port Development Company. She served as a securities affair representative, the deputy director of the general office to the Board of the Company, and other positions. Ms. Sun Hongmei has participated in major projects such as the restructuring and establishment of the Company, H-share IPO and A-share IPO, and port asset restructuring. Ms. SUN Hongmei has extensive experience in capital operation, corporate governance, information disclosure, investor relations management and other securities matters of A share and H share listed companies.

The Board is pleased to present the Company's annual report and the audited financial statements for the year ended 31 December 2025.

PRINCIPAL BUSINESSES AND ACTIVITIES

The Group operates the following businesses through its branches, subsidiaries, joint ventures and associates: (i) container handling and ancillary services; (ii) dry and break bulk cargo handling and ancillary services; (iii) liquid bulk cargo handling and ancillary services; (iv) logistics and port value-added services; and (v) port ancillary services.

More details regarding the subsidiaries, joint ventures and associates of the Company are set out in Note 6 to the financial statements. The performance of the Group's business segments for the year is set out in Note 7 to the financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are set out in the Management Discussion and Analysis and the Chairman's Statement of this report. An analysis of the Group's performance during the year based on key financial performance indicators is set out in the "Key Financial Indicators" section within the Management Discussion and Analysis chapter of this report. Details of the significant capital investment of the Group are set out in the "Significant Capital Investment" section within the Management Discussion and Analysis chapter of this report. Details of the capital structure of the Company are set out in the "Share Capital" section within the Directors' Report chapter of this report. Information regarding the principal risks and uncertainties that the Group may face is set out in the "Risk Alert" section within the Management Discussion and Analysis chapter of this report. After 31 December 2025, information regarding the significant subsequent events of the Group is set out in the "Significant Subsequent Events" section within the Management Discussion and Analysis chapter of this report.

In addition, information of the Company's environmental policies and performance can be found in "Corporate Social Responsibility" in the Management Discussion and Analysis of this report. Our Company's compliance with relevant laws and regulations which have a significant impact on the Group, is set out in the section headed "Compliance with Laws and Regulations" of this Directors' Report. An account of the Company's relationship with its employees, customers and suppliers is disclosed in the section headed "Relationship with Stakeholders" of this Directors' Report.

DIVIDEND POLICY

The Company has consistently distributed dividends in accordance with the Articles of Association. The Board is responsible for submitting the suggestions concerning dividend distribution (if any) to shareholders' general meeting for approval. Whether the Company distributes dividend and the amount of such dividend paid by the Company depend on the Company's operation performance, cash flow, financial status, cash dividend collected from subsidiaries, future capital expenditure, legal and regulatory restriction concerning the dividend distribution and other factors considered by the Board to be related.

The profit distribution policy set out in the Articles of Association is as follows:

(I) The Company distributes profit in cash, stock, or combined cash and stock or other methods permitted by laws and regulations and normative documents;

(II) The Company may distribute its dividend in cash under the condition that the Company is profitable in the current year and its accumulated undistributed profit is positive, and the audit institution has issued a standard audit report with unqualified opinions towards the Company's annual financial report. The accumulated profit distributed by the Company in cash in recent three years shall be no less than 30% of the average annual distributable profit gained in recent three years. The undistributed distributable profit of the year may be retained for distribution for future years. The distribution of the Company's profit shall not exceed its accumulated distributable profit nor damage the Company's sustainable operation ability;

(III) While satisfying the requirements of cash dividend stipulated in the Articles of Association, the Company will proactively distribute dividend in cash. In principle, the cash dividend is distributed once a year. The Board will make the proposal of conducting mid-term profit distribution according to the Company's profitability and capital demand; and

(IV) To keep equity expansion in line with performance growth, the Company may distribute profit in stock dividend according to the situation of accumulated distributable profit, capital reserves and cash flow and under the premise that the conditions of the minimum cash dividend ratio and the above-mentioned cash dividend have been satisfied.

The profit distribution policies set out in the "Shareholders' Dividend Return Plan in Three Years of 2025-2027 of Qingdao Port International Co., Ltd." are as follows:

The Company distributes profit in cash, stock, or combined cash and stock or other methods permitted by laws and regulations and normative documents;

The Company may distribute its dividend in cash under the condition that the Company is profitable in the current year and its accumulated undistributed profit is positive, and the audit institution has issued a standard audit report with unqualified opinions towards the Company's annual financial report. The cash dividend of the Company in each year shall be no less than 40% of the distributable profit in the current year. The calculation method used for distributable profit in the current year is the net profit attributable to the parent company according to the consolidated financial statements prepared by the PRC Accounting Standards deducts the accumulated compensation amount for losses, statutory provident fund and other necessary reserves calculated and drew by the parent company and its subsidiaries, and the amount after considering the factors such as the impact caused to the annual net profit by the amount of asset evaluation increment invested in the Company by its sponsor and shareholder Qingdao Port Group when the Company was established. The undistributed distributable profit of the year may be retained for distribution for future years. The distribution of the Company's profit shall not exceed its accumulated distributable profit nor damage the Company's sustainable operation ability;

While satisfying the requirements of cash dividend stipulated in the Articles of Association, the Company will proactively distribute dividend in cash. In principle, the cash dividend is distributed once a year at least. The Board will make the proposal of conducting mid-term profit distribution according to the Company's profitability and capital demand; and

To keep equity expansion in line with performance growth, the Company may distribute profit in stock dividend according to the situation of accumulated distributable profit, capital reserves and cash flow and under the premise that the conditions of the minimum cash dividend ratio and the above-mentioned cash dividend have been satisfied.

The Company had no arrangement in relation to any shareholder who had waived or agreed to waive any dividends.

RESULTS AND FINAL DIVIDEND

The results of the Group for the year are set out in the consolidated income statement of this report.

The Company proposes to distribute approximately 45% of Distributable Profits for the year of 2025 as dividends, with the total dividend amounting to RMB2,242.0259 million (tax inclusive). This represents approximately 43% of the net profit attributable to the Company's shareholders in the consolidated financial statements. Based on the total share capital of 6,491,100,000 shares of the Company, the Company plans to distribute a dividend of RMB3.454 per 10 shares (tax inclusive) to all shareholders of the Company, among which, the Company has distributed an interim dividend of RMB951.5953 million for the year of 2025 (distribution of dividend at RMB1.466 per 10 shares, tax inclusive) to all shareholders of the Company on 24 December 2025. Subject to the approval at the 2025 AGM, the remaining dividend of RMB1,290.4306 million (distribution of dividend at RMB1.988 per 10 shares, tax inclusive) will be paid within two months (no later than 28 August 2026) after the 2025 AGM.

The Directors confirmed that the declaration and payment of both the interim dividend and the final dividend for the year of 2025 were in compliance with the Company's dividend policy.

SHARE CAPITAL

As at 31 December 2025, the number of shares issued by the Company was 6,491,100,000, with a nominal value of RMB1.00 per share. The share capital structure of the Company was set out below:

Class	Number of shares	Percentage of the issued shares of the Company
A shares	5,392,075,000	83.1%
H shares	1,099,025,000	16.9%
Total	6,491,100,000	100.0%

Changes in share capital of the Company during the year are set out in Note 4(42) to the financial statements.

AUDIT COMMITTEE

Please refer to the chapters of "Management Discussion and Analysis" and "Corporate Governance Report" in this report for details.

RESERVES

Details of changes in reserves of the Group and the Company for the year are set out in the Consolidated Statement of Changes in Equity.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the amount of reserves available for distribution of the Company was approximately RMB22,807 million, including a dividend of approximately RMB2,242 million (including RMB951.5953 million of dividend distributed in the interim for the year of 2025), which is to be proposed at the 2025 AGM.

DONATIONS

During the reporting period, the Group donated RMB1 million, among which, RMB0.80 million was donated to "International Standardization Outstanding Contribution Award Foundation" and RMB0.20 million was donated to the "Special Fund of Guarding Country by Frontier Inspection Police of Shandong Provincial Public Security Police Special Care Foundation".

BANK BORROWINGS AND OTHER BORROWINGS

Details of bank borrowings and other borrowings of the Company and its subsidiaries as at 31 December 2025 are set out in Note 4(25), Note 4(36), and Note 4(38) to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group's major customers and suppliers accounted for the following percentages in the Group's revenue from sales of goods or rendering of services and purchases:

Revenue from the largest customer as a percentage of the Group's revenue from sales of goods or rendering of services	Less than 15%
Revenue from the top five customers as a percentage of the Group's revenue from sales of goods or rendering of services	Less than 25%
Purchase amount from the largest supplier as a percentage of the Group's purchases amount	Less than 20%
Purchase amount from the top five suppliers as a percentage of the Group's purchases amount	Less than 45%

None of the Directors or any of their close associates or any shareholders (to the best of the Directors' knowledge, owning more than 5% of the issued share capital of the Company as at the date of this report) have any interest in any of the five customers and suppliers of the Group.

SIGNIFICANT INVESTMENTS

For the year ended 31 December 2025, the Group did not engage in any significant investments.

FIXED ASSETS AND CONSTRUCTION IN PROGRESS

Details of changes in property, plant and equipment of the Group are set out in Note 4(16) and Note 4(17) to the financial statements.

INVESTMENT PROPERTIES

Details of investment properties of the Group for the year are set out in Note 4(15) to the financial statements.

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND THE CHIEF EXECUTIVE

On 28 October 2025, the Company officially abolished the Supervisory Committee. The supervisory positions of Mr. YUAN Qing, Mr. WANG Yaping, Mr. YANG Qiulin, Mr. LOU Gang, Ms. YAO Juanjuan and Mr. WANG Tao were automatically relieved.

Save as disclosed above, there were no changes to the Directors', the Supervisors' and the chief executive's information as required to be disclosed pursuant to the Hong Kong Listing Rules during the period from 1 July 2025 to 31 December 2025.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The Board currently comprises of nine Directors, including two executive Directors, namely Mr. SU Jianguang and Mr. ZHANG Baohua; four non-executive Directors, namely Mr. LI Wucheng, Ms. WU Yu, Mr. CUI Liang and Ms. WANG Fuling; and three independent non-executive Directors, namely Mr. CHAU Kwok Keung, Ms. LI Xiaohui and Mr. JIANG Xinglu.

There are eight senior management in total, including the general manager of Mr. ZHANG Baohua, the deputy general manager of Mr. CHANG Zhizhuan, Mr. LI Jingkui, Mr. YU Shoushui, Mr. LI Zhengxu, Mr. DAI Weijun and Mr. LIU Shuiguo, and the secretary to the Board of Ms. SUN Hongmei.

Information about the details of the Directors and senior management of the Company is set out in the section headed "Directors and Senior Management" in this report.

SERVICE CONTRACTS OF DIRECTORS

The Company has entered into service contracts with all Directors for a term of commencing from 28 October 2025 to the date of expiry of the fifth session of the Board.

None of the Directors has entered into any service contract with the Company or any of its subsidiaries which was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for service contracts, there were no other transactions, arrangements or contracts of significance in relation to the Group's business, to which the Company, any of its subsidiaries or fellow subsidiaries was a party and in which none of the Director or its connected entities had a material interest, whether directly or indirectly, as at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2025.

INTERESTS OF DIRECTORS IN COMPETING BUSINESSES

Shandong Port Group was an indirect controlling shareholder of the Company, the port operation, logistics and other businesses of its controlled companies are similar to those of the Company and/or compete with or likely to compete with those of the Company. For the year ended 31 December 2025, the then Directors of the Company of Mr. SU Jianguang, Mr. LI Wucheng, Mr. ZHANG Baohua, Mr. CUI Liang and Ms. WANG Fuling concurrently served as a director and/or a member of senior management at Shandong Port Group and/or its subsidiaries.

COSCO SHIPPING Group is a principal shareholder of the Company and one of the largest shipping companies in the world, the port operation and investment and the logistics business of which are similar to and/or are likely to compete/compete with those of the Company. For the year ended 31 December 2025, the current Director of the Company of Ms. WU Yu concurrently served as a director and a member of senior management of COSCO SHIPPING Ports, which is a member of COSCO SHIPPING Group.

The Company has received confirmation letters from the Directors for the year ended 31 December 2025, save as disclosed above, the Directors confirm that, other than business of the Group, none of them holds any interest in business which directly or indirectly competes or is likely to compete with the business of the Group during their tenure.

REMUNERATION OF DIRECTORS, SUPERVISORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Remuneration of Directors and former Supervisors is determined based on their roles and duties, the Company's remuneration policy and the prevailing market conditions, subject to the approval of the general meeting. Details of remuneration of Directors, former Supervisors and the five highest paid individuals of the Company during the year are set out in Note 8(8) and Note 8(9) to the financial statements.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND THE CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

So far as the Directors are aware, as at 31 December 2025, none of the Directors or the chief executive or their associates had any interest or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO): (i) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register kept by the Company, or (ii) which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

MATERIAL CONTRACT

Save as disclosed in this report, at no time during the year had the Company or any of its subsidiaries entered into any material contract with the controlling shareholder of the Company (as defined in the Hong Kong Listing Rules) or any of its subsidiaries, nor had any material contract been entered into for the services provided by the controlling shareholder of the Company or any of its subsidiaries to the Company or any of its subsidiaries.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, as at 31 December 2025, the following persons (other than the Directors and chief executive) had interest or short positions in the shares and underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company:

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

Name	Class of Shares	Capacity/Nature of interest	Number of shares held	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued A shares of the Company	Approximate percentage of shareholding in the total number of issued H shares of the Company	Long position/ short position
COSCO SHIPPING Group	A shares	Interest in a controlled corporation[3]	1,207,520,000	18.60%	22.39%	–	Long position
	H shares	Interest in a controlled corporation[4]	206,363,000	3.18%	–	18.78%	Long position
FMR LLC	H shares	Interest in a controlled corporation	98,311,317	1.51%	–	8.95%	Long position
FIL Limited	H shares	Interest in a controlled corporation[5]	97,890,884	1.51%	–	8.91%	Long position
Pandanus Associates Inc.	H shares	Interest in a controlled corporation[5]	97,890,884	1.51%	–	8.91%	Long position
Pandanus Partners L.P.	H shares	Interest in a controlled corporation[5]	97,890,884	1.51%	–	8.91%	Long position

Notes:

(1) As at 31 December 2025, Qingdao Port Group was wholly-owned by Shandong Port Group. The Company was informed that as at 31 December 2025, Qingdao Port Group held 84,185,000 H shares of the Company, representing approximately 7.66% of the total number of issued H shares of the Company. As at the date of holding the H shares of the Company by Qingdao Port Group and as at the date of this report, based on publicly available information and so far as the Directors are aware, the Company has sufficient public float and the issued shares of the Company held by the public is no less than 16.62%, and is therefore in compliance with the Hong Kong Listing Rules.

(2) 96,000,000 A shares and 1,015,520,000 A shares of the Company are directly held by China Shipping Terminal Development Co., Ltd. and Shanghai China Shipping Terminal, respectively. Shanghai China Shipping Terminal is wholly owned by China Shipping Terminal Development Co., Ltd. China Shipping Terminal Development Co., Ltd. is wholly owned by COSCO SHIPPING Ports Development Co., Ltd., which is wholly owned by COSCO SHIPPING Ports. China COSCO (Hong Kong) Limited, which is wholly owned by COSCO SHIPPING Holdings Co., Ltd., owned 72.27% interests (in which 7.16% interests was held by its wholly-owned subsidiary) in COSCO SHIPPING Ports. COSCO SHIPPING Group and China Ocean Shipping Co., Ltd. owned 4.55% and 38.25% equity interests in COSCO SHIPPING Holdings Co., Ltd., and China Ocean Shipping Co., Ltd. is wholly owned by COSCO SHIPPING Group. As such, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 1,111,520,000 A shares of the Company.

(3) In addition to the 96,000,000 A shares and 1,015,520,000 A shares of the Company directly held by China Shipping Terminal Development Co., Ltd. and Shanghai China Shipping Terminal, respectively, there are 96,000,000 A shares of the Company directly held by COSCO Shipping (Qingdao) Co., Ltd., which is wholly owned by COSCO SHIPPING Group. As such, COSCO SHIPPING Group is deemed to be interested in 96,000,000 A shares of the Company and deemed to be interested in 1,207,520,000 A shares of the Company in total.

(4) 206,363,000 H shares of the Company are directly held by COSCO SHIPPING Ports Development Co., Ltd., which is wholly-owned by COSCO SHIPPING Ports. Based on the shareholding relationships set out under note (2) above, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 206,363,000 H shares of the Company.

(5) FIL Limited is deemed to be interested in 97,890,884 H shares of the Company held by its controlled entities/corporations. Pandanus Partners L.P. indirectly held 41.00% of the equity interests in FIL Limited. Pandanus Partners L.P. is indirectly wholly owned by Pandanus Associates Inc. Accordingly, Pandanus Partners L.P. and Pandanus Associates Inc. are also deemed to be interested in the aforesaid 97,890,884 H shares of the Company.

Save as disclosed above, as at 31 December 2025, none of the persons had interest or short positions in the shares and underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company.

DEBENTURES IN ISSUE

The Company did not issue any debentures for the year ended 31 December 2025.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, no rights for any Directors or former Supervisors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company were granted by the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) to them, or were any such rights exercised by them; or was the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) a party to any arrangement to enable the Directors or former Supervisors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the year ended 31 December 2025.

EQUITY-LINKED AGREEMENT

Save as disclosed in this report, the Company did not enter into any equity-linked agreement for the year ended 31 December 2025.

PERMITTED INDEMNITY PROVISION

During the year, the Company has purchased appropriate liability insurance for its Directors and senior management. The permitted indemnity provisions are set out in such liability insurance.

PLEDGING OF SHARES BY THE CONTROLLING SHAREHOLDER

The controlling shareholder of the Company did not pledge any of its shares in the Company to secure the Company's debts or to secure guarantees or other support of the Company's obligations for the year ended 31 December 2025.

SHARE INCENTIVE SCHEME

As of 31 December 2025, the Company did not implement any share incentive scheme.

SUFFICIENCY OF PUBLIC FLOAT

The Hong Kong Stock Exchange has granted the Company a waiver from compliance with the minimum public float requirement of the Hong Kong Listing Rules, and the minimum percentage of the Company's shares from time to time held by the public was reduced to 16.62%. Based on publicly available information and so far as the Directors are aware, as at the date of this report, the Company had sufficient public float and the issued shares of the Company held by the public is no less than 16.62%, and is therefore in compliance with the Hong Kong Listing Rules.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Please refer to the chapter of "Management Discussion and Analysis" in this report for details.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association and the laws of the PRC which would otherwise require the offer of new shares of the Company to existing shareholders on a pro-rata basis.

EMPLOYEES, REMUNERATION AND PENSION SCHEME

Details of employees, remuneration policy and pension scheme of the Group are set out in Note 4(31) and Note 4(40) to the financial statements.

CONTINGENT LIABILITIES

Please refer to the chapter of "Management Discussion and Analysis" in this report for details.

NON-COMPETITION AGREEMENT AND UNDERTAKING

The Company's controlling shareholder Qingdao Port Group and Shandong Port Group both have made a commitment to avoid horizontal competition with the Group. Qingdao Port Group and Shandong Port Group both have complied with the agreement and commitment to avoid horizontal competition with the Group during the reporting period.

CONFIRMATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance to safeguard shareholders' interests and enhance the value and accountability of the Company.

The Company has adopted and complied with all applicable provisions as set out in the Corporate Governance Code for this year. For details of compliance with the Corporate Governance Code, please refer to the "Corporate Governance Report" in this report.

AUDITORS

At the annual general meeting of 2023 of the Company held on 6 June 2024, PricewaterhouseCoopers Zhong Tian LLP retired as the auditor of the Company, at the same day, ShineWing Certified Public Accountants (Special general partnership) has been appointed as the auditor of the Company for the year of 2024. For further details, please refer to the announcements of the Company dated 26 April 2024 and 6 June 2024, and the circular dated 14 May 2024.

At the annual general meeting of 2024 of the Company held on 27 June 2025, ShineWing Certified Public Accountants (Special general partnership) was reappointed as the auditor of the Company for the year of 2025. For further details, please refer to the announcement of the Company dated 27 June 2025, and the circular dated 6 June 2025.

The financial statements of the report have been audited by ShineWing Certified Public Accountants (Special general partnership) whose office will be expired at the conclusion of the forthcoming annual general meeting. Save as disclosed above, the Company has not changed the auditor in the past three years.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Summary of the Company's connected persons (set out below is the information as of 31 December 2025)

Connected Person	**Connected Relationship**
Shandong Port Group/SDP	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), the indirect controlling shareholder of the Company, holding 100% equity interests in Qingdao Port Group
Qingdao Port Group	Shandong Port Qingdao Port Group Co., Ltd.* (山東港口青島港集團有限公司), the controlling shareholder of the Company, holding approximately 55.56% equity interests of the Company
Rizhao Port Group	Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司), a wholly-owned subsidiary of Shandong Port Group, which is the indirect controlling shareholder of the Company
Yantai Port Group	Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司), a wholly-owned subsidiary of Shandong Port Group, which is the indirect controlling shareholder of the Company
Cruise Port Development	Qingdao International Cruise Port Development and Construction Co., Ltd.* (青島國際郵輪港開發建設有限公司), a wholly-owned subsidiary of Qingdao Port Group, which is the controlling shareholder of the Company
COSCO SHIPPING Group	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), an associate of substantial shareholder of the Company, Shanghai China Shipping Terminal, holding approximately 21.78% equity interests of the Company indirectly by its subsidiaries
Worldex Logistics	Worldex Logistics Co., Ltd.* (全球捷運物流有限公司), an indirect substantial shareholder of Qingdao Port Jieyuntong Logistics Co., Ltd.* (青島港捷運通物流有限公司), a connected person at subsidiary level of the Company

CONNECTED TRANSACTIONS

The Group has conducted two non-exempt connected transactions during the reporting period.

(A) CONNECTED TRANSACTION IN RELATION TO ACQUISITION OF EQUITY INTERESTS

On 21 February 2025 and 28 March 2025, the Company convened the twenty-fifth meeting of the fourth session of the Board and the first extraordinary general meeting for the year of 2025, respectively, to adjust Proposed Restructuring. After the adjustment, the Company proposed to acquire 100% equity interests of Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) and 50.00% equity interests of Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) by cash payment. For further details, please refer to the announcements of the Company dated 21 February 2025 and 28 March 2025 and the circular of the Company dated 7 March 2025.

On 12 December 2025, the Company entered into the termination agreement with Rizhao Port Group in relation to the above adjustment. For further details, please refer to the announcement of the Company dated 12 December 2025.

(B) CONNECTED TRANSACTION IN RELATION TO THE PURCHASE OF ASSETS

On 19 December 2025, the Company and its wholly-owned subsidiary, Container Development Company, respectively, entered into commercial housing sales contract with Cruise Port Development (existing housing sales). Pursuant to which, the Company proposed to purchase levels 2-7 and 14-15, Tower A, Shandong Port Shipping & Finance Hub from Cruise Port Development at a consideration of RMB286,411,434, Container Development Company proposed to purchase levels 2-5, Tower B, Shandong Port Shipping & Finance Hub from Cruise Port Development at a consideration of RMB79,509,340. Since Cruise Port Development is a wholly-owned subsidiary of Qingdao Port Group, the controlling shareholder of the Company, pursuant to Chapter 14A of the Hong Kong Listing Rules, the purchase of the abovementioned assets constitutes a connected transaction of the Company. For further details, please refer to the Company's announcement dated 19 December 2025. The transaction had been completed.

CONTINUING CONNECTED TRANSACTIONS

Unless otherwise defined, the terms used below have the same meanings as defined in the relevant announcements.

(A) CONTINUING CONNECTED TRANSACTIONS WITH SHANDONG PORT GROUP

i 2024 SDP Goods and Services Agreement

On 27 October 2023, the Company entered into the 2024 SDP Goods and Services Agreement with Shandong Port Group, pursuant to which the Group shall provide and purchase comprehensive goods and services (including purchase of goods and services, sales of goods and services, leasing out of assets and leasing in assets) to Shandong Port Group and/or its subsidiaries and associates. The term of the agreement was from 1 January 2024 to 31 December 2026. For the details, please refer to the announcement of the Company dated 27 October 2023, the circular of 2023 second extraordinary general meeting of the Company dated 22 November 2023, and the poll results of 2023 second extraordinary general meeting of the Company dated 20 December 2023.

ii 2024 SDP Financial Services Agreement

On 27 October 2023, the Company entered into the 2024 SDP Financial Services Agreement with Shandong Port Group, pursuant to which Shandong Port Group and/or its subsidiaries and associates shall provide financing services to the Group, including deposit service and credit service. The term of the agreement was from 1 January 2024 to 31 December 2026. For the details, please refer to the announcement of the Company dated 27 October 2023, the circular of 2023 second extraordinary general meeting of the Company dated 22 November 2023, and the poll results of 2023 second extraordinary general meeting of the Company dated 20 December 2023.

(B) CONTINUING CONNECTED TRANSACTIONS WITH COSCO SHIPPING GROUP

On 27 October 2023, the Company entered into the 2024 COSCO SHIPPING Goods and Services Agreement with COSCO SHIPPING Group, a substantial shareholder of the Company, pursuant to which the Group shall provide and purchase comprehensive goods and services (including sales of goods and services, purchase of goods and services and leasing out of assets) to COSCO SHIPPING Group and/or its subsidiaries and associates. The term of the agreement was from 1 January 2024 to 31 December 2026. For the details, please refer to the announcement of the Company dated 27 October 2023, the circular of 2023 second extraordinary general meeting of the Company dated 22 November 2023, and the poll results of 2023 second extraordinary general meeting of the Company dated 20 December 2023.

(C) CONTINUING CONNECTED TRANSACTIONS WITH WORLDEX LOGISTICS

On 28 August 2025, the Company entered into the 2025 Worldex Logistics Comprehensive Service Framework Agreement with Worldex Logistics, pursuant to which the Group shall provide comprehensive logistic services to Worldex Logistics and/or its subsidiaries and associates mutually (the Group mainly provides container CFS service and freight forwarding service to Worldex Logistics, and Worldex Logistics mainly provides freight forwarding service to the Group). The term of the agreement is from 28 August 2025 to 31 December 2026. For details, please refer to the announcement of the Company dated 28 August 2025.

Annual caps and actual transactions amounts for the above continuing connected transactions for the year 2025 are as follows:

Unit: RMB'000

		Annual cap for 2025	Amount incurred in 2025
A.	**Continuing connected transactions with Shandong Port Group**		
i	**2024 SDP Goods and Services Agreement**		
	(a) The Group purchases goods and services from Shandong Port Group	**7,700,000**	**2,083,320**
	(b) The Group sells goods and services to Shandong Port Group	**3,400,000**	**839,599**
	(c) The Group leases assets to Shandong Port Group	**110,000**	**31,752**
	(d) The Group leases assets from Shandong Port Group	**660,000**	**269,021**
ii	**2024 SDP Financial Services Agreement**		
	(a) deposit service	**20,000,000**	**19,135,223**
	(b) credit service	**12,000,000**	**4,245,855**
	(i) secured credit services	**950,000**	**320,434**
	(ii) unsecured credit	**11,050,000**	**3,925,421**
B.	**Continuing connected transactions with COSCO SHIPPING Group**		
i	**2024 COSCO SHIPPING Goods and Services Agreement**		
	(a) The Group sells goods and services to COSCO SHIPPING Group	**1,650,000**	**845,234**
	(b) The Group purchases goods and services from COSCO SHIPPING Group	**660,000**	**339,111**
	(c) The Group provides assets lease services to COSCO SHIPPING Group	**60,000**	**29,407**
ii	**2024 COSCO SHIPPING Goods and Services Agreement**		
	(a) The Group sells goods and services to the related connected subsidiaries of COSCO SHIPPING Group	**400,000**	**69,776**
	(b) The Group purchases goods and services from the related connected subsidiaries of COSCO SHIPPING Group	**220,000**	**17,137**
	(c) The Group provides assets lease services to the related connected subsidiaries of COSCO SHIPPING Group	**400,000**	**1,383**
C.	**Continuing connected transactions with Worldex Logistics**		
	2025 Worldex Logistics Comprehensive Service Framework Agreement		
	(a) The Group provides comprehensive logistics services to Worldex Logistics	**300,000**	**224,743**
	(b) Worldex Logistics provides comprehensive logistics services to the Group	**200,000**	**134,677**

(D) CONFIRMATION FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company's independent non-executive Directors have reviewed the above continuing connected transactions and confirmed these transactions:

(1) were entered into in the ordinary and usual course of business of the Group;

(2) were either on normal commercial terms, or, in the absence of similar transactions to judge whether the terms are normal commercial terms, on terms no less favorable to those adopted for transactions between the Group and independent third parties;

(3) were in accordance with the terms of such transactions agreements, which are in the interest of the Group and our Shareholders as a whole, and fair and reasonable; and

(4) did not exceed the annual cap amounts.

(E) CONFIRMATION FROM THE AUDITOR

The Company's auditor has been engaged to report on the Company's continuing connected transactions as set out on pages 67 to 68 in accordance with the *Chinese Standard on Other Assurance Engagements No. 3101 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Ministry of Finance of the PRC, and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their conclusions in respect of the continuing connected transactions disclosed above in accordance with the Hong Kong Listing Rules.

(F) OTHERS

The Company confirmed that prices and terms of the continuing connected transactions during this year complied with the pricing policies.

Except for the above connected transactions, the Group did not enter into any other connected transactions which should comply with the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

For certain material related party transactions disclosed in Note 8 to the financial statements which also constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules, the Company had made disclosure as required under the Hong Kong Listing Rules.

DESCRIPTION OF OTHER MATTERS

Please refer to the chapter of "Management Discussion and Analysis" in this report for details.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognizes the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements could lead to the termination of operating licenses. The Group has allocated system and staff resources to ensure ongoing compliance with rules and regulations and to maintain well relationships with regulators effectively through effective communications. During the year, the Group has complied, to the best of our knowledge, with all relevant rules and regulations that have a significant impact on the Group.

RELATIONSHIP WITH STAKEHOLDERS

The Company recognizes that our employees, customers and business partners are keys to our sustainability journey on the way to sustainability development. We strive to achieve corporate sustainability through coordinating with our employees closely, providing quality services to our customers, collaborating with business partners and supporting our community.

The Company places significant emphasis on human resources. The Company provides a fair workplace and develops the non-discriminatory and diversified environment. We also provide competitive remuneration and benefits, as well as a range of opportunities for career advancement based on employees' merits performance. The Company ensures that all businesses of the Group are conducted in accordance with the principles under the health and safety management system. The Company provides regular trainings for staff to keep them abreast of the latest developments in the market and industry, in the form of both internal trainings and trainings provided by experts from external organizations.

To increase customer satisfaction and promote a customer-oriented culture within the Company, we take "Customer First" as one of our core values. We value the feedback from customers through daily communication, regular inspections, etc. We have also established the mechanism about customer service, support and complaints. When dealing with customer complaint, we treat it as an opportunity to improve our relationship with the customer, addressing the concern in a timely manner and in accordance with international standards.

We deeply believe that our suppliers are equally important in developing high-quality projects. We proactively collaborate with our business partners (including suppliers and contractors) to deliver quality sustainable products and services. We have formulated certain requirements in the field of bidding. These requirements include regulatory compliance, tracking and evaluation of procurement results, dynamic assessment of suppliers, anti-corruption and other business ethics. We assure the performance of our suppliers through supplier approval process and by conducting factory audits/site visits and spot checks on the delivered goods at site during the contractual periods.

By order of the Board
SU Jianguang
Chairman

Qingdao, the PRC
27 March 2026

The Board is pleased to present the corporate governance report for the annual report of the Company for the year ended 31 December 2025.

The Board is committed to upholding a high standard of corporate governance practices in the belief that they are essential for maintaining and promoting investors' confidence and improving shareholders' returns. The Board reviews its corporate governance practices from time to time in order to ensure high standards of corporate governance of the Company and meet the expectations of shareholders and other stakeholders.

The Company has been in compliance with the code provisions set out in the Corporate Governance Code during the reporting period.

I. THE BOARD

1. Composition of the Board

The Board currently comprises nine Directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors, among which, there are three female Directors, accounted for approximately 33% of the total number of Directors and achieved the Company's goals. Board members possess the knowledge, skills, and abilities necessary to perform their duties. During the reporting period, members of the Board are listed as below:

Member of the Board	Position	Date of appointment/ re-designation
Mr. SU Jianguang (蘇建光) (Note 1)	Chairman, executive Director	21 July 2021
Mr. LI Wucheng (李武成) (Note 1)	Vice chairman, non-executive Director	18 August 2021
Ms. WU Yu (吳宇) (Note 1)	Non-executive Director	28 October 2025
Mr. ZHANG Baohua (張保華) (Note 1)	Executive Director	23 December 2022
Mr. CUI Liang (崔亮) (Note 1)	Non-executive Director	6 June 2024
Ms. WANG Fuling (王芙玲) (Note 1)	Employee representative Director	20 May 2020
Mr. CHAU Kwok Keung (鄒國強) (Note 1)	Independent non-executive Director	28 October 2025
Ms. LI Xiaohui (李曉慧) (Note 1)	Independent non-executive Director	28 October 2025
Mr. JIANG Xinglu (姜省路) (Note 1)	Independent non-executive Director	28 October 2025
Mr. ZHU Tao (朱濤) (Note 2)	Non-executive Director	23 December 2022
Ms. LI Yan (李燕) (Note 3)	Independent non-executive Director	17 May 2019
Mr. JIANG Min (蔣敏) (Note 4)	Independent non-executive Director	17 May 2019
Mr. LAI Kwok Ho (黎國浩) (Note 5)	Independent non-executive Director	17 May 2019

Note 1: Mr. SU Jianguang (蘇建光), Mr. LI Wucheng (李武成), Ms. WU Yu (吳宇), Mr. ZHANG Baohua (張保華), Mr. CUI Liang (崔亮), Ms. WANG Fuling (王芙玲), Mr. CHAU Kwok Keung (鄒國強), Ms. LI Xiaohui (李曉慧) and Mr. JIANG Xinglu (姜省路) obtained the legal advice required under the Hong Kong Listing Rules on 29 September 2025, and they confirmed that they knew the requirements and liabilities under the Hong Kong Listing Rules that are applicable to them as directors of the Company, and the possible consequences of making a false declaration or giving false information to the Hong Kong Stock Exchange.

Note 2: Due to the expiration of the term, Mr. ZHU Tao (朱濤) resigned as a non-executive Director and a member of strategy and development committee (now renamed as Strategy Development and ESG Committee) on 28 October 2025.

Note 3: Due to the expiration of the term, Ms. LI Yan (李燕) resigned as an independent non-executive Director, the chairman of Audit Committee and a member of Remuneration Committee on 28 October 2025.

Note 4: Due to the expiration of the term, Mr. JIANG Min (蔣敏) resigned as an independent non-executive Director, the chairman of Nomination Committee and a member of strategy and development committee (now renamed as Strategy Development and ESG Committee) on 28 October 2025.

Note 5: Due to the expiration of the term, Mr. LAI Kwok Ho (黎國浩) resigned as an independent non-executive Director, a member of Audit Committee, the chairman of Remuneration Committee and a member of Nomination Committee on 28 October 2025.

The non-employee representative Directors are elected by the general meeting of the Company and the employee representative Directors are elected democratically and removed by employees of the Company. The term of office of the current Directors, which shall be three years, shall come into effect as of the date of their appointments approved by the second extraordinary general meeting of 2025. The Directors are subject to re-election for re-appointment when their terms of office as Directors expire. The consecutive tenure of an independent non-executive Director shall not exceed six years.

Biography of each Director is set out in the section headed "Directors and Senior Management". In addition, the list setting out the name, roles and function of each Director has been published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.qingdao-port.com).

The Directors have no fiscal, business, family or other material/relevant relationships with each other.

Chairman and General Manager

The positions of chairman and general manager of the Company are segregated and held by different persons to ensure their respective independence of responsibility and accountability and the balance and restriction of power and authority between them. The chairman plays a critical role in leading the Board, ensuring that the Board is functioning properly and with well-formulated corporate governance practices and procedures, whilst the general manager is mainly responsible for the day-to-day management of the Company's operations, including being in charge of the production and operation management of the Company, organizing the implementation of resolutions of the Board and coordinating overall business operations. There are no other relationships except for work relationships among the members of the Board, and between the chairman and the general manager.

During the reporting period, the chairman has held meetings with the independent non-executive Directors without the presence of other Directors.

Responsibilities of the Board and Management

The Board is responsible to all shareholders of the Company and mainly responsible for implementing the resolutions approved by general meetings, determining the operating plans and investment projects of the Company, managing the disclosure of the Company's information, attending to the regular or irregular work report of the general manager and review the work of the general manager, and determining such matters as the external investments, asset purchase and sale and pledge of assets within the scope authorized by the general meetings. The Company has established a mechanism to ensure that the Board obtains independent opinions. The Board reviews the implementation and effectiveness of the mechanism annually. The Board has examined and reviewed the relevant mechanism and is of the view that it has been duly implemented and effective during the reporting period.

Under the leadership of the general manager, the management of the Company is responsible for implementing the resolutions approved by the Board and organizing the Company's day-to-day operation and management. In order to ensure the effective operation of the Company, the management submits an operation report of the Company to the Board regularly, which enables the Board to monitor the operation situation of the Company in time and to assess and supervise the management. Meanwhile, the management also communicates with the Board in formal and informal manners in respect of the issues related to the operation and business of the Company and provides sufficient information at appropriate time to allow the Board to make decisions with sufficient background information, which enhances the decision-making efficiency and quality of the Board.

Independent Non-executive Directors

During the reporting period, the Company complied with the Hong Kong Listing Rules regarding independent non-executive directors. The Company has three independent non-executive Directors, two of whom own accounting or financial management expertise and the other one owns expertise in law and investment. The number of independent non-executive Directors accounts for one-third of the Board members.

According to the Hong Kong Listing Rules, the independent non-executive Directors have made confirmations to the Company regarding their independence during the reporting period. Based on the confirmations provided by the independent non-executive Directors, the Company considers each of them to be independent during the reporting period.

The Company has established multiple channels for independent non-executive Directors to express their opinions openly and honestly, and express the opinion confidentially when necessary, including but not limited to the ways of interacting with management and other Board members (including the chairman) outside of meetings, and pre-board communication meetings.

The Board is committed to continuously evaluating the independence of the independent non-executive Directors, taking into account all relevant factors, including whether independent non-executive Directors can continue to raise constructive opinions and suggestions for the management and other Directors, whether their views are independent of those expressed by the management or other Directors, and whether their words and actions are appropriate within and outside of the Board. The behaviors of independent non-executive Directors can meet expectations in appropriate circumstances, demonstrating the above characteristics.

Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code as the code of conduct for the Directors and former Supervisors to conduct securities transactions. After making specific enquiries to all Directors and former Supervisors, they confirmed that they had complied with the required standards set out in the Model Code during their tenures in 2025.

Training and Continuous Professional Development of Directors

On 28 October 2025, the Directors and senior management of the Company received the training provided by the Company's PRC legal adviser and Hong Kong legal adviser respectively, which mainly covered the latest securities regulatory rules, performance requirements and code of conduct for Directors and senior management, legal liabilities of Directors and senior management, general responsibilities of Directors and senior management of Hong Kong-listed companies, and violation cases, etc.

From 17 November 2025 to 28 November 2025, all independent non-executive Directors received the follow-up training for independent Directors of listed companies provided by Shanghai Stock Exchange, which mainly covered the supervision policies and key supervision points for listed companies, information disclosure supervision for listed companies, and standard performance of duties by independent Directors, etc.

The company secretary provided the Directors with information such as the latest amendments to the Hong Kong Listing Rules and other applicable regulatory requirements, cases of listed companies, industry news, production and operation situations of the Company from time to time to allow them to learn the updates of regulatory rules, industry and the Company's information in time and perform their responsibilities in a better way.

Newly appointed Directors will receive trainings provided by the Company upon the appointment, so as to ensure that they have adequate understanding of the Company's business and they are fully aware of their duties as Directors under the laws, regulations, regulatory documents and the Articles of Association.

During the reporting period, the Directors, namely Mr. SU Jianguang, Mr. LI Wucheng, Ms. WU Yu, Mr. ZHANG Baohua, Mr. CUI Liang, Ms. WANG Fuling, Mr. CHAU Kwok Keung, Ms. LI Xiaohui, Mr. JIANG Xinglu, and the former Directors of Mr. ZHU Tao, Ms. LI Yan, Mr. JIANG Min and Mr. LAI Kwok Ho have received continuing professional development through participating in specific trainings, seminars, theme discussion and reading publications on economy and securities to update their knowledge and technique, which enables them to make continuous contributions to the Company with comprehensive knowledge and technique. Each Director has confirmed that he/she is aware of their director's responsibilities under the Hong Kong Listing Rules.

Liability Insurance of Directors and Members of Senior Management

The Company has always placed great emphasis on risk prevention of the Directors' liability, thus the Company has purchased insurance for all Directors and members of senior management of the Company to minimize risks that may be incurred in their normal performance of responsibilities.

Directors' Responsibility on Financial Statements

The Directors are responsible for the preparation of the financial statements for the year ended 31 December 2025, which gives a true and fair view of the businesses of the Company and the Group and the operating results of the Group.

2. Board Meetings and General Meetings

During the reporting period, the Company held seven Board meetings and three general meetings (including the first extraordinary general meeting of 2025, the annual general meeting of 2024 and the second extraordinary general meeting of 2025). On 28 October 2025, the Company held the second extraordinary general meeting of 2025, considered and approved the amendments of the Articles of Association, amended the expression of shareholders' general meeting to general meeting. The attendance of the above meetings by each Director is as follows:

Name of Directors	Number of Board Meetings Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate	Number of General Meeting(s) Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate
Mr. SU Jianguang (蘇建光)	7/7	0	100%	3/3	0	100%
Mr. LI Wucheng (李武成)	7/7	0	100%	3/3	0	100%
Ms. WU Yu (吳宇) (Note 1)	2/2	0	100%	0/0	0	not applicable
Mr. ZHANG Baohua (張保華)	7/7	0	100%	3/3	0	100%
Mr. CUI Liang (崔亮)	7/7	0	100%	3/3	0	100%
Ms. WANG Fuling (王芙玲)	7/7	0	100%	3/3	0	100%
Mr. CHAU Kwok Keung (鄒國強) (Note 2)	2/2	0	100%	0/0	0	not applicable
Ms. LI Xiaohui (李曉慧) (Note 3)	2/2	0	100%	0/0	0	not applicable
Mr. JIANG Xinglu (姜省路) (Note 4)	2/2	0	100%	0/0	0	not applicable
Mr. ZHU Tao (朱濤) (Note 5)	5/5	3	100%	2/3	0	66.67%
Ms. LI Yan (李燕) (Note 6)	5/5	0	100%	3/3	0	100%
Mr. JIANG Min (蔣敏) (Note 7)	5/5	0	100%	3/3	0	100%
Mr. LAI Kwok Ho (黎國浩) (Note 8)	5/5	0	100%	3/3	0	100%

Note 1: Ms. WU Yu (吳宇) was appointed as a non-executive Director and a member of Strategy Development and ESG Committee on 28 October 2025. The Company held 2 Board meetings from the date of her appointment to 31 December 2025, while no general meeting of shareholders was convened. Ms. WU Yu (吳宇), as a candidate for non-executive Director, attended the Company's second extraordinary general meeting of 2025 held on 28 October 2025.

Note 2: Mr. CHAU Kwok Keung (鄒國強) was appointed as an independent non-executive Director, the chairman of Audit Committee and a member of Remuneration Committee on 28 October 2025. The Company held 2 Board meetings from the date of his appointment to 31 December 2025, while no general meeting of shareholders was convened. Mr. CHAU Kwok Keung (鄒國強), as a candidate for independent non-executive Director, attended the Company's second extraordinary general meeting of 2025 held on 28 October 2025.

Note 3: Ms. LI Xiaohui (李曉慧) was appointed as an independent non-executive Director, the chairman of Remuneration Committee, a member of Nomination Committee and a member of Audit Committee on 28 October 2025. The Company held 2 Board meetings from the date of her appointment to 31 December 2025, while no general meeting of shareholders was convened. Ms. LI Xiaohui (李曉慧), as a candidate for independent non-executive Director, attended the Company's second extraordinary general meeting of 2025 held on 28 October 2025.

Note 4: Mr. JIANG Xinglu (姜省路) was appointed as an independent non-executive Director, the chairman of Nomination Committee and a member of Strategy Development and ESG Committee on 28 October 2025. The Company held 2 Board meetings from the date of his appointment to 31 December 2025, while no general meeting of shareholders was convened. Mr. JIANG Xinglu (姜省路), as a candidate for independent non-executive Director, attended the Company's second extraordinary general meeting of 2025 held on 28 October 2025.

Note 5: Mr. ZHU Tao (朱濤) resigned on 28 October 2025. The Company held 5 Board meetings and 3 general meetings of shareholders from 1 January 2025 to the date of his resignation. On 28 March 2025, Mr. ZHU Tao (朱濤) did not attend the first extraordinary general meeting of 2025 due to other official arrangements. On 21 February 2025 and 28 August 2025, Mr. ZHU Tao (朱濤) did not attend the on-site Board meetings due to other official arrangements and authorized the independent non-executive Director, Mr. JIANG Min (蔣敏), to vote on his behalf at the Board meetings. On 28 March 2025, Mr. ZHU Tao (朱濤) did not attend the on-site Board meeting due to other official arrangements and authorized the independent non-executive Director, Ms. LI Yan (李燕), to vote on his behalf at the Board meeting.

Note 6: Ms. LI Yan (李燕) resigned on 28 October 2025. The Company held 5 Board meetings and 3 general meetings of shareholders from 1 January 2025 to the date of her resignation.

Note 7: Mr. JIANG Min (蔣敏) resigned on 28 October 2025. The Company held 5 Board meetings and 3 general meetings of shareholders from 1 January 2025 to the date of his resignation.

Note 8: Mr. LAI Kwok Ho (黎國浩) resigned on 28 October 2025. The Company held 5 Board meetings and 3 general meetings of shareholders from 1 January 2025 to the date of his resignation.

Notices for all regular Board meetings, the agenda and the relevant papers have been given to each Director at least fourteen days before the meetings in order that they are able to attend the meetings, record related arrangement on the agenda and have sufficient time to review the papers. Minutes of each Board meeting is circulated to all Directors for perusal. Directors abstain from voting when they have conflicts of interest with any matters in the Board resolutions.

All Directors shall obtain information related to the Board resolutions in a comprehensive and timely manner. Any Director can seek independent professional advice at the Company's expense after making reasonable request to the Board.

II. SPECIAL COMMITTEES OF THE BOARD

The Board established four special committees, namely the Strategy Development and ESG Committee (formerly named as strategy and development committee), the Audit Committee, the Remuneration Committee and the Nomination Committee. The Company has provided sufficient resources to all the special committees of the Board to perform their duties.

1. Strategy Development and ESG Committee

On 28 October 2025, the Company changed the name of the strategy and development committee into the Strategy Development and ESG Committee. The Strategy Development and ESG Committee currently consists of seven Directors, namely Mr. SU Jianguang (蘇建光), Mr. LI Wucheng (李武成), Ms. WU Yu (吳宇), Mr. ZHANG Baohua (張保華), Mr. CUI Liang (崔亮), Ms. WANG Fuling (王芙玲) and Mr. JIANG Xinglu (姜省路), among which, Mr. JIANG Xinglu (姜省路) is an independent non-executive Director and Mr. SU Jianguang (蘇建光) is the chairman of the Strategy Development and ESG Committee.

The primary responsibility of the Strategy Development and ESG Committee is to review the overall development and strategic plans of the Company, the major investment and financing proposals of the Company, the material ESG-related matters and other issues that are substantial to the development of the Company, and to make recommendations to the Board. Its terms of reference can be referred to the websites of the Hong Kong Stock Exchange and the Company.

During the reporting period, the Strategy Development and ESG Committee held three meetings, in which resolutions regarding the adjustment of the original restructuring plan, the general mandate to issue shares and the debt financing instruments domestically and overseas, and the major engineering projects investments of the Company were considered and approved and recommendations were made to the Board.

During the reporting period, the attendance of the meetings by each member is as follows:

Name of Members	Number of Meeting(s) Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate
Mr. SU Jianguang (蘇建光) (Chairman)	3/3	0	100%
Mr. LI Wucheng (李武成)	3/3	0	100%
Ms. WU Yu (吳宇) (Note 1)	1/1	0	100%
Mr. ZHANG Baohua (張保華)	3/3	0	100%
Mr. CUI Liang (崔亮)	3/3	0	100%
Ms. WANG Fuling (王芙玲)	3/3	0	100%
Mr. JIANG Xinglu (姜省路) (Note 2)	1/1	0	100%
Mr. ZHU Tao (朱濤) (Note 3)	2/2	2	100%
Mr. JIANG Min (蔣敏) (Note 4)	2/2	0	100%

Note 1: Ms. WU Yu (吳宇) was appointed as a non-executive Director and a member of the Strategy Development and ESG Committee on 28 October 2025. The Company held 1 Strategy Development and ESG Committee meeting from the date of her appointment to 31 December 2025.

Note 2: Mr. JIANG Xinglu (姜省路) was appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of the Strategy Development and ESG Committee on 28 October 2025. The Company held 1 Strategy Development and ESG Committee meeting from the date of his appointment to 31 December 2025.

Note 3: Mr. ZHU Tao (朱濤) resigned on 28 October 2025. The Company held 2 strategy and development committee meetings from 1 January 2025 to the date of his resignation. On 21 February 2025, Mr. ZHU Tao (朱濤) did not attend the on-site strategy and development committee meeting due to other official arrangements and authorized the member, Mr. JIANG Min (蔣敏), to vote on his behalf at the strategy and development committee meeting. On 28 March 2025, Mr. ZHU Tao (朱濤) did not attend the on-site strategy and development committee meeting due to other official arrangements and authorized the chairman, Mr. SU Jianguang (蘇建光), to vote on his behalf at the strategy and development committee meeting.

Note 4: Mr. JIANG Min (蔣敏) resigned on 28 October 2025. The Company held 2 strategy and development committee meetings from 1 January 2025 to the date of his resignation.

2. Audit Committee

The Audit Committee currently consists of three Directors, namely Mr. CHAU Kwok Keung (鄒國強), Ms. WANG Fuling (王芙玲) and Ms. LI Xiaohui (李曉慧), of which Mr. CHAU Kwok Keung (鄒國強) and Ms. LI Xiaohui (李曉慧) are both independent non-executive Directors, Ms. WANG Fuling (王芙玲) is an employee representative Director. Mr. CHAU Kwok Keung (鄒國強) and Ms. LI Xiaohui (李曉慧) hold the appropriate professional qualifications as required under the Hong Kong Listing Rules. Mr. CHAU Kwok Keung (鄒國強) serves as the chairman of the Audit Committee.

The primary responsibility of the Audit Committee is to review the financial information of the Company and its disclosure, oversee the financial operation status, risk management and internal control procedures of the Company, monitor improper conduct in the Company's financial reporting and internal oversight, propose the appointment of external auditors and oversee their relationship with the Company and maintain close communication between the Company and its management with auditors. Its terms of reference can be referred to the websites of the Hong Kong Stock Exchange and the Company.

During the reporting period, the Audit Committee held six meetings to consider and approve the resolutions, including the adjustment of the original restructuring plan, the annual report of 2024 and other related reports, appointment of the Company's accounting firm of 2025, the first quarterly report and third quarterly report of 2025, guarantee plan of 2026 and other resolutions, and make recommendations to the Board. At the same time, the Audit Committee communicated with the auditors on issues including the audit results of 2024 and the audit plan of 2025 of the Company, and heard the internal audit report and major issues inspection report regularly.

During the reporting period, the attendance of the meetings by each member is as follows:

Name of Members	Number of Meetings Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate
Mr. CHAU Kwok Keung (鄒國強) (Chairman) (Note 1)	2/2	0	100%
Ms. WANG Fuling (王芙玲)	6/6	0	100%
Ms. LI Xiaohui (李曉慧) (Note 2)	2/2	0	100%
Ms. LI Yan (李燕) (Note 3)	4/4	0	100%
Mr. LAI Kwok Ho (黎國浩) (Note 4)	4/4	0	100%

Auditor representatives participated in most of the Audit Committee meetings held in 2025.

Note 1: Mr. CHAU Kwok Keung (鄒國強) was appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee on 28 October 2025. The Company held 2 Audit Committee meetings from the date of his appointment to 31 December 2025.

Note 2: Ms. LI Xiaohui (李曉慧) was appointed as an independent non-executive Director, the chairman of the Remuneration Committee, a member of the Nomination Committee and a member of the Audit Committee on 28 October 2025. The Company held 2 Audit Committee meetings from the date of her appointment to 31 December 2025.

Note 3: Ms. LI Yan (李燕) resigned on 28 October 2025. The Company held 4 Audit Committee meetings from 1 January 2025 to the date of her resignation.

Note 4: Mr. LAI Kwok Ho (黎國浩) resigned on 28 October 2025. The Company held 4 Audit Committee meetings from 1 January 2025 to the date of his resignation.

3. Remuneration Committee

The Remuneration Committee currently consists of three Directors, namely Ms. LI Xiaohui (李曉慧), Mr. LI Wucheng (李武成) and Mr. CHAU Kwok Keung (鄒國強), of which Ms. LI Xiaohui (李曉慧) and Mr. CHAU Kwok Keung (鄒國強) are both independent non-executive Directors, and Mr. LI Wucheng (李武成) is a non-executive Director and the vice chairman of the Company. Ms. LI Xiaohui (李曉慧) serves as the chairman of the Remuneration Committee.

The primary responsibility of the Remuneration Committee is to consider the remuneration structures and policies for all Directors and senior management of the Company, establish formal and transparent procedures to devise such remuneration policies and the remuneration plans of Directors and senior management, as well as make recommendations to the Board. The Remuneration Committee has adopted the model as described in the Corporate Governance Code to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, including remuneration, bonuses, pension rights, compensation payments and benefits in kind. Its terms of reference can be referred to the websites of the Hong Kong Stock Exchange and the Company.

During the reporting period, the Remuneration Committee held 2 meetings to consider and approve the resolutions on the remuneration of Directors and senior management of the Company for the year 2024 and the purchase of liability insurance.

During the reporting period, the attendance of the meeting by each member is as follows:

Name of Members	Number of Meeting(s) Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate
Ms. LI Xiaohui (李曉慧) (Chairman) (Note 1)	0/0	0	not applicable
Mr. LI Wucheng (李武成)	2/2	0	100%
Mr. CHAU Kwok Keung (鄒國強) (Note 2)	0/0	0	not applicable
Mr. LAI Kwok Ho (黎國浩) (Note 3)	2/2	0	100%
Ms. LI Yan (李燕) (Note 4)	2/2	0	100%

Note 1: Ms. LI Xiaohui (李曉慧) was appointed as an independent non-executive Director, the chairman of Remuneration Committee, a member of Nomination Committee and a member of Audit Committee on 28 October 2025. The Company didn't hold the Remuneration Committee meeting from the date of her appointment to 31 December 2025.

Note 2: Mr. CHAU Kwok Keung (鄒國強) was appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee on 28 October 2025. The Company didn't hold the Remuneration Committee meeting from the date of his appointment to 31 December 2025.

Note 3: Mr. LAI Kwok Ho (黎國浩) resigned on 28 October 2025. The Company held 2 Remuneration Committee meetings from 1 January 2025 to the date of his resignation.

Note 4: Ms. LI Yan (李燕) resigned on 28 October 2025. The Company held 2 Remuneration Committee meetings from 1 January 2025 to the date of her resignation.

The Company regularly reviews its remuneration policy, including directors' remuneration payable, taking into account the Company's performance and market conditions, to formulate better incentives and appraisal measures. Pursuant to the Corporate Governance Code, the following table sets forth the remuneration of the members of senior management of the Company categorized by remuneration group for the year ended 31 December 2025:

Group	Remuneration (RMB)	Number of Individuals
1	0-500,000	0
2	500,001-1,000,000	0
3	1,000,001-2,000,000	8

4. Nomination Committee

The Nomination Committee currently consists of three Directors, namely Mr. JIANG Xinglu (姜省路), Mr. SU Jianguang (蘇建光) and Ms. LI Xiaohui (李曉慧), of which Mr. JIANG Xinglu (姜省路) and Ms. LI Xiaohui (李曉慧) are independent non-executive Directors, Mr. SU Jianguang (蘇建光) is an executive Director and the chairman of the Company. Mr. JIANG Xinglu (姜省路) serves as the chairman of the Nomination Committee.

The primary responsibility of the Nomination Committee is to develop standards and procedures for the election of the Board members and members of the senior management, and make recommendations to the Board; review the structure, number, composition and membership diversity of the Board and its committees, assist the Board to prepare the Board skills matrix and make appropriate recommendations for adjustments made to the Board in line with the corporate strategies of the Company; assist the Company in conducting periodic evaluations of the Board performance; propose candidates for Directors and senior management to the Board; and provide opinions to the Board on the appointment or re-appointment of Directors and the succession plan for Directors (especially the chairman) and the general manager, and review the independence of independent non-executive Directors. Its terms of reference can be referred to the websites of the Hong Kong Stock Exchange and the Company. The Nomination Committee should seek independent professional advice to perform its responsibilities at the Company's expense, when necessary.

During the reporting period, the Nomination Committee held two meetings, in which the resolutions regarding the nomination of candidates for non-employee representative Director for the fifth session of the Board and the nomination of candidates for senior management were considered and approved, and recommendations were made to the Board.

During the reporting period, the attendance of the meeting by each member is as follows:

Name of Members	Number of Meeting(s) Attended During the Tenure	Among Which, Number of Attendance by Proxy	Attendance Rate
Mr. JIANG Xinglu (姜省路) (Chairman) (Note 1)	1/1	0	100%
Mr. SU Jianguang (蘇建光)	2/2	0	100%
Ms. LI Xiaohui (李曉慧) (Note 2)	1/1	0	100%
Mr. JIANG Min (蔣敏) (Note 3)	1/1	0	100%
Mr. LAI Kwok Ho (黎國浩) (Note 4)	1/1	0	100%

Note 1: Mr. JIANG Xinglu (姜省路) was appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of the Strategy Development and ESG Committee on 28 October 2025. The Company held 1 Nomination Committee meeting from the date of his appointment to 31 December 2025.

Note 2: Ms. LI Xiaohui (李曉慧) was appointed as an independent non-executive Director, the chairman of the Remuneration Committee, a member of the Nomination Committee and a member of the Audit Committee on 28 October 2025. The Company held 1 Nomination Committee meeting from the date of her appointment to 31 December 2025.

Note 3: Mr. JIANG Min (蔣敏) resigned on 28 October 2025. The Company held 1 Nomination Committee meeting from 1 January 2025 to the date of his resignation.

Note 4: Mr. LAI Kwok Ho (黎國浩) resigned on 28 October 2025. The Company held 1 Nomination Committee meeting from 1 January 2025 to the date of his resignation.

The Board formulated and adopted the Board Members Diversity Policy. In designing the Board's composition, the Nomination Committee has considered Board diversity from a number of aspects, including but not limited to the gender, age, cultural and educational background, race, professional experience, skills and knowledge. All appointments to the Board are made on the basis of meritocracy, and when considering candidates, full account is taken in an objective manner of the benefits of diversity among Board members. For the year ended 31 December 2025, the Board has met the expected goal of the policy of members diversity and kept an appropriate balance of member structure. During the reporting period, the Board has reviewed the implementation and effectiveness of the Board Members Diversity Policy.

The Board formulated and adopted the Policy for the Nomination of Directors. According to such policy, in evaluating and selecting candidates for directorship, the Nomination Committee and/or the Board would consider the following criteria, including, among other things, character and integrity, qualifications (cultural and educational background, professional qualifications, skills, knowledge and experience and diversity aspects under the Board Members Diversity Policy), any potential contributions that the candidates can make to the Board in terms of qualifications, skills, experience, independence, as well as their willingness and ability to devote adequate time to discharge duties as members of the Board and/or Board committee(s).

The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of a new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified to assume the directorship. The Nomination Committee should then recommend to the Board to appoint appropriate candidates for the directorship in order of priority by their ranking (if applicable) based on the needs of the Company and reference check of each candidate.

Qualified shareholders meeting requirements under laws and regulations and the Articles of Association are also eligible to nominate candidate(s) for directorship, please refer to the Procedures for Nominating Director Candidates of the Company.

III. CORPORATE GOVERNANCE FUNCTION

The Board recognises that corporate governance should be the collective responsibility of Directors and delegated the corporate governance duties to the Audit Committee which include:

- to formulate and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to formulate, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- to review the Company's compliance with the listing rules of stock listing place of the Company and disclosure in the Corporate Governance Report.

IV. COMPANY SECRETARY

During the reporting period, Ms. SUN Hongmei as the company secretary of the Company, had complied with the requirements on taking no less than 15 hours of continuous professional trainings as set out in the Hong Kong Listing Rules. Meanwhile, Ms. SUN Hongmei also actively participated in studies and updated her professional knowledge related to the Hong Kong Listing Rules and corporate governance to continuously improve her professional skills and professional quality as the company secretary.

V. AUDITOR

Financial statements contained in this annual report have been audited by ShineWing Certified Public Accountants (Special general partnership). Service fees which shall be paid by the Company to ShineWing Certified Public Accountants (Special general partnership) for the year amounted to RMB5.2299 million (value-added tax and other related tax included).

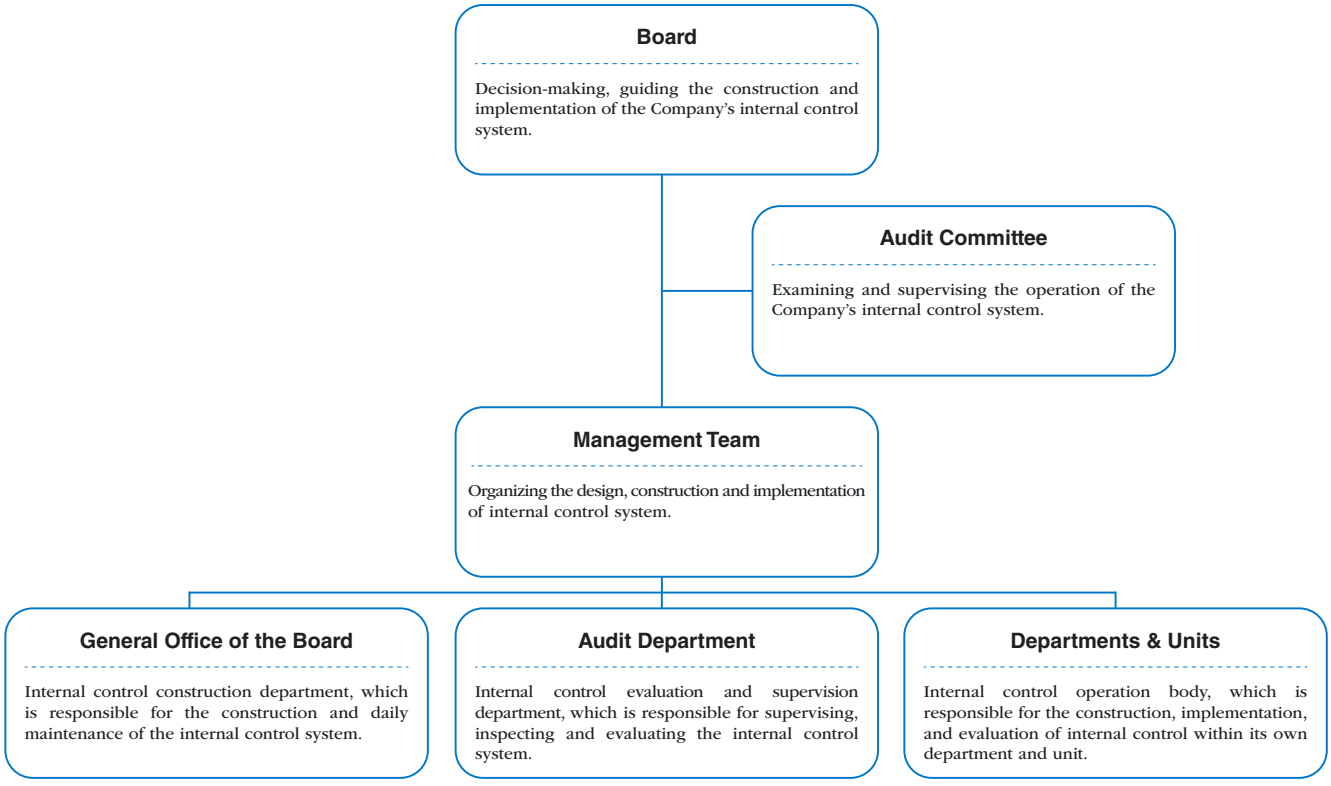
Services rendered	**Fees Payable (RMB Yuan)**
Annual audit service for the listed company	5,229,900
Total	5,229,900

VI. RISK MANAGEMENT AND INTERNAL CONTROL

The Company is committed to establishing high-level risk management and internal control systems to safeguard the Company's assets and shareholders' investment. Systems and procedures in relation to risk management are set up to identify, assess, manage and control risks that include but are not limited to strategic risk, market risk, financial risk, operational risk, ESG (Environmental, Social and Governance) risk and legal risk that may have an impact on the Company. The Company has defined the overall structure of its business and that of its subsidiaries, clarifying the authority and supervisory responsibilities of each business unit to facilitate the clarification of duties and oversight accountability. The Company has established management systems including the Internal Control Management System, Comprehensive Risk Management System, Internal Audit System and Internal Control Evaluation Management Measures, and worked out an internal control manual to regulate these processes and activities.

The Board carefully evaluates the possibility and potential impacts of the internal control defects and is responsible for assessing and determining the nature and extent of the risks willing to be accepted for achieving strategic objectives on an annual basis and continuously oversees the design, implementation and monitoring of the risk management and internal control systems by the management to ensure its safe and effective operation. The Audit Committee established by the Board makes recommendations to the Board on the formulation and implementation of risk management and internal control systems within its mandate, reviews the effectiveness of the Company's risk management, internal control systems and internal audit system and assists the Board to oversee and improve the Company's risk management and internal control systems on an ongoing basis. The management assists the Board to formulate corresponding corrective measures and implement them to ensure these internal control defects are properly resolved in a timely manner.

The internal control management structure of the Company includes the Board and its Audit Committee, management team, internal control construction department, internal control evaluation and supervision department, and internal control operation departments, as shown in the following figure:



The Company has adopted the following measures in order to establish effective risk management and internal control:

1. Compliance Control

The Company has established a set of corporate governance mechanism to promote the compliance operation of the general meetings and the Board. The Company also complied with the requirements of the Hong Kong Listing Rules, SFO and the Guidelines on Disclosure of Inside Information that regulate information disclosure matters. The Company continues to strengthen connected transactions management, perform related approval and disclosure obligations according to the requirements of the Hong Kong Listing Rules.

The procedures and internal controls for the identifying, handling, and publishing inside information by the Company include: (1) formulating and implementing relevant supporting systems, including the Management Measures Governing Information Disclosure, by the Board, and establishing the comprehensive process of reporting, identifying, and disclosing inside information to ensure that the disclosure of inside information is in compliance; (2) by means of training and publicity, fully informing the Board, the management and the related staff of the obligations on information disclosure as stipulated under the Hong Kong Securities and Futures Commission's Guidelines on Disclosure of Inside Information and the Hong Kong Listing Rules; and (3) dispatching information to specific personnel on a need-to-know principle, putting emphasis on the prohibition of unauthorized use of confidential or inside information, and conducting the confidential work preceding the disclosure of insider information.

2. Operation Control

The Company has adjusted development initiatives timely by observing and evaluating the macroeconomic policies and operating conditions, the national industrial policies, and the industrial supply-demand conditions, in order to reduce market risk. The Company has established hierarchy control and approval mechanism for rate, cargo handover and delivery, and supervision of goods pledge to strengthen control through the whole process. The Company implements centralized procurement management, strictly inspects the procurement process of large-scale equipment and bulk goods and services to prevent procurement risk. The Company has also established safety accountability system and safety management system to safeguard the safety in production and operation of ports. The Company has established a system of qualification management, contract management and seal management to strengthen contract risk control.

3. Investment Control

The Company has implemented centralized procedures of examination and approval on external investments by the company headquarters, and established a set of management process, ranging from project screening, decision approval, disposal of investment and risk control. In the view that the Company has many joint venture companies, the Company has also set up specialized management system for joint venture companies. The Company has established and optimized the engineering project management system, standardized the workflows of project establishment, bidding, construction, acceptance and other parts to ensure the quality, progress and capital safety of engineering projects.

4. Finance Control

The Company has established a series of financial management measures, including business outsourcing, fixed assets leasing, receivables, financing management, bank accounts management and notes management, etc. to effectively prevent and reduce finance risk. The Company has implemented comprehensive budget management and promoted budget's process control, which provides quantitative index of finance and operation for the Board and the management. The Company implemented a centralized appointment and regular rotation system for financial personnel management, and the Company implemented material matters real time reporting system for delegated units and strengthened centralized control. The Audit Committee communicates with auditors and the management regularly to review the regular reports, as well as supervise the financial operation. The Company also pays high attention to the job qualifications and professional integrity of accounting and financial personnel and the Company takes full consideration of resources and budget of continuous trainings. The Board has also reviewed and satisfied with the Group's resources, staff qualification and experience on accounting and financial ability, and the training programs received by staffs and such budget are sufficient.

5. Internal Audit Control

The Company has established the audit department with corresponding supervision and audit responsibility, and the Company provided qualified designated personnel to assist the Audit Committee to review and supervise the factuality, legitimacy and efficiency for the Group's financial revenues and expenses, financial budget, asset quality, operation performance, investment projects and related economic activities, so as to strengthen internal control and risk management.

In 2025, the Company actively prevented and resolved major risks, organized the revision of Internal Control Manual and Risk Management Manual, to further strengthen the solid defense of the risk. During the reporting period, the Company conducted an annual evaluation of its risk management and internal control systems. The method, findings, analysis and results of the evaluation have been reported to the Audit Committee and the Board. The Company engaged ShineWing Certified Public Accountants (Special general partnership) to conduct audit on the Company's internal control effectiveness of the financial report. The auditor was of the view that the Company maintained effective internal control in financial reporting in all material aspects in accordance with the Basic Standards for Enterprise Internal Control and related regulations during the reporting period. The Board conducted self-evaluation on the construction of the risk management and internal control system (including financial, operational and compliance control, etc.) of the Company and its subsidiaries and the operation in 2025, and was of the opinion that the risk management and internal control systems of the Company and its subsidiaries were adequate and effective. The Board was of the opinion that the risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

6. Anti-corruption Monitoring

The Company has strengthened the supervision and management of integrity work, complied with the requirements of laws and regulations such as the *Anti Unfair Competition Law of the People's Republic of China* and the *Anti-Money-Laundering Law of the People's Republic of China*, strengthened supervision of the power operation process, rigorously enforced financial audits and compliance reviews to foster a clean development environment The Company attaches importance to anti-corruption and anti-money-laundering management, develops and implements the *Fund Payment Approval Management Method*, regulates various fund payment processes, approval authorities, and related requirements, and strictly manages the fund payment process to prevent corruption, money laundering, and other illegal and illegal risks.

The Company has strengthened supervision and inspection of integrity work, smooth supervision and reporting channels such as letters, visits, calls, and the internet, and promptly accepted relevant complaints. The Company has focused on key areas, important links, and key positions such as bidding procurement and engineering construction, strengthened ordinary supervision and special supervision, and prevented integrity risks.

7. Climate Change Monitoring

The Company actively implements the national goal of "carbon peaking, carbon neutral", pays attention to the impact of global climate change on port operation, adheres to the concept of green and low-carbon development, reduces pollutant emission and the impact of development on the environment. Combining climate change scenarios, the Company analyzed own climate change risks and opportunities, assessed the relevant impacts, and formulated coping strategies.

Please refer to the "The Environmental, Social and Governance (ESG) Report in 2025 of Qingdao Port International Co., Ltd." published by the Company for further details on climate change monitoring.

Upon confirmation by the Audit Committee, the Board and the Company's auditor, there were no significant monitoring failures or weaknesses in the Company for the year 2025.

VII. INVESTOR RELATIONS

1. General Meetings and Shareholder's Rights

The Company is committed to maintaining communication with shareholders of the Company. The Company's shareholders are encouraged to attend general meetings held by the Company and are invited to express their views and raise questions. The general meetings of the Company are divided into annual general meetings and extraordinary general meetings.

The annual general meeting is convened once a year and within six months after the end of last fiscal year. The extraordinary general meeting is convened irregularly. In accordance with the Articles of Association, an extraordinary general meeting shall be convened within 2 months of the occurrence of an event when shareholders who individually or jointly hold 10% or more of the Company's shares make a request. Shareholders' relevant requests shall be submitted in writing to the Board. The Board shall, within ten days upon receipt of the requests, reply in writing on whether or not the Board agrees to convene an extraordinary general meeting. If the Board agrees to convene an extraordinary general meeting, it will issue a notice of general meeting within five days after the resolution is made by the Board. If the Board does not agree to convene an extraordinary general meeting, or does not reply within ten days upon receipt of the request, shareholders shall have the right to propose to the Audit Committee on convening an extraordinary general meeting in writing. If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of general meeting within five days upon receipt of the request. The Audit Committee failure to issue the notice of general meeting within the prescribed period shall be deemed as the Audit Committee not convening and not presiding over the meeting. As such, shareholders individual or jointly holding more than 10% of the shares of the Company for more than ninety consecutive days can convene and hold the meeting by themselves.

When the Company convenes the annual general meeting, a notice shall be given to each shareholder twenty days before the date of the meeting by way of announcement or methods specified by the listing rules of the places where the Company's shares are listed, and when the Company convenes the extraordinary general meeting, a notice shall be given to each shareholder fifteen days before the date of the meeting by way of announcement or methods specified by the listing rules of the places where the Company's shares are listed, which specifies the matters to be considered and date and venue of the meeting. Where the laws, regulations and listing rules in the jurisdiction where the shares of the Company are listed stipulate the aforesaid matters otherwise, such provisions shall prevail. Shareholders who individually or jointly hold more than 1% of the shares of the Company are entitled to submit a temporary proposal to the Board in writing ten days before the general meeting; the Board shall issue a supplemental notice of the general meeting within two days upon receiving the proposal to publish an announcement for the extraordinary proposals and submit this extraordinary proposal to the general meeting for consideration. The proposals shall be within the scope of authority of the general meeting, and shall have clear objective and detailed agenda items, and shall comply with laws, regulations and the Articles of Association.

During the reporting period, Mr. ZHU Tao (朱濤) didn't attend the first extraordinary general meeting of 2025 of the Company due to other work arrangements, other Directors, the former Supervisors, the secretary of the Board and the PRC legal adviser are present at the general meetings, while the general manager, deputy general managers, external auditors and Hong Kong legal counsels of the Company attended the general meetings to respond to shareholders' questions in relation to proposed resolutions seeking approval at the meetings. The circulars containing information relating to the general meetings were dispatched to all shareholders before the convening of the general meetings as required.

Minutes of meetings of the general meetings are kept in the Company. A shareholder shall be entitled to inspect copies of minutes of meetings free of charge during office hours of the Company or pay reasonable fees to the Company in order to obtain copies of minutes of meetings.

In the first extraordinary general meeting of 2025 of the Company held on 28 March 2025, the chairman of the meeting demanded that all resolutions be passed by poll, and had explained the procedures for voting at the meeting. At the meeting, resolutions regarding adjustments to the Proposed Restructuring plan were considered and approved, and related (connected) shareholders have abstained from voting. For details, please refer to the announcement of the Company regarding the poll results dated 28 March 2025.

In the annual general meeting of 2024 of the Company held on 27 June 2025, the chairman of the meeting demanded that all resolutions be passed by poll, and had explained the procedures for voting at the meeting. At the meeting, resolutions regarding the annual report of 2024, the profit distribution plan of 2024 and other resolutions were considered and approved. For details, please refer to the announcement of the Company regarding the poll results dated 27 June 2025.

In the second extraordinary general meeting of 2025 of the Company held on 28 October 2025, the chairman of the meeting demanded that all the resolutions be passed by poll, and had explained the procedures for voting at the meeting. At the meeting, the resolutions regarding the full text amendments to the Articles of Association and the abolition of the Supervisory Committee, the interim profit distribution plan for 2025 of the Company and other resolutions were considered and approved. For details, please refer to the announcement of the Company regarding the poll results dated 28 October 2025.

2. Amendments to Constitutional Document

The Company convened the second extraordinary general meeting of 2025 on 28 October 2025, at which amendments to the Articles of Association were made. The revised version became effective upon approval at the aforementioned general meeting. The current effective Articles of Association has been published on the website of the Company and the website of Hong Kong Stock Exchange.

3. Information Disclosure

The Company insists the principles of sufficiency, compliance, equality of opportunity, honest and trustworthy, focusing on efficiency and interactive communication, and discloses the Company's information in a timely and precise manner according to the requirements of the Hong Kong Listing Rules.

The Company prepared and disclosed its regular and provisional reports in strict adherence to the principles of truthfulness, accuracy, completeness, timeliness and fairness. It continuously enhanced the pertinence, effectiveness and transparency of information disclosure in order to guarantee investors' access to relevant information and ensure that the investors in the mainland China and Hong Kong are provided with equal opportunity to access relevant information. It carefully organised compliance analysis and disclosure of material events, as well as actively exploring voluntary information disclosure to provide more timely, comprehensive and effective information to investors.

To promote effective communication, the Company also publishes information such as latest announcement and business development of the Group in a timely manner on the Company's website, through which shareholders and investors can immediately grasp the latest business condition and dynamic condition of the Company.

4. Investor Relations Management

The Company pays much attention to the management work of investor relations, and regards investor relations as an important aspect of corporate governance. The Company has established Investor Relations Management System, Implementation Rules for Investor Relations and other communication policies with shareholders. The Board reviews every year and the secretary to the Board is responsible for the overall coordination and arrangement of the management work of investor relations, and general office of the Board is responsible for specific implementation. The Company is committed to setting up an efficient communication bridge between the management and investors. During the reporting period, the Board has reviewed the implementation and effectiveness of the above policies.

The Company communicates with shareholders mainly in the following ways: (i) holding the annual general meeting and the extraordinary general meeting for specific purposes (if any) to provide chances for shareholders to communicate directly with the Board; (ii) holding activities such as results explanation conference, investors conversation, analysts and investors on-site research to enhance investors' understanding of the Company and keep them updated; (iii) publishing interim announcements, periodic reports and/or circulars in accordance with the Hong Kong Listing Rules; and (iv) publishing the latest information of the Group on the Company's website (http://www.qingdao-port.com).

During the reporting period, in order to allow investors to fully understand the results performance, operation strategy and development prospects of the Company, the Company held 70 activities, including results explanation conference, investors conversation, analysts and investors on-site research, etc., proactively promoted to the market, enhanced communication effectiveness, and fostered value recognition. Based on the above measures, the Board expressed satisfaction with the activities carried out by the Company to communicate with shareholders and investors during the reporting period.

Furthermore, the general office of the Board reports investors' perception of the Company and relevant development to the management regularly, so that the management can understand the concerns of investors and the changes of relevant policies and requirements dynamically, thus improving its work on investor relations management. Based on the above measures, the Board expressed satisfaction with the activities undertaken by the Company to communicate with shareholders and investors during the reporting period.

The Company considers the management of investor relations as a long-term systematic project. Looking forward, the Company will continuously review and improve its work on investor relations management at appropriate time in accordance with the supervisory requirements of the Hong Kong Stock Exchange, the development trend of the capital market and investors' expectation, keep contact with domestic and oversea investors and maintain a good image of the Company in the capital market.

Shareholders and investors of the Company may send their enquiries and concerns to the Company by addressing them to the general office of the Board. The contact details are as follows:

General Office of the Board
Tel: 86-532-82983087
E-mail: qggj@qdport.com
Address: 7 Gangji Road, City North District, Qingdao, Shandong Province, the PRC

AUDITOR'S REPORT

信永中和會計師事務所

ShineWing
certified public accountants

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XYZH/2026BJAA2B0066
Qingdao Port International Co., Ltd.

To the Shareholders of Qingdao Port International Co., Ltd.,

I OPINION

We have audited the financial statements of Qingdao Port International Co., Ltd. (hereinafter "Qingdao Port International Company"), which comprise: the consolidated and parent company balance sheets as at 31 December 2025, the consolidated and parent company income statements for the year then ended, the consolidated and parent company cash flow statements for the year then ended and the consolidated and parent 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 parent company's financial position of Qingdao Port International Company as at 31 December 2025, and their financial performance and cash flows for the year then ended in accordance with the requirements of Accounting Standards for Business Enterprises.

II BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("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. In accordance with the independence requirements applicable to the audit of financial statements of public-interest entities set out in the Code of Ethics for Chinese Institute of Certified Public Accountants ("CICPA Code") and the Independence Standards for Chinese Institute of Certified Public Accountants, we are independent of Qingdao Port International Company and have fulfilled our other responsibilities regarding independence and professional ethics. 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.

Key audit matters identified in our audit are summarized as follows:

(1) Provision for supplemental retirement benefits obligations

(2) Estimates on the bad debt provision for accounts receivable

Key audit matter

(1) Provision for supplemental retirement benefits obligations

Please refer to Note II.(19) and Note IV.(40) long-term employee benefits payable.

As at 31 December 2025, Qingdao Port International Company has recognised liabilities in connection with the provision for supplemental retirement benefits of RMB2,496.65 million.

The liabilities in connection with the supplemental retirement benefits are determined on an actuarial basis based on different assumptions. Qingdao Port International Company has engaged a third-party actuary to conduct actuarial valuation on the aforesaid supplemental retirement benefits obligations. Key actuarial assumptions (including discount rates, benefits growth rates and mortality etc.) can have a material impact on the provision for the related retirement benefits obligations. The selection of those actuarial assumptions requires significant judgements and estimates.

We regard this area as a key audit matter because the provision for supplemental retirement benefits obligations requires significant judgements and estimates and also the amounts involved are significant. The inherent risk in relation to the provision for supplemental retirement benefits obligations is considered as elevated risk due to the uncertainty of the judgements and estimations, the complexity of the actuarial process, the subjectivity of the significant assumptions used.

Responses during audit

1. We understood and evaluated Qingdao Port International Company's internal controls over the provision for supplemental retirement benefits obligations and validated the effectiveness of the key internal controls, including management's review and approval of the adoption of key assumptions. The inherent risk of material misstatement was assessed by taking into account the degree of uncertainty in the estimates and the level of other inherent risk factors, including complexity, subjectivity, change, and management bias and other fraud risk factors.

2. We evaluated the capability, professionalism and objectivity of the third-party actuary.

3. We involved our internal actuarial experts to assist us in evaluating the reasonableness of management's benefit plan and the key assumptions as adopted by the third-party actuary. The evaluation works include comparing the discount rates as adopted with the spot rate of treasury bonds as of the balance sheet date, checking the mortality used to the China Life Insurance Mortality Table, comparing the growth rates of various benefits with Qingdao Port International Company's benefits policies and historical information, the historical price indexes as announced by the National Bureau of Statistics of the People's Republic of China, considering the potential impact if these assumptions are to be changed within a reasonable range, as well as through independent calculating to review the results of third-party actuary.

4. We checked the relevant documents of benefit plans and verified the source data (e.g. basic information of employees and benefits payments for the current period etc.) as used by the actuary via sampling methods.

III KEY AUDIT MATTERS (Continued)

Key audit matter	Responses during audit
(2) Estimates on the bad debt provision for accounts receivable Please refer to Note II.(9) and Note IV.(4). The original value of accounts receivable amounted to RMB2,118.81 million and a provision for impairment of RMB158.03 million has been recognised as at 31 December 2025. Qingdao Port International Company measures the loss provisions of accounts receivable based on the lifetime ECL. If there exists objective evidence that the amount cannot be collected under the original terms of the accounts receivable, the provision for bad debts shall be separately accrued. When there is no information at reasonable cost to assess the ECL on the individual basis, Qingdao Port International Company classifies receivables into certain groupings based on their credit risk characteristics and measures ECL according to exposure at default and lifetime ECL rate on the grouping basis, and determines ECL rate based on aging matrix. When determining the ECL rate, Qingdao Port International Company uses internal historical credit loss experience and other data, combining with current conditions and forward-looking information to adjust the historical data. When considering forward-looking information, Qingdao Port International Company has considered different macroeconomic scenarios and important macroeconomic assumptions and parameters. We regard this area as a key audit matter because the amounts involved are significant and Qingdao Port International Company made significant estimate and judgement in determining the impairment of accounts receivable.	1. We understood and evaluated Qingdao Port International Company's internal controls over the management of accounts receivable and measurement of Expected Credit Loss ("ECL") and validated the effectiveness of the key internal controls. The inherent risk of material misstatement was assessed by taking into account the degree of uncertainty in the estimates and the level of other inherent risk factors, including complexity, subjectivity, change, and management bias and other fraud risk factors. 2. For accounts receivable assessed on the individual basis, we have reviewed the management's basis for assessing expected credit losses such as the customer's financial status and credit status, historical repayment records, and forecasts of future economic conditions. And we verify the management's assessment with the evidence we obtained during the audit. 3. For accounts receivable which the ECL is measured based on the groupings of credit risk characteristics, we have reviewed whether the management's judgment on the classification of the groupings and the common risk characteristics is reasonable. We used the work of internal experts to assist us in evaluating the assumptions about management's ECL measurement method of accounts receivable, historical default loss rates, and forward-looking adjustment coefficients. The assessment of the forward-looking adjustment coefficient takes into account the impact of the weight of different macroeconomic scenarios and the economic indicators used by the management were checked with external data sources. On this basis, the ECL were recalculated to verify the reasonableness of management's calculation of ECL. 4. We conducted confirmation process, checked the accuracy of the aging of accounts receivable by inspecting the supporting documents (such as operation records and invoices etc.), and checked the status of subsequent settlement of accounts receivable on sample basis.

IV OTHER INFORMATION

Management of the Qingdao Port International Company (hereinafter "management") is responsible for the other information. The other information comprises all of the information included in 2025 annual report of Qingdao Port International Company 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 MANAGEMENT AND THE AUDIT COMMITTEE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the CASs, and design, implement and maintain necessary internal controls to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

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

The Board of Governance is responsible for overseeing Qingdao Port International Company's financial reporting process.

VI AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether these 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.

VI AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

As part of the audit in accordance with CSAs, we exercised professional judgements and maintained professional skepticism throughout the audit. We also:

(I) 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.

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

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

(IV) 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 Qingdao Port International Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these 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 Qingdao Port International Company to cease to continue as a going concern.

(V) 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.

(VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Qingdao Port International Company 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.

We communicate with the Board of 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 the Board of Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

VI AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, 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.

ShineWing Certified Public Accountants (LLP)	Chinese Certified Public Accountant: Dong Qinchuan (Engagement partner)
	Chinese Certified Public Accountant: Wang Yan
Beijing, China	27 March 2026

CONSOLIDATED BALANCE SHEET

31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

ASSETS	Note IV	31 December 2025	31 December 2024
Current assets			
Cash at bank and on hand	(1)	14,486,405,958	12,673,129,712
Financial assets held for trading	(2)	7,139,277	8,050,643
Notes receivable	(3)	37,440,164	40,439,871
Accounts receivable	(4)	1,960,784,025	2,084,840,524
Financing receivables	(5)	119,318,404	212,131,274
Advances to suppliers	(6)	189,185,855	139,293,759
Other receivables	(7)	1,177,392,549	835,529,050
Including: Dividend receivable		102,282,706	28,841,483
Inventories	(8)	56,791,574	40,688,042
Contract assets	(9)	139,939,213	209,406,760
Held for sale assets		–	67,566,466
Current portion of non-current assets	(10)	1,803,007	1,835,461
Other current assets	(11)	532,326,174	320,558,682
Total current assets		18,708,526,200	16,633,470,244
Non-current assets			
Long-term receivables	(12)	28,848,113	30,651,120
Long-term equity investments	(13)	15,588,269,337	14,510,953,242
Other non-current financial assets	(14)	344,054,651	357,184,402
Investment properties	(15)	130,142,532	281,359,781
Fixed assets	(16)	25,108,593,338	24,584,191,817
Construction in progress	(17)	1,351,133,593	1,247,843,145
Right-of-use assets	(18)	313,098,355	569,786,431
Intangible assets	(19)	3,120,269,011	2,954,809,873
Including: Data resources		100,534	186,707
Development costs	(20)	111,337,591	56,311,304
Goodwill	(21)	28,014,688	28,014,688
Long-term prepaid expenses	(22)	57,534,035	51,439,310
Deferred tax assets	(23)	948,435,160	891,512,245
Other non-current assets	(24)	740,510,541	552,225,858
Total non-current assets		47,870,240,945	46,116,283,216
TOTAL ASSETS		66,578,767,145	62,749,753,460

LIABILITIES AND SHAREHOLDERS' EQUITY	Note IV	31 December 2025	31 December 2024
Current liabilities			
Short-term borrowings	(25)	99,836,576	95,332,649
Notes payable	(27)	258,794,437	485,891,250
Accounts payable	(28)	1,536,214,860	1,612,906,291
Advances from customers	(29)	455,901	9,583,505
Contract liabilities	(30)	563,880,381	278,861,998
Employee benefits payable	(31)	766,604,904	743,671,659
Taxes payable	(32)	377,044,527	362,277,426
Other payables	(33)	3,931,882,854	4,224,759,266
Including: Dividend payable		7,900,926	8,298,733
Current portion of non-current liabilities	(34)	569,728,091	564,440,298
Other current liabilities	(35)	43,482,891	24,993,499
Total current liabilities		8,147,925,422	8,402,717,841
Non-current liabilities			
Long-term borrowings	(36)	3,140,172,638	1,997,892,490
Lease liabilities	(37)	179,673,327	318,917,796
Long-term payables	(38)	346,424,839	284,423,410
Long-term employee benefits payable	(40)	2,452,100,000	2,681,310,000
Deferred income	(39)	461,722,149	336,396,009
Deferred tax liabilities	(23)	51,621,388	56,769,693
Other non-current liabilities	(41)	1,682,633,930	1,879,239,822
Total non-current liabilities		8,314,348,271	7,554,949,220
Total liabilities		16,462,273,693	15,957,667,061
Shareholders' equity			
Share capital	(42)	6,491,100,000	6,491,100,000
Capital surplus	(43)	11,716,522,337	11,725,620,802
Other comprehensive income	(44)	(350,458,967)	(572,243,667)
Specific reserve	(45)	18,393,719	15,925,932
Surplus reserve	(46)	3,245,550,000	3,234,169,702
Undistributed profits	(47)	24,591,762,352	21,593,359,687
Total equity attributable to shareholders of the Parent Company		45,712,869,441	42,487,932,456
Minority interests		4,403,624,011	4,304,153,943
Total shareholders' equity		50,116,493,452	46,792,086,399
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		66,578,767,145	62,749,753,460

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

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY BALANCE SHEET

31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

ASSETS	Note XVI	31 December 2025	31 December 2024
Current assets			
Cash at bank and on hand	(1)	8,069,785,783	6,381,813,309
Notes receivable		950,000	4,890,126
Accounts receivable	(2)	377,857,971	443,332,781
Financing receivables	(3)	46,118,571	106,404,448
Advances to suppliers		79,883,890	82,845,301
Other receivables	(4)	379,903,038	638,540,107
Including: Dividend receivable		142,780,185	143,852,122
Inventories		10,517,953	8,140,662
Current portion of non-current assets		55,079,826	468,618,563
Other current assets		360,700,038	119,404,620
Total current assets		9,380,797,070	8,253,989,917
Non-current assets			
Long-term receivables	(5)	–	630,000,000
Long-term equity investments	(6)	23,849,822,946	22,719,219,104
Other non-current financial assets		344,054,651	357,184,402
Investment properties	(7)	1,023,059,549	856,391,629
Fixed assets	(8)	11,288,890,620	11,445,809,729
Construction in progress	(9)	1,212,901,488	549,701,524
Right-of-use assets		111,030,184	150,788,884
Intangible assets	(10)	1,917,356,584	1,933,679,904
Including: Data resources		100,534	186,707
Development costs		87,273,187	47,029,101
Long-term prepaid expenses		–	428,563
Deferred tax assets		100,307,613	37,274,424
Other non-current assets		367,475,771	265,297,597
Total non-current assets		40,302,172,593	38,992,804,861
TOTAL ASSETS		49,682,969,663	47,246,794,778

LIABILITIES AND SHAREHOLDERS' EQUITY	Note XVI	31 December 2025	31 December 2024
Current liabilities			
Notes payable		12,717,770	49,166,457
Accounts payable		486,777,084	335,122,787
Advances from customers		80,739,070	4,922,270
Contract liabilities		97,429,021	83,932,456
Employee benefits payable		463,534,269	456,323,478
Taxes payable		23,498,317	33,277,575
Other payables		1,929,941,633	1,830,508,615
Current portion of non-current liabilities		39,513,676	37,153,097
Other current liabilities		5,882,877	5,177,478
Total current liabilities		3,140,033,717	2,835,584,213
Non-current liabilities			
Long-term borrowings		7,620,074	–
Lease liabilities		77,962,454	114,990,190
Long-term payables		226,424,839	27,923,410
Long-term employee benefits payable		1,455,820,000	1,600,350,000
Deferred income		256,205,746	139,716,051
Other non-current liabilities		1,682,633,929	1,879,239,822
Total non-current liabilities		3,706,667,042	3,762,219,473
Total liabilities		6,846,700,759	6,597,803,686
Shareholders' equity			
Share capital		6,491,100,000	6,491,100,000
Capital surplus	(12)	15,997,917,085	16,004,144,473
Other comprehensive income	(13)	(143,125,235)	(269,611,399)
Surplus reserve		3,245,550,000	3,234,169,702
Undistributed profits	(14)	17,244,827,054	15,189,188,316
Total shareholders' equity		42,836,268,904	40,648,991,092
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		49,682,969,663	47,246,794,778

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

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Note IV	Year ended 31 December 2025	Year ended 31 December 2024
I.	**Revenue**	(48)	**18,806,323,315**	18,940,998,482
	Less: Cost of sales	(48), (54)	**(11,911,816,346)**	(12,227,050,017)
	Taxes and surcharges	(49)	**(173,267,932)**	(171,773,990)
	Selling and distribution expenses	(50), (54)	**(87,687,417)**	(65,034,687)
	General and administrative expenses	(51), (54)	**(1,161,386,962)**	(1,067,117,408)
	Research and development expenses	(52), (54)	**(112,325,450)**	(104,984,525)
	Financial expenses	(53)	**(48,549,280)**	(60,191,416)
	Including: Interest expenses		**(131,117,644)**	(123,906,331)
	Interest income		**146,243,726**	138,734,024
	Add: Other income	(55)	**111,059,833**	119,790,583
	Investment income	(56)	**1,535,316,330**	1,693,245,194
	Including: Investment income from associates and joint ventures		**1,532,954,213**	1,656,628,568
	(Losses)/Gains on changes in fair value	(57)	**168,762,208**	4,630,742
	Credit impairment reversals/(losses)	(58)	**(47,152,235)**	(15,166,947)
	Asset impairment losses	(59)	**1,457,512**	(3,910,103)
	Gains on disposal of assets	(60)	**30,074,810**	30,023,524
II.	**Operating profit**		**7,110,808,386**	7,073,459,432
	Add: Non-operating income	(61)	**31,625,073**	11,696,626
	Less: Non-operating expenses	(62)	**(13,732,654)**	(17,370,209)
III.	**Total profit**		**7,128,700,805**	7,067,785,849
	Less: Income tax expenses	(63)	**(1,405,154,226)**	(1,335,521,464)
IV.	**Net profit**		**5,723,546,579**	5,732,264,385
	Including: Net profit/(loss) of the acquiree in a business combination under common control before the combination date		**–**	–
	Classified by continuity of operations			
	Net profit from continuing operations		**5,723,546,579**	5,732,264,385
	Net profit from discontinued operations		**–**	–
	Classified by ownership of the equity			
	Minority interests		**452,040,486**	497,366,915
	Net profit attributable to shareholders of the Parent Company		**5,271,506,093**	5,234,897,470

Item		Note IV	Year ended 31 December 2025	Year ended 31 December 2024
V.	**Other comprehensive income, net of tax**	(44)	**227,200,739**	(400,395,990)
	Attributable to shareholders of the Parent Company, net of tax		**214,420,600**	(386,294,715)
	Other comprehensive income items that will not be subsequently reclassified to profit or loss			
	Changes in remeasurement of defined benefit plan obligations		**207,449,861**	(365,358,725)
	Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		**9,629,007**	(15,691,466)
	Other comprehensive income items that will be subsequently reclassified to profit or loss			
	Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		**(2,658,268)**	(5,244,524)
	Attributable to minority shareholders, net of tax		**12,780,139**	(14,101,275)
VI.	**Total comprehensive income**		**5,950,747,318**	5,331,868,395
	Attributable to shareholders of the Company		**5,485,926,693**	4,848,602,755
	Attributable to minority interests		**464,820,625**	483,265,640
VII.	**Earnings per share**			
	Basic earnings per share (RMB Yuan)	(64)(a)	**0.81**	0.81
	Diluted earnings per share (RMB Yuan)	(64)(b)	**0.81**	0.81

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

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY INCOME STATEMENT

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Note XVI	Year ended 31 December 2025	Year ended 31 December 2024
I.	**Revenue**	(15)	**5,753,522,557**	5,675,807,260
	Less: Cost of sales	(15), (17)	**(4,532,048,146)**	(4,294,588,080)
	Taxes and surcharges		**(77,196,310)**	(78,053,181)
	Selling and distribution expenses	(17)	**(71,015,170)**	(27,024,561)
	General and administrative expenses	(17)	**(549,480,217)**	(540,471,247)
	Research and development expenses	(17)	**(42,012,245)**	(46,612,809)
	Financial expenses	(16)	**50,758,872**	24,032,177
	Including: Interest expenses		**(6,497,274)**	(6,652,762)
	Interest income		**90,572,430**	81,705,688
	Add: Other income		**14,158,068**	6,706,322
	Investment income	(18)	**3,792,612,128**	3,797,272,794
	Including: Investment income from associates and joint ventures		**1,396,992,162**	1,529,534,861
	Gains on changes in fair value		**169,673,573**	477,118
	Credit impairment reversals/(losses)	(11)	**(10,348,072)**	2,537,213
	Gains on disposal of assets		**309,816**	13,833,979
II.	**Operating profit**		**4,498,934,854**	4,533,916,985
	Add: Non-operating income		**25,528,845**	3,379,882
	Less: Non-operating expenses		**(1,216,362)**	(3,832,522)
III.	**Total profit**		**4,523,247,337**	4,533,464,345
	Less: Income tax expenses	(19)	**(201,869,271)**	(218,119,257)
IV.	**Net profit**		**4,321,378,066**	4,315,345,088
	Classified by continuity of operations			
	Net profit from continuing operations		**4,321,378,066**	4,315,345,088
	Net profit from discontinued operations		**–**	–
V.	**Other comprehensive income, net of tax**		**126,486,164**	(220,669,822)
	Other comprehensive income items that will not be subsequently reclassified to profit or loss			
	Changes in remeasurement of defined benefit plan obligations		**119,360,000**	(199,460,000)
	Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		**9,629,007**	(15,691,466)
	Other comprehensive income items that will be subsequently reclassified to profit or loss			
	Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		**(2,502,843)**	(5,518,356)
VI.	**Total comprehensive income**		**4,447,864,230**	4,094,675,266

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

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Note IV	Year ended 31 December 2025	Year ended 31 December 2024
I.	**Cash flows from operating activities**			
	Cash received from sales of goods or rendering of services		**20,346,067,226**	19,934,967,674
	Refund of taxes and surcharges		**145,954,622**	89,936,368
	Cash received relating to other operating activities	(65)(a)	**569,017,980**	513,196,781
	Subtotal of cash inflows		**21,061,039,828**	20,538,100,823
	Cash paid for goods and services		**(8,966,847,720)**	(9,288,466,341)
	Cash paid to and on behalf of employees		**(3,516,299,512)**	(3,535,898,938)
	Payments of taxes and surcharges		**(2,358,833,794)**	(2,096,655,643)
	Cash paid relating to other operating activities	(65)(b)	**(670,462,073)**	(464,303,442)
	Subtotal of cash outflows		**(15,512,443,099)**	(15,385,324,364)
	Net cash flows from operating activities	(65)(a)	**5,548,596,729**	5,152,776,459
II.	**Cash flows from investing activities**			
	Cash received from disposal of investments	(65)(c)	**416,000,000**	1,384,166,585
	Cash received from returns on investments		**467,822,085**	1,295,323,773
	Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		**190,732,186**	128,400,953
	Net cash received from disposal of subsidiaries and other business units		**–**	–
	Cash received relating to other investing activities	(65)(e)	**–**	477,118.00
	Subtotal of cash inflows		**1,074,554,271**	2,808,368,429
	Cash paid to acquire fixed assets, intangible assets, and other long-term assets		**(2,464,233,800)**	(2,085,900,592)
	Cash paid to acquire investments	(65)(d)	**(1,727,105,053)**	(761,010,585)
	Cash paid relating to other investing activities		**–**	–
	Subtotal of cash outflows		**(4,191,338,853)**	(2,846,911,177)
	Net cash flows used in investing activities		**(3,116,784,582)**	(38,542,748)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Note IV	Year ended 31 December 2025	Year ended 31 December 2024
III.	**Cash flows from financing activities**			
	Cash received from capital contributions		**40,692,799**	96,537,639
	Including: Cash received from capital contributions by minority shareholders of subsidiaries		**40,692,799**	82,920,000
	Cash received from borrowings		**2,815,053,936**	963,857,423
	Cash received relating to other financing activities	(65)(f)	**200,000,000**	120,000,000
	Subtotal of cash inflows		**3,055,746,735**	1,180,395,062
	Cash repayments of borrowings		**(1,669,991,239)**	(541,283,674)
	Cash payments for distribution of dividends, profits, or interest expenses		**(2,715,359,382)**	(3,307,104,210)
	Including: Cash payments for distribution of profits to minority shareholders of subsidiaries		**(355,506,414)**	(571,118,220)
	Cash paid relating to other financing activities	(65)(g)	**(555,869,226)**	(364,957,135)
	Subtotal of cash outflows		**(4,941,219,847)**	(4,213,345,019)
	Net cash flows used in financing activities		**(1,885,473,112)**	(3,032,949,957)
IV.	**Effect of foreign exchange rate changes on cash**		**(7,227,265)**	(5,594,906)
V.	**Net increase in cash**	(66)(a)	**539,111,770**	2,075,688,848
	Add: Cash at the beginning of the year		**12,207,737,448**	10,132,048,600
VI.	**Cash at the end of the year**	(66)(a)	**12,746,849,218**	12,207,737,448

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

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY CASH FLOW STATEMENT

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Year ended 31 December 2025	Year ended 31 December 2024
I.	**Cash flows from operating activities**		
	Cash received from sales of goods or rendering of services	**4,763,692,939**	4,891,724,476
	Refund of taxes and surcharges	**49,590,339**	53,393,236
	Cash received relating to other operating activities	**1,082,002,391**	858,268,286
	Subtotal of cash inflows	**5,895,285,669**	5,803,385,998
	Cash paid for goods and services	**(2,631,973,846)**	(2,194,694,402)
	Cash paid to and on behalf of employees	**(1,466,499,123)**	(1,440,687,261)
	Payments of taxes and surcharges	**(664,562,504)**	(544,067,849)
	Cash paid relating to other operating activities	**(303,815,630)**	(190,214,105)
	Subtotal of cash outflows	**(5,066,851,103)**	(4,369,663,617)
	Net cash flows from operating activities	**828,434,566**	1,433,722,381
II.	**Cash flows from investing activities**		
	Cash received from disposal of investments	**5,000,000**	315,656,000
	Cash received from returns on investments	**2,877,202,811**	3,118,249,050
	Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	**4,465,347**	114,147,104
	Net cash received from disposal of subsidiaries and other business units	**4,057,882**	8,998,121
	Cash received relating to other investing activities	**1,721,674,653**	1,044,093,890
	Subtotal of cash inflows	**4,612,400,693**	4,601,144,165
	Cash paid to acquire fixed assets, intangible assets, and other long-term assets	**(1,247,665,787)**	(861,891,049)
	Cash paid to acquire investments	**(1,264,000,000)**	(406,556,152)
	Cash paid relating to other investing activities	**(270,027,000)**	(406,000,000)
	Subtotal of cash outflows	**(2,781,692,787)**	(1,674,447,201)
	Net cash flows used in investing activities	**1,830,707,906**	2,926,696,964

COMPANY CASH FLOW STATEMENT (Continued)

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item		Year ended 31 December 2025	Year ended 31 December 2024
III.	**Cash flows from financing activities**		
	Cash received from borrowings	8,249,675	–
	Cash received relating to other financing activities	200,000,000	–
	Subtotal of cash inflows	208,249,675	–
	Cash repayments of borrowings	(209,867)	–
	Cash payments for distribution of dividends, profits, or interest expenses	(2,254,778,902)	(2,636,035,710)
	Cash paid relating to other financing activities	(45,076,000)	(65,379,361)
	Subtotal of cash outflows	(2,300,064,769)	(2,701,415,071)
	Net cash flows used in financing activities	(2,091,815,094)	(2,701,415,071)
IV.	**Effect of foreign exchange rate changes on cash**	(428,285)	(9,372,482)
V.	**Net increase/(decrease) in cash**	566,899,093	1,649,631,792
	Add: Cash at the beginning of the year	6,371,485,536	4,721,853,744
VI.	**Cash at the end of the year**	6,938,384,629	6,371,485,536

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

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	Equity attributable to shareholders of the Parent Company						Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits		
Opening balance at 1 January 2025		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	21,593,359,687	4,304,153,943	46,792,086,399
Changes in 2025									
Total comprehensive income									
Net profit		-	-	-	-	-	5,271,506,093	464,820,625	5,736,326,718
Other comprehensive income	(44)	-	-	214,420,600	-	-	-	-	214,420,600
Total comprehensive income		-	-	214,420,600	-	-	5,271,506,093	464,820,625	5,950,747,318
Capital contribution and withdrawal by shareholders									
Capital contribution by minority shareholders in subsidiaries		-	(1,232,555)	-	-	-	-	46,282,227	45,049,672
Deregistration of non-wholly owned subsidiary		-	-	-	-	-	-	(53,472,298)	(53,472,298)
Profit distribution									
Appropriation to surplus reserves	(46)	-	-	-	-	11,380,298	(11,380,298)	-	-
Distribution to shareholders	(47)	-	-	-	-	-	(2,254,359,030)	(359,465,479)	(2,613,824,509)
Specific reserve									
Appropriation to safety fund	(45)	-	-	-	147,857,818	-	-	34,196,880	182,054,698
Utilization of safety fund	(45)	-	-	-	(145,390,031)	-	-	(32,891,887)	(178,281,918)
Other comprehensive income carried forward to retained earnings		-	-	7,364,100	-	-	(7,364,100)	-	-
Other changes	(43)	-	(7,865,910)	-	-	-	-	-	(7,865,910)
Closing balance at 31 December 2025		6,491,100,000	11,716,522,337	(350,458,967)	18,393,719	3,245,550,000	24,591,762,352	4,403,624,011	50,116,493,452

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	Equity attributable to shareholders of the Parent Company						Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits		
Opening balance at 1 January 2024		6,491,100,000	11,734,763,579	(185,948,952)	8,474,502	2,802,635,193	19,426,032,436	4,261,605,932	44,538,662,690
Changes in 2024									
Total comprehensive income									
Net profit		–	–	–	–	–	5,234,897,470	497,366,915	5,732,264,385
Other comprehensive income	(44)	–	–	(386,294,715)	–	–	–	(14,101,275)	(400,395,990)
Total comprehensive income		–	–	(386,294,715)	–	–	5,234,897,470	483,265,640	5,331,868,395
Capital contribution and withdrawal by shareholders									
Capital contribution by minority shareholders in subsidiaries		–	–	–	–	–	–	94,775,917	94,775,917
Disposal of equity in subsidiaries		–	(1,181,134)	–	–	–	–	–	(1,181,134)
Profit distribution									
Appropriation to surplus reserves	(46)	–	–	–	–	431,534,509	(431,534,509)	–	–
Distribution to shareholders	(47)	–	–	–	–	–	(2,636,035,710)	(536,746,708)	(3,172,782,418)
Specific reserve									
Appropriation to safety fund	(45)	–	–	–	118,672,519	–	–	38,310,460	156,982,979
Utilization of safety fund	(45)	–	–	–	(111,221,089)	–	–	(37,057,298)	(148,278,387)
Impact of disposal of subsidiaries		–	–	–	–	–	–	–	–
Other changes	(43)	–	(7,961,643)	–	–	–	–	–	(7,961,643)
Closing balance at 31 December 2024		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	21,593,359,687	4,304,153,943	46,792,086,399

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

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note XVI	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Opening balance at 1 January 2025		6,491,100,000	16,004,144,473	(269,611,399)	-	3,234,169,702	15,189,188,316	40,648,991,092
Changes in 2025								
Total comprehensive income								
Net profit		-	-	-	-	-	4,321,378,066	4,321,378,066
Other comprehensive income	(13)	-	-	126,486,164	-	-	-	126,486,164
Total comprehensive income		-	-	126,486,164	-	-	4,321,378,066	4,447,864,230
Capital contribution and withdrawal by shareholders								
Purchase of minority shareholders' shares		-	-	-	-	-	-	-
Profit distribution								
Appropriation to surplus reserves		-	-	-	-	11,380,298	(11,380,298)	-
Distribution to shareholders	(14)	-	-	-	-	-	(2,254,359,030)	(2,254,359,030)
Specific reserve								
Appropriation to safety fund		-	-	-	60,517,080	-	-	60,517,080
Utilization of safety fund		-	-	-	(60,517,080)	-	-	(60,517,080)
Other changes	(12)	-	(6,227,388)	-	-	-	-	(6,227,388)
Closing balance at 31 December 2025		6,491,100,000	15,997,917,085	(143,125,235)	-	3,245,550,000	17,244,827,054	42,836,268,904

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

Year ended 31 December 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note XVI	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Opening balance at 1 January 2024		6,491,100,000	16,013,523,000	(48,941,577)	-	2,802,635,193	13,941,413,447	39,199,730,063
Changes in 2024								
Total comprehensive income								
Net profit		-	-	-	-	-	4,315,345,088	4,315,345,088
Other comprehensive income	(13)	-	-	(220,669,822)	-	-	-	(220,669,822)
Total comprehensive income		-	-	(220,669,822)	-	-	4,315,345,088	4,094,675,266
Capital contribution and withdrawal by shareholders								
Purchase of minority shareholders' shares		-	-	-	-	-	-	-
Profit distribution								
Appropriation to surplus reserves		-	-	-	-	431,534,509	(431,534,509)	-
Distribution to shareholders	(14)	-	-	-	-	-	(2,636,035,710)	(2,636,035,710)
Specific reserve								
Appropriation to safety fund		-	-	-	32,533,282	-	-	32,533,282
Utilization of safety fund		-	-	-	(32,533,282)	-	-	(32,533,282)
Other changes	(12)	-	(9,378,527)	-	-	-	-	(9,378,527)
Closing balance at 31 December 2024		6,491,100,000	16,004,144,473	(269,611,399)	-	3,234,169,702	15,189,188,316	40,648,991,092

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

Legal representative: Principal in charge of accounting: Head of accounting department:

I GENERAL INFORMATION

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

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

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

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

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

I GENERAL INFORMATION (Continued)

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

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

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

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

For the six-month period ended 30 June 2025, Shandong Port Investment Holding Co., Ltd. ("Shandong Port Investment"), a subsidiary of Qingdao Port Group, disposed of 13,739,000 H-shares of the Company through the Huabao • Overseas Market Investment No. 2 Series 28-5 QDII Single Fund Trust, representing 0.21% of the Company's total issued share capital. Following the disposal, Qingdao Port Group's total direct and indirect shareholding in the Company decreased from 55.77% to 55.56%.

As at 31 December 2025, the total share capital of the Company is 6,491,100,000 shares with a par value of RMB1.00, including 5,392,075,000 A-shares and 1,099,025,000 H-shares, accounting for 83.07% and 16.93% respectively of the total share capital of the Company. Qingdao Port Group holds 55.56% shares of the Company.

Qingdao Port Group is the parent company of the Company. The ultimate parent company of the Company is Shandong Port Group Co., Ltd. ("Shandong Port Group").

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

(1) Basis of Preparation for Financial Statements

(a) Basis for preparation

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

The new Hong Kong *Companies Ordinance* came into effect on 3 March 2014. Certain disclosures in the financial statements have been presented in accordance with the disclosure requirements of the *Companies Ordinance* of Hong Kong and the *Listing Rules* of the Stock Exchange of Hong Kong.

(b) Preparation basis of consolidated financial statements

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(1) Basis of Preparation for Financial Statements (Continued)

(c) Going concern

The Group has assessed the ability to continue as a going concern for the twelve months from 31 December 2025 and has not identified any events or circumstances that raise significant doubt as to its ability to continue as a going concern. The financial statements are prepared on a going concern basis.

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

The financial statements comply with the requirements of the Accounting Standards for Business Enterprises and truly, accurately, and completely present the financial position of the Company and the Group as at 31 December 2025 and the results of their operations and cash flows for the twelve-month period ended 31 December 2025, and other related information.

(3) Accounting period

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

(4) Recording currency

The recording currency is Renminbi (RMB).

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(a) Business combinations under common control

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

(b) Business combinations not under common control

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

(c) Preparation of consolidated financial statements

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(c) Preparation of consolidated financial statements (Continued)

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

Acquisition of minority interests in subsidiaries

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

(7) Cash and cash equivalents

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

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

(a) Foreign currency transactions

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

(b) Translation of foreign currency financial statements

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments

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

(a) Classification and measurement of financial assets

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

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

Debt instruments

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

Measured at amortized cost:

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

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

Debt instruments (Continued)
Measured at fair value through other comprehensive income:

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

Measured at fair value through profit or loss:

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments

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

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

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

Grouping of financing receivables and notes receivable:

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

Accounts receivable portfolio:

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

Grouping of other receivables and long-term receivables:

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(c) Derecognition

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

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

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

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

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

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

(e) Determination of fair value of financial instruments

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(10) Inventories

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

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

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

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

(11) Long-term equity investments

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

(a) Determination of investment cost

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

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

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

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

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

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

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

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

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

(d) Impairment of long-term equity investments

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(12) Investment properties

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

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

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

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

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

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

(b) Depreciation methods of fixed assets

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets (Continued)

(c) Disposal of fixed assets

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

(14) Construction in progress

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

(15) Borrowing costs

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(16) Intangible assets

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

(a) Land use rights

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

(b) Sea area use right

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

(c) Software

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

(d) Periodical review of useful life and amortization method

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

(e) Research and development

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(16) Intangible assets (Continued)

(e) Research and development (Continued)

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

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

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

(f) Impairment of intangible assets

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

(17) Impairment of long-term assets

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

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

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

(18) Long-term prepaid expenses

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

(19) Employee benefits

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

(a) Short-term employee benefits

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(b) Post-employment benefits

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

As at 31 December 2025, the Group had no forfeited contributions (i.e., contributions processed by the Group on behalf of employees who withdrew from the scheme before the contributions became their own) for the set deposit and withdrawal plan to reduce the current and future contribution levels. For defined benefit plans, the Group has not yet established scheme assets and therefore there is no relevant information on the market value, contribution level, or material surplus or shortfall of scheme assets to disclose.

(c) Basic pensions

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

(d) Corporate annuity

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(e) Supplemental retirement benefits

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

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

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

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

(f) Termination benefits

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(g) Early retirement benefits

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

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

(20) Provisions

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

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

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

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

(21) Dividend distribution

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(22) Revenue recognition principles and measurement methods

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

(a) Rendering of services

The corresponding revenue recognition methods are summarised as follows:

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

- Income from stacking of goods like metal ores, coal, crude oil, grains, break bulk cargo, and containers is recognized on a straight-line basis over the service period.

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(a) Rendering of services (Continued)

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

(b) Sale of goods

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

(23) Government grants

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

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

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(24) Deferred tax assets and deferred tax liabilities

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

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

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

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

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

(25) Leases

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

(a) The Group as the lessee:

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(25) Leases (Continued)

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

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(25) Leases (Continued)

(b) The Group as the lessor:

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

(i) Operating lease

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

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

(ii) Financial lease

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

(26) Held for sale and discontinued operations

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

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

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(27) Specific reserve

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

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

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

(28) Segment information

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

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

(29) Fair value measurement

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

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

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(29) Fair value measurement (Continued)

The fair value of Level 3 is determined based on the Group's valuation models, such as discounted cash flow models. The Group also considers the initial transaction price, recent transactions in identical or similar financial instruments, or full third-party transactions in comparable financial instruments. On 31 December 2025, Level 3 financial assets measured at fair value are valued using significant unobservable inputs such as discount rates, but the fair value is not materially sensitive to reasonable changes in these significant unobservable inputs.

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

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

(30) Critical accounting estimates and judgements

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

(a) Critical accounting estimates and assumption

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

(i) Estimate on depreciation of fixed assets

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

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(30) Critical accounting estimates and judgements (Continued)

(a) Critical accounting estimates and assumption (Continued)

(ii) Actuarial calculation of supplemental retirement benefits

The liabilities recognized from early retirement and supplemental retirement benefits by the Group are calculated on an actuarial basis using a number of assumptions. The assumptions include discount rates, salaries and welfare growth rate, mortality rates, etc. Any differences between the actual results and assumptions are accounted for in the current period in accordance with relevant accounting policies. Although the Group considers its assumptions to be reasonable, changes in experience data and assumptions will affect the amounts of early retirement benefit and supplemental retirement benefits liabilities and other comprehensive income associated with supplemental retirement benefits of the Group.

(iii) Measurement of ECL

The Group calculates ECL pursuant to exposure at default and ECL rate, and determines ECL rate based on the probability of default and the loss given default or ageing matrix. When determining the ECL rate, the Group adopts data like historical credit loss experience in combination with the current situation and forward-looking information to adjust historical data. When considering forward-looking information, the Group has considered different macroeconomic scenarios. In 2025, the weights of the three economic scenarios of "benchmark", "unfavourable" and "favourable" were 60%, 30% and 10%, respectively (In 2024: 60%, 30% and 10%). The Group regularly monitors and reviews key macroeconomic assumptions and parameters related to the calculation of expected credit loss, including the risk of economic downturn, external market environment, technical environment changes on customer conditions, business climate index, consumer price index, industrial added value and investment in fixed assets, etc. In 2025, the Group considered the uncertainty under different macroeconomic scenarios and updated the relevant assumptions and parameters. The key macroeconomic parameters used in each scenario are listed below:

		Economic scenario		
Parameter	Parameter for 2025	Benchmark (%)	Unfavourable (%)	Favourable (%)
Consumer price index: cumulative year-on-year basis	2026 and subsequent years	-1.97	-2.31	-1.66
Industrial added value: cumulative year-on-year basis	2026 and subsequent years	-3.11	-3.73	-2.57
Gross national product: cumulative year-on-year basis	2026 and subsequent years	4.92	3.95	6.07
Investment in fixed assets: cumulative year-on-year basis	2026 and subsequent years	6.36	5.02	8.02

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(30) Critical accounting estimates and judgements (Continued)

(a) Critical accounting estimates and assumption (Continued)

(iii) Measurement of ECL (Continued)

In 2024, the key macroeconomic parameters used in each scenario by the Group were listed below:

		Economic scenario		
Parameter	Parameter for 2024	Benchmark (%)	Unfavourable (%)	Favourable (%)
Consumer price index: cumulative year-on-year basis	2025 and subsequent years	-1.18	-1.06	-1.30
Industrial added value: cumulative year-on-year basis	2025 and subsequent years	5.18	4.66	5.70
Gross national product: cumulative year-on-year basis	2025 and subsequent years	4.59	4.13	5.05
Investment in fixed assets: cumulative year-on-year basis	2025 and subsequent years	9.63	8.66	10.59

(31) Significant Accounting Policies and Changes in Accounting Estimates

(a) Significant changes in accounting policies

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

(b) Significant changes in accounting estimates

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

III TAXATION

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

Category	Tax base	Tax rate
Enterprise income tax	Taxable income	20% and 25%
Value-added tax ("VAT")	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate, less deductible input VAT of the current period)	0%, 6%, 9%, and 13%
	Taxable revenue amount	3% and 5%
Land use tax	Actual size of the land occupied	RMB 3.2-11.2 per square meter per year
Property tax	If levied on an ad valorem basis, 1.2% of the remaining value after a one-time deduction of 30% from the original value of the property; if levied on a rental basis, 12% of the rental income	1.2% and 12%
City maintenance and construction tax	Value-added tax	7%
Educational surcharge	Value-added tax	3%
Local education surcharge	Value-added tax	2%

Descriptions of taxpayers with different corporate income tax rates:

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

III TAXATION (Continued)

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

(a) VAT

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

(b) Withholding and payment of enterprise income tax

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

(2) Tax incentives

(a) Enterprise income tax

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

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

III TAXATION (Continued)

(2) Tax incentives (Continued)

(a) Enterprise income tax (Continued)

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

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

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

(b) VAT

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

III TAXATION (Continued)

(2) Tax incentives (Continued)

(c) Land use tax for terminal land

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

(d) Surtax

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	31 December 2025	31 December 2024
Cash on hand	–	–
Cash at bank	1,966,558,193	326,502,875
Deposits of Shandong Port Finance Company	12,465,896,078	12,297,234,573
Other cash balances	4,888,455	30,929,676
Interest receivable	49,063,232	18,462,588
	14,486,405,958	12,673,129,712
Including: Amounts deposited abroad	44,133,675	33,584,127

As at 31 December 2025, other cash balances include deposits for the issuance of bank acceptance notes amounted to RMB2,711,455 (31 December 2024: RMB6,108,047); deposits for the issuance of letters of guarantee and other guarantees amounted to RMB2,177,000 (31 December 2024: RMB11,821,629); no litigation frozen capital (litigation frozen capital as at 31 December 2024: RMB13,000,000)

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(2) Financial assets held for trading

	31 December 2025	31 December 2024
Stock investments	7,139,277	8,050,643
	7,139,277	8,050,643

(3) Notes receivable

	31 December 2025	31 December 2024
Bank acceptance notes	11,133,608	22,322,306
Trade acceptance notes	27,165,933	19,009,840
Less: Provision for bad debts	(859,377)	(892,275)
	37,440,164	40,439,871

(a) As at 31 December 2025, the Group had no pledged notes receivable (31 December 2024: nil).

(b) As at 31 December 2025, the Group's trade acceptance notes endorsed or discounted but not matured and the notes accepted by banks with lower credit ratings amounted to RMB5,840,451, and all of them were not derecognised.

(c) Provision for bad debts

For notes receivable arising from sales of goods and rendering of services in the ordinary course of operating activities, the Group measures the loss provision based on lifetime expected credit losses ("ECL"), regardless of whether or not there is a significant financing component.

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

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance	Amount	% of total balance
Provision for bad debts on the individual basis	–	–	–	–	–	–	–	–
Provision for bad debts on the portfolio basis	38,299,541	100.00%	(859,377)	2.24%	41,332,146	100.00%	(892,275)	2.16%
	38,299,541	100.00%	(859,377)	2.24%	41,332,146	100.00%	(892,275)	2.16%

As at 31 December 2025, the Group had no notes receivable for which the provision for bad debts was made on the individual basis. No provision for bad debts was reversed, and no notes receivable and provision for bad debts were written off actually in the current year.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable

	31 December 2025	31 December 2024
Accounts receivable	**2,118,813,598**	2,228,642,440
Less: Provision for bad debts	**(158,029,573)**	(143,801,916)
	1,960,784,025	2,084,840,524

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

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

	31 December 2025	31 December 2024
Within 1 year	**1,790,723,870**	2,050,071,465
1 to 2 years	**201,503,758**	83,581,918
2 to 3 years	**52,023,043**	66,766,435
Over 3 years	**74,562,927**	28,222,622
	2,118,813,598	2,228,642,440

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

(b) As at 31 December 2025, accounts receivable and contract assets with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Balance of accounts receivable	Balance of contract assets	Provision for bad debts and impairment provisions	% of total balance of accounts receivable and contract assets
Total amount of top five accounts receivable and contract assets	451,489,713	2,131,200	(43,089,182)	20.02%

(c) In 2025, the Group did not have any accounts receivable that were derecognized due to the transfer of financial assets (2024: nil).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable (Continued)

(d) Provision for bad debts

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

Provisions for bad debts of accounts receivable are analysed by category as follows:

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on the individual basis (i)	-	-	-	-	50,000	-	(50,000)	100.00%
Provision for bad debts on the portfolio basis (ii)	2,118,813,598	100.00%	(158,029,573)	7.46%	2,228,592,440	100.00%	(143,751,916)	6.45%
	2,118,813,598	100.00%	(158,029,573)	7.46%	2,228,642,440	100.00%	(143,801,916)	6.45%

(i) Provisions for bad debts of accounts receivable on the individual basis are analyzed as follows:

There were no provisions for bad debts of accounts receivable on the individual basis during the year.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

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

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

	31 December 2025			31 December 2024		
	Book balance	Provision for bad debts		Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Within 1 year	1,790,723,870	4.57%	(81,820,089)	2,050,071,465	4.54%	(92,984,387)
1 to 2 years	201,503,758	10.00%	(20,150,376)	83,581,918	10.00%	(8,358,060)
2 to 3 years	52,023,043	30.00%	(15,606,913)	66,766,435	30.00%	(20,029,931)
Over 3 years	74,562,927	54.25%	(40,452,195)	28,172,622	79.44%	(22,379,538)
	2,118,813,598		(158,029,573)	2,228,592,440		(143,751,916)

(iii) For the current year, the amount of provision for bad debts on the individual basis reversed was RMB20,000, and the amount of provision for bad debts on the individual basis charged off was RMB30,000; the amount of provision for bad debts on the portfolio basis recognized was RMB22,193,929, and the amount of provision for bad debts on the portfolio basis charged off was RMB7,916,272.

(e) There were no actual write-offs of accounts receivable during the year.

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(5) Financing receivables

	31 December 2025	31 December 2024
Bank acceptance notes	119,318,404	212,131,274

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

In 2025, the Group transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognised bank acceptance notes were RMB501,213,098 and RMB72,051,938 (2024: RMB688,939,782 and RMB12,600,000) respectively, and losses on discount of RMB181,677 were included in investment income (2024: RMB100,178) (Note IV.(56)).

As at 31 December 2025, the Group measures the provision for bad debts based on the expected credit loss for lifetime. As the credit risk characteristics of the bank acceptance notes held by the Group were similar, no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes and did not expect that there would be any significant losses from non-performance by these banks.

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

(c) As at 31 December 2025, except for Note IV.(3)(b), the Group's bank acceptance notes endorsed or discounted but not matured amounted to RMB109,757,590 (31 December 2024: RMB27,990,500) and had been derecognized.

In 2025, the Group did not have any write-offs of significant financing receivables (2024: nil).

(6) Advances to suppliers

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

	31 December 2025		31 December 2024	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	183,143,548	96.81%	137,069,443	98.4%
1 to 2 years	5,863,070	3.10%	2,224,316	1.60%
2 to 3 years	179,237	0.09%	–	–
	189,185,855	100%	139,293,759	100%

As at 31 December 2025, the advances to suppliers with aging over 1 year amounted to RMB6,042,307 (31 December 2024: 2,224,316).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(6) Advances to suppliers (Continued)

(b) As at 31 December 2025, advances to suppliers with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Amount	% of total balance of advances to suppliers
Total amount of top five accounts advances to suppliers	110,940,955	58.64%

(7) Other receivables

	31 December 2025	31 December 2024
Dividend receivable	**102,282,706**	28,841,483
Other receivables	**1,075,109,843**	806,687,567
	1,177,392,549	835,529,050

Dividend receivable is categorized as follows:

	31 December 2025	31 December 2024
QDOT	**81,810,723**	–
Shandong Yuanhai Zhirong Supply Chain Development Co., Ltd. ("Yuanhai Zhirong") (Former name: Qingdao Shenzhou International Freight Forwarding Co., Ltd.)	**19,892,941**	17,621,365
Shandong Port Overseas Development Group Qingdao Co., Ltd.("Overseas Development Group Qingdao")	**540,042**	–
Yalong Development Company Limited	**39,000**	19,500
Qingdao Port International Trade Logistics Co., Ltd. ("Qinggang International Trade Logistics")	**–**	4,745,177
Sinopec Qingdao Liquefied Natural Gas Co., Ltd. ("Sinopec Qingdao")	**–**	4,119,054
Shandong Luhai Equipment Group Co., Ltd. ("Luhai Equipment Group")	**–**	1,611,067
Sea Route International	**–**	725,320
	102,282,706	28,841,483

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

Other receivables are analyzed by nature of payment as follows:

	31 December 2025	31 December 2024
Agency business receivables (i)	**723,222,570**	570,646,160
Receivables from equity transfers (ii)	**182,803,324**	–
Supplementary medical insurance pool (iii)	**65,145,440**	51,906,856
Deposit and guarantee	**61,010,562**	62,296,437
Land resumption compensation (iv)	**27,963,850**	83,435,139
Advances for land use rights receivable (v)	**13,884,074**	14,622,074
Advances for targeted procurement operations (vi)	**–**	1,346,276
Others	**48,340,264**	46,029,938
	1,122,370,084	830,282,880
Less: Provision for bad debts	**(47,260,241)**	(23,595,313)
	1,075,109,843	806,687,567

(i) Agency business receivables were mainly the amounts paid by the Group on behalf of other parties for accepting the entrustment from ship owners to go through the necessary procedures for the ship's access to the port.

(ii) Receivables from equity transfer represent amounts due to the Group from the disposal of its equity interest in Shandong Binhai Hongrun Pipeline Stock Limited during the current year.

(iii) Supplementary medical insurance pool represented the prepaid funds deposited into the account of Shandong Branch of Ping An Endowment Insurance Co., Ltd. for the payment of employees' supplementary medical welfare. The Group expects that the recovery risk is low.

(iv) Land resumption compensation represented compensation receivable for three state-owned construction land use rights of QMT, a subsidiary of the Group, which were resumed by the Huangdao District Natural Resources Bureau of Qingdao City in 2024.

(v) Advances for land use rights receivable are the prepayments to the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone and Weihai Lingang State Owned Assets Management Co., Ltd., in a prior year for the purchase of land, by Logistics Park Development, a subsidiary of the Group. Due to the change in government planning, Logistics Park Development will not purchase the piece of land and the payment is to be recovered, and the Group expects that the payment will be fully recovered.

(vi) Advances for targeted procurement operations represented the amounts to be recovered from the Group's targeted purchases of goods for customers.

The Group has no amounts aggregated to other items and presented in other receivables for centralised fund management.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

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

	31 December 2025	31 December 2024
Within 1 year	1,025,878,068	741,024,496
1 to 2 years	26,188,808	43,103,151
2 to 3 years	28,265,155	18,265,516
Over 3 years	42,038,053	27,889,717
	1,122,370,084	830,282,880

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

Provisions for bad debts of other receivables are analysed by category as follows:

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on the individual basis (i)	23,285,793	2.07%	(2,663,719)	11.44%	22,968,350	2.77%	(1,346,276)	5.86%
Provision for bad debts on the portfolio basis (ii)	1,099,084,291	97.93%	(44,596,522)	4.06%	807,314,530	97.23%	(22,249,037)	2.76%
	1,122,370,084	100.00%	(47,260,241)	4.21%	830,282,880	100.00%	(23,595,313)	2.84%

	Stage 1					Stage 3		
	ECL over the next 12 months (portfolio)		ECL over the next 12 months (individual)		Subtotal	Expected credit losses over the entire duration (credit impairment has occurred) (individual)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	807,314,530	(22,249,037)	21,622,074	–	(22,249,037)	1,346,276	(1,346,276)	(23,595,313)
Increase in the current year	291,769,761	(22,347,485)	–	–	(22,347,485)	2,663,719	(2,663,719)	(25,011,204)
Decrease in the current year	–	–	(1,000,000)	–	–	(1,346,276)	1,346,276	1,346,276
31 December 2025	1,099,084,291	(44,596,522)	20,622,074	–	(44,596,522)	2,663,719	(2,663,719)	(47,260,241)

As at 31 December 2025, the Group did not have any other receivables which were at Stage 2 (31 December 2024: nil). Other receivables at Stage 1 and Stage 3 are analysed as follows:

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

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

(i) As at 31 December 2025, provisions for bad debts of other receivables on the individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	6,738,000	–	–	i)
Advances for land use rights receivable	13,884,074	–	–	ii)
	20,622,074		–	

	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Stage 3				
Receivables from Shandong Andeli Feed Co., Ltd.	2,663,719	100%	(2,663,719)	iii)
Receivables from Qingdao Huamin Shichuang International Trade Co., Ltd.	–	–	–	
	2,663,719		(2,663,719)	

i) As at 31 December 2025, an amount of RMB6,738,000 was receivable from the Weihai Lingang Economic and Technological Development Zone Finance and Capital Bureau, which represents the compensation payment granted by Weihai Lingang District for using part of Logistics Park Development's logistics land for the railroad planning, which the Group expects to be fully recovered. RMB262,000 has been recovered in the current year.

ii) As at 31 December 2025, receivables from the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone and Weihai Lingang State Owned Assets Management Co., Ltd. totaled RMB13,884,074, which were the prepayments in a prior year for the purchase of land, by Logistics Park Development, a subsidiary of the Group. Due to the change in government planning, Logistics Park Development will not purchase the piece of land and the payment is to be recovered, and the Group expects that the payment will be fully recovered. RMB738,000 has been recovered in the current year.

iii) As at 31 December 2025, the receivable from Shandong Andeli Feed Co., Ltd. amounted to RMB2,663,719. The company is listed as a defaulter, and the amount is expected to be unrecoverable. The Group has made a full provision for bad debts in respect of the payment.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

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

(ii) As at 31 December 2024, provisions for bad debts of other receivables on the individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	7,000,000	–	–	Note IV.(7)(b)(i)
Advances for land use rights receivable	14,622,074	–	–	Note IV.(7)(b)(i)
	21,622,074		–	

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

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

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

	31 December 2025			31 December 2024		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Agency business receivables portfolio	720,558,851	(22,998,847)	3.19%	570,646,160	(15,539,485)	2.72%
Deposit and guarantee portfolios	61,010,562	-	-	62,296,437	-	-
Other portfolios	317,514,878	(21,597,675)	6.80%	174,371,933	(6,709,552)	3.85%
	1,099,084,291	(44,596,522)		807,314,530	(22,249,037)	

(c) The provision for bad debts in the current year amounted to RMB25,011,204, and no provision for bad debts was reversed in the current year. Other receivables that were written off and the provision for bad debts amounted to RMB1,346,276 in the current year.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(d) As at 31 December 2025, other receivables with top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables	Provision for bad debts
Qingdao Qingke Free Trade Industrial Park Operation Management Co., Ltd.	Receivables from equity transfers	182,803,324	Within 1 year	16.28%	(9,140,166)
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance fund	62,353,826	Within 1 year, 1 to 2 years	5.56%	–
QDOT	Agency business receivables	40,343,524	Within 1 year	3.59%	(1,210,306)
Wallem Shipping (China) Co., Ltd.	Agency business receivables	36,322,673	Within 1 year	3.24%	(1,089,854)
Zibo Jiadele Energy Co., Ltd.	Agency business receivables	31,091,717	Within 1 year	2.77%	(932,752)
		352,915,064		31.44%	(12,373,078)

(e) As at 31 December 2025, the Group did not recognise government grants at amounts receivable (31 December 2024: nil).

(f) As at 31 December 2025, the Group had no pledged other receivables (31 December 2024: nil).

(g) As at 31 December 2025, the Group had no overdue dividend receivable (31 December 2024: nil).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(8) Inventories

(a) Inventories are categorized as follows:

	31 December 2025			31 December 2024		
	Book balance	Provision for decline in value of inventories	Book value	Book balance	Provision for decline in value of inventories	Book value
Materials and finished goods	24,117,862	–	24,117,862	23,103,024	–	23,103,024
Fuel	29,095,000	–	29,095,000	5,268,804	–	5,268,804
Spare parts	1,991,706	–	1,991,706	1,220,974	–	1,220,974
Others	1,587,006	–	1,587,006	11,095,240	–	11,095,240
	56,791,574	–	56,791,574	40,688,042	–	40,688,042

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

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Materials and finished goods	23,103,024	779,319,264	(778,304,426)	24,117,862
Fuel	5,268,804	615,729,385	(591,903,189)	29,095,000
Spare parts	1,220,974	17,365,665	(16,594,933)	1,991,706
Others	11,095,240	15,609,583	(25,117,817)	1,587,006
	40,688,042	1,428,023,897	(1,411,920,365)	56,791,574

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(9) Contract assets

	31 December 2025	31 December 2024
Contract assets	**147,039,352**	217,964,411
Less: Provision for impairment of contract assets	**(7,100,139)**	(8,557,651)
	139,939,213	209,406,760

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

In 2025, the Group did not have any write-offs of significant contract assets (2024: nil).

(10) Current portion of non-current assets

	31 December 2025	31 December 2024
Long-term receivables due within one year	**1,803,007**	1,835,461
	1,803,007	1,835,461

(11) Other current assets

	31 December 2025	31 December 2024
VAT input to be deducted	**253,665,375**	320,558,682
Prepaid taxes	**278,660,799**	–
	532,326,174	320,558,682

(12) Long-term receivables

	31 December 2025	31 December 2024
Receivables from Hunan Ccoop Commercial Management Co., Ltd. ("Hunan Ccoop")	**30,651,120**	32,486,581
Less: Current portion	**(1,803,007)**	(1,835,461)
	28,848,113	30,651,120
Less: Provision for bad debts	**–**	–
	28,848,113	30,651,120

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(12) Long-term receivables (Continued)

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

Provisions for bad debts of long-term receivables are analysed by category as follows:

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on the individual basis	30,651,120	100%	–	–	32,486,581	100%	–	–

	Stage 3 Lifetime ECL (credit impaired)	
	Book balance	Provision for bad debts
31 December 2024	32,486,581	–
Increase in the current year	954,692	–
Decrease in the current year	(2,790,153)	–
31 December 2025	30,651,120	–

(b) As at 31 December 2025, The Group did not have long-term receivables at Stage 1 and Stage 2 (31 December 2024: nil). The receivable at Stage 3 of RMB30,651,120 was from Hunan Ccoop (31 December 2024: RMB32,486,581). Due to its poor performance, Hunan Ccoop was unable to pay the amount, and therefore provided the property of its parent company, Ccoop Group Co., Ltd., as collateral for the payment. According to the court's re-ruling, the amount was undertaken by Ccoop Group Co., Ltd. and would be repaid in installments within 10 years. RMB2,790,153 was repaid in 2025. The Group believed that the recovery risk is relatively low and therefore no provision for bad debts was made.

(13) Long-term equity investments

	31 December 2025	31 December 2024
Joint ventures (a)	11,740,816,323	10,856,736,941
Associates (b)	3,847,453,014	3,654,216,301
	15,588,269,337	14,510,953,242

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(a) Joint ventures

Investments in joint ventures are set out below:

		Movements in the current year					
	31 December 2024	Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	31 December 2025
Qingdao Qianwan Container Terminal Co., Ltd. ("QQCT") (i)	7,781,683,802	1,190,249,480	2,736,008	1,703,748	-	7,082,582	8,983,455,620
Qingdao Shihua Crude Oil Terminal Co., Ltd. ("Qingdao Shihua")	1,389,609,070	93,252,815	140,000	(1,941,417)	(280,196,789)	4,456,811	1,205,320,490
QDOT	666,766,734	(32,469,330)	2,571,000	-	(81,810,723)	1,119,936	556,177,617
Qingdao Qianwan West Port United Terminal Co., Ltd. ("West United") (ii)	408,287,610	(49,549,120)	4,182,000	10,031	-	1,910,062	364,840,583
Qingdao PetroChina Storage Co., Ltd. ("PetroChina Storage")	158,048,783	1,147,300	-	(104,948)	-	-	159,091,135
Huaneng Qingdao Port Co., Ltd. ("Huaneng Qingdao")	132,827,869	5,078,276	-	-	-	1,489,699	139,395,844
Qingdao Port Dongjiakou Wanbang Logistics Co., Ltd. ("Dongjiakou Wanbang Logistics") (iii)	67,421,825	(283,179)	-	-	-	-	67,138,646
Qingdao Evergreen Container Storage & Transportation Co., Ltd. ("Evergreen Container")	59,953,823	32,846,457	-	(2,181,095)	(25,790,967)	-	64,828,218
Qingdao Port Dongjiakou Sinotrans Logistics Co., Ltd. ("Dongjiakou Sinotrans Logistics")	52,410,693	362,550	-	-	(294,000)	-	52,479,243
Orient Container	49,324,596	14,459,338	-	-	(9,847,922)	-	53,936,012
Qingdao United International Shipping Agency Co., Ltd. ("United Shipping Agency")	31,059,939	4,813,037	-	-	(3,600,362)	-	32,272,614
Ganglianhai Logistics	21,259,771	6,055,858	-	-	(4,498,741)	-	22,816,888
Qingdao Ganglianrong International Logistics Co., Ltd. ("Ganglianrong Logistics")	13,454,941	6,469,808	-	-	(5,954,941)	-	13,969,808
Qingdao Port Far Sea Shipping Agency Co., Ltd. ("China Shipping Agency")	13,228,420	956,655	-	-	(15,911)	-	14,169,164
Sea Route International	4,439,640	829,318	(73,497)	-	(948,539)	-	4,246,922
Yuanhai Zhirong	4,163,929	19,892,941	-	-	(19,892,941)	-	4,163,929
Qingdao Port (Linyi) High-speed Logistics Co., Ltd. ("Linyi Expressway")	2,795,496	(281,906)	-	-	-	-	2,513,590
	10,856,736,941	1,293,830,298	9,555,511	(2,513,681)	(432,851,836)	16,059,090	11,740,816,323

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(a) Joint ventures (Continued)

(i) The Company's shareholding in QQCT is 51% and the other party's shareholding is 49%. The Meeting of Shareholders serves as the highest authority of QQCT, and the significant financial and operational decisions need to be approved by all directors. The Company cannot unilaterally exercise control over QQCT and therefore accounts for QQCT as a joint venture.

(ii) The Company holds 51% equity interest of West United. In accordance with the Articles of Association of West United, its highest authority is the Meeting of Shareholders but its significant operational decisions should be voted by the Board of Directors with the authorization of the Meeting of Shareholders. The Company can designate 3 out of 5 board members in West United. The significant financial and operational decisions of West United need to be approved by all directors. The Company cannot unilaterally exercise control over West United, and therefore, West United is accounted for as a joint venture.

(iii) The Company holds 51% equity interest of Dongjiakou Wanbang Logistics. In accordance with the Articles of Association of Dongjiakou Wanbang Logistics, the Company can designate 4 out of 7 board members in Dongjiakou Wanbang Logistics. The significant financial and operational decisions of Dongjiakou Wanbang Logistics need to be approved by all directors. The Company cannot unilaterally exercise control over Dongjiakou Wanbang Logistics, and therefore it is accounted for as a joint venture.

Information of interests in joint ventures are set out in Note VI.(2).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(b) Associates

Investments in associates are set out below:

		Movements in the current year						
	31 December 2024	Additional investments	Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	31 December 2025
Shandong Port Group Finance Co., Ltd. ("Shandong Port Finance Company")	1,710,180,311	-	107,704,759	(2,130,540)	-	(50,618,519)	-	1,765,136,011
Shandong Zhenhua Petroleum Energy Storage Co., Ltd. ("Zhenhua Petroleum Storage")	481,566,895	-	5,817,506	-	-	-	-	487,384,401
Qingdao Port Engineering	299,704,568	-	40,224,730	-	(4,828,660)	-	(3,221,660)	331,878,978
COSCO Shipping Ports (Abu Dhabi) Co., Ltd. ("COSCO Abu Dhabi")	264,151,236	-	(9,829,818)	-	-	-	-	254,321,418
Unitrans Group Co., Ltd. ("UG")	177,955,293	-	46,617,544	(81,928)	-	(31,187,319)	-	193,303,590
Qingdao Qingyin Financial Leasing Co., Ltd. ("Qingyin Leasing")	177,693,524	-	31,131,526	-	-	(9,000,000)	-	199,825,050
Shandong Luhai Equipment Group Qingdao Co., Ltd. ("Luhai Equipment Group Qingdao")	143,323,510	-	15,716,484	-	(1,036,017)	-	(280,892)	157,723,085
Gulf Liquid Chemical	113,330,017	-	2,770,071	-	-	(420,000)	-	115,680,088
Qinggang International Trade Logistics	102,264,338	-	8,303,108	-	-	(8,538,252)	-	102,029,194
Shandong Port Science and Technology Group Qingdao Co., Ltd. ("Technology Company")	58,018,177	-	7,534,592	-	-	-	-	65,552,769
Shangang Luhai International Logistics (Jinan) Co., Ltd. ("Shangang Luhai Jinan")	40,629,365	-	(255,901)	-	-	-	-	40,373,464
Xishuangbanna Natural Rubber Storage and Transportation Center Co., Ltd. ("Xishuangbanna Storage and Transportation") (iv)	33,704,217	34,000,000	(103,995)	-	-	-	-	67,600,222

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(b) Associates (Continued)

Investments in associates are set out below: (Continued)

		Movements in the current year						
	31 December 2024	Additional investments	Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	31 December 2025
Shandong Port Energy Co., Ltd. ("Shandong Port Energy")	18,232,758	-	1,152,295	-	542,754	(3,848,075)	-	16,079,732
Qingdao Qianwan Xinhe International Supply Chain Service Co., Ltd. ("Qianwan Xinhe Supply Chain")	7,669,942	-	682,319	-	-	-	-	8,352,261
Weihai Hailian Container Co., Ltd. ("Hailian Container")	7,541,623	-	2,650,346	-	-	(1,278,134)	-	8,913,835
Overseas Development Group Qingdao	7,122,904	-	9,010	-	-	(977,371)	-	6,154,543
Global Shipping Business Network Limited ("GSBN")	6,222,731	-	379,784	(372,304)	-	-	-	6,230,211
Shangang Energy Development (Qingdao) Co., Ltd. ("Shangang Energy Development")	4,904,892	-	9,067	-	-	-	-	4,913,959
Shandong Sinotrans Chemical International Logistics Co., Ltd. ("Sinotrans Chemical Logistics") (v)	-	16,000,000	203	-	-	-	-	16,000,203
	3,654,216,301	**50,000,000**	**260,513,630**	**(2,584,772)**	**(5,321,923)**	**(105,867,670)**	**(3,502,552)**	**3,847,453,014**

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(b) Associates (Continued)

(iv) Xishuangbanna Storage and Transportation has a total registered capital of RMB200 million, with the initial registered capital of RMB100 million having been fully paid up in July 2023; Pursuant to the Articles of Association of Xishuangbanna Natural Rubber Storage and Transportation Center Co., Ltd. and the Joint Venture Agreement signed by all shareholder entities, the remaining 50% of the registered capital, amounting to RMB100 million, must be fully paid in by 31 December 2025. During this period, the Company's subsidiary, QDP Logistics, paid in RMB34 million in accordance with its 34% equity interest.

(v) In April 2025, Sinotrans Chemical International Logistics Co., Ltd., Sinotrans Central China Co., Ltd., QDP Logistics, and Shandong Weihai Port Development Co., Ltd. ("Weihai Port Development") jointly established Sinotrans Chemical Logistics, holding 31%, 29%, 30%, and 10% of the shares, respectively. QDP Logistics and Weihai Port Development, subsidiaries of the Company, collectively hold a 40% equity interest. As the Company only exercises significant influence over Sinotrans Chemical Logistics, it is accounted for as an associate.

Information of interests in associates are set out in Note VI.(2).

(14) Other non-current financial assets

	31 December 2025	31 December 2024
Shandong Harbor Construction Group Co., Ltd. ("Shandong Harbor Construction")	**154,114,231**	183,487,800
Shandong Binhai Hongrun Pipeline Stock Limited	**–**	39,888,390
Sinopec Qingdao	**89,859,881**	30,000,000
Luhai Equipment Group	**97,954,418**	101,488,725
Yalong Development Company Limited	**2,126,121**	2,319,487
	344,054,651	357,184,402

Other non-current financial assets represent the Group's investments in equity of unlisted companies, which are Shandong Harbor Construction Group, Sinopec Qingdao, Sanya Yalong Bay Development Co., Ltd., and Luhai Equipment Group with shareholding of 9.29%, 0.80%, 0.06%, and 16.56%, respectively, over which the Group has no control, joint control or significant influence.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Investment properties

	Buildings and storage facilities	Land use rights	Total
Original cost			
31 December 2024	133,539,137	247,131,244	380,670,381
Transfer from fixed assets	35,476,143	–	35,476,143
Disposal	(34,544)	–	(34,544)
Transferred for self-use	(1,258,697)	(201,031,377)	(202,290,074)
31 December 2025	167,722,039	46,099,867	213,821,906
Accumulated depreciation			
31 December 2024	(48,769,471)	(50,541,129)	(99,310,600)
Current year accrual	(4,864,843)	(4,037,376)	(8,902,219)
Transfer from fixed assets	(14,103,020)	–	(14,103,020)
Disposal	22,932	–	22,932
Transferred for self-use	576,179	38,037,354	38,613,533
31 December 2025	(67,138,223)	(16,541,151)	(83,679,374)
Book value			
31 December 2025	100,583,816	29,558,716	130,142,532
31 December 2024	84,769,666	196,590,115	281,359,781

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Investment properties (Continued)

	Buildings and storage facilities	Land use rights	Total
Original cost			
31 December 2023	106,753,453	166,748,735	273,502,188
Transfer from fixed assets	26,785,684	–	26,785,684
Transfer from intangible assets	–	98,714,864	98,714,864
Transferred for self-use	–	(18,332,355)	(18,332,355)
31 December 2024	133,539,137	247,131,244	380,670,381
Accumulated depreciation			
31 December 2023	(36,059,076)	(29,131,742)	(65,190,818)
Current year accrual	(4,147,261)	(9,241,107)	(13,388,368)
Transfer from fixed assets	(8,563,134)	–	(8,563,134)
Transfer from intangible assets	–	(16,238,760)	(16,238,760)
Transferred for self-use	–	4,070,480	4,070,480
31 December 2024	(48,769,471)	(50,541,129)	(99,310,600)
Book value			
31 December 2024	84,769,666	196,590,115	281,359,781
31 December 2023	70,694,377	137,616,993	208,311,370

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Investment properties (Continued)

As at 31 December 2025, the Group leased out a portion of self-used buildings, storage facilities, and land use rights and had signed the lease contracts. The fixed assets and intangible assets involving in the above leases had been transferred to investment properties accordingly.

As at 31 December 2025, the management of the Group considered that there is no indication that the investment properties may be impaired, therefore no provision for impairment is required (31 December 2024: nil).

In 2025, no borrowing costs were capitalized in investment properties by the Group (2024: nil).

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

(16) Fixed assets

	31 December 2025	31 December 2024
Fixed assets	**25,101,319,987**	24,579,422,167
Disposal of fixed assets	**7,273,351**	4,769,650
	25,108,593,338	24,584,191,817

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2024	1,291,523,053	15,019,418,945	12,365,003,883	4,667,026,691	1,750,543,528	1,764,278,077	193,128,933	406,107,892	99,194,908	37,556,225,910
Increase in the current year										
Purchase in the current year	297,045,691	30,211	–	48,709,067	58,154,170	137,252,212	10,448,113	88,538,737	3,985,442	644,163,643
Transfer from construction in progress	14,225,257	439,899,168	358,175,793	43,227,833	102,336,994	–	–	41,803,546	–	999,668,591
Transfer from investment properties	1,258,697	–	–	–	–	–	–	–	–	1,258,697
Transfer from right-of-use assets	–	96,187,617	237,482,130	–	46,498,620	–	–	–	1,054,312	381,222,679
Others	290,039	17,558,471	39,391,404	952,957	537,967	–	455,461	472,383	41,396	59,700,078
Decrease in the current year										
Disposal and scrapping	(2,602,598)	(3,945,360)	(1,116,554)	(86,763,093)	(15,677,551)	(5,129,052)	(6,624,869)	(5,915,200)	(1,648,775)	(129,423,052)
Transfer to investment properties	–	–	(35,476,143)	–	–	–	–	–	–	(35,476,143)
Others	(60,123,442)	(5,135,396)	(107,365,543)	(1,232,067)	(2,327,025)	–	(380,100)	(559,863)	(910,476)	(178,033,912)
31 December 2025	1,541,616,697	15,564,013,656	12,856,094,970	4,671,921,388	1,940,066,703	1,896,401,237	197,027,538	530,447,495	101,716,807	39,299,306,491
Accumulated depreciation										
31 December 2024	(424,891,125)	(4,293,076,520)	(2,558,232,809)	(3,055,371,101)	(1,117,433,517)	(1,052,173,103)	(110,192,915)	(276,192,387)	(64,352,419)	(12,951,915,896)
Increase in the current year										
Accrual	(41,883,666)	(385,478,379)	(421,101,036)	(118,250,054)	(135,517,285)	(71,688,807)	(10,870,423)	(59,017,013)	(4,854,706)	(1,248,661,369)
Transfer from investment properties	(576,179)	–	–	–	–	–	–	–	–	(576,179)
Transfer from right-of-use assets	–	(20,916,184)	(55,872,676)	–	(27,308,056)	–	–	–	(1,012,140)	(105,109,056)
Others	(939,114)	(16,447,315)	(7,255,312)	–	(1,335,151)	–	(432,688)	(290,684)	(39,159)	(26,739,423)
Decrease in the current year										
Disposal and scrapping	1,528,455	1,107,561	464,064	83,125,226	13,624,101	4,895,375	6,645,117	5,622,184	1,548,936	118,561,019
Transfer to investment properties	–	–	14,103,020	–		–	–	–	–	14,103,020
Others	24,552,314	62,243	187,894	1,034,724	617,712	–	–	169,200	615,140	27,239,227
31 December 2025	(442,209,315)	(4,714,748,594)	(3,027,706,855)	(3,089,461,205)	(1,267,352,196)	(1,118,966,535)	(114,850,909)	(329,708,700)	(68,094,348)	(14,173,098,657)
Impairment provision										
31 December 2024	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Current year accrual	–	–	–	–	–	–	–	–	–	–
31 December 2025	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Net book value										
31 December 2025	1,074,519,535	10,849,265,062	9,828,388,115	1,582,460,183	672,714,507	777,434,702	82,176,629	200,738,795	33,622,459	25,101,319,987
31 December 2024	841,744,081	10,726,342,425	9,806,771,074	1,611,655,590	633,110,011	712,104,974	82,936,018	129,915,505	34,842,489	24,579,422,167

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2023	1,268,166,633	14,505,729,626	11,674,958,983	4,257,050,821	1,468,173,803	1,885,141,345	190,416,066	373,846,053	97,914,603	35,721,397,933
Increase in the current year										
Purchase in the current year	125,874	1,228,673	377,755	30,578,334	56,508,212	–	16,158,095	24,770,991	2,762,282	132,510,216
Transfer from construction in progress	46,806,808	570,958,990	730,939,646	444,265,463	228,649,501	–	375,457	15,759,829	7,901	2,037,763,595
Others	2,371,101	18,799,246	25,915,264	10,865,521	10,411,062	–	321,426	3,666,693	50,912	72,401,225
Decrease in the current year										
Disposal and scrapping	–	(8,990,640)	(32,212,579)	(73,209,862)	(11,907,800)	(22,535,161)	(11,992,511)	(3,046,658)	(1,467,428)	(165,362,639)
Transfer to held-for-sale	–	–	–	–	(1,087,978)	(98,328,107)	–	–	–	(99,416,085)
Transfer to investment properties	(15,799,359)	–	(10,986,325)	–	–	–	–	–	–	(26,785,684)
Others	(10,148,004)	(68,306,950)	(23,988,861)	(2,523,586)	(203,272)	–	(2,149,600)	(8,889,016)	(73,362)	(116,282,651)
31 December 2024	1,291,523,053	15,019,418,945	12,365,003,883	4,667,026,691	1,750,543,528	1,764,278,077	193,128,933	406,107,892	99,194,908	37,556,225,910
Accumulated depreciation										
31 December 2023	(393,133,864)	(3,943,744,446)	(2,173,308,003)	(3,014,530,067)	(1,010,755,931)	(1,029,471,699)	(112,477,851)	(232,132,327)	(60,981,078)	(11,970,535,266)
Increase in the current year										
Accrual	(36,015,002)	(352,202,205)	(395,029,541)	(109,232,986)	(117,162,453)	(75,444,487)	(10,277,998)	(47,571,161)	(4,734,532)	(1,147,670,365)
Others	(230,836)	(79,011)	(11,920)	(2,063,616)	(1,015,360)	–	(321,426)	(265,865)	(27,395)	(4,015,429)
Decrease in the current year										
Disposal and scrapping	–	2,838,126	5,350,417	70,455,568	10,983,743	21,408,403	10,820,744	2,910,461	1,302,152	126,069,614
Transfer to held-for-sale	–	–	–	–	514,939	31,334,680	–	–	–	31,849,619
Transfer to investment properties	4,475,306	–	4,087,828	–	–	–	–	–	–	8,563,134
Others	13,271	111,016	678,410	–	1,545	–	2,063,616	866,505	88,434	3,822,797
31 December 2024	(424,891,125)	(4,293,076,520)	(2,558,232,809)	(3,055,371,101)	(1,117,433,517)	(1,052,173,103)	(110,192,915)	(276,192,387)	(64,352,419)	(12,951,915,896)
Impairment provision										
31 December 2023	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Current year accrual	–	–	–	–	–	–	–	–	–	–
31 December 2024	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Net book value										
31 December 2024	841,744,081	10,726,342,425	9,806,771,074	1,611,655,590	633,110,011	712,104,974	82,936,018	129,915,505	34,842,489	24,579,422,167
31 December 2023	850,144,922	10,561,985,180	9,501,650,980	1,242,520,754	457,417,872	855,669,646	77,938,215	141,713,726	36,933,525	23,725,974,820

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

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

	Buildings	Port facilities	Storage facilities	Loading equipment	Total
Original cost					
31 December 2024	44,707,908	2,231,239,579	924,917,845	18,916,202	3,219,781,534
Increase in the current year	2,891,274	–	–	–	2,891,274
Decrease in the current year	–	–	–	(3,870,161)	(3,870,161)
31 December 2025	47,599,182	2,231,239,579	924,917,845	15,046,041	3,218,802,647
Accumulated depreciation					
31 December 2024	(17,854,098)	(625,350,585)	(238,956,636)	(8,478,048)	(890,639,367)
Current year accrual	(1,253,297)	(36,582,201)	(13,203,958)	(1,052,478)	(52,091,934)
Increase in the current year	(148,811)	–	–	–	(148,811)
Decrease in the current year	–	–	–	1,244,571	1,244,571
31 December 2025	(19,256,206)	(661,932,786)	(252,160,594)	(8,285,955)	(941,635,541)
Net book value					
31 December 2025	28,342,976	1,569,306,793	672,757,251	6,760,086	2,277,167,106
31 December 2024	26,853,810	1,605,888,994	685,961,209	10,438,154	2,329,142,167

(i) The lease contracts signed by the Group as lessor have no residual value guarantee clauses.

(ii) In 2025, the depreciable amount of fixed assets was RMB1,248,661,369 (2024: RMB1,147,670,365), of which RMB1,202,747,521, RMB39,300,641, and RMB6,519,873 were charged to the cost of sales, general and administrative expenses, and research and development expenses, respectively (2024: RMB1,104,754,251, RMB36,605,963, and RMB5,467,186). In 2025, the depreciable amounts charged to construction in progress and selling and distribution expenses were RMB0 and RMB93,334, respectively, (2024: RMB768,333, and RMB74,632).

(iii) As at 31 December 2025, the original value transferred from construction in progress to fixed assets was RMB999,668,591 (2024: RMB2,037,763,595).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

(iv) As at 31 December 2025, the port facilities with a book value of RMB153,506,289 (original cost of RMB201,418,699) (31 December 2024: book value of RMB157,837,293 and original cost of RMB201,418,699) were used as collateral for the sale-leaseback arrangement of RMB120,000,000 (Note IV.(37)).

(v) The amount of the provision for impairment of fixed assets of the subsidiary, Logistics Park Development, was RMB24,887,847 (2024: RMB24,887,847).

(vi) As at 31 December 2025 and 31 December 2024, the Group had no temporarily idle fixed assets.

(vii) Fixed assets without the certificate of ownership:

As at 31 December 2025, properties with the book value of RMB24,432,994 (original cost: RMB27,911,462) (31 December 2024: book value of RMB25,443,174 and original cost of RMB27,911,462) were located on non-ownership land. Properties with the book value of RMB254,305,860 (original cost: RMB291,349,482) (31 December 2024: book value of RMB254,051,790 and original cost of RMB291,554,282) had not yet completed the financial accounts for the completion of the projects or not yet completed the necessary procedures before obtaining the certificates of ownership. The certificates of ownership had not been processed.

(Viii) In December 2024, the Group entered into an asset transfer agreement with New Unite Marine Co., Ltd. for the proposed sale of the vessel "Qingdao Port Dagang", with a net book value of fixed assets of RMB67,566,466 and an agreed transfer price of RMB94,340,000, and the asset transfer transaction is already completed in January 2025.

(ix) As of 31 December 2025, the finance lease liabilities owed by the Group's subsidiaries, Shandong Qingdong Pipeline Co., Ltd. ("Qingdong Pipeline") and Shandong Port Finance Company, have been repaid in advance, and the related assets, which were previously accounted for as right-of-use assets, have been reclassified as fixed assets.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress

	31 December 2025	31 December 2024
Construction in progress (a)	1,350,837,063	1,244,424,571
Construction materials	296,530	3,418,574
	1,351,133,593	1,247,843,145

(a) Construction in progress

	31 December 2025			31 December 2024		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Dongjiakou Port Area North Three Embankment 7-8# Causeway	256,530,955	–	256,530,955	14,870,892	–	14,870,892
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	227,084,206	–	227,084,206	–	–	–
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	100,182,724	–	100,182,724	71,384	–	71,384
Liquid Chemical Terminal Tank Farm Project	–	–	–	641,744,200	–	641,744,200
Other projects	767,039,178	–	767,039,178	587,738,095	–	587,738,095
	1,350,837,063	–	1,350,837,063	1,244,424,571	–	1,244,424,571

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress (Continued)

(a) Construction in progress (Continued)

(i) Changes in significant construction in progress

Project name	Budget	31 December 2024	Increase in the current year	Transfer to fixed assets	Other decreases	31 December 2025	Percentage of progress investment to the budget (%)	Project progress	Accumulated amount of borrowing costs capitalized	Including: Borrowing costs capitalized in the current year	Capitalization rate in the current year	Sources of capital
Liquid Chemical Terminal Tank Farm Project	1,886,900,000	641,744,200	79,982,751	(721,726,951)	-	-	100%	100%	2,027,491	775,560	2.76	Internal capital, borrowings from the Finance Company
Dongjiakou Port Area North Three Embankment 7-8# Causeway	3,713,860,000	14,870,892	241,660,063	-	-	256,530,955	7%	7%	-	-	-	Internal capital
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	612,690,000	71,384	100,111,340	-	-	100,182,724	7%	7%	-	-	-	Internal capital
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	1,467,000,000	-	227,084,206	-	-	227,084,206	39%	39%	-	-	-	Internal capital
Other projects	-	587,738,095	488,386,115	(277,941,640)	(31,143,392)	767,039,178	-	-	3,592,684	85,177	2.38	Internal capital, borrowings from banks
		1,244,424,571	1,137,224,475	(999,668,591)	(31,143,392)	1,350,837,063			5,620,175	860,737		

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress (Continued)

(a) Construction in progress (Continued)

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

Project name	Budget	31 December 2023	Increase in the current year	Transfer to fixed assets	Other decreases	31 December 2024	Percentage of progress investment to the budget (%)	Project progress	Accumulated amount of borrowing costs capitalized	Including: Borrowing costs capitalized in the current year	Capitalization rate in the current year	Sources of capital
Qilu Fuhai Crude Oil Depot Project	678,650,000	508,336,752	41,374,256	(549,711,008)	-	-	100%	100%	4,703,407	4,411,988	2.87	Internal capital, borrowings from banks
Dongjiakou Port Oil Products Phase I, Phase II and Phase III Project	825,755,775	455,355,556	128,237,651	(254,518,011)	(3,458,722)	325,616,474	71%	71%	-	-	-	Internal capital
Dongjiakou General Wharf Grain Silo Phase III Project	1,132,850,000	241,347,147	602,345,999	(838,267,994)	-	5,425,152	98%	98%	3,507,507	2,916,823	2.86	Internal capital, borrowings from the Finance Company, borrowings from banks
Liquid Chemical Terminal Tank Farm Project	1,886,900,000	160,775,158	480,969,042	-	-	641,744,200	75%	75%	1,251,931	1,251,931	2.83	Internal capital, borrowings from the Finance Company
Other projects	-	389,124,278	292,173,611	(395,266,582)	(14,392,562)	271,638,745	-	-	-	-	-	Internal capital
		1,754,938,891	1,545,100,559	(2,037,763,595)	(17,851,284)	1,244,424,571			9,462,845	8,580,742		

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress (Continued)

(a) Construction in progress (Continued)

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

As at 31 December 2025, the management of the Group considered that there is no indication that the construction in progress may be impaired, therefore no provision for impairment is recorded (31 December 2024: nil).

The Group's self-built buildings, port facilities, and warehouse facilities will be transferred to fixed assets after completion and acceptance and readiness for their intended use in 2025, while machinery and equipment will be transferred to fixed assets after installation, commissioning, and acceptance in 2025 and readiness for their intended use in 2025.

(18) Right-of-use assets

	Buildings	Port facilities	Storage facilities	Machinery and equipment	Total
Original cost					
31 December 2024	220,707,823	96,187,617	460,610,673	89,192,689	866,698,802
Increase in the current year					
New lease contracts	28,066,914	–	160,463,323	20,309,803	208,840,040
Lease changes	–	–	–	–	–
Decrease in the current year					
Lease changes	(11,546,606)	(96,187,617)	(237,482,130)	(52,840,687)	(398,057,040)
Expiration of lease	(8,198,733)	–	(101,769,519)	(6,331,928)	(116,300,180)
31 December 2025	229,029,398	–	281,822,347	50,329,877	561,181,622
Accumulated depreciation					
31 December 2024	(55,017,006)	(17,737,084)	(176,047,303)	(48,110,978)	(296,912,371)
Increase in the current year					
Accrual	(51,906,273)	(3,179,100)	(104,395,628)	(22,283,903)	(181,764,904)
Lease changes	–	–	–	–	–
Decrease in the current year					
Lease changes	3,961,569	20,916,184	55,872,676	33,593,350	114,343,779
Expiration of lease	8,160,529	–	101,757,772	6,331,928	116,250,229
31 December 2025	(94,801,181)	–	(122,812,483)	(30,469,603)	(248,083,267)
Book value					
31 December 2025	134,228,217	–	159,009,864	19,860,274	313,098,355
31 December 2024	165,690,817	78,450,533	284,563,370	41,081,711	569,786,431

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

	Buildings	Port facilities	Storage facilities	Machinery and equipment	Total
Original cost					
31 December 2023	235,069,683	96,187,617	497,650,884	47,567,533	876,475,717
Increase in the current year					
New lease contracts	1,248,739	–	48,020,131	10,044,291	59,313,161
Lease changes	22,847,789	–	29,384,664	32,966,849	85,199,302
Decrease in the current year					
Lease changes	(23,669,262)	–	(5,551,417)	(685,531)	(29,906,210)
Expiration of lease	(14,789,126)	–	(108,893,589)	(700,453)	(124,383,168)
31 December 2024	220,707,823	96,187,617	460,610,673	89,192,689	866,698,802
Accumulated depreciation					
31 December 2023	(120,575,450)	(14,268,973)	(167,201,027)	(18,712,852)	(320,758,302)
Increase in the current year					
Accrual	(52,024,746)	(3,468,111)	(87,016,452)	(23,441,175)	(165,950,484)
Lease changes	–	–	(30,690,475)	(6,859,157)	(37,549,632)
Decrease in the current year					
Lease changes	102,794,064	–	–	201,753	102,995,817
Expiration of lease	14,789,126	–	108,860,651	700,453	124,350,230
31 December 2024	(55,017,006)	(17,737,084)	(176,047,303)	(48,110,978)	(296,912,371)
Book value					
31 December 2024	165,690,817	78,450,533	284,563,370	41,081,711	569,786,431
31 December 2023	114,494,233	81,918,644	330,449,857	28,854,681	555,717,415

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets

	Land use rights	Software	Sea area use right	Others	Data resources	Total
Original cost						
31 December 2024	3,249,342,541	360,735,534	69,064,760	48,228,848	258,518	3,727,630,201
Increase in the current year						
Purchase	3,191,851	44,797,885	–	–	–	47,989,736
Transfer from construction in progress	2,093,811	8,124,755	12,763,689	–	–	22,982,255
Transfer from investment properties	201,031,377	–	–	–	–	201,031,377
Internal research and development	–	75,397,697	–	–	–	75,397,697
Decrease in the current year						
Scrapping and disposal	(17,327,271)	(1,493,989)	–	–	–	(18,821,260)
31 December 2025	3,438,332,309	487,561,882	81,828,449	48,228,848	258,518	4,056,210,006
Accumulated amortization						
31 December 2024	(515,067,307)	(199,834,038)	(9,725,490)	(48,121,682)	(71,811)	(772,820,328)
Increase in the current year						
Accrual	(68,798,399)	(61,918,635)	(529,791)	(107,166)	(86,173)	(131,440,164)
Transfer from investment properties	(38,037,354)	–	–	–	–	(38,037,354)
Decrease in the current year						
Scrapping and disposal	4,943,539	1,413,312	–	–	–	6,356,851
31 December 2025	(616,959,521)	(260,339,361)	(10,255,281)	(48,228,848)	(157,984)	(935,940,995)
Book value						
31 December 2025	2,821,372,788	227,222,521	71,573,168	–	100,534	3,120,269,011
31 December 2024	2,734,275,234	160,901,496	59,339,270	107,166	186,707	2,954,809,873

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets (Continued)

	Land use rights	Software	Sea area use right	Others	Data resources	Total
Original cost						
31 December 2023	3,361,157,236	260,890,694	82,059,560	48,228,848	–	3,752,336,338
Increase in the current year						
Purchase	16,518,610	21,680,144	–	–	–	38,198,754
Internal research and development	–	74,957,149	–	–	258,518	75,215,667
Others	5,606,413	3,207,547	–	–	–	8,813,960
Decrease in the current year						
Scrapping and disposal	(53,557,209)	–	(12,994,800)	–	–	(66,552,009)
Transfer to investment properties	(80,382,509)	–	–	–	–	(80,382,509)
31 December 2024	3,249,342,541	360,735,534	69,064,760	48,228,848	258,518	3,727,630,201
Accumulated amortization						
31 December 2023	(476,166,481)	(150,441,374)	(8,290,600)	(47,124,805)	–	(682,023,260)
Increase in the current year						
Accrual	(63,517,041)	(48,831,155)	(1,434,890)	(996,877)	(71,811)	(114,851,774)
Others	–	(561,509)	–	–	–	(561,509)
Decrease in the current year						
Scrapping and disposal	12,447,935	–	–	–	–	12,447,935
Transfer to investment properties	12,168,280	–	–	–	–	12,168,280
31 December 2024	(515,067,307)	(199,834,038)	(9,725,490)	(48,121,682)	(71,811)	(772,820,328)
Book value						
31 December 2024	2,734,275,234	160,901,496	59,339,270	107,166	186,707	2,954,809,873
31 December 2023	2,884,990,755	110,449,320	73,768,960	1,104,043	–	3,070,313,078

Amortization charged on intangible assets for 2025 amounted to RMB131,440,164 (2024: RMB114,851,774), of which amortization charged to land use rights in construction in progress amounted to RMB663,012 (2024: RMB4,666,193).

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

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

As at 31 December 2025, the management of the Group considered that there is no indication that the intangible assets may be impaired, therefore no provision for impairment is recorded (31 December 2024: nil).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets (Continued)

As at 31 December 2025, the proportion of intangible assets generating from internal research and development of the Group to the book value of intangible assets was 6.25% (31 December 2024: 4.27%).

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

(20) Development costs

In 2025, the Group's total costs for research and development were presented by nature as follows:

	Year ended 31 December 2025		
	Research and development expenses	Development costs	Total
Consumed materials	13,416,957	1,549,381	14,966,338
Employee benefits	89,070,927	2,754,975	91,825,902
Depreciation and amortization	6,974,456	372,221	7,346,677
Technical services	1,301,950	125,103,028	126,404,978
Others	1,561,160	2,887,075	4,448,235
	112,325,450	132,666,680	244,992,130

In 2024, the Group's total costs for research and development were presented by nature as follows:

	Year ended 31 December 2024		
	Research and development expenses	Development costs	Total
Consumed materials	16,057,966	–	16,057,966
Employee benefits	77,425,094	266,425	77,691,519
Depreciation and amortization	5,467,204	–	5,467,204
Technical services	4,612,639	89,768,076	94,380,715
Others	1,421,622	311,321	1,732,943
	104,984,525	90,345,822	195,330,347

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(20) Development costs (Continued)

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

		Increase in the current year		Decrease in the current year			
	31 December 2024	Internal development costs	Others	Recognized as intangible assets	Transferred to the current profit or loss	Others	31 December 2025
Digital and Intelligent Transformation of the Finance Shared Service Center (i)	–	19,858,882	–	–	–	–	19,858,882
Integration and Demonstration of Key Technologies in Hydrogen Port (ii)	10,444,248	1,549,380	–	–	–	–	11,993,628
Others	45,867,056	111,258,418	–	(75,397,697)	–	(2,242,696)	79,485,081
	56,311,304	132,666,680	–	(75,397,697)	–	(2,242,696)	111,337,591

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

(i) The Digital and Intelligent Transformation of the Finance Shared Service Center project has completed the development and launch of several functional modules, including the integration of "Shared Services and Cashier," the "Natural System" digital and electronic invoice application, the "Liang Jin" control system, the digital upgrade of revenue management, etc. The timing for project capitalization begins when the project passes the review and is officially approved. Upon completion, the project is expected to enable the digitization of core financial business processes and enhance digital and intelligent operational capabilities. Development of the remaining features and the overall project acceptance are expected to be completed in 2026.

(ii) The Integration and Demonstration of Key Technologies in Hydrogen Port Project has completed the first hydrogen refueling station in the port area, the construction of four hydrogen rail cranes, and other related facilities, and the starting point of project capitalization is the completion of the project through the review. After the completion of the project, it is expected to be used for the demonstration and application of key technologies such as hydrogen energy supply system and hydrogen energy power system, and the project acceptance is expected to be completed by 2026.

In 2025, the Group had no impairment of development expenditure items (2024: nil).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) Goodwill

	31 December 2024	Increase in the current year	Decrease in the current year	**31 December 2025**
Goodwill –				
Gangxin Oil Products	27,996,716	–	–	**27,996,716**
Mercuria Logistics	10,129,085	–	–	**10,129,085**
QMT	8,706,923	–	–	**8,706,923**
Qingdao Port Yuntai Logistics Co., Ltd. ("Yuntai Logistics")	4,686,830	–	–	**4,686,830**
Liquid Chemical Terminal	1,850,485	–	–	**1,850,485**
	53,370,039	–	–	**53,370,039**
Less: Impairment provision –				
Gangxin Oil Products	(20,668,521)	–	–	**(20,668,521)**
Yuntai Logistics	(4,686,830)	–	–	**(4,686,830)**
	(25,355,351)	–	–	**(25,355,351)**
	28,014,688	–	–	**28,014,688**

The Group's goodwill was all allocated to related asset groups or groups of asset groups on the acquisition date, without any change of goodwill allocation in 2025. The allocation was summarised by the minimum asset group as follows:

	31 December 2025	31 December 2024
Liquid bulk cargo ancillary services		
– Gangxin Oil Products	**27,996,716**	27,996,716
– Liquid Chemical Terminal	**1,850,485**	1,850,485
Dry bulk and general cargo handling and ancillary services		
– Mercuria Logistics	**10,129,085**	10,129,085
Container loading and unloading		
– QMT	**8,706,923**	8,706,923
Logistics and transportation business		
– Yuntai Logistics	**4,686,830**	4,686,830
	53,370,039	53,370,039

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) Goodwill (Continued)

During the goodwill impairment test, the Group compares the book value of the relevant assets or combinations of asset groups (including goodwill) with their recoverable amount. If the recoverable amount is lower than the book value, the difference shall be recognised in profit or loss for the current period. The recoverable amount in the impairment test of all asset groups of the Company was higher than the book value, so no provision for impairment was required.

For the goodwill impairment test of the Liquid Chemical Terminal, Mercuria Logistics, and QMT, the Group determines the revenue growth rate and gross profit margin based on historical experience and market development forecasts, the growth rate in the forecast period is based on the profit forecast for the next five years, the growth rate in the stable period is the growth rate adopted after the forecast period, which does not exceed the long-term average growth rate of each business, and the discount rate is the pre-tax discount rate reflecting the specific risks of the relevant asset group or asset group combination. The discount rate is 9% (2024: 9%). Gross profit margins were 57%, 49%, and 48%, respectively (2024: 41%, 49%, and 35%, respectively). The growth rate for the forecast period is determined using the average growth rate of the five-year budget approved sales revenue of the relevant asset group, which is 7%, 10%, and 10%, respectively (2024: 26%, 4%, and 11% respectively). The growth rate in the stable period is a fixed growth rate of 2% (2024: 2%) with reference to the historical price index.

For the goodwill impairment test of the Gangxin Oil Products, the Group determines the revenue growth rate and gross profit margin based on historical experience and market development forecasts, the growth rate in the forecast period is based on the profit forecast for the next five years, the growth rate in the stable period is the growth rate adopted after the forecast period, which does not exceed the long-term average growth rate of each business, and the discount rate is the pre-tax discount rate reflecting the specific risks of the relevant asset group or asset group combination. The discount rate is 9% and the gross profit margins is 23%. The growth rate for the forecast period uses the average growth rate of the five-year budget approved sales revenue of the relevant asset group, which is 20%, and the growth rate in the stable period is a fixed growth rate of 2% with reference to the historical price index.

(22) Long-term prepaid expenses

	31 December 2024	Increase in the current year	Amortization in current year	**31 December 2025**
Repair and renovation expenses	50,695,223	16,658,892	(9,855,512)	**57,498,603**
Others	744,087	1,604,154	(2,312,809)	**35,432**
	51,439,310	18,263,046	(12,168,321)	**57,534,035**

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	31 December 2025		31 December 2024	
	Deductible temporary differences and deductible losses	Deferred tax assets	Deductible temporary differences and deductible losses	Deferred tax assets
Assets revaluation surplus	2,364,383,903	591,095,976	2,448,958,519	612,239,630
Elimination of intra-group unrealized profit	729,142,819	182,285,705	722,416,358	180,604,090
Accrued expenses	439,195,502	109,775,950	187,558,751	46,870,972
Lease liabilities	320,610,565	80,152,641	453,060,059	113,265,015
Provision for asset impairment	208,147,730	52,014,825	172,306,977	43,068,195
Government grants	177,086,446	44,271,612	63,751,325	15,937,831
Early retirement benefits	99,773,525	24,943,381	105,975,949	26,493,987
Others	16,936,106	4,234,027	–	–
Deductible losses	–	–	56,486,262	14,121,565
	4,355,276,596	1,088,774,117	4,210,514,200	1,052,601,285
Including:				
Expected to be recovered within one year		178,150,408		110,496,696
Expected to be recovered after one year		910,623,709		942,104,589
		1,088,774,117		1,052,601,285

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(b) Deferred tax liabilities before offsetting

	31 December 2025		31 December 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Right-of-use assets	312,898,727	78,224,682	469,786,431	117,446,608
Depreciation of fixed assets	240,300,669	60,075,168	208,572,469	52,143,117
Business combinations not under common control	187,096,954	46,774,238	193,076,033	48,269,008
Changes in fair value of other non-current financial assets	27,545,029	6,886,257	–	–
	767,841,379	191,960,345	871,434,933	217,858,733
Including:				
Expected to be recovered within one year		48,026,120		46,951,133
Expected to be recovered after one year		143,934,225		170,907,600
		191,960,345		217,858,733

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

	31 December 2025	31 December 2024
Deductible temporary differences	30,978,994	30,458,361
Deductible losses	117,483,696	126,417,465
	148,462,690	156,875,826

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

	31 December 2025	31 December 2024
2025	–	13,523,024
2026	4,112,075	5,269,613
2027	20,492,861	20,492,861
2028	–	–
2029	84,947,003	87,131,967
2030	7,931,757	–
	117,483,696	126,417,465

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

	31 December 2025		31 December 2024	
	Offsetting amount	Amount after offsetting	Offsetting amount	Amount after offsetting
Deferred tax assets	(140,338,957)	948,435,160	(161,089,040)	891,512,245
Deferred tax liabilities	(140,338,957)	51,621,388	(161,089,040)	56,769,693

(24) Other non-current assets

	31 December 2025	31 December 2024
Foundation oil (i)	308,861,575	290,316,583
Construction and equipment expenditures prepaid	210,232,732	149,422,326
Taxes for advance receipt of port facilities rental payments (ii)	96,335,304	107,445,059
Prepaid VAT	5,041,890	5,041,890
Prepayment for the purchase of real estate (iii)	120,039,040	–
	740,510,541	552,225,858

(i) The Company and its subsidiary, Weifang Port Lianhua Storage Co., Ltd. ("Weifang Port Lianhua"), Dongjiakou Oil Products, Dongying Port Lianhua Pipeline Oil Transportation Co., Ltd. ("Dongying Port Lianhua"), and Gangxin Oil Products purchased some crude oil for the purpose of production and filled in the crude oil pipeline and tanks, so as to ensure the precision of oil product metering and increase the tank pressure for production safety.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(24) Other non-current assets (Continued)

(ii) Taxes for advance receipt of port facilities rental payments are mainly the related taxes paid in advance for the rental received in full for the lease of the Group's certain land use rights, port facilities, storage facilities, and other assets (collectively "Port Facilities") in Qianwan Port Area to QQCT, a joint venture of the Group with a lease term of 30 years. By the end of 2010, the Group had received the rental payments in full. The Group calculated the taxes relating to the lease payments already made for the Port Facilities and recorded them as other non-current assets. The amount of taxes paid had been amortized to taxes and surcharges pursuant to rental income recognized in each period.

(iii) The prepayment for the purchase of real estate consists of a payment of RMB120,039,040 made by Container Development Company to Qingdao International Cruise Port Development and Construction Co., Ltd. for the purchase of office space.

(25) Short-term borrowings

	Currency	31 December 2025	31 December 2024
Unsecured borrowings	RMB	99,760,000	95,250,000
Interest on borrowings	RMB	76,576	82,649
		99,836,576	95,332,649

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(26) Provision for impairment of assets and losses

	31 December 2024	Increase in the current year	Decrease in the current year		31 December 2025
			Reversal/ write-offs	Disposal of subsidiaries	
Provision for bad debts of notes receivable	892,275	–	(32,898)	–	**859,377**
Including: Provision for bad debts on the individual basis	–	–	–	–	**–**
Provision for bad debts on the portfolio basis	892,275	–	(32,898)	–	**859,377**
Provisions for bad debts of accounts receivable	143,801,916	22,193,929	(7,966,272)	–	**158,029,573**
Including: Provision for bad debts on the individual basis	50,000	–	(50,000)	–	**–**
Provision for bad debts on the portfolio basis	143,751,916	22,193,929	(7,916,272)	–	**158,029,573**
Provisions for bad debts of other receivables	23,595,313	25,011,204	(1,346,276)	–	**47,260,241**
Including: Provision for bad debts on the individual basis	1,346,276	2,663,719	(1,346,276)	–	**2,663,719**
Provision for bad debts on the portfolio basis	22,249,037	22,347,485	–	–	**44,596,522**
Subtotal	168,289,504	47,205,133	(9,345,446)	–	**206,149,191**
Provision for impairment of fixed assets	24,887,847	–	–	–	**24,887,847**
Provision for impairment of goodwill	25,355,351	–	–	–	**25,355,351**
Provision for impairment of contract assets	8,557,651	–	(1,457,512)	–	**7,100,139**
Subtotal	58,800,849	–	(1,457,512)	–	**57,343,337**
	227,090,353	47,205,133	(10,802,958)	–	**263,492,528**

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(26) Provision for impairment of assets and losses (Continued)

	31 December 2023	Increase in the current year	Decrease in the current year: Reversal	Decrease in the current year: Disposal of subsidiaries	31 December 2024
Provision for bad debts of notes receivable	790,620	101,655	–	–	892,275
Including: Provision for bad debts on the individual basis	–	–	–	–	–
Provision for bad debts on the portfolio basis	790,620	101,655	–	–	892,275
Provisions for bad debts of accounts receivable	151,319,875	13,394,479	(20,912,438)	–	143,801,916
Including: Provision for bad debts on the individual basis	20,962,438	–	(20,912,438)	–	50,000
Provision for bad debts on the portfolio basis	130,357,437	13,394,479	–	–	143,751,916
Provisions for bad debts of other receivables	84,609,753	3,843,257	(64,857,697)	–	23,595,313
Including: Provision for bad debts on the individual basis	64,731,923	–	(63,385,647)	–	1,346,276
Provision for bad debts on the portfolio basis	19,877,830	3,843,257	(1,472,050)	–	22,249,037
Subtotal	236,720,248	17,339,391	(85,770,135)	–	168,289,504
Provision for impairment of fixed assets	24,887,847	–	–	–	24,887,847
Provision for impairment of goodwill	25,355,351	–	–	–	25,355,351
Provision for impairment of contract assets	4,647,548	3,910,103	–	–	8,557,651
Subtotal	54,890,746	3,910,103	–	–	58,800,849
	291,610,994	21,249,494	(85,770,135)	–	227,090,353

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(27) Notes payable

	31 December 2025	31 December 2024
Trade acceptance notes	227,549,937	469,976,452
Bank acceptance notes	31,244,500	15,914,798
	258,794,437	485,891,250

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

(28) Accounts payable

	31 December 2025	31 December 2024
Subcontract handling expenses payable	510,323,537	576,592,030
Material expenditure payable	238,524,685	158,076,217
Repair expenses payable	231,969,765	201,184,179
Subcontract agency fee payable	194,033,816	160,632,964
Transportation expenses payable	123,949,743	177,485,359
Subcontract costs payable	106,328,993	143,504,088
Rental expenses payable	34,070,457	30,548,477
Warehousing expenses payable	7,504,633	59,295,512
Others	89,509,231	105,587,465
	1,536,214,860	1,612,906,291

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

	31 December 2025	31 December 2024
Within 1 year	1,310,920,219	1,213,498,690
Over 1 year	225,294,641	399,407,601
	1,536,214,860	1,612,906,291

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

As at 31 December 2025, accounts payable aged over one year amounted to RMB225,294,641 (As at 31 December 2024: RMB399,407,601), which mainly represented subcontract costs for works and subcontract handling expenses. As they have not yet reached the agreed payment period or the works had not yet been settled, the amounts have not yet been finally settled.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(29) Advances from customers

	31 December 2025	31 December 2024
Rental expenses	455,901	9,583,505

(30) Contract liabilities

	31 December 2025	31 December 2024
Loading fee received in advance	530,623,511	249,001,382
Subcontract agency fee received in advance	12,587,218	4,747,241
Material and equipment fee received in advance	9,290,551	4,292,222
Construction fee received in advance	1,308,394	3,948,768
Others	10,070,707	16,872,385
	563,880,381	278,861,998

Contract liabilities, including the book value of RMB278,861,998 as at 31 December 2024, were fully transferred to revenue in 2025 (2024: RMB315,410,460).

(31) Employee benefits payable

	31 December 2025	31 December 2024
Short-term employee benefits (a)	615,049,346	582,776,871
Defined contribution plans (b)	8,235,558	11,124,788
Termination benefits payable (c)	22,120,000	25,550,000
Defined benefit plans payable (d)	121,200,000	124,220,000
	766,604,904	743,671,659

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(31) Employee benefits payable (Continued)

(a) Short-term employee benefits

	31 December 2024	Business combinations not under common control	Increase in the current year	Decrease in the current year	Disposal of subsidiaries	31 December 2025
Wages and salaries, bonus, allowances, and subsidies	499,704,313	–	1,930,310,165	(1,888,460,501)	–	**541,553,977**
Employee welfare	29,110	–	163,279,221	(163,184,296)	–	**124,035**
Social security contributions	5,353,334	–	184,417,730	(189,771,064)	–	**–**
Including: Medical insurance	5,353,334	–	171,051,887	(176,405,221)	–	**–**
Work injury insurance	–	–	13,365,843	(13,365,843)	–	**–**
Housing fund	–	–	197,015,882	(197,015,882)	–	**–**
Labor union funds and employee education funds	11,707,784	–	62,196,668	(59,582,887)	–	**14,321,565**
Outsourcing costs	65,982,330	–	496,955,294	(503,887,855)	–	**59,049,769**
	582,776,871	–	3,034,174,960	(3,001,902,485)	–	**615,049,346**

(b) Defined contribution plans

	31 December 2024	Increase in the current year	Decrease in the current year	Disposal of subsidiaries	31 December 2025
Basic pensions	–	271,556,109	(271,556,109)	–	**–**
Unemployment insurance	–	11,899,059	(11,899,059)	–	**–**
Corporate annuity	11,124,788	138,779,923	(141,669,153)	–	**8,235,558**
	11,124,788	422,235,091	(425,124,321)	–	**8,235,558**

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(31) Employee benefits payable (Continued)

(b) Defined contribution plans (Continued)

Monthly payments of premiums on the basic pensions and unemployment insurance are calculated according to the bases and percentage prescribed by local authorities of the Ministry of Human Resource and Social Security, and the payment shall not be used to offset the amount that the Group shall pay for its employees in the future.

(c) Termination benefits payable

	31 December 2025	31 December 2024
Early retirement benefits payable (Current portion)	**22,120,000**	25,550,000

Early retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV. (40)), the current portion of which is presented as employee benefits payable.

(d) Defined benefit plans

	31 December 2025	31 December 2024
Supplemental retirement benefits (Current portion)	**121,200,000**	124,220,000

Supplemental retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV. (40)), the current portion of which is presented as employee benefits payable.

(32) Taxes payable

	31 December 2025	31 December 2024
Enterprise income tax	**312,756,780**	294,014,112
Value-added tax ("VAT")	**23,056,240**	31,122,434
Land use tax	**17,832,481**	17,789,205
Individual income tax	**10,500,151**	7,762,224
Stamp duty	**4,284,705**	2,100,675
Property tax	**4,205,049**	4,760,084
Others	**4,409,121**	4,728,692
	377,044,527	362,277,426

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(33) Other payables

	31 December 2025	31 December 2024
Construction and equipment expenditures payable (i)	**2,591,830,684**	2,762,743,135
Payables and agency fund from agent business (ii)	**885,714,383**	1,033,742,728
Supplemental retirement benefits payable to related parties (iii)	**188,404,936**	196,695,657
Guarantees and deposits payable	**46,930,627**	33,655,785
Dividend payable	**7,900,926**	8,298,733
Others	**211,101,298**	189,623,228
	3,931,882,854	4,224,759,266

(i) Construction and equipment expenditures payable are mainly payables for project construction, which remain outstanding as they have not yet reached the payment period or relevant projects have not been finally settled and accepted.

(ii) Payables and agency fund from agent business are mainly payables and advances received on behalf of other parties by the Group relating to the entrustment from ship owners to go through the necessary procedures for the ship's access to the port and agent procurement businesses.

(iii) Supplemental retirement benefits payable to related parties mainly represent supplemental retirement benefits paid by the related parties on behalf of the Group, which should be paid to related parties. Such amounts have not been paid yet.

As at 31 December 2025, other payables over 1 year of RMB1,612,669,334 (As at 31 December 2024: RMB1,616,999,207) were mainly construction and equipment expenditures payable which remain outstanding as they have not yet reached the payment period or relevant projects have not been finally settled and accepted.

(34) Current portion of non-current liabilities

	31 December 2025	31 December 2024
Long-term borrowings due within one year (Note IV. (36))	**425,994,685**	427,607,386
Lease liabilities due within one year (Note IV. (37))	**141,141,269**	134,142,264
Long-term payables due within one year (Note IV. (38))	**2,592,137**	2,690,648
	569,728,091	564,440,298

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(35) Other current liabilities

	31 December 2025	31 December 2024
Output VAT corresponding to contract liabilities	**37,642,440**	16,351,701
Notes receivable endorsed but not derecognized	**5,840,451**	8,641,798
	43,482,891	24,993,499

(36) Long-term borrowings

	Currency	31 December 2025	31 December 2024
Unsecured borrowings	RMB	**3,563,445,880**	2,422,893,183
Interest on borrowings	RMB	**2,721,443**	2,606,693
Less: Long-term borrowings due within one year (Note IV. (34))		**(425,994,685)**	(427,607,386)
		3,140,172,638	1,997,892,490

As at 31 December 2025, the Group does not have overdue long-term borrowings, interest rate of the long-term borrowings is 2.25% to 4.9% (As at 31 December 2024: 2.25% to 4.9%).

(37) Lease liabilities

	31 December 2025	31 December 2024
Lease liabilities	**320,814,596**	453,060,060
Less: Lease liabilities due within one year (Note IV. (34))	**(141,141,269)**	(134,142,264)
	179,673,327	318,917,796

As at 31 December 2025, there was no variable lease payment based on a certain percentage of sales and no lease payments related to signed but not yet started lease contracts.

As at 31 December 2025, the future minimum lease payments of short-term leases and low-value asset leases adopting the practical expedient are RMB2,588,844 (As at 31 December 2024: RMB2,408,007), which should be paid within one year.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(38) Long-term payables

	31 December 2025	31 December 2024
Sale-leaseback arrangement deemed as mortgage loan	120,495,649	120,572,284
Less: Current portion	(495,649)	(572,284)
Government special bonds	200,500,555	–
Less: Reclassified into current portion	(500,555)	–
Entrusted borrowings	–	136,925,069
Less: Current portion	–	(425,069)
Payment of welfare expenses	28,020,772	29,616,705
Less: Current portion of welfare	(1,595,933)	(1,693,295)
	346,424,839	284,423,410

(39) Deferred income

	31 December 2024	Increase in the current period	Decrease in the current period	31 December 2025	Reason for formation
Government grants (a)	336,396,009	154,287,358	(28,961,218)	461,722,149	Funds earmarked for external waterways, etc.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Deferred income (Continued)

(a) Government grants

	31 December 2024	Increase in the current period	Recorded in other income in the current period	Other decreases	31 December 2025	Asset-related/ Income-related
Funds earmarked for external waterways (i)	107,874,811	–	(3,914,445)	–	**103,960,366**	Asset-related
Special subsidy for food security (ii)	97,262,370	–	(2,654,667)	–	**94,607,703**	Asset-related
Qiangang Company terminal equipment upgrade and renovation project in Qianwan port area of Qingdao Port (iii)	–	35,000,000	–	–	**35,000,000**	Asset-related
Infrastructure supporting subsidy for the Logistics Center Project in Weihai Port (iv)	39,045,861	–	(5,185,819)	–	**33,860,042**	Asset-related
Carrier construction of the Qingdao International Digital Port Center Project (v)	–	30,000,000	–	–	**30,000,000**	Asset-related
Langya-Taiwan Operating Area sea-rail intermodal yard project	–	20,000,000	–	–	**20,000,000**	Asset-related
Supporting fund for projects in Jimo port area	29,926,743	–	(10,779,220)	–	**19,147,523**	Asset-related
Fiscal subsidy for the Datang shoreline reconstruction project	18,680,083	–	(946,916)	–	**17,733,167**	Asset-related
2021 YFB4001803 integration and demonstration of key technologies in hydrogen port	15,380,000	1,750,000	–	–	**17,130,000**	Asset-related
Other government grants	28,226,141	67,537,358	(5,480,151)	–	**90,283,348**	Asset-related/ Income-related
	336,396,009	154,287,358	(28,961,218)	–	**461,722,149**	

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Deferred income (Continued)

(a) Government grants (Continued)

(i) Funds earmarked for external waterways are funds received by the Group from the Ministry of Transport and the Ministry of Finance, which are used to subsidize the external waterways expansion project, and are amortized and recognized in the current profit or loss on an average basis over the service life of the asset.

(ii) The Central Financial Fund Subsidy for Food Security refers to the project support fund received by Qingdao Port Dongjiakou General Terminal Co., Ltd. ("Dongjiakou General Terminal") from the National Food and Strategic Reserves Administration. This subsidy is used for the Phase II Project of grain silos, and after the construction of this asset is completed and it is transferred to fixed assets, it will be recognized in the current profit or loss on an average basis over the service life of the asset.

(iii) The Qiangang Company terminal equipment upgrade and renovation project in Qianwan port area of Qingdao Port represents the equipment upgrade subsidy received by the Qiangang Branch, which is used for the upgrade and renovation of the company's outdated equipment. After the construction of this asset is completed and it is transferred to fixed assets, it will be recognized in the current profit or loss on an average basis over the service life of the asset.

(iv) Infrastructure supporting subsidy for the Logistics Center Project in Weihai Port is a government land compensation received for the development of the logistics park and shall be included in the current profit or loss.

(v) The carrier construction of the Qingdao International Digital Port Center Project is funded by the special support fund that the Company has received from the Administrative Committee of Qingdao Area of China (Shandong) Pilot Free Trade Zone. This fund is used for the construction of the Qingdao International Digital Port Center. After the construction of this asset is completed and it is transferred to fixed assets, it will be amortized and recognized in the current profit or loss on an average basis over the service life of the asset.

(40) Long-term employee benefits payable

	31 December 2025	31 December 2024
Early retirement benefits payable (a)	**98,770,000**	105,960,000
Supplemental retirement benefits (b)	**2,496,650,000**	2,725,120,000
Less: Current portion	**(143,320,000)**	(149,770,000)
	2,452,100,000	2,681,310,000

Early retirement benefits payable represent the liabilities recognized by the Group for salaries and social security contributions to be paid for the period from the date an employee ceases to provide services to the normal retirement date. Supplemental retirement benefits payable represent the liabilities recognized by the Group through the actuarial valuation of the benefits to be assumed in the future and by discounting the expected future cash outflows using the interest rate of treasury bonds with same terms as that of the supplemental retirement benefits.

Early retirement benefits payable and supplemental retirement benefits payable that will be paid within one year are presented as employee benefits payable (Note IV. (31)).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(a) Early retirement benefit liabilities of the Group:

	31 December 2025	31 December 2024
Early retirement benefit liabilities	**98,770,000**	105,960,000
Less: Current portion (Note IV. (31))	**(22,120,000)**	(25,550,000)
	76,650,000	80,410,000

(i) Movements for the Group's early retirement benefits are analyzed as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Opening balance	**105,960,000**	111,600,000
Amount recognized in the current profit or loss		
– Service cost	**22,560,000**	27,120,000
– Net interest on the net liabilities	**1,140,000**	2,170,000
– Remeasurement amount	**(2,100,000)**	90,000
Personnel transfer-out	**–**	–
Payment of benefits	**(28,790,000)**	(35,020,000)
Closing balance	**98,770,000**	105,960,000

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

	31 December 2025	31 December 2024
Discount rate – early retirement benefits	**1.50%**	1.25%

(iii) Early retirement benefits included in the current profit or loss:

	Year ended 31 December 2025	Year ended 31 December 2024
General and administrative expenses	**20,460,000**	27,210,000
Financial expenses	**1,140,000**	2,170,000

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(b) Supplemental retirement benefit liabilities of the Group:

	31 December 2025	31 December 2024
Supplemental retirement benefit liabilities	**2,496,650,000**	2,725,120,000
Less: Current portion (Note IV. (31))	**(121,200,000)**	(124,220,000)
	2,375,450,000	2,600,900,000

(i) Movements for the Group's supplemental retirement benefits are analyzed as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Opening balance	**2,725,120,000**	2,434,080,000
Amount recognized in the current profit or loss		
– Current service cost	**47,590,000**	37,440,000
– Past service cost	**–**	(61,130,000)
– Net interest on the net liabilities	**53,240,000**	65,270,000
Remeasurement amount		
– Actuarial losses for the period	**(220,230,000)**	379,460,000
Personnel transfer-out	**180,000**	–
Payment of benefits	**(109,250,000)**	(130,000,000)
Closing balance	**2,496,650,000**	2,725,120,000

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

	31 December 2025	31 December 2024
Discount rate – supplemental retirement benefits	**2.25%**	2.00%
Annual rate of increase in respect of old-age and welfare benefits and hospitalization claims	**0-5%**	0-5%

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(b) Supplemental retirement benefit liabilities of the Group: (Continued)

For the year ended 31 December 2025 and the year ended 31 December 2024, the assumption for future mortality rate is based on the statistics of the China Life Annuitant Mortality Table (2010-2013) translated backward by three years. The related actuarial assumptions are as follows:

	31 December 2025	31 December 2024
Supplemental retirement benefits –		
Average age	**50.96**	51.98
Expected future average remaining life expectancy	**31.88**	31.52

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

		Impact on the present value of defined benefit plan obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate – supplemental retirement benefits	25 basis points	3.77% down	4.03% up
Annual rate of increase in respect of hospitalization claims	100 basis points	5.32% up	3.96% down

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

(iv) As at 31 December 2025, the maturity analysis of undiscounted defined benefit obligations is as follows:

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Supplemental retirement benefits	122,260,000	121,200,000	359,690,000	5,543,600,000	6,146,750,000

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(b) Supplemental retirement benefit liabilities of the Group: (Continued)

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

	Year ended 31 December 2025	Year ended 31 December 2024
General and administrative expenses	**47,770,000**	(23,690,000)
Financial expenses	**53,240,000**	65,270,000

(41) Other non-current liabilities

	31 December 2025	31 December 2024
Lease payments collected in advance	**1,682,633,930**	1,879,239,822

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

(42) Share capital

	31 December 2024	Movements in the current year	31 December 2025
Foreign shares issued overseas	**1,099,025,000**	**–**	**1,099,025,000**
RMB denominated common stock	**5,392,075,000**	**–**	**5,392,075,000**
	6,491,100,000	**–**	**6,491,100,000**

	31 December 2023	Movements in the current year	31 December 2024
Foreign shares issued overseas	1,099,025,000	–	1,099,025,000
RMB denominated common stock	5,392,075,000	–	5,392,075,000
	6,491,100,000	–	6,491,100,000

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(42) Share capital (Continued)

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

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

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

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

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Capital surplus

	31 December 2024	Increase in the current year	Decrease in the current year	**31 December 2025**
Share premium				
Capital premium contributed by Qingdao Port Group (i)	7,052,279,474	–	–	**7,052,279,474**
Capital premium contributed by Other Promoters (i)	783,586,608	–	–	**783,586,608**
Issue of new shares (ii)	8,652,856,972	–	–	**8,652,856,972**
Shares issue expenses (ii)	(242,175,098)	–	–	**(242,175,098)**
Reversal of revaluation appreciation effect from business combination under common control	(4,830,045,213)	–	–	**(4,830,045,213)**
Income tax effect recognized from revaluation appreciation	887,819,497	–	–	**887,819,497**
Business combinations under common control	(416,942,220)	–	–	**(416,942,220)**
Subsidiary minority shareholders paid a premium	15,245,576	–	–	**15,245,576**
Acquisition of minority interests (iii)	(181,192,815)	–	(30,306)	**(181,223,121)**
Impact of capital increase by minority shareholders (vi)	–	–	(1,232,555)	**(1,232,555)**
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method (iv)	5,369,155	–	(7,835,604)	**(2,466,449)**
Effect of the disposal of 49% equity interest in Yuntai Logistics (v)	(1,181,134)	–	–	**(1,181,134)**
	11,725,620,802	–	(9,098,465)	**11,716,522,337**

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Capital surplus (Continued)

	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Share premium				
Capital premium contributed by Qingdao Port Group (i)	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters (i)	783,586,608	–	–	783,586,608
Issue of new shares (ii)	8,652,856,972	–	–	8,652,856,972
Shares issue expenses (ii)	(242,175,098)	–	–	(242,175,098)
Reversal of revaluation appreciation effect from business combination under common control	(4,830,045,213)	–	–	(4,830,045,213)
Income tax effect recognized from revaluation appreciation	887,819,497	–	–	887,819,497
Business combinations under common control	(416,942,220)	–	–	(416,942,220)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(181,192,815)	–	–	(181,192,815)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method (iv)	13,330,798	–	(7,961,643)	5,369,155
Effect of the disposal of 49% equity interest in Yuntai Logistics (v)	–	–	(1,181,134)	(1,181,134)
	11,734,763,579	–	(9,142,777)	11,725,620,802

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Capital surplus (Continued)

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

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

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

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

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

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

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

(iv) Changes in capital surplus during the period represent changes of RMB (7,835,604) in equity in investees accounted for under the equity method other than other comprehensive income and profit distribution (2024: RMB (7,961,643)).

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Capital surplus (Continued)

(v) In September 2024, QDP Logistics, a wholly-owned subsidiary of the Company, sold 49% of the equity interest in its subsidiary, Yuntai Logistics. Upon the completion of this transaction, QDP Logistics held 51% of the equity interest in Yuntai Logistics. This transaction has adjusted the capital surplus by RMB (1,181,134).

(vi) In the current period, Ark Intelligent Port and Navigation Port Services (Qingdao) Co., Ltd. ("Ark Intelligent"), a subsidiary of the Company, has conducted a capital increase and share expansion. The Company has made additional capital contributions to Ark Intelligent and introduced four new minority shareholders, with Ark Intelligent's registered capital increased from RMB20,000,000 to RMB80,000,000. All shareholders' subscribed capital contributions have been fully paid in by 31 January 2025. After this capital increase, the Company's shareholding ratio in Ark Intelligent has decreased from 100% to 55%.

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

Share of the book net assets of the subsidiary after the capital increase, calculated based on the Company's shareholding ratio after the capital increase	36,924,040
Less: Share of the book net assets of the subsidiary before the capital increase, calculated by the Company based on the shareholding ratio before the capital increase	(38,156,595)
Adjustments to capital surplus	(1,232,555)

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(44) Other comprehensive income

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2025				
	31 December 2024	Attributable to the parent company after tax	Impact of disposal of subsidiaries	31 December 2025	Amount incurred before income tax	Less: Transfer from other comprehensive income to retained earnings	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority interests, net of tax
Other comprehensive income items that will not be subsequently reclassified to profit or loss									
Changes in remeasurement of defined benefit plan obligations (i)	(546,543,443)	214,813,961	-	(331,729,482)	220,230,000	7,364,100	-	214,813,961	12,780,139
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method (ii)	(20,593,464)	9,629,007	-	(10,964,457)	9,629,007	-	-	9,629,007	-
Other comprehensive income items that will be subsequently reclassified to profit or loss									
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method (ii)	(5,106,760)	(2,658,268)	-	(7,765,028)	(2,658,268)	-	-	(2,658,268)	-
	(572,243,667)	221,784,700	-	(350,458,967)	227,200,739	7,364,100	-	221,784,700	12,780,139

(i) In fiscal year 2025, changes in Treasury yields caused the Group's selected discount rate for post-employment benefit liabilities to change to 2.25%, an increase of 0.25% from the prior period (the selected discount rate for post-employment benefit liabilities in fiscal year 2024 was 2%, and therefore resulted in a change in the Group's net liability for remeasurement of defined benefit plans during the period, which had an impact of RMB220,230,000.

(ii) Changes in other comprehensive income of investees accounted for under the equity method of accounting for the current year amounted to RMB6,970,739, of which RMB9,629,007 was other comprehensive income that could not be transferred to profit or loss under the equity method and RMB (2,658,268) was other comprehensive income that could be transferred to profit or loss under the equity method.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(44) Other comprehensive income (Continued)

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the year ended 31 December 2024				
	31 December 2023	Attributable to the parent company after tax	Impact of disposal of subsidiaries	31 December 2024	Amount incurred before income tax	Less: Other comprehensive income transferred out in the current year	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority interests, net of tax
Other comprehensive income items that will not be subsequently reclassified to profit or loss									
Changes in remeasurement of defined benefit plan obligations (i)	(181,184,718)	(365,358,725)	–	(546,543,443)	(379,460,000)	–	–	(365,358,725)	(14,101,275)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method (ii)	(4,901,998)	(15,691,466)	–	(20,593,464)	(15,691,466)	–	–	(15,691,466)	–
Other comprehensive income items that will be subsequently reclassified to profit or loss									
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method (ii)	137,764	(5,244,524)	–	(5,106,760)	(5,244,524)	–	–	(5,244,524)	–
	(185,948,952)	(386,294,715)	–	(572,243,667)	(400,395,990)	–	–	(386,294,715)	(14,101,275)

(45) Specific reserve

	31 December 2024	Withdrawal in the current year	Decrease in the current year	31 December 2025
Safety fund	**15,925,932**	**147,857,818**	**(145,390,031)**	**18,393,719**

	31 December 2023	Withdrawal in the current year	Decrease in the current year	31 December 2024
Safety fund	8,474,502	118,672,519	(111,221,089)	15,925,932

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(46) Surplus reserve

	31 December 2024	Withdrawal in the current year	Decrease in the current year	31 December 2025
Statutory surplus reserve	3,234,169,702	11,380,298	–	3,245,550,000

	31 December 2023	Withdrawal in the current year	Decrease in the current year	31 December 2024
Statutory surplus reserve	2,802,635,193	431,534,509	–	3,234,169,702

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit for the year to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase the share capital after approval from the appropriate authorities. In fiscal year 2025, the Company set aside RMB11,380,298 as statutory surplus reserve. As the cumulative balance of statutory surplus reserve has reached 50% of the registered capital, no further withdrawal will be made (2024: withdrawal at 10% of net profit, totaling RMB431,534,509).

(47) Undistributed profits

	Year ended 31 December 2025	Year ended 31 December 2024
Undistributed profits at the beginning of the year	21,593,359,687	19,426,032,436
Changes in accounting policies	–	–
Undistributed profits at the beginning of the year	21,593,359,687	19,426,032,436
Add: Net profit for the year attributable to shareholders of the parent company	5,271,506,093	5,234,897,470
Less: Withdrawal of statutory surplus reserve	(11,380,298)	(431,534,509)
Dividend payable on ordinary shares (a)	(2,254,359,030)	(2,636,035,710)
Other comprehensive income carried forward to retained earnings	(7,364,100)	–
Undistributed profits at the end of the year	24,591,762,352	21,593,359,687

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(47) Undistributed profits (Continued)

(a) In accordance with the resolution at the Board of Directors' meeting dated 28 March 2025, the Company proposed a cash dividend for the year 2024 to all shareholders at RMB3.141 per 10 shares (including tax), which, based on the 6,491,100,000 shares in issue, amounted to a total of RMB2,038.8545 million cash dividend to be distributed for the whole year, of which the Company distributed an interim dividend for 2024 of RMB736.0907 million on 30 December 2024, and the remaining dividend of RMB1,302.7638 million (a cash dividend of RMB2.007 (including tax) per 10 shares) was paid on 25 August 2025.

In accordance with the resolution at the Company's Board of Directors' meeting, the Company proposed to distribute 45% of its distributable profits of 2025 as a cash dividend, with a total of RMB2,242.0259 million dividend (including tax) (the Company's total cash dividend for the year 2025 accounted for approximately 43% of the net profit attributable to shareholders of the listed company as presented in the consolidated financial statements). Based on the Company's total share capital of 6,491,100,000 shares, the Company proposed to distribute a cash dividend of RMB3.454 per 10 shares (including tax) to all shareholders, of which the Company distributed an interim dividend for 2025 of RMB951.5953 million (a cash dividend of RMB1.466 (including tax) per 10 shares) to all shareholders on 24 December 2025. The remaining dividend of RMB1,290.4306 million (cash dividend of RMB1.988 (including tax) per 10 shares) will be paid within two months after the Meeting of Shareholders.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(48) Revenue and cost of sales

	Year ended 31 December 2025	Year ended 31 December 2024
Revenue from main operations	17,579,591,686	17,596,120,045
Revenue from other operations	1,226,731,629	1,344,878,437
	18,806,323,315	18,940,998,482

	Year ended 31 December 2025	Year ended 31 December 2024
Cost of sales from main operations	(11,160,027,351)	(11,329,844,146)
Cost of sales from other operations	(751,788,995)	(897,205,871)
	(11,911,816,346)	(12,227,050,017)

(a) Revenue and cost of sales from main operations

	Year ended 31 December 2025		Year ended 31 December 2024	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
Container handling and ancillary services	2,699,702,827	(669,797,052)	1,677,903,813	(384,709,945)
Dry bulk and general cargo handling and ancillary services	4,532,539,155	(3,613,170,295)	4,481,813,817	(3,509,078,009)
Liquid bulk cargo handling and ancillary services	3,063,508,303	(1,490,566,622)	3,669,731,804	(1,511,588,212)
Logistics and port value-added services	7,088,530,334	(5,198,333,436)	7,571,462,312	(5,750,687,738)
Port ancillary services – engineering and other labor services	195,311,067	(188,159,946)	195,208,299	(173,780,242)
	17,579,591,686	(11,160,027,351)	17,596,120,045	(11,329,844,146)

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(48) Revenue and cost of sales (Continued)

(b) Revenue and cost of sales from other operations

	Year ended 31 December 2025		Year ended 31 December 2024	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Rental income (i)	335,895,538	(184,274,437)	395,245,292	(200,215,109)
Port ancillary service – sales of fuel, electricity and others	890,836,091	(567,514,558)	949,633,145	(696,990,762)
	1,226,731,629	(751,788,995)	1,344,878,437	(897,205,871)

(i) The Group's rental income is from leasing port facilities, storage facilities, buildings, machinery and equipment, and transportation equipment. For the year ended 31 December 2025, there's no variable rental income recognized based on the certain percentage of the lessee's sales amount.

For the year ended 31 December 2025, all of the above revenue types are performance obligations fulfilled within a certain period of time, with the exception of "Port ancillary service – sales of fuel, electricity and others", which is primarily performance obligations fulfilled at a point in time, and "Rental income".

As at 31 December 2025, the amounts of revenue corresponding to contract obligations that were signed but not fulfilled or not completely fulfilled were RMB563,880,381 (As at 31 December 2024: RMB278,861,998), all of which is expected to be recognized by the Group as revenue in 2026.

(49) Taxes and surcharges

	Year ended 31 December 2025	Year ended 31 December 2024	Calculation and payment standard
Land use tax	70,784,857	71,413,027	RMB 3.2-11.2 per square meter per year
City maintenance and construction tax	31,736,348	31,160,086	7%
Educational surcharge	22,674,108	22,257,197	3%, 2%
Property tax	19,181,403	20,664,609	Levied on a rental or ad valorem basis
Stamp duty	15,834,905	12,506,127	Proportional tax rate, norm quota tax rate
Others	13,056,311	13,772,944	
	173,267,932	171,773,990	

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(50) Selling and distribution expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Employee benefits	40,165,377	42,894,667
Business promotion expenses	33,197,407	4,741,644
Business entertainment expenses	6,137,622	6,813,649
Travel expenses	3,895,163	4,396,721
Others	4,291,848	6,188,006
	87,687,417	65,034,687

(51) General and administrative expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Employee benefits	695,410,637	600,455,599
Office expenses and travel expenses	60,973,631	69,936,660
Property management fees	67,094,790	66,204,204
Intermediary service fees	51,549,724	41,597,245
Depreciation of right-of-use assets	41,563,052	39,777,805
Amortization of intangible assets	39,411,853	36,774,001
Depreciation of fixed assets	39,300,641	36,605,963
Information technology service fees	33,882,558	20,686,278
Labor outsourcing	22,046,381	24,840,592
Rental expenses	17,814,655	21,592,244
Fuel and utility fees	17,014,443	18,528,892
Shareholder service fees	14,702,954	14,724,843
Consumption of labor protection equipment and other raw materials	8,964,362	8,720,312
Repair expenses	6,674,174	7,887,759
Others	44,983,107	58,785,011
	1,161,386,962	1,067,117,408

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(52) Research and development expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Employee benefits	**89,070,927**	77,596,810
Consumed materials	**13,416,957**	16,057,966
Depreciation and amortization	**6,974,456**	5,467,186
Technical services	**1,301,950**	400,518
Others	**1,561,160**	5,462,045
	112,325,450	104,984,525

(53) Financial expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Interest expenses on deposits	**–**	–
Borrowings and other interest expenses	**106,108,917**	108,203,307
Add: Interest expense on lease liabilities	**25,869,464**	24,283,766
Less: Capitalized interest	**(860,737)**	(8,580,742)
Interest expenses	**131,117,644**	123,906,331
Less: Interest income	**(146,243,726)**	(138,734,024)
Effect of actuarial calculation of employee benefits	**54,380,000**	67,440,000
Exchange gains or losses	**7,227,264**	5,594,905
Others	**2,068,098**	1,984,204
	48,549,280	60,191,416

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(54) Expenses by nature

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

	Year ended 31 December 2025	Year ended 31 December 2024
Subcontract cost	**4,022,515,534**	4,186,168,405
Employee benefits	**3,488,141,643**	3,335,708,150
Cost for outsourcing transportation	**1,931,706,264**	1,929,935,069
Depreciation of fixed assets	**1,248,661,369**	1,146,902,032
Fuel and utility fees	**418,562,498**	449,150,715
Consumption of other materials	**369,697,960**	379,136,585
Cost of sales for purchasing fuel and electricity	**301,601,566**	653,527,618
Rental expenses (i)	**270,642,897**	217,816,714
Depreciation of right-of-use assets	**181,764,904**	165,950,484
Repair expenses (ii)	**178,314,724**	193,835,353
Labor outsourcing	**157,217,372**	142,002,652
Amortization of intangible assets	**130,777,152**	110,185,581
Office expenses and travel expenses	**96,430,056**	107,010,446
Consumed materials for construction contracts	**90,340,120**	114,796,674
Property service fees	**84,191,819**	80,572,724
Consulting fee	**51,504,237**	30,170,381
Security service fees	**18,723,986**	29,665,204
Auditor's fee	**7,718,763**	11,555,404
– Audit services for listed companies	**4,933,868**	4,770,944
– Other audit services within the Group	**2,784,895**	5,730,400
– Non-audit services	**–**	1,054,060
Long-term prepaid expenses	**12,168,321**	28,597,197
Depreciation of investment properties	**8,902,219**	13,388,368
Others	**203,632,771**	138,110,881
	13,273,216,175	13,464,186,637

(i) As stated in Note II. (25), the Group's lease expense incurred by short-term lease and low-value lease is recorded in profit or loss. For the year ended 31 December 2025, the amount is RMB270,642,897 (For the year ended 31 December 2024: RMB217,816,714).

(ii) For the daily maintenance, and repair expenses of fixed assets that do not meet the criteria of capitalisation, the Group included the costs related to the production and processing of inventories in the costs of inventories and recognised as cost of sale accordingly, and included the costs related to the research and development department, the administrative department, and the sale department in research and development expenses, general and administrative expenses, and selling and distribution expenses, respectively.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(55) Other income

	Year ended 31 December 2025	Year ended 31 December 2024
Additional deduction of input VAT	–	277,674
VAT refunded as soon as collected	24,358,753	36,543,131
Government grants		
– Income related	58,008,897	61,933,456
– Asset related	27,659,224	20,809,405
Others	1,032,959	226,917
	111,059,833	119,790,583

(56) Investment income

	Year ended 31 December 2025	Year ended 31 December 2024
Income from long-term equity investments accounted for under the equity method	1,532,954,213	1,656,628,568
Investment income from holding of financial assets held for trading	–	2,576,061
Investment income from the disposal of long-term equity investments	–	–
Losses on discount of financing receivables and notes receivable qualifying for derecognition	(181,677)	(103,056)
Investment income from holding other non-current financial assets	2,543,794	9,325,221
Investment income from disposal of other non-current financial assets	–	24,818,400
	1,535,316,330	1,693,245,194

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

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(57) Gains on changes in fair value

	Year ended 31 December 2025	Year ended 31 December 2024
Financial assets held for trading	(911,365)	4,153,624
Other non-current financial assets	169,673,573	477,118
	168,762,208	4,630,742

(58) Credit impairment losses

	Year ended 31 December 2025	Year ended 31 December 2024
Impairment reversals/(losses) on notes receivable	32,898	(101,655)
Impairment reversals/(losses) on accounts receivable	(22,173,929)	(13,394,479)
Impairment reversals/(losses) on other receivables	(25,011,204)	(1,670,813)
	(47,152,235)	(15,166,947)

(59) Asset impairment losses

	Year ended 31 December 2025	Year ended 31 December 2024
Impairment reversals/(losses) on contract assets	1,457,512	(3,910,103)
	1,457,512	(3,910,103)

(60) Gains on disposal of assets

	Year ended 31 December 2025	Year ended 31 December 2024
Gains on disposal of held for sale disposal groups	11,277,073	14,852,971
Gains on disposal of non-current assets	18,797,737	15,170,553
Including: Gains on disposal of fixed assets	8,594,953	2,939,480
Gains on disposal of intangible assets	10,063,257	14,533,175
Gains on disposal of right-of-use assets	139,527	(2,302,102)
	30,074,810	30,023,524

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(61) Non-operating income

	Year ended 31 December 2025	Year ended 31 December 2024	Amount included in non-recurring profit and loss for the period
Gains on destruction and scrapping of non-current assets	**4,075,243**	2,462,186	4,075,243
Including: Scrapping of fixed assets	**4,075,243**	2,462,186	4,075,243
Payments not required	**22,715,062**	931,719	22,715,062
Others	**4,827,368**	8,302,721	4,827,368
Government grants	**7,400**	–	7,400
	31,625,073	11,696,626	31,625,073

(62) Non-operating expenses

	Year ended 31 December 2025	Year ended 31 December 2024	Amount included in non-recurring profit and loss for the period
Public welfare donation expenses (i)	**1,000,000**	2,200,000	1,000,000
Losses on destruction and scrapping of non-current assets	**2,100,147**	8,712,979	2,100,147
Including: Losses on scrapping of fixed assets	**2,100,147**	8,712,979	2,100,147
Compensation, late payment fees, and fines	**10,222,031**	3,734,693	10,222,031
Others	**410,476**	2,722,537	410,476
	13,732,654	17,370,209	13,732,654

(i) During the current period, the Company made external donations totaling RMB1 million, of which RMB0.2 million was donated to the Shandong Provincial Police Special Care Foundation and RMB0.8 million was donated to the Qingdao Shixu International Standardization Outstanding Contribution Award Foundation.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(63) Income tax expense

	Year ended 31 December 2025	Year ended 31 December 2024
Current income tax calculated based on tax law and related regulations	**1,467,225,446**	1,315,453,611
Deferred income tax	**(62,071,220)**	20,067,853
	1,405,154,226	1,335,521,464

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

	Year ended 31 December 2025	Year ended 31 December 2024
Total profit	**7,128,700,805**	7,067,785,849
Income tax expenses calculated at applicable tax rates	**1,781,424,982**	1,766,946,462
The effect of preferential tax rates	**(17,549,427)**	(28,760,125)
Investment income not subject to tax	**(383,874,502)**	(416,488,447)
Additional deduction of employee benefits of the disabled	**(1,151,517)**	(1,033,994)
Costs, expenses, and losses not deductible	**21,922,894**	20,657,521
Deductible losses not recognised as deferred tax assets in the current period	**4,935,863**	21,634,635
Utilisation of deductible losses not recognised as deferred tax assets in prior periods	**(554,067)**	(27,434,588)
Income tax expense	**1,405,154,226**	1,335,521,464

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(64) Earnings per share

(a) Basic earnings per share

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

	Year ended 31 December 2025	Year ended 31 December 2024
Consolidated net profit attributable to ordinary shareholders of the parent company	**5,271,506,093**	5,234,897,470
Weighted average number of ordinary shares outstanding	**6,491,100,000**	6,491,100,000
Basic earnings per share	**0.81**	0.81
Including:		
– Basic earnings per share from continuing operations	**0.81**	0.81
– Basic earnings per share from discontinued operations	**–**	–

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit attributable to ordinary shareholders of the parent company, adjusted based on the dilutive potential ordinary shares, by the adjusted weighted average number of ordinary shares outstanding of the Company. As there were no dilutive potential ordinary shares for the year ended 31 December 2025 (for the year ended 31 December 2024: nil), diluted earnings per share were equal to basic earnings per share.

(65) Notes to the cash flow statement

The Group's significant cash flow items are set out below:

(a) Cash received relating to other operating activities

	Year ended 31 December 2025	Year ended 31 December 2024
Government grants	**210,994,262**	82,344,417
Lease payments received	**195,122,254**	258,982,362
Interest from cash at bank	**115,643,081**	138,734,024
Recovery of restricted funds	**26,041,221**	–
Receipt of deposits and guarantees	**14,560,718**	–
Recovery of advances for purchases	**–**	700,394
Railway freight collected on behalf	**–**	14,666,827
Others	**6,656,444**	17,768,757
	569,017,980	513,196,781

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(65) Notes to the cash flow statement (Continued)

(a) Cash received relating to other operating activities (Continued)

The Group's collection and payment of agency procurement and other businesses are cash received or paid on behalf of customers, and cash flow is shown on a net basis.

(b) Cash paid relating to other operating activities

	Year ended 31 December 2025	Year ended 31 December 2024
Payment on behalf of logistics business	152,576,410	–
Payment for retirees	109,250,000	130,000,000
Office expenses and entertainment expenses	71,218,072	75,352,556
Railway freight paid on behalf	69,886,331	–
Payment of property management fees	67,094,790	66,204,204
Intermediary service fees	51,549,724	41,597,245
Bank service charges	2,068,097	1,984,204
Payment of deposit and guarantee	–	38,457,555
Others	146,818,649	110,707,678
	670,462,073	464,303,442

(c) Cash received from disposal of investments

	Year ended 31 December 2025	Year ended 31 December 2024
Cash received from withdrawal of fixed deposits over three months	416,000,000	788,510,585
Cash receipts from redemption of expired wealth management products	–	559,000,000
Cash received from disposal of equity interest in Shangang Ocean Shipping	–	36,656,000
	416,000,000	1,384,166,585

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(65) Notes to the cash flow statement (Continued)

(d) Cash paid to acquire investments

	Year ended 31 December 2025	Year ended 31 December 2024
Cash paid for the purchase of fixed deposits over three months	**1,685,605,053**	481,010,585
Cash paid to acquire equity investments	**41,500,000**	–
Cash paid to purchase wealth management products	**–**	280,000,000
	1,727,105,053	761,010,585

(e) Cash received relating to other investing activities

	Year ended 31 December 2025	Year ended 31 December 2024
Subsequent charges for recovery of equity and debt of Red Star Logistics	**–**	477,118
	–	477,118

(f) Cash received relating to other financing activities

	Year ended 31 December 2025	Year ended 31 December 2024
Receipt of local government special bonds	**200,000,000**	–
Receipt of the principal of borrowings under finance leases	**–**	120,000,000
	200,000,000	120,000,000

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(65) Notes to the cash flow statement (Continued)

(g) Cash paid relating to other financing activities

	Year ended 31 December 2025	Year ended 31 December 2024
Repayments of lease liabilities	**365,547,075**	182,714,079
Repayment of entrusted borrowings from Qingdao Port Group	**136,700,000**	59,200,000
Capital reduction by minority shareholders due to the cancellation of a wholly-owned subsidiary	**53,440,474**	–
Interest from discounting notes receivable	**181,677**	103,056
Repayment of the principal of borrowings under finance leases	**–**	120,000,000
Refund of capital contributions to minority interests due to the cancellation of Zhonghang Industry	**–**	2,940,000
	555,869,226	364,957,135

For the year ended 31 December 2025, the total lease-related cash outflow paid by the Group was RMB614,478,649 (for the year ended 31 December 2024: RMB400,530,793). Except for the amount paid for repayment of lease liabilities included in the financing activities, the remaining cash outflows were included in operating activities.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(66) Supplementary information to the cash flow statement

(a) Supplementary information to the cash flow statement

Reconciliation from net profit to cash flows from operating activities

	Year ended 31 December 2025	Year ended 31 December 2024
Net profit	**5,723,546,579**	5,732,264,385
Add/Less: Asset impairment losses	**(1,457,512)**	3,910,103
Credit impairment losses (reversal)/provision	**47,152,235**	15,166,947
Depreciation of right-of-use assets	**181,764,904**	165,950,484
Depreciation of fixed assets and investment properties	**1,257,563,588**	1,160,290,400
Amortization of intangible assets	**130,777,152**	110,185,581
Amortization of long-term prepaid expenses	**12,168,321**	28,597,197
Gains on disposal of fixed assets, intangible assets, and other long-term assets	**(30,074,810)**	(30,023,524)
(Gains)/Losses from scrapped fixed assets	**(1,994,317)**	6,250,793
Losses/(Gains) from changes in fair value	**(168,762,208)**	(4,630,742)
Financial expenses	**107,744,264**	129,501,236
Investment income	**(1,535,316,330)**	(1,693,245,194)
Decrease/(Increase) in deferred tax assets	**(56,922,915)**	18,670,119
Increase/(Decrease) in deferred tax liabilities	**(5,148,305)**	1,397,734
Amortization of deferred income	**28,961,218**	36,050,913
Decrease/(Increase) in inventories	**(16,103,532)**	10,916,775
Decrease in operating receivables	**(367,972,048)**	(226,595,087)
Increase in operating payables	**241,817,662**	(311,881,661)
Others	**852,783**	–
Net cash flows from operating activities	**5,548,596,729**	5,152,776,459

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

	Year ended 31 December 2025	Year ended 31 December 2024
Goods and services purchased by endorsement of notes receivable	**457,297,634**	770,371,664
Long-term assets acquired by endorsement of notes receivable	**355,795,444**	–
Increase of right-of-use assets in the current period	**208,840,040**	59,313,161

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

Net movements in cash

	Year ended 31 December 2025	Year ended 31 December 2024
Cash at the end of the year	**12,746,849,218**	12,207,737,448
Less: Cash at the beginning of the year	**(12,207,737,448)**	(10,132,048,600)
Net increase in cash	**539,111,770**	2,075,688,848

Cash and cash equivalents

	31 December 2025	31 December 2024
Cash at bank and on hand (Note IV. (1))	**14,486,405,958**	12,673,129,712
Less: Fixed deposits with a term of over 3 months	**(1,685,605,053)**	(416,000,000)
Other restricted cash balance	**(4,888,455)**	(30,929,676)
Interest receivable	**(49,063,232)**	(18,462,588)
Cash at the end of the year	**12,746,849,218**	12,207,737,448

As mentioned in Note IV. (1), as at 31 December 2025, fixed deposits of RMB1,685,605,053, other cash at bank and on hand of RMB4,888,455, and interest receivable of RMB49,063,232 (As at 31 December 2024: RMB416,000,000, RMB30,929,676, and RMB18,462,588) are not cash and cash equivalents.

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

(b) Changes in liabilities arising from financing activities

	Bank borrowings (including current portion)	Long-term payables (including current portion)	Lease liabilities (including current portion)	Dividend payable (including current portion)	Total
31 December 2024	2,520,842,315	257,497,350	453,060,059	8,298,733	3,239,698,457
Cash inflows from financing activities	2,815,053,936	200,000,000	–	–	3,015,053,936
Cash outflows from financing activities	(1,771,466,304)	(143,132,678)	(365,547,075)	(2,578,078,210)	(4,858,224,267)
Interests accrued in the current year	–	–	–	–	–
Changes that do not involve cash receipts and payments (Note IV. (66)(a))	101,573,952	6,631,532	233,301,612	–	341,507,096
Dividends accrued in the current year	–	–	–	2,577,680,403	2,577,680,403
31 December 2025	3,666,003,899	320,996,204	320,814,596	7,900,926	4,315,715,625

IV NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(67) Monetary items denominated in foreign currencies

	31 December 2025		
	Balance in foreign currencies	Conversion rate	RMB balance
Cash at bank and on hand –			
USD	48,828,669	7.0288	343,206,949
EUR	4,201,939	8.2355	34,605,069
HKD	3,317	0.9032	2,996
			377,815,014
Accounts receivable –			
USD	22,660,457	7.0288	159,275,820
JPY	592,480	0.0448	26,543
			159,302,363
Other receivables –			
USD	23,192,587	7.0288	163,016,056
Accounts payable –			
USD	8,568,973	7.0288	60,229,597
JPY	269,305	0.0448	12,065
			60,241,662
Other payables –			
USD	24,010,669	7.0288	168,766,190

V CHANGES OF THE SCOPE OF CONSOLIDATION

On 2 January 2025, the Company's subsidiary, Qingdao Port Properties Management Co., Ltd. ("Qingdao Port Properties"), was deregistered.

On 26 December 2025, the Company's subsidiary, Qingdao Port Dongjiakou Bulk Cargo Center Co., Ltd. ("Dongjiakou Bulk Cargo"), was deregistered.

On 17 December 2025, the Company's subsidiary, Shipping Agency, was deregistered.

In 2025, the Company established a new subsidiary, Qingdao Gangda Oil Products Co., Ltd. ("Gangda Oil Products").

In 2025, the Company established a new subsidiary, Qingdao Gangxing Oil Products Co., Ltd. ("Gangxing Oil Products").

VI EQUITY INTEREST IN OTHER ENTITIES

(1) Equity interest in subsidiaries

(a) Constitution of the enterprise group

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio		Acquisition method
						Direct	Indirect	
Qingdao Port International Oil Port Co., Ltd. ("International Oil Port")	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	10,000	100%	–	Set-up or investment
QDP Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Integrated logistics	101,000	100%	–	Set-up or investment
Jieyuntong Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	–	51%	Set-up or investment
Qingdao Port Lianjie International Logistics Co., Ltd. ("Lianjie Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	5,000	–	58%	Set-up or investment
Qingdao Port E-Link	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	65%	Set-up or investment
Luhai Quantai	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	4,000	–	54%	Set-up or investment
GLS Shipping	Limited Liability Company	Qingdao, China	Qingdao, China	Shipping agency	2,250	–	100%	Set-up or investment
Bonded Logistics Center	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	5,000	–	100%	Business combinations not under common control
Qingdao Port Lianxin International Logistics Co., Ltd. ("Lianxin International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	2,000	–	58%	Set-up or investment
Logistics Park Development	Limited Liability Company	Weihai, China	Weihai, China	Logistics and warehousing	10,000	–	100%	Business combinations under common control
Qingdao Port Jiefeng International Logistics Co., Ltd. ("Jiefeng International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	1,500	–	51%	Set-up or investment
Pulp Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	55%	Set-up or investment
Qinggang Supply Chain	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	5,000	–	65%	Set-up or investment

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio		Acquisition method
						Direct	Indirect	
Yuntai Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	8,000	–	51%	Business combinations not under common control
Qingdao Port Lianhua International Logistics Co., Ltd. ("Lianhua International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	–	60%	Set-up or investment
Land Port Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	500	–	100%	Set-up or investment
Eimskip Coldchain (i)	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	2,000	–	70%	Set-up or investment
Jimo Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	15,000	–	60%	Set-up or investment
Shengshi Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	58%	Set-up or investment
Gangfeng Shipping Agency	Limited Liability Company	Weihai, China	Weihai, China	Shipping agency	50	–	100%	Business combinations under common control
Shandong Port Lianhua	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	86,600	51%	–	Set-up or investment
Dongying Port Lianhua	Limited Liability Company	Dongying, China	Dongying, China	Fuel storage	38,000	–	70%	Set-up or investment
Weifang Port Lianhua	Limited Liability Company	Weifang, China	Weifang, China	Fuel storage	25,000	–	100%	Set-up or investment
Qinggang Power Supply Co., Ltd. ("Qinggang Power Supply")	Limited Liability Company	Qingdao, China	Qingdao, China	Electricity, heat production, and supply	15,000	100%	–	Set-up or investment
Dongjiakou Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	41,479	70%	–	Business combinations not under common control
Weihai Port Development	Limited Liability Company	Weihai, China	Weihai, China	Loading and unloading, storage, logistics	10,035	51%	–	Business combinations under common control

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio		Acquisition method
						Direct	Indirect	
Qingdao Port Barge Co., Ltd. ("Barge Limited")	Limited Liability Company	Qingdao, China	Qingdao, China	Ship towing services	45,000	100%	–	Set-up or investment
Container Development Company	Limited Liability Company	Qingdao, China	Qingdao, China	Container cargo forwarder	3,000	100%	–	Set-up or investment
Qingdao Qinggang Tongda Energy Co., Ltd. ("Tongda Energy")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	14,250	100%	–	Set-up or investment
Qingdao Ocean Shipping Tally	Limited Liability Company	Qingdao, China	Qingdao, China	Ocean shipping tallying	199	84%	–	Set-up or investment
Dongjiakou General Terminal (i)	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	140,000	80%	–	Set-up or investment
("Qingdong Pipeline")	Limited Liability Company	Qingdao, China	Qingdao, China	Pipeline oil transportation	50,000	51%	–	Set-up or investment
Qingwei Container	Limited Liability Company	Weihai, China	Weihai, China	Stevedore, unloading, handling, and warehousing	14,000	51%	49%	Business combinations under common control
QMT	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	131,020	100%	–	Business combinations not under common control
Mercuria Logistics (i)	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	USD 49.30 million	62%	–	Business combinations not under common control
("Liquid Chemical Terminal") (i)	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	71,000	51%	–	Business combinations not under common control
Qingdao Qianwan Nangang Oil & Gas Co., Ltd. ("Nangang Oil & Gas")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	7,900	55%	–	Set-up or investment
Qingdao Port Emergency Rescue Co., Ltd. ("Emergency Rescue")	Limited Liability Company	Qingdao, China	Qingdao, China	Emergency rescue services	5,000	100%	–	Set-up or investment
Qingdao Port Svitzer Towage Co., Ltd. ("Svitzer Towage") (i)	Limited Liability Company	Qingdao, China	Qingdao, China	Tug lighter	21,000	55%	–	Set-up or investment

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio		Acquisition method
						Direct	Indirect	
Qingdao Huagang Petroleum Storage Co., Ltd. ("Huagang Petroleum Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	29,200	51%	–	Set-up or investment
Gangxin Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel handling	21,566	90%	–	Business combinations not under common control
Qingdao Port Construction & Management Centre Co., Ltd. ("Construction & Management Centre")	Limited Liability Company	Qingdao, China	Qingdao, China	Engineering management	4,000	100%	–	Set-up or investment
Shandong Qingzi Logistics Co., Ltd. ("Qingzi Logistics")	Limited Liability Company	Qingdao, China	Zibo, China	Logistics services and pipeline transportation	20,000	100%	–	Set-up or investment
Ark Intelligent	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	8,000	55%	–	Set-up or investment
Qingdao Port Tongze Trading Co., Ltd. ("Tongze Trading")	Limited Liability Company	Qingdao, China	Qingdao, China	Merchandising	1,000	100%	–	Set-up or investment
Cultural & Media	Limited Liability Company	Qingdao, China	Qingdao, China	Promotional design	300	100%	–	Set-up or investment
Gangjia Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	500	51%	–	Set-up or investment
China Ocean Shipping Tally Weihai	Limited Liability Company	Weihai, China	Weihai, China	Tallying	130	51%	33%	Business combinations under common control
International Development	Limited Liability Company	Hong Kong, China	Hong Kong, China	Investment management	46,057	100%	–	Business combinations under common control
Qingdao Port Dongjiakou Oil Storage Co., Ltd. ("Dongjiakou Oil Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Stevedore, unloading, handling, and warehousing	25,000	60%	–	Set-up or investment

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio Direct	Shareholding ratio Indirect	Acquisition method
Gangda Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	1,000	100%	–	Set-up or investment
Gangxing Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	1,000	100%	–	Set-up or investment

(i) The Company holds 62% of equity interests in Mercuria Logistics. The decisions on Mercuria Logistics' relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Mercuria Logistics, so the percentage of the voting rights held by the Company is 60%.

The percentage of shareholding in Eimskip Coldchain held by the Company is 70%. The decisions on Eimskip Coldchain's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Eimskip Coldchain, so the percentage of the voting rights held by the Company is 60%.

The actual percentage of shareholding in Dongjiakou General Terminal held by the Company is 80%. The decisions on Dongjiakou General Terminal's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 4 out of 6 board members in Dongjiakou General Terminal, so the percentage of the voting rights held by the Company is 67%.

The actual percentage of shareholding in Svitzer Towage held by the Company is 55%. The decisions on Svitzer Towage's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Svitzer Towage, so the percentage of the voting rights held by the Company is 60%.

The actual percentage of shareholding in Liquid Chemical Terminal held by the Company is 51%. The decisions on Liquid Chemical Terminal's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Liquid Chemical Terminal, so the percentage of the voting rights held by the Company in Liquid Chemical Terminal is 60%.

In 2025, the Company's subsidiaries are all unlisted enterprises and have not issued stocks or bonds.

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(b) Subsidiary with significant minority interests

The Group determines the subsidiaries with significant minority interests by considering factors such as whether the subsidiaries are listed companies, the proportion of their minority interests to the Group's consolidated shareholders' equity (more than 10%), and the proportion of minority interests to the Group's consolidated net profit (more than 20%), which are presented below:

Name of subsidiaries	Shareholding ratio of non-controlling interests	Gains and losses attributable to minority interests for the year ended 31 December 2025	Dividends declared to minority interests for the year ended 31 December 2025 (iii)	Minority interests as at 31 December 2025
Weihai Port Development	49%	14,913,147	–	791,158,887
Shandong Port Lianhua (i)	49%	206,901,688	(207,176,153)	1,182,354,944
Liquid Chemical Terminal (ii)	49%	34,630,116	(13,226,719)	420,207,555

(i) The main financial information of Shandong Port Lianhua consists of Shandong Port Lianhua and its subsidiaries, Weifang Port Lianhua and Dongying Port Lianhua.

(ii) All dividends declared to minority shareholders in 2025 had been paid in that year.

The main financial information of the above important non-wholly owned subsidiaries is as follows:

	31 December 2025		
	Weihai Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Current assets	159,856,980	408,041,412	60,921,352
Non-current assets	1,723,405,651	2,518,844,357	1,419,260,329
Total assets	1,883,262,631	2,926,885,769	1,480,181,681
Current liabilities	(185,254,845)	(300,851,977)	(314,835,096)
Non-current liabilities	(80,728,627)	(334,677,753)	(306,567,579)
Total liabilities	(265,983,472)	(635,529,730)	(621,402,675)

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(b) Subsidiary with significant minority interests (Continued)

	31 December 2024		
	Weihai Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Current assets	112,828,884	529,946,757	120,348,874
Non-current assets	1,712,456,207	2,629,328,332	1,378,865,249
Total assets	1,825,285,091	3,159,275,089	1,499,214,123
Current liabilities	(154,128,859)	(501,689,363)	(560,593,938)
Non-current liabilities	(87,129,310)	(375,701,828)	(124,221,452)
Total liabilities	(241,258,169)	(877,391,191)	(684,815,390)

	Year ended 31 December 2025		
	Weihai Port Development	**Shandong Port Lianhua**	**Liquid Chemical Terminal**
Revenue	**332,909,924**	**1,003,635,452**	**187,669,921**
Net profit	**30,434,995**	**415,401,017**	**70,673,706**
Total comprehensive income	**33,531,795**	**418,721,017**	**70,693,706**
Cash flows from operating activities	**63,629,592**	**665,808,584**	**160,443,456**

	Year ended 31 December 2024		
	Weihai Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Revenue	372,658,340	1,149,471,083	110,212,853
Net profit	18,956,011	491,156,581	48,288,318
Total comprehensive income	8,067,811	486,426,581	46,758,318
Cash flows from operating activities	57,801,856	495,302,551	101,470,813

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates

(a) General information of material joint ventures

The Group determines significant joint ventures and associates by considering factors such as whether the joint ventures and associates are listed companies, the proportion of their book value to the Group's consolidated total assets (more than 5%), and the proportion of long-term equity investment income under the equity method to the Group's consolidated net profit (more than 5%), which are presented below:

	Major business location	Place of registration	Business nature	Whether strategic to the Group's activities	Shareholding ratio	
					Direct	Indirect
QQCT (i)	Qingdao, China	Qingdao, China	Container handling and storage	Yes	51%	–
Qingdao Shihua	Qingdao, China	Qingdao, China	Handling and storage of liquid bulk cargoes	Yes	50%	–
Shandong Port Finance Company	Qingdao, China	Qingdao, China	Financial business	Yes	34.63%	–

The above equity investments are measured using equity method by the Group.

(b) Summarized financial information of material joint ventures:

	31 December 2025		31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Current assets	760,994,009	6,334,291,604	1,097,549,125	3,852,066,359
Including: Cash	385,928,798	5,971,992,364	584,316,905	3,582,434,835
Non-current assets	2,042,423,499	11,930,994,825	2,148,653,703	12,067,734,675
Total assets	2,803,417,508	18,265,286,429	3,246,202,828	15,919,801,034
Current liabilities	(281,761,487)	(2,123,520,838)	(348,523,223)	(1,804,311,904)
Non-current liabilities	(25,356,800)	(1,355,471,407)	(23,889,600)	(1,724,911,475)
Total liabilities	(307,118,287)	(3,478,992,245)	(372,412,823)	(3,529,223,379)
Total net assets	2,496,299,221	14,786,294,184	2,873,790,005	12,390,577,655
Minority interests	–	363,091,492	–	324,160,497
Equity attributable to shareholders of the parent company	2,496,299,221	14,423,202,692	2,873,790,005	12,066,417,158

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information of material joint ventures: (Continued)

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	31 December 2025		31 December 2024	
	Qingdao Shihua	**QQCT**	Qingdao Shihua	QQCT
Current assets	**760,994,009**	**6,334,291,604**	1,097,549,125	3,852,066,359
Including: Cash	**385,928,798**	**5,971,992,364**	584,316,905	3,582,434,835
Non-current assets	**2,042,423,499**	**12,119,060,728**	2,148,653,703	12,304,276,481
Total assets	**2,803,417,508**	**18,453,352,332**	3,246,202,828	16,156,342,840
Current liabilities	**(281,761,487)**	**(2,123,520,838)**	(348,523,223)	(1,804,311,904)
Non-current liabilities	**(25,356,800)**	**(1,402,487,883)**	(23,889,600)	(1,784,046,927)
Total liabilities	**(307,118,287)**	**(3,526,008,721)**	(372,412,823)	(3,588,358,831)
Total net assets	**2,496,299,221**	**14,927,343,611**	2,873,790,005	12,567,984,009
Minority interests	**–**	**369,681,530**	–	330,750,535
Equity attributable to shareholders of the parent company	**2,496,299,221**	**14,557,662,081**	2,873,790,005	12,237,233,474

	31 December 2025		31 December 2024	
	Qingdao Shihua	**QQCT**	Qingdao Shihua	QQCT
Share of net assets calculated based on the shareholding percentage (i)	**1,248,149,611**	**7,382,725,251**	1,436,895,002	6,188,036,015
Adjusting events				
– Goodwill	**–**	**1,672,785,426**	–	1,672,785,426
– Unrealized profits in internal transactions	**(42,829,121)**	**(72,055,057)**	(47,285,932)	(79,137,639)
Book value of investments in joint ventures	**1,205,320,490**	**8,983,455,620**	1,389,609,070	7,781,683,802

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information of material joint ventures: (Continued)

	Year ended 31 December 2025		Year ended 31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Revenue	736,100,818	6,846,656,009	971,358,430	6,116,277,842
Financial expenses	6,020,704	(6,688,936)	5,692,889	(33,957,018)
Income tax expense	(64,226,713)	(707,336,791)	(109,936,744)	(677,212,482)
Net profit	186,505,627	2,386,732,695	324,980,070	2,377,066,210
Net profit attributable to the parent company	186,505,627	2,348,080,130	324,980,070	2,337,855,070
Other comprehensive income	280,000	5,364,720	(2,690,000)	(11,080,380)
Total comprehensive income	186,785,627	2,353,444,850	322,290,070	2,326,774,690
Dividends received from joint ventures during the year	280,196,789	–	–	1,007,855,762

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	Year ended 31 December 2025		Year ended 31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Net profit	186,505,627	2,350,307,700	324,980,070	2,337,340,505
Net profit attributable to the parent company	186,505,627	2,350,307,700	324,980,070	2,298,129,365
Other comprehensive income	280,000	5,364,720	(2,690,000)	(11,080,380)
Total comprehensive income	186,785,627	2,355,672,420	322,290,070	2,287,048,985
Dividends received by the Group from joint ventures	280,196,789	–	–	1,007,855,762

(i) The Group calculates the corresponding share of net assets on the basis of the amounts attributed to the parent company in the consolidated financial statements of the joint ventures in proportion to its shareholding. The amounts in the consolidated financial statements of the joint ventures take into account the fair value of the identifiable assets and liabilities of the joint ventures at the time of acquisition of the investment and the impact of the harmonization of accounting policies. The assets involved in the transactions between the Group and joint ventures do not constitute a business.

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(c) General information of material associates

	Major business location	Place of registration	Business nature	Whether strategic to the Group's activities	Shareholding ratio	
					Direct	Indirect
Shandong Port Finance Company	Qingdao, China	Qingdao, China	Financial business	Yes	34.63%	–

(d) Summarized financial information of material associates:

	31 December 2025 Shandong Port Finance Company	31 December 2024 Shandong Port Finance Company
Current assets	**20,478,346,200**	21,136,537,832
Including: Cash	**12,640,841,329**	11,964,774,683
Non-current assets	**17,473,126,132**	12,967,063,944
Total assets	**37,951,472,332**	34,103,601,776
Current liabilities	**(33,114,294,264)**	(29,205,752,738)
Non-current liabilities	**(9,935,725)**	(229,300,602)
Total liabilities	**(33,124,229,989)**	(29,435,053,340)
Total net assets	**4,827,242,343**	4,668,548,436
Minority interests	**–**	–
Equity attributable to shareholders of the parent company	**4,827,242,343**	4,668,548,436

	31 December 2025 Shandong Port Finance Company	31 December 2024 Shandong Port Finance Company
Share of net assets calculated based on the shareholding percentage	**1,671,674,024**	1,616,718,324
Adjusting events		
– Goodwill	**93,461,987**	93,461,987
Book value of investments in associates	**1,765,136,011**	1,710,180,311

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(d) Summarized financial information of material associates: (Continued)

	Year ended 31 December 2025 Shandong Port Finance Company	Year ended 31 December 2024 Shandong Port Finance Company
Revenue	**668,719,017**	710,777,023
Financial expenses	**(1,180,877)**	2,404,891
Income tax expense	**(103,715,044)**	(108,421,372)
Net profit	**311,015,762**	324,821,244
Net profit attributable to the parent company	**311,015,762**	324,821,244
Other comprehensive income	**(6,152,295)**	(15,935,189)
Total comprehensive income	**304,863,467**	308,886,055
Dividends received from associates by the Group	**50,618,519**	50,559,423

(e) Summarized financial information of insignificant joint ventures and associates

	Year ended 31 December 2025	Year ended 31 December 2024
Joint ventures:		
Total book value of investments	**1,552,040,213**	1,685,444,069
Total of the following by percentage of shareholding		
Net profit (i)	**10,328,003**	77,847,430
Other comprehensive income (i)	**6,679,503**	–
Total comprehensive income	**17,007,506**	77,847,430
Associates:		
Total book value of investments	**2,082,317,003**	1,944,035,990
Total of the following by percentage of shareholding		
Net profit (i)	**152,808,871**	140,192,989
Other comprehensive income (i)	**(454,232)**	–
Total comprehensive income	**152,354,639**	140,192,989

(i) The net profit and other comprehensive income have taken into account the impacts of both the fair value of the identifiable assets and liabilities upon the acquisition of investments in joint ventures and associates, and conformed to accounting policies of the Group.

VII SEGMENT INFORMATION

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

The Group identified 5 reportable segments as follows:

- Container handling and ancillary services: loading and discharging of containers, storage and port management.
- Dry bulk and general cargo handling and ancillary services: loading, discharging, and storage of metal ores, coal, grains, break bulk cargo, and other cargo, and port management.
- Liquid bulk handling and ancillary services: loading, discharging, storage, and transport of liquid bulk like crude oil, and port management.
- Logistics and port value-added services: CFS, provision of cargo logistics, agency, towing, tallying, and other services.
- Port ancillary services: supplying electricity power, fuel, and others to the harbor area.

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

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

VII SEGMENT INFORMATION (Continued)

(a) Segment information for the year ended 31 December 2025 and as at 31 December 2025 is listed as follows:

	Container handling and ancillary services	Dry bulk and general cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Undistributed amount	Inter-segment offsetting	Total
Revenue from external customers	2,699,702,827	4,532,539,155	3,063,508,303	7,088,530,334	1,422,042,696	-	-	18,806,323,315
Revenue from inter-segment transactions	218,576,669	185,419,685	26,235,928	79,832,419	888,275,690	-	(1,398,340,391)	-
External operating costs	(669,797,052)	(3,613,170,295)	(1,490,566,622)	(5,198,333,436)	(939,948,941)	-	-	(11,911,816,346)
Inter-segment transaction costs	(220,190,494)	(234,439,796)	(55,189,168)	(90,751,965)	(729,647,667)	-	1,330,219,090	-
Interest income	12,643,638	4,976,614	8,798,837	31,385,961	4,408,329	101,208,046	(17,177,699)	146,243,726
Interest expenses	(10,398,707)	(40,312,668)	(72,671,667)	(12,451,028)	(1,818,504)	(6,364,398)	12,899,328	(131,117,644)
Investment income from associates and joint ventures	1,192,899,826	(76,940,174)	102,987,692	140,914,621	170,365,528	(9,829,818)	12,556,538	1,532,954,213
Asset impairment losses	-	-	-	497,682	959,830	-	-	1,457,512
Credit impairment losses	(1,892,867)	(1,610,080)	(5,980,032)	(13,022,944)	(24,646,312)	-	-	(47,152,235)
Depreciation and amortization	(63,627,372)	(343,716,974)	(567,342,050)	(296,080,710)	(234,353,851)	(77,153,008)	-	(1,582,273,965)
Total profit	3,156,290,589	487,579,403	1,639,595,047	1,718,390,715	592,559,121	(404,289,280)	(61,424,790)	7,128,700,805
Income tax expense	(480,196,785)	18,446,966	(281,098,610)	(412,824,143)	(41,802,734)	(207,678,920)	-	(1,405,154,226)
Net profit	2,676,093,804	506,026,369	1,358,496,437	1,305,566,572	550,756,387	(611,968,200)	(61,424,790)	5,723,546,579
Total assets	13,606,128,720	11,144,023,850	16,766,165,225	7,961,602,977	7,872,115,136	9,951,432,917	(722,701,680)	66,578,767,145
Total liabilities	601,727,955	2,676,735,741	4,265,110,754	2,500,580,633	4,860,542,965	2,294,533,308	(736,957,663)	16,462,273,693
Non-cash expenses other than depreciation and amortization	532,353	35,341,365	7,569,548	17,577,369	7,754,596	9,374,233	-	78,149,464
Long-term equity investments in associates and joint ventures	9,246,690,873	1,060,414,044	1,967,476,114	762,177,257	2,297,189,631	254,321,418	-	15,588,269,337
Increase in non-current assets (i)	451,647,480	352,826,142	255,987,310	414,020,779	210,996,677	644,163,643	(9,478,712)	2,320,163,319

(i) Non-current assets exclude financial assets, long-term equity investments, and deferred tax assets.

VII SEGMENT INFORMATION (Continued)

(b) Segment information for the year ended 31 December 2024 and as at 31 December 2024 is listed as follows:

	Container handling and ancillary services	Dry bulk and general cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Undistributed amount	Inter-segment offsetting	Total
Revenue from external customers	1,677,903,813	4,481,813,817	3,669,731,804	7,571,462,312	1,540,086,736	–	–	18,940,998,482
Revenue from inter-segment transactions	239,823,633	162,182,157	837,130	75,226,589	1,039,091,568	–	(1,517,161,077)	–
External operating costs	(384,709,945)	(3,509,078,009)	(1,511,588,212)	(5,750,687,738)	(1,070,986,113)	–	–	(12,227,050,017)
Inter-segment transaction costs	(248,207,044)	(185,496,952)	(21,030,054)	(85,261,622)	(902,860,606)	–	1,442,856,278	–
Interest income	12,831,843	5,872,128	21,215,674	28,725,718	5,710,370	150,926,154	(86,547,863)	138,734,024
Interest expenses	(21,119,405)	(46,625,404)	(120,367,106)	(14,346,764)	(1,541,177)	(6,454,338)	86,547,863	(123,906,331)
Investment income from associates and joint ventures	1,185,664,373	7,645,395	163,166,202	130,184,698	157,281,281	(4,956,400)	17,643,019	1,656,628,568
Asset impairment losses	–	–	–	(316,340)	(3,593,763)	–	–	(3,910,103)
Credit impairment losses	(1,462,481)	(1,607,311)	5,185,177	(10,393,918)	(6,888,414)	–	–	(15,166,947)
Depreciation and amortization	(51,357,450)	(322,852,044)	(514,605,707)	(274,305,339)	(229,862,786)	(55,781,591)	–	(1,448,764,917)
Total profit	2,389,907,019	687,712,010	2,122,596,204	1,694,448,573	575,332,573	(331,762,211)	(70,448,319)	7,067,785,849
Income tax expense	(280,034,603)	(16,053,740)	(369,922,191)	(379,333,095)	(46,421,657)	(243,756,178)	–	(1,335,521,464)
Net profit	2,109,872,416	671,658,270	1,752,674,013	1,315,115,478	528,910,916	(575,518,389)	(70,448,319)	5,732,264,385
Total assets	11,669,960,005	11,197,191,244	17,653,057,883	7,396,277,281	8,077,955,959	8,813,426,960	(2,058,115,872)	62,749,753,460
Total liabilities	940,910,986	2,856,338,772	5,224,135,510	2,238,349,610	4,888,318,021	2,140,341,726	(2,330,727,564)	15,957,667,061
Non-cash expenses other than depreciation and amortization	(572,358)	(25,380,000)	6,684,135	(355,567)	39,033,218	11,274,338	–	30,683,766
Long-term equity investments in associates and joint ventures	8,053,376,660	1,207,882,214	2,142,554,766	683,519,317	2,159,469,049	264,151,236	–	14,510,953,242
Increase in non-current assets (i)	19,419,540	629,061,378	573,868,961	169,233,632	417,435,703	8,064,942	(14,000,173)	1,803,083,983

(i) Non-current assets exclude financial assets, long-term equity investments, and deferred tax assets.

The Group's total revenue from major external transactions and the Group's non-current assets, other than financial assets and deferred tax assets, are predominantly acquired or located in China.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(1) The parent company

(a) General information of the parent company

	Category of entity	Place of registration	Legal representative	Business nature
Qingdao Port Group	Limited Liability Company	Qingdao, China	Su Jianguang	Port operations and management

The Company's ultimate controlling party is the Shandong Provincial State-owned Assets Supervision and Administration Commission.

(b) Registered capital and changes in registered capital of the parent company

	31 December 2024	Increase in the current year	Decrease in the current year	**31 December 2025**
Qingdao Port Group	1,860,000,000	–	–	**1,860,000,000**

(c) The percentages of shareholding and voting rights in the Company held by the parent company

	31 December 2025		31 December 2024	
	Shareholding ratio	**Voting right ratio**	Shareholding ratio	Voting right ratio
Qingdao Port Group	**55.56%**	**55.56%**	55.77%	55.77%

(2) Subsidiaries

The general information and other related information of the subsidiaries are set out in Note VI.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(3) Information of joint ventures and associates

Except for the information of significant joint ventures and associates disclosed in Note VI., joint ventures and associates with which the Group having related party transactions are as follows:

Name of company	Relationship with the Group
Qingdao Shihua	Joint venture
Western Union	Joint venture
Huaneng Qingdao	Joint venture
Dongjiakou Wanbang Logistics	Joint venture
QDOT	Joint venture
Dongjiakou Sinotrans Logistics	Joint venture
PetroChina Storage	Joint venture
QQCT	Joint venture
Linyi Expressway	Joint venture
United Shipping Agency	Joint venture
Yuanhai Zhirong	Joint venture
China Shipping Agency	Joint venture
Evergreen Container	Joint venture
Orient Container	Joint venture
Ganglianrong Logistics	Joint venture
Ganglianhai Logistics	Joint venture
Sea Route International	Joint venture
Gulf Liquid Chemical	Associates
Shangang Luhai Jinan	Associates
Qingyin Leasing	Associates
Overseas Development Group Qingdao	Associates
Qingdao Port Engineering	Associates
Technology Company	Associates
GSBN	Associates
Luhai Equipment Group Qingdao	Associates
Shandong Port Finance Company	Associates
Zhenhua Petroleum Storage	Associates
Shangang Energy Development	Associates
UG	Associates
Qianwan Xinhe Supply Chain	Associates
Qinggang International Trade Logistics	Associates
Xishuangbanna Storage and Transportation	Associates
Hailian Container	Associates
Shandong Port Energy	Associates
COSCO Abu Dhabi	Associates
Sinotrans Chemical Logistics	Associates

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties

Name of company	Relationship with the Group
QQCTU	A joint venture of QQCTN with the same key management personnel as the Company
Qingdao Qianwan United Advance Container Terminal Co., Ltd. ("QQCTUA")	A joint venture of QQCTU with the same key management personnel as the Company
QQCTN	A subsidiary of QQCT
Shenzhen Zoomlion International Shipping Agency Co., Ltd. ("Shenzhen Zoomlion International Shipping Agency")	A subsidiary of an associate of the Group
Qingdao Dongjiakou Railway Co., Ltd. ("Dongjiakou Railway")	An associate of the parent company
Qingdao Cruise Home Port China Duty Free Goods Co., Ltd. ("Cruise Home Port Duty Free Goods")	An associate of the parent company
Shandong Luhaitong Digital Technology Co., Ltd. ("Shandong Luhaitong Digital")	A subsidiary of Shandong Port Group
Qingdao Port Lianyun International Logistics Co., Ltd. ("Lianyun International Logistics")	A subsidiary of Shandong Port Group
Shandong Shangang Zhoudao Wubo Information Technology Co., Ltd. ("Shangang Zhoudao Wubo Information")	A subsidiary of Shandong Port Group
Shangang Port and Shipping Material Supply (Shandong) Co., Ltd. ("Shangang Port and Shipping Material Supply")	A subsidiary of Shandong Port Group
Shandong Zenghe Supply Chain Co., Ltd. ("Zenghe Supply Chain")	A subsidiary of Shandong Port Group
Weifang Port Container Terminal Co., Ltd. ("Weifang Container")	A subsidiary of Shandong Port Group
Shangang Land Sea Smart Cold Chain Logistics (Qingdao) Co., Ltd. ("Shangang Land Sea Cold Chain Logistics (Qingdao)")	A subsidiary of Shandong Port Group
Shandong Luhai Equipment Group Haiyang Co., Ltd. ("Luhai Equipment Haiyang")	A subsidiary of Shandong Port Group
Shangang TRAFIGURA International Trade (Shandong) Co., Ltd. ("TRAFIGURA International Trade")	A subsidiary of Shandong Port Group
Rizhao Lujian Technology Service Co., Ltd. ("Rizhao Lujian Technology")	A subsidiary of Shandong Port Group
Rizhao Port Huafeng Changsheng Storage Co., Ltd. ("Huafeng Changsheng Storage")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Chongqing) Co., Ltd. ("Shangang Luhai International Logistics (Chongqing)")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shangang Land Sea (Jinan) Supply Chain Management Co., Ltd. ("Shangang Land Sea (Jinan) Supply Chain")	A subsidiary of Shandong Port Group
Penglai Ocean Shipping Agent Co., Ltd. ("Penglai Ocean Shipping Agent")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Jining) Co., Ltd. ("Luhai International (Jining)")	A subsidiary of Shandong Port Group
Shandong Gangtai Industrial Investment Co., Ltd. ("Gangtai Industrial Investment")	A subsidiary of Shandong Port Group
Yantai Bohai International Ferry Co., Ltd. ("Bohai International Ferry")	A subsidiary of Shandong Port Group
SPG Evertrans GLORY Minerals (Shandong) Co., Ltd. ("Evertrans GLORY Minerals (Shandong)")	A subsidiary of Shandong Port Group
Shandong Bingang Oil Terminal Co., Ltd. ("Bingang Oil")	A subsidiary of Shandong Port Group
Weifang Port Group Co., Ltd. ("Weifang Port Group")	A subsidiary of Shandong Port Group
Shandong Port Municipal Construction Co., Ltd. ("Port Municipal Construction")	A subsidiary of Shandong Port Group
Shandong International Commodity Exchange Co., Ltd. ("Shandong Commodity Exchange")	A subsidiary of Shandong Port Group
Weihai International Marine Commodity Trading Center Co., Ltd. ("Weihai Marine Commodity")	A subsidiary of Shandong Port Group
Dalian DMU International Logistics Co., Ltd. ("DMU International Logistics")	A subsidiary of Shandong Port Group
Zhongrui (Qingdao) Information Security Technology Co., Ltd. ("Zhongrui (Qingdao) Information")	A subsidiary of Shandong Port Group
Shandong Lujian Asset Operation Co., Ltd. ("Lujian Asset Operation")	A subsidiary of Shandong Port Group
Shangang Park Management (Rizhao) Co., Ltd. ("Park Management (Rizhao)")	A subsidiary of Shandong Port Group
Shangang Park Management (Weifang) Co., Ltd. ("Park Management (Weifang)")	A subsidiary of Shandong Port Group
Shandong Lujian Testing Co., Ltd. ("Shandong Lujian Testing")	A subsidiary of Shandong Port Group
Shangang Express (Qingdao) Shipping Co., Ltd. ("Shangang Express")	A subsidiary of Shandong Port Group
Rizhao Port Information Technology Co., Ltd. ("Rizhao Information Technology")	A subsidiary of Shandong Port Group
Rizhao Port Container Development Co., Ltd. ("Rizhao Port Container Development")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Zibo Inland Port Management and Operation Co., Ltd. ("Zibo Inland Port")	A subsidiary of Shandong Port Group
Xinjiang Rizhao Port Logistics Park Co., Ltd. ("Xinjiang Rizhao Port Logistics Park")	A subsidiary of Shandong Port Group
Shandong Port Sunshine Huicai Service Co., Ltd. ("Shangang Sunshine Huicai")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Lanzhou) Co., Ltd. ("Shangang Luhai Lanzhou")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Hainan) Co., Ltd. ("Shangang Luhai Hainan")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Weihai Co., Ltd. ("Shandong Ocean Shipping Group Weihai")	A subsidiary of Shandong Port Group
Shandong Marine Corporation Yantai Co., Ltd. ("Shandong Marine Corporation Yantai")	A subsidiary of Shandong Port Group
Shandong Land Sea Equipment Group Yantai Co., Ltd. ("Luhai Heavy Industry")	A subsidiary of Shandong Port Group
Shandong Port Group Weifang Port Co., Ltd. ("Shandong Port Weifang Port")	A subsidiary of Shandong Port Group
Weifang Port Bulk Cargo Terminal Co., Ltd. ("Weifang Bulk Terminal")	A subsidiary of Shandong Port Group
Shangang Luhai (Jinan) Hotel Management Co., Ltd. ("Shangang Luhai Hotel Management")	A subsidiary of Shandong Port Group
Shangang Shanhai Security (Shandong) Co., Ltd. ("Shandong Shanhai Security")	A subsidiary of Shandong Port Group
Shandong Port Technology Group Co., Ltd. ("Shangang Technology Group")	A subsidiary of Shandong Port Group
Shandong Port Overseas Development Group Co., Ltd. ("Shandong Port Overseas Development")	A subsidiary of Shandong Port Group
Shandong Luhai Equipment Group Co., Ltd. ("Luhai Equipment Group")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Yantai Co., Ltd. ("Luhai Logistics Yantai")	A subsidiary of Shandong Port Group
Shangang Overseas Supply Chain (Qingdao) Co., Ltd. ("Shangang Overseas Supply Chain")	A subsidiary of Shandong Port Group
Yantai Port Ro-Ro Logistics Co., Ltd. ("Yantai Port Ro-Ro Logistics")	A subsidiary of Shandong Port Group
Yantai Port Holdings Co., Ltd. ("Yantai Port Holdings")	A subsidiary of Shandong Port Group
Longkou Port Shipping Agency Co., Ltd. ("Longkou Port Shipping Agency")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Rizhao Gangda Shipbuilding Heavy Industry Co., Ltd. ("Gangda Shipbuilding Heavy Industry")	A subsidiary of Shandong Port Group
Shandong Port Vocational Education Group Co., Ltd. ("Shangang Vocational Education")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Bohai Bay Co., Ltd. ("Luhai Logistics Bohai Bay")	A subsidiary of Shandong Port Group
Shandong Port Group International Investment Development Co., Ltd. ("Shangang International Investment")	A subsidiary of Shandong Port Group
Shangang Luhai Jinan	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Zhengzhou) Co., Ltd. ("Shangang Luhai Zhengzhou")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Lianfa Shipping Co., Ltd. ("Port & Shipping Lianfa")	A subsidiary of Shandong Port Group
Shandong Port Group Binzhou Port Co., Ltd. ("Shangang Group Binzhou Port")	A subsidiary of Shandong Port Group
Shandong Port Engineering Management Consulting Co., Ltd. ("Shandong Port Engineering Management")	A subsidiary of Shandong Port Group
Beijing Lugang Holding Development Group Co., Ltd. ("Lugang Holding Development")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Liaocheng Co., Ltd. ("Shangang Luhai Liaocheng")	A subsidiary of Shandong Port Group
Shandong Port Overseas Development Group Yantai Co., Ltd. ("Shangang Overseas Development Yantai Company")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Xinjiang) Co., Ltd. ("Shangang Luhai Xinjiang")	A subsidiary of Shandong Port Group
Yantai Port International Shipping Agency Co., Ltd. ("Yantai Port International Shipping Agency")	A subsidiary of Shandong Port Group
Rizhao Jinqiao Energy Saving Technology Co., Ltd. ("Jinqiao Energy Saving")	A subsidiary of Shandong Port Group
Shandong Harbor Construction	A subsidiary of Shandong Port Group
Rizhao Port Machinery Engineering Co., Ltd. ("Rizhao Port Machinery Engineering")	A subsidiary of Shandong Port Group
Qingdao Shangang Creative Industry Co., Ltd. ("Shangang Creative")	A subsidiary of Shandong Port Group
Shandong Port Group Dongying Port Co., Ltd. ("Shandong Port Dongying Port")	A subsidiary of Shandong Port Group
China Digital Technology (Qingdao) Co., Ltd. ("China Digital Technology")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Binzhou Gangtong Pipeline Co., Ltd. ("Binzhou Gangtong Pipeline")	A subsidiary of Shandong Port Group
Shandong Port Industry-City Integration Development Group Weihai Co., Ltd. ("Shangang Industry-City Integration Weihai")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Rizhao Co., Ltd. ("Shangang International Trade Rizhao Company")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Yantai Co., Ltd. ("Shangang International Trade Yantai Company")	A subsidiary of Shandong Port Group
Shandong Gangwan Navigation Engineering Co., Ltd. ("Shandong Navigation Engineering")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Haixin Port Co., Ltd. ("Bohai Bay Haixin Port")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Oil Transportation Co., Ltd. ("Port & Shipping Oil Transportation")	A subsidiary of Shandong Port Group
Shangang Industry and Finance Industry Development (Rizhao) Co., Ltd. ("Shangang Industry and Finance Industry Development Rizhao")	A subsidiary of Shandong Port Group
Rizhao Haitong Liner Co., Ltd. ("Haitong Liner")	A subsidiary of Shandong Port Group
Rizhao Harbor Engineering Testing Co., Ltd. ("Rizhao Harbor Engineering Testing")	A subsidiary of Shandong Port Group
Shandong Shanhai Longxiang Health Management Co., Ltd. ("Shanhai Longxiang Health")	A subsidiary of Shandong Port Group
Shandong Land Sea Equipment Group Rizhao Co., Ltd. ("Land Sea Equipment Group Rizhao")	A subsidiary of Shandong Port Group
Rizhao Port Jifa Yuanda International Logistics Co., Ltd. ("Rizhao Port Jifa Yuanda")	A subsidiary of Shandong Port Group
Shandong Port Cruise Development Group Co., Ltd. ("Shandong Port Cruise Cultural Tourism")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Rongcheng Jiutai Tourism Development Co., Ltd. ("Jiutai Tourism")	A subsidiary of Shandong Port Group
Shandong Land-Sea Linkage Fund Management Co., Ltd. ("Land-Sea Linkage Fund Management")	A subsidiary of Shandong Port Group
Rizhao Lingang International Logistics Co., Ltd. ("Rizhao Lingang International Logistics")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Port Barge Co., Ltd. ("Bohai Bay Barge")	A subsidiary of Shandong Port Group
Yantai International Container Terminal Co., Ltd. ("Yantai Container")	A subsidiary of Shandong Port Group
Yellow River Delta Construction Engineering Co., Ltd. ("Yellow River Delta Construction")	A subsidiary of Shandong Port Group
Longkou Port Group Co., Ltd. ("Longkou Port Group")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Qingdao Co., Ltd. ("Shandong Port International Trade Qingdao Company")	A subsidiary of Shandong Port Group
Bpspg Energy Trading Co., Ltd. ("Bpspg Energy")	A subsidiary of Shandong Port Group
Shandong Gangyi Commercial Development Co., Ltd. ("Shangangyi Commercial")	A subsidiary of Shandong Port Group
Henan Rizhao Port Logistics Co., Ltd. ("Henan Rizhao Port Logistics")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Energy Trading Co., Ltd. ("Port & Shipping Energy")	A subsidiary of Shandong Port Group
Weihai Lujian Technology Service Co., Ltd. ("Weihai Lujian")	A subsidiary of Shandong Port Group
Shandong Rizhao Bibo Ecological Technology Co., Ltd. ("Rizhao Bibo Ecological")	A subsidiary of Shandong Port Group
Shandong Port Rizhao Port Group Co., Ltd. Bibo Hotel ("Bibo Hotel")	A subsidiary of Shandong Port Group
Shandong Port Engineering Senior Technical School Co., Ltd. ("Shangang Senior Technical School")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Ocean Shipping Co., Ltd. ("Weifang Outer Tally")	A subsidiary of Shandong Port Group
Shandong Port Group (Hainan) Co., Ltd. ("Shangang Group Hainan Company")	A subsidiary of Shandong Port Group
Shandong Harbour Construction Group Co., Ltd. Rizhao Branch ("Harbour Construction Rizhao")	A subsidiary of Shandong Port Group
Shandong Port Yantai Port Group Co., Ltd. ("Yantai Port Group")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Shanhai Post Hotel Management Co., Ltd. ("Shanhai Post Hotel")	A subsidiary of Shandong Port Group
Yantai Port Barge Co., Ltd. ("Yantai Port Barge")	A subsidiary of Shandong Port Group
Qingdao Cardiovascular Hospital Co., Ltd. ("Cardiovascular Hospital")	A subsidiary of Shandong Port Group
Shandong Weihai Port International Passenger Transport Co., Ltd. ("Weihai Port International Passenger Transport")	Controlled by the same parent company
Shandong Port Weihai Port Co., Ltd. ("Weihai Port")	Controlled by the same parent company
Weifang Port Wood Chip Wharf Co., Ltd. ("Weifang Wood Chip Wharf")	A subsidiary of Shandong Port Group
Jinan Land Port Industrial Development Co., Ltd. ("Land Sea Industrial Development")	A subsidiary of Shandong Port Group
Shangang Land Sea Voyage (Jinan) Supply Chain Co., Ltd. ("Shangang Land Sea Voyage")	A subsidiary of Shandong Port Group
Shangang Land Sea Joint Logistics (Qingdao) International Logistics CO., Ltd. ("Shangang Land Sea Joint Logistics ")	A subsidiary of Shandong Port Group
Shangang Land Sea International Logistics (Taian) Co., Ltd. ("Taian Land Sea International")	A subsidiary of Shandong Port Group
Asia-express (Hongkong) CO., Ltd. ("Asia-express (Hongkong)")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group (Tianjin) Huizhi CO., Ltd ("Tianjin Huizhi")	A subsidiary of Shandong Port Group
Shandong Gangquan Supply Chain Management CO., Ltd. ("Gangquan Supply Chain")	A subsidiary of Shandong Port Group
Shangang Land Sea (Korea) CO., Ltd. ("Land Sea Korea")	A subsidiary of Shandong Port Group
Shandong Zhuoyuan Supply Chain Management Co., Ltd. ("Zhuoyuan Supply Chain")	A subsidiary of Shandong Port Group
Binzhou port Gas Station CO., LTd ("Binzhou Port Gas Station")	A subsidiary of Shandong Port Group
Qingdao Huanhai Bay Development and Construction CO., Ltd. ("Huanhai Bay Development and Construction")	An associate of Shandong Port Group
Shandong CCIC Testing Technology CO., Ltd. ("Shandong CCIC")	A joint venture of Shandong Port Group
Shandong Trading Market Clearing House Co., Ltd. ("Shandong Trading Market Clearing House")	An associate of Shandong Port Group
Shangang Transportation Service (Shandong) Co., Ltd. ("Shangang Car Rental")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shangang Park Management (Qingdao) Co., Ltd. ("Shanhai Property Qingdao ")	A subsidiary of Shandong Port Group
Technology Company	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Co., Ltd. ("Shangang International Trade")	A subsidiary of Shandong Port Group
Shandong Port Group Culture Media Co., Ltd. ("Shangang Culture Media")	A subsidiary of Shandong Port Group
Shandong Land Sea Service Development	A subsidiary of Shandong Port Group
Shangang Shanhai Production Guarantee (Shandong) Co., Ltd. ("Shangang Production Guarantee")	A subsidiary of Shandong Port Group
Shangang Park Management (Weihai) Co., Ltd. ("Shanhai Property Weihai ")	A subsidiary of Shandong Port Group
Shandong Port Medical Care and Health Management Group Co., Ltd. ("Shangang Medical Care")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Co., Ltd. ("Shandong Ocean Shipping Group")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Rizhao Co., Ltd. ("Luhai Logistics Rizhao")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Development Co., Ltd. ("Shangang Luhai Logistics Development")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Co., Ltd. ("Luhai International Logistics")	A subsidiary of Shandong Port Group
Shandong Lujian Technology Co., Ltd. ("Shandong Lujian")	A subsidiary of Shandong Port Group
Qingdao Port Investment and Construction (Group) Co., Ltd. ("QDP Investment Group")	Controlled by the same parent company
Qingdao Qinggang International Travel Service Co., Ltd. ("Qinggang Travel Service")	A subsidiary of Shandong Port Group
Qingdao International Cruise Line Co., Ltd. ("International Cruises")	A subsidiary of Shandong Port Group
Weihai Gangtong Information Technology Co., Ltd. ("Weihai Gangtong Technology")	Controlled by the same parent company
Weihai Port Union Logistics Co., Ltd. ("Weihai Port Union Logistics")	A subsidiary of an associate of the Group
Weihai Jiaodong International Container Shipping Co., Ltd. ("Jiaodong International Container Shipping")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Bohai Bay Co., Ltd. ("Weihai Port International Logistics")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Weihai Dingxin Construction Engineering Co., Ltd. ("Weihai Dingxin Construction")	A subsidiary of Shandong Port Group
Weihai Gangsheng Shipping Co., Ltd. ("Weihai Gangsheng Shipping")	A subsidiary of Shandong Port Group
Qingdao Harbour Vocational And Technical College ("Harbour Vocational College")	Controlled by the same parent company
Shandong Dadao Resource Recycling Co., Ltd. ("Dadao Resource Recycling")	Controlled by the same parent company
Shanghai Gangrongyida Commercial Factoring Co., Ltd. ("Gangrongyida Factoring")	Controlled by the same parent company
Qingdao International Cruise Port Development and Construction Co., Ltd. ("International Cruise Port Development and Construction")	Controlled by the same parent company
Shandong Port Investment	Controlled by the same parent company
Shandong Commodities Trading Center Co., Ltd. ("Shandong Commodities")	Controlled by the same parent company
Shandong Gangyun Digital Technology Co., Ltd. ("Shangangyun Digital Technology")	Controlled by the same parent company
Shandong Gangxin Futures Co., Ltd. ("Shandong Gangxin Futures")	Controlled by the same parent company
Shandong Gangxin Capital Investment Co., Ltd. ("Gangxin Capital Investment")	Controlled by the same parent company
Shandong Port Insurance Brokers Co., Ltd. ("Shangang Insurance Brokers")	Controlled by the same parent company
Shandong Port Commercial Factoring Co., Ltd. ("Commercial Factoring")	Controlled by the same parent company
Shandong Port Huiyida Supply Chain Management Co., Ltd. ("Shandong Port Supply Chain")	Controlled by the same parent company
Shandong Port Fund Management Co., Ltd. ("Shangang Fund Management")	Controlled by the same parent company
Shandong Port Microfinance Co., Ltd. ("Microfinance")	Controlled by the same parent company
Qingdao Port International Financial Leasing Co., Ltd. ("Qinggang Leasing Company")	Controlled by the same parent company
Weihai Yufeng Energy Co., Ltd. ("Weihai Yufeng Energy")	Controlled by the same parent company
Qingdao Wynn Insurance Agency Co., Ltd. ("Wynn Insurance")	Controlled by the same parent company
Weihai Shichang Port and Shipping Business Co., Ltd. ("Weihai Shichang Business")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Port Chengyida Financing Guarantee Co., Ltd ("Chengyida Financing Guarantee")	Controlled by the same parent company
Hainan Port Huiyida Supply Chain Management Co., Ltd. ("Hainan Port Huiyida Supply Chain")	Controlled by the same parent company
Yantai Gangrong Commercial Factoring Co., Ltd. ("Yantai Gangrong Commercial Factoring")	Controlled by the same parent company
North Oil & Gas (Shandong) Industry Development Co., Ltd. ("North Oil & Gas")	Controlled by the same parent company
China COSCO Shipping Corporation Limited ("COSCO SHIPPING Group") (i)	Minority shareholders with significant influence over the Group
Orient Overseas Container Line (China) Co., Ltd. ("OOCL Containers")	A company controlled by COSCO Shipping Group
China Ocean Shipping Agency Co., Ltd. ("China Ocean Shipping Agency")	A company controlled by COSCO Shipping Group
Rizhao Zhongli Outer Shipping Tally Co., Ltd. ("Rizhao Zhongli Outer Shipping Tally")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Logistics Supply Chain Co., Ltd. ("COSCO SHIPPING Logistics Supply Chain")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Container Lines Co., Ltd. ("Qingdao COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
China Marine Bunker Qingdao Co., Ltd. ("China Marine Bunker Qingdao")	A company controlled by COSCO Shipping Group
China Rizhao Shipping Agency Co., Ltd. ("Rizhao Shipping Agency")	A company controlled by COSCO Shipping Group
China Qingdao Shipping Agency Co., Ltd. ("Qingdao Shipping Agency")	A company controlled by COSCO Shipping Group
Xin Sanli Container Service Co., Ltd. ("Xin Sanli Container")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Air Freight Forwarding Co., Ltd. ("Qingdao COSCO SHIPPING Air Freight Forwarding")	A company controlled by COSCO Shipping Group
Shanghai COSCO Weizhi Tank Logistics Co., Ltd. ("COSCO Weizhi Tank Container Logistics")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Engineering Logistics Co., Ltd. ("Qingdao COSCO SHIPPING Engineering Logistics")	A company controlled by COSCO Shipping Group
Orient Overseas Logistics (China) Co., Ltd. ("OOCL Logistics")	A company controlled by COSCO Shipping Group
Tianjin Waidai Freight Co., Ltd. ("Tianjin Waidai")	A company controlled by COSCO Shipping Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
China Lianyungang Shipping Agency Co., Ltd. ("Lianyungang Shipping Agency")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Lines Co., Ltd. ("COSCO SHIPPING Lines")	A company controlled by COSCO Shipping Group
Guangzhou COSCO SHIPPING Container Lines Co., Ltd. ("Guangzhou Shipping Containers")	A company controlled by COSCO Shipping Group
Qingdao China Gas Industrial Co., Ltd. ("China Gas Industry")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Logistics	A company controlled by COSCO Shipping Group
COSCO SHIPPING Special Lines Co., Ltd. ("COSCO SHIPPING Special Lines")	A company controlled by COSCO Shipping Group
Hainan Haisheng Shipping Co., Ltd. ("Hainan Haisheng Shipping")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Logistics Co., Ltd. ("COSCO SHIPPING Logistics")	A company controlled by COSCO Shipping Group
Tianjin Yuanchang Refrigerated Container Service Co., Ltd. ("Yuanchang Refrigerated Container")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Passenger Transport Company Limited ("COSCO Passenger Transport")	A company controlled by COSCO Shipping Group
Shanghai Puhai Shipping Co., Ltd. ("Shanghai Puhai Shipping")	A company controlled by COSCO Shipping Group
Xinxinhai Shipping Co., Ltd. ("Xinxinhai Shipping")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Bonded Logistics Co., Ltd. ("Ocean & Great Asia Bonded Logistics")	A company controlled by COSCO Shipping Group
COSCO Logistics (Nanjing) Co., Ltd. ("COSCO Logistics (Nanjing)")	A company controlled by COSCO Shipping Group
Guangzhou Ocean Special Transportation Co., Ltd. ("Ocean Special Transportation")	A company controlled by COSCO Shipping Group
Xi'an COSCO SHIPPING Container Line Co., Ltd. ("Xi'an COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Customs Brokerage Co., Ltd. ("COSCO SHIPPING Customs Brokerage")	A company controlled by COSCO Shipping Group
Qingdao Ocean Shipping Supply Co., Ltd. ("Qingdao Ocean Shipping")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Logistics Co., Ltd. ("Ocean & Great Asia")	A company controlled by COSCO Shipping Group
Zhejiang Xinggang International Freight Forwarding Co., Ltd. ("Xinggang International Freight")	A company controlled by COSCO Shipping Group
Shenzhen Yihaitong Global Supply Chain Management Co., Ltd. ("Yihaitong Global Supply Chain")	A company controlled by COSCO Shipping Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Zhanjiang COSCO SHIPPING Logistics Co., Ltd. ("Zhanjiang COSCO Logistics")	A company controlled by COSCO Shipping Group
Shanghai COSCO SHIPPING Port Investment Co., Ltd. ("Shanghai COSCO SHIPPING Port Investment")	A company controlled by COSCO Shipping Group
Orient Overseas Container Line Co., Ltd. ("OOCL Containers")	A company controlled by COSCO Shipping Group
Shanghai Friendship Shipping Co., Ltd. ("Friendship Shipping")	A company controlled by COSCO Shipping Group
Jiangsu COSCO SHIPPING Container Lines Co., Ltd. ("Jiangsu COSCO Containers")	A company controlled by COSCO Shipping Group
Coheung Marine Shipping Company Limited ("Coheung Marine Shipping")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Energy Transportation Co., Ltd. ("COSCO Energy Transportation")	A company controlled by COSCO Shipping Group
Guangzhou Development Shipping Co., Ltd. ("Guangzhou Development Shipping")	A company controlled by COSCO Shipping Group
Changshu Zhongyuan Logistics Co., Ltd. ("Changshu Zhongyuan")	A company controlled by COSCO Shipping Group
Shanghai Pan Asia Shipping Co., Ltd. ("Shanghai Pan Asia")	A company controlled by COSCO Shipping Group
COSCO (Lianyungang) Liquid Loading & Unloading Equipment Co., Ltd. ("Lianyungang COSCO Fluid")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Bulk Lines Limited ("COSCO SHIPPING Bulk")	A company controlled by COSCO Shipping Group
Shanghai Beihai Shipping Co., Ltd. ("Shanghai Beihai Shipping")	A company controlled by COSCO Shipping Group
Yancheng Runyang Supply Chain Management Co., Ltd. ("Jiangsu COSCO Supply Chain")	A company controlled by COSCO Shipping Group
Henan COSCO SHIPPING Container Lines Co., Ltd. ("Henan COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Ningbo COSCO Shipping Agency Co., Ltd. ("Ningbo COSCO Shipping Agency")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Special Lines (Southeast Asia) Co., Ltd. ("Southeast Asia COSCO Special Lines")	A company controlled by COSCO Shipping Group
Qingdao Zhongran Yinda Gas Station Co., Ltd. ("Yinda Gas Station")	A company controlled by COSCO Shipping Group

(i) China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING Group") indirectly holds 21.78% equity interests in the Company through Shanghai China Shipping Terminal, China Shipping Terminal, Qingdao COSCO and COSCO SHIPPING Ports Development, and COSCO SHIPPING Group has a significant influence on the Company.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions

Pricing policy

The Group's purchases, sales, provision, or receipt of services with related parties are conducted in accordance with the pricing and settlement terms agreed with the other party in the ordinary course of business. The rents collected and paid to related parties shall be determined after negotiation between the two parties. The interest rates for deposits and loans with Shandong Port Finance Company are determined after negotiation between both parties based on the benchmark interest rate of the People's Bank of China for the same period or the quoted market rate loans released by the National Interbank Funding Center.

(a) Purchase and sale of goods, provision and receipt of services

(i) Purchase of goods, receipt of services:

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**1,545,743,473**	1,460,472,244
Qingdao Port Engineering	Procurement of engineering materials, engineering, design services	**335,687,763**	210,537,099
Shangang Luhai Logistics Development	Loading and unloading, logistics and other services	**219,020,707**	159,203,051
Technology Company	Software development, information operation and maintenance services	**199,128,536**	130,382,972
Shanhai Property Qingdao	Property, catering and other services	**136,153,543**	135,158,476
Luhai Equipment Group Qingdao	Procurement of engineering materials, engineering, design services	**84,294,939**	101,899,690
QDP Investment Group	Procurement of engineering materials, engineering labor, etc.	**80,807,526**	69,416,049
Shandong Harbor Construction	Engineering, design services	**65,577,253**	214,477,352
Rizhao Port Container Development	Loading and unloading, logistics and other services	**62,275,664**	35,691,242
Shanhai Property Weihai	Property, catering and other services	**37,928,309**	35,661,380
Shangang Luhai Zhengzhou	Loading and unloading, logistics and other services	**37,096,367**	15,993,933
Shanhai Car Rental	Leases and other services	**32,975,578**	30,019,882
Cardiovascular Hospital	Medical services	**21,251,125**	11,773,264
Shangang Shanhai Security	Security, property services	**18,968,065**	33,218,985
Weihai Gangtong Technology	Information operations and maintenance, technical services	**16,159,832**	11,238,475
Shangang Shipping Group	Loading and unloading, logistics and other services	**15,330,429**	8,481,869
Harbor Vocational College	Training and other services	**14,766,367**	6,117,813
Port & Shipping Lianfa	Loading and unloading, logistics and other services	**13,427,104**	14,942,791

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(i) Purchase of goods, receipt of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Shangang Express	Loading and unloading, logistics and other services	**12,483,473**	6,977,321
Shangang Service Development	Procurement of materials, promotional services, etc.	**10,830,221**	16,867,947
Shandong Luhaitong Digital	Information operations and maintenance, technical services	**8,951,557**	6,991,752
Shandong Lujian	Loading and unloading, logistics and other services	**8,737,531**	6,539,282
Shangang Culture Media	Procurement of materials, promotional services, etc.	**8,737,075**	8,369,315
Shangang Luhai Liaocheng	Loading and unloading, logistics and other services	**8,531,145**	19,920,209
Weifang Wood Chip Wharf	Loading and unloading, logistics and other services	**6,331,028**	–
Qinggang Travel Service	Meetings and other services	**6,291,541**	7,560,170
Zenghe Supply Chain	Procurement of materials, promotional services, etc.	**6,173,207**	3,182,726
Shangang Production Guarantee	Procurement of materials, labor services	**5,341,028**	10,010,461
Park Management (Weifang)	Property, catering and other services	**5,122,621**	4,377,311
Shandong Port Engineering	Procurement of engineering materials, engineering, design services	**4,764,761**	–
Lujian Asset Operation	Security, property services	**3,608,380**	–
Luhai Logistics Yantai	Loading and unloading, logistics and other services	**3,098,259**	213,598
Luhai Logistics Rizhao	Loading and unloading, logistics and other services	**3,025,936**	1,379,236
Port & Shipping Energy	Procurement of materials, labor services	**2,771,816**	–
Shandong Dongying Port	Loading and unloading, logistics and other services	**2,766,950**	1,558,418
Luhai International Logistics	Loading and unloading, logistics and other services	**2,357,099**	583,463
Luhai Heavy Industry	Procurement of engineering materials, engineering, design services	**1,743,282**	2,637,861
Shangang Luhai Xinjiang	Loading and unloading, logistics and other services	**1,334,723**	6,313,385
Shandong Port Finance Company	Loan services and others	**818,409**	5,207,588

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(i) Purchase of goods, receipt of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Gangda Shipbuilding Heavy Industry	Engineering, design services	**427,208**	835,037
Shandong Port Engineering Management	Procurement of engineering materials, engineering, design services	**332,748**	6,680,331
Shangang International Investment	Loading and unloading, logistics and other services	**–**	26,867,554
Weihai Dingxin Construction	Procurement of engineering materials, engineering labor, etc.	**–**	4,556,406
Shangang Zhoudao Wubo Information	Loading and unloading, logistics and other services	**–**	24,171,846
Overseas Development Group Qingdao	Loading and unloading, logistics and other services	**–**	8,432,899
Shangang Overseas Supply Chain	Loading and unloading, logistics and other services	**–**	6,636,495
Longkou Port Group	Loading and unloading, logistics and other services	**–**	4,218,724
Other subsidiaries within the consolidation scope of Shandong Port Group	Loading and unloading, logistics and other services	**40,314,368**	45,168,586
COSCO Shipping Group and its subsidiaries**		**362,373,759**	262,329,237
CSSC Fuel Qingdao	Procurement of fuel	**163,698,753**	94,861,728
Qingdao COSCO SHIPPING Containers	Loading and unloading, logistics and other services	**92,085,995**	104,539,773
OOCL Containers	Loading and unloading, logistics and other services	**85,555,027**	30,013,600
China Ocean Shipping Agency	Loading and unloading, logistics and other services	**13,223,985**	19,609,789
Yuanhai Zhirong	Logistics and other services	**1,111,967**	1,796,916
Ganglianhai Logistics	Loading and unloading, logistics and other services	**1,545,008**	2,494,574
Eshipping Global Supply Chain	Loading and unloading, logistics and other services	**883,664**	1,471,413
Xi'an COSCO SHIPPING Containers	Loading and unloading, logistics and other services	**–**	2,995,981
Other subsidiaries of COSCO Shipping Group**	Loading and unloading, logistics and other services	**4,269,360**	4,545,463

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(i) Purchase of goods, receipt of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Joint ventures, associates and other companies		**1,455,627,386**	966,397,466
Dongjiakou Railway	Loading and unloading, logistics and other services	**315,206,736**	134,648,856
Qingdao Shihua	Loading and unloading, logistics and other services	**291,460,515**	448,994,122
QDOT	Loading and unloading, logistics and other services	**261,662,839**	112,934,785
QQCTU	Loading and unloading, logistics and other services	**157,002,887**	5,557,978
Western Union	Loading and unloading, logistics and other services	**130,802,532**	76,925,991
Qianwan Xinhe Supply Chain	Loading and unloading, logistics and other services	**102,288,156**	64,973,719
Huaneng Qingdao	Loading and unloading, logistics and other services	**98,800,342**	91,636,073
QQCTN	Loading and unloading, logistics and other services	**36,586,645**	2,881,619
QQCT	Loading and unloading, logistics and other services	**29,927,182**	6,623,892
QQCTUA	Loading and unloading, logistics and other services	**10,686,246**	180,295
Evergreen Container	Loading and unloading, logistics and other services	**5,922,312**	6,262,636
Other related parties	Loading and unloading, logistics, training, tourism and other services	**15,280,994**	14,777,500
		3,363,744,618	2,689,198,947

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services:

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**375,820,371**	615,440,216
Shangang Luhai Logistics Development	Transportation, loading and unloading, maintenance and other labor services	**65,735,617**	334,902,738
Lianyun International Logistic	Transportation, loading and unloading, maintenance and other labor services	**64,468,269**	31,043,324
Jiaodong International Container Shipping	Transportation, loading and unloading, maintenance and other labor services	**37,011,470**	27,027,605
Shangang Express	Transportation, loading and unloading, maintenance and other labor services	**19,975,416**	12,796,110
Shangang Shipping Group	Transportation, loading and unloading, maintenance and other labor services	**18,727,406**	10,620,503
Shangang Shipping Weihai	Transportation, loading and unloading, maintenance and other labor services	**13,499,852**	14,346,770
Shangang Sunshine Huicai	Operations and maintenance, property, communications and other labor services	**12,524,716**	48,682
Shangang Land Sea Joint Logistics	Transportation, loading and unloading, maintenance and other labor services	**10,601,500**	–
Shangang International Investment	Transportation, loading and unloading, maintenance and other labor services	**10,522,388**	4,597,120
Qinggang International Trade Logistics	Transportation, loading and unloading, maintenance and other labor services	**10,368,147**	11,544,454
Shangang Luhai Zhengzhou	Transportation, loading and unloading, maintenance and other labor services	**9,926,808**	15,011,222
Qingdao Port Group	Operations and maintenance, property, communications and other labor services	**8,122,966**	11,481,092
Yantai Container	Transportation, property and other labor services	**6,758,382**	1,407,557
Shangang International Trade	Transportation, loading and unloading, maintenance and other labor services	**6,238,111**	3,267,581
Luhai Equipment Group Qingdao	Operations and maintenance, property, communications and other labor services	**5,972,601**	2,816,231

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Bingang Oil	Transportation, property and other labor services	**5,528,527**	–
QDP Investment Group	Operations and maintenance, property, communications and other labor services	**5,166,605**	6,647,815
Gangxin Capital Investment	Transportation, property and other labor services	**4,949,932**	884,892
Shandong Port International Trade Qingdao Company	Transportation, loading and unloading, maintenance and other labor services	**4,242,774**	3,526,400
Luhai International Logistics	Transportation, loading and unloading, maintenance and other labor services	**3,910,543**	12,796,165
Shangang Luhai Lanzhou	Transportation, loading and unloading, maintenance and other labor services	**3,879,397**	8,457,356
Luhai Logistics Rizhao	Transportation, loading and unloading, maintenance and other labor services	**2,648,871**	749,522
Shangang International Trade Rizhao Company	Transportation, loading and unloading, maintenance and other labor services	**825,452**	10,798,764
Qingdao Port Engineering	Operations and maintenance, property, communications and other labor services	**808,363**	1,390,743
Shangang Luhai Xinjiang	Transportation, loading and unloading, maintenance and other labor services	**431,251**	2,188,500
Luhai Logistics Bohai Bay	Transportation, loading and unloading, maintenance and other labor services	**430,300**	5,258,049
Overseas Development Group Qingdao	Transportation, loading and unloading, maintenance and other labor services	**3,376**	35,572,225
Shangang Group Binzhou Port	Operations and maintenance, property, communications and other labor services	–	3,923,186
Other subsidiaries within the consolidation scope of Shandong Port Group***	Transportation, loading and unloading, maintenance and other labor services	**42,541,331**	42,335,610

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
COSCO Shipping Group and its subsidiaries**		**465,145,604**	524,464,793
China Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**141,293,558**	191,931,101
Sino-Ocean Daya	Transportation, loading and unloading, maintenance and other labor services	**54,872,092**	41,498,081
Yuanhai Zhirong	Transportation, loading and unloading, maintenance and other labor services	**52,794,711**	44,824,166
COSCO SHIPPING Lines	Transportation, loading and unloading, maintenance and other labor services	**41,178,052**	63,254,088
Orient Container	Transportation, loading and unloading, maintenance and other labor services	**34,888,643**	19,435,946
Shanghai Pan-Asia	Transportation, loading and unloading, maintenance and other labor services	**31,305,596**	38,608,790
Qingdao COSCO SHIPPING Containers	Transportation, loading and unloading, maintenance and other labor services	**20,406,726**	1,296,708
Ganglianhai Logistics	Transportation, loading and unloading, maintenance and other labor services	**14,829,570**	10,256,331
United Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**14,739,362**	19,070,903
COSCO SHIPPING Logistics	Transportation, loading and unloading, maintenance and other labor services	**11,836,816**	18,855,406
Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**10,667,854**	12,012,150
Xinxinhai Shipping	Transportation, loading and unloading, maintenance and other labor services	**8,692,074**	27,691,562
COSCO Weizhi Tank Container Logistics	Transportation, loading and unloading, maintenance and other labor services	**7,312,290**	8,411,001
Xinggang International Freight	Transportation, loading and unloading, maintenance and other labor services	**2,252,668**	5,660,040
Rizhao Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**2,005,004**	1,809,250
Other subsidiaries of COSCO Shipping Group**	Transportation, loading and unloading, maintenance and other labor services	**16,070,588**	19,849,270

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Joint ventures, associates and other companies		**2,332,965,513**	1,736,321,127
QQCT	Transportation, loading and unloading, maintenance and other labor services	**1,021,509,702**	664,792,597
QQCTN	Transportation, loading and unloading, maintenance and other labor services	**435,350,136**	298,508,021
QQCTU	Transportation, loading and unloading, maintenance and other labor services	**334,950,945**	271,035,717
QDOT	Transportation, loading and unloading, maintenance and other labor services	**207,588,421**	153,898,234
QQCTUA	Transportation, loading and unloading, maintenance and other labor services	**130,294,254**	86,903,321
Dongjiakou Railway	Transportation, loading and unloading, maintenance and other labor services	**64,474,627**	45,432,585
Qingdao Shihua	Transportation, loading and unloading, maintenance and other labor services	**49,343,661**	120,655,358
Evergreen Container	Transportation, loading and unloading, maintenance and other labor services	**21,434,357**	12,052,290
Ganglianrong Logistics	Transportation, loading and unloading, maintenance and other labor services	**18,304,100**	10,570,410
Western Union	Transportation, loading and unloading, maintenance and other labor services	**12,747,391**	9,513,653
Qianwan Xinhe Supply Chain	Transportation, loading and unloading, maintenance and other labor services	**11,837,882**	44,387,897
Huaneng Qingdao	Transportation, loading and unloading, maintenance and other labor services	**10,852,221**	7,288,936
Other related parties	Transportation, loading and unloading, maintenance and other labor services	**14,277,816**	11,282,108
		3,173,931,488	2,876,226,136

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**184,954,389**	122,826,679
Shandong Harbor Construction	Provision of construction labor services	**121,008,281**	96,302,068
Qingdao Port Engineering	Provision of construction labor services	**32,459,929**	17,297,826
Harbour Construction Rizhao	Provision of construction labor services	**18,936,960**	–
Luhai Equipment Group Rizhao	Provision of construction labor services	**9,162,511**	–
QDP Investment Group	Provision of construction labor services	**3,385,755**	4,609,490
Other subsidiaries within the consolidation scope of Shandong Port Group	Provision of construction labor services	**953**	4,617,295
COSCO Shipping Group and its subsidiaries**		**8,836**	80,692
Yuanhai Zhirong	Provision of construction labor services	**8,836**	80,692
Joint ventures, associates and other companies		**11,864,781**	27,079,461
QQCT	Provision of construction labor services	**4,123,346**	11,969,699
Port Municipal Construction	Provision of construction labor services	**4,072,762**	–
QQCTU	Provision of construction labor services	**2,251,414**	10,396,110
Qingdao Shihua	Provision of construction labor services	**472,180**	3,054,302
QDOT	Provision of construction labor services	**–**	919,515
Other related parties	Provision of construction labor services	**945,079**	739,835
		196,828,006	149,986,832

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**76,686,266**	53,774,280
Overseas Development Group Qingdao	Sales of water, electricity, steam, oil, etc.	**35,798,399**	–
Qingdao Port Engineering	Sales of water, electricity, steam, oil, etc.	**6,298,414**	7,246,761
Weifang Bulk Terminal	Sales of water, electricity, steam, oil, etc.	**4,525,059**	6,037,344
Shangang Group Binzhou Port	Sales of water, electricity, steam, oil, etc.	**3,841,092**	–
Bohai Bay Barge	Sales of water, electricity, steam, oil, etc.	**3,825,097**	3,267,839
Luhai Equipment Group Qingdao	Sales of water, electricity, steam, oil, etc.	**3,810,855**	5,858,305
Qingdao Port Group	Sales of water, electricity, steam, oil, etc.	**3,087,568**	4,900,787
Shangang Express	Sales of water, electricity, steam, oil, etc.	**1,649,745**	5,967
Shanhai Property Qingdao	Sales of water, electricity, steam, oil, etc.	**1,577,272**	2,555,469
Technology Company	Sales of water, electricity, steam, oil, etc.	**1,122,574**	2,498,167
QDP Investment Group	Sales of water, electricity, steam, oil, etc.	**1,113,435**	5,178,772
International Cruise	Sales of water, electricity, steam, oil, etc.	**1,001,714**	2,761,222
Shandong Harbor Construction	Sales of water, electricity, steam, oil, etc.	**685,643**	721,998
Shandong Port Group	Sales of water, electricity, steam, oil, etc.	**396,710**	1,338,566
Weihai Port International Passenger Transport	Sales of water, electricity, steam, oil, etc.	**343,371**	1,944,147
Harbor Vocational College	Sales of water, electricity, steam, oil, etc.	**203,529**	631,010
Binzhou Gangtong Pipeline	Sales of water, electricity, steam, oil, etc.	**–**	4,141,003
Other subsidiaries within the consolidation scope of Shandong Port Group	Sales of water, electricity, steam, oil, etc.	**7,405,789**	4,686,923

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Sales of goods, provision of services: (Continued)

	Contents of related transactions	Year ended 31 December 2025	Year ended 31 December 2024
COSCO Shipping Group and its subsidiaries**		**15,715,146**	17,640,253
COSCO Abu Dhabi	Sales of water, electricity, steam, oil, etc.	**4,538,783**	–
Orient Container	Sales of water, electricity, steam, oil, etc.	**3,536,642**	3,480,403
Yuanhai Zhirong	Sales of water, electricity, steam, oil, etc.	**3,194,595**	2,977,098
Ganglianhai Logistics	Sales of water, electricity, steam, oil, etc.	**2,722,079**	2,902,454
Yinda Gas Station	Sales of water, electricity, steam, oil, etc.	**1,208,693**	3,133,603
Sea Route International	Sales of water, electricity, steam, oil, etc.	**–**	4,547,880
Other subsidiaries of COSCO Shipping Group	Sales of water, electricity, steam, oil, etc.	**514,354**	598,815
Subtotal of joint ventures, associates and other companies		**260,655,733**	453,448,431
QDOT	Sales of water, electricity, steam, oil, etc.	**94,167,282**	185,012,296
QQCT	Sales of water, electricity, steam, oil, etc.	**62,232,508**	123,311,534
QQCTN	Sales of water, electricity, steam, oil, etc.	**31,895,894**	80,701,836
QQCTU	Sales of water, electricity, steam, oil, etc.	**17,337,479**	12,872,347
QQCTUA	Sales of water, electricity, steam, oil, etc.	**16,137,554**	20,773,976
Western Union	Sales of water, electricity, steam, oil, etc.	**11,388,086**	10,403,097
Shandong Zhenhua Energy	Sales of water, electricity, steam, oil, etc.	**9,265,493**	–
Qingdao Shihua	Sales of water, electricity, steam, oil, etc.	**6,557,159**	9,139,165
Other related parties	Sales of water, electricity, steam, oil, etc.	**11,674,278**	11,234,180
		353,057,145	524,862,964

(iii) Related party guarantee information:

Name of the guaranteed party	Guarantee amount	Starting date	Due date	Whether the guarantee has been fully performed
QDP Logistics	36,085,550	2025-1-23	2026-4-30	No

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases

(i) Lease income confirmed by the Group as a lessor:

Name of lessee	Type of leased assets	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**14,056,215**	21,542,357
Technology Company	Buildings, machinery and equipment	**3,841,893**	**4,389,542**
Shanhai Property Qingdao	Buildings, storage facilities	**2,674,361**	**7,149,622**
Qingdao Port Engineering	Buildings, storage facilities	**2,246,488**	**5,218,995**
Luhai Equipment Group Qingdao	Buildings, storage facilities	**1,138,532**	**1,080,981**
Qingdao Port Group	Buildings	**1,128,954**	**1,128,954**
Other subsidiaries within the consolidation scope of Shandong Port Group	Buildings, storage facilities, machinery and equipment	**3,025,987**	**2,574,263**
COSCO Shipping Group and its subsidiaries**		**28,875,970**	18,500,323
Yuanhai Zhirong	Buildings, storage facilities	**11,458,008**	2,508,217
Orient Container	Storage facilities, machinery and equipment	**9,694,384**	8,057,362
Ganglianhai Logistics	Storage facilities, machinery and equipment	**7,222,245**	7,482,918
Other subsidiaries of COSCO Shipping Group	Buildings, storage facilities, machinery and equipment	**501,333**	451,826
Subtotal of joint ventures, associates and other companies		**321,749,477**	356,365,095
QQCT	Buildings, storage facilities, port facilities, vehicles	**222,226,715**	223,434,926
QDOT	Storage facilities, vehicles	**44,441,773**	40,512,172
Evergreen Container	Buildings, storage facilities	**16,640,697**	10,626,162
QQCTN	Port facilities, vehicles	**14,038,372**	15,578,094
QQCTU	Buildings, port facilities, vehicles	**8,914,069**	8,361,411
Ganglianrong Logistics	Buildings, storage facilities	**5,781,703**	5,383,485
Qingdao Shihua	Buildings, storage facilities, machinery and equipment	**841,038**	39,106,518
Other related parties	Buildings, storage facilities, machinery and equipment	**8,865,110**	13,362,327
		364,681,662	396,407,775

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(ii) Right-of-use assets leased by the Group as a lessee:

Name of lessor	Type of leased assets	Year ended 31 December 2025	Year ended 31 December 2024
QQCTN	Storage facilities	**134,548,958**	–
QDP Investment Group	Buildings, machinery and equipment	**31,449,701**	6,939,452
Western Union	Storage facilities	**5,128,643**	5,128,157
Shanhai Car Rental	Vehicles	**1,961,513**	3,444,540
Qingdao Port Group	Buildings	**1,554,261**	–
QQCTU	Buildings	**3,957**	–
		174,647,033	15,512,149

(iii) Interest expense on lease liabilities assumed by the Group as a lessee:

Name of lessor	Year ended 31 December 2025	Year ended 31 December 2024
Qingdao Port Group	**5,902,476**	6,480,676
Shandong Port Finance Company	**5,722,987**	9,382,453
QQCTN	**3,470,480**	–
QDP Investment Group	**1,615,607**	1,280,413
Western Union	**109,452**	109,939
Shangang International Trade	**32,383**	53,467
Other related parties	**142,791**	348,619
	16,996,176	17,655,567

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(iv) Rental expenses for short-term leases and low-value leases directly included in profit or loss for the period in which the Group is a lessee:

Name of lessor	Type of leased assets	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Group and its subsidiaries*		**197,058,608**	109,534,815
Qingdao Port Group	Buildings, land use rights, storage facilities, machinery and equipment, port facilities	**107,201,354**	52,622,659
QDP Investment Group	Buildings, port facilities, storage facilities, machinery and equipment, vehicles	**44,735,967**	36,490,593
Shangang Land Sea Cold Chain Logistics (Qingdao)	Storage facilities	**14,400,000**	–
Shangang Industry-City Integration Weihai	Storage facilities	**11,120,766**	–
Weihai Port	Buildings, storage facilities	**8,439,854**	6,998,930
Harbor Vocational College	Buildings	**2,224,169**	1,923,653
Shangang International Trade	Buildings	**1,868,865**	5,616,836
Weihai Port International Passenger Transport	Buildings, storage facilities	**1,377,178**	1,671,325
Other subsidiaries within the consolidation scope of Shandong Port Group	Buildings	**5,690,455**	4,210,819
COSCO Shipping Group and its subsidiaries**		**139,569**	734,259
Yuanhai Zhirong	Buildings	**–**	552,212
Ganglianhai Logistics	Buildings	**139,569**	139,569
Ocean Shipping Agency	Buildings	**–**	42,478
Joint ventures, associates and other companies		**33,598,261**	43,186,096
QQCTU	Storage facilities	**25,726,827**	10,920,044
Western Union	Storage facilities	**4,697,421**	5,317,211
QDOT	Port facilities	**986,492**	–
Dongjiakou Sinotrans Logistics	Storage facilities	**298,449**	–
QQCTN	Storage facilities	**–**	26,569,401
Other related parties	Buildings, storage facilities, machinery and equipment	**1,889,072**	379,440
		230,796,438	153,455,170

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(v) Rent paid by the Group as a lessee:

Name of lessor	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Finance Company	**202,369,495**	39,246,573
Qingdao Port Group	**156,964,150**	99,665,397
QQCTN	**39,057,688**	28,929,143
QDP Investment Group	**34,248,365**	48,205,005
QQCTU	**27,338,754**	21,816,085
Shangang Land Sea Cold Chain Logistics (Qingdao)	**15,696,000**	–
Shangang Industry-City Integration Weihai	**10,000,000**	–
Weihai Port	**8,495,348**	7,628,834
Qinggang Leasing Company	**5,378,000**	–
Dongjiakou Sinotrans Logistics	**5,176,017**	2,020,759
Western Union	**4,934,375**	6,958,072
Shanhai Car Rental	**4,784,408**	12,958,273
Harbor Vocational College	**2,335,377**	2,303,815
Shangang International Trade	**2,037,063**	4,149,968
Weihai Port International Passenger Transport	**1,479,855**	1,723,306
QQCT	**963,813**	1,597,626
Other related parties	**6,660,883**	2,572,671
	527,919,591	279,775,527

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(v) Rent paid by the Group as a lessee: (Continued)

Note:

* These transactions are continuing connected transactions that have complied with the disclosure requirements of Chapter 14A of the Hong Kong Stock Exchange's Securities Listing Rules and are transactions between the Group and Shandong Port Group.

** These transactions are continuing connected transactions that have complied with the disclosure requirements of Chapter 14A of the Hong Kong Stock Exchange's Securities Listing Rules and are transactions between the Group and COSCO SHIPPING Group.

According to the Company's announcement on the proposed continuing connected transactions, the transaction quota approved by the Group with Shandong Port Group and COSCO SHIPPING Group is as follows, and the transaction amount in 2025 does not exceed the transaction quota.

Transaction between the Group and Shandong Port Group:	**Approved transaction quotas**
• The Group procures products and services from Shandong Port Group	7,700,000,000
• The Group sells products and services to Shandong Port Group	3,400,000,000
• The Group provides asset leasing services to Shandong Port Group	110,000,000
• Shandong Port Group provides asset leasing services to the Group	660,000,000

Transaction between the Group and COSCO SHIPPING Group:	**Approved transaction quotas**
• The Group sells products and services to COSCO SHIPPING Group	1,650,000,000
• The Group procures products and services from COSCO SHIPPING Group	660,000,000
• The Group provides asset leasing services to COSCO SHIPPING Group	60,000,000

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Finance lease and capital loans

(i) Borrowings from Shandong Port Finance Company –

	Amount	Starting date	Due Date
Shandong Port Finance Company	22,000,000	2025-1-2	2028-1-1
Shandong Port Finance Company	46,800,000	2025-1-17	2030-1-16
Shandong Port Finance Company	51,835,642	2025-1-23	2033-1-22
Shandong Port Finance Company	10,000,000	2025-2-20	2028-2-19
Shandong Port Finance Company	139,000,000	2025-2-27	2028-2-26
Shandong Port Finance Company	40,225,001	2025-2-27	2033-2-26
Shandong Port Finance Company	14,500,000	2025-3-14	2028-3-13
Shandong Port Finance Company	26,000,000	2025-3-14	2028-3-13
Shandong Port Finance Company	6,000,000	2025-3-20	2028-3-19
Shandong Port Finance Company	8,882,194	2025-3-25	2030-3-24
Shandong Port Finance Company	27,500,000	2025-3-26	2028-3-25
Shandong Port Finance Company	2,000,000	2025-3-27	2026-3-26
Shandong Port Finance Company	34,901,118	2025-3-28	2033-3-27
Shandong Port Finance Company	12,500,000	2025-4-16	2028-4-15
Shandong Port Finance Company	27,500,000	2025-4-25	2028-4-24
Shandong Port Finance Company	2,000,000	2025-5-15	2026-5-14
Shandong Port Finance Company	13,500,000	2025-5-15	2028-5-14
Shandong Port Finance Company	4,000,000	2025-5-16	2026-5-15
Shandong Port Finance Company	31,400,000	2025-5-22	2030-5-21
Shandong Port Finance Company	38,000,000	2025-5-29	2028-5-28
Shandong Port Finance Company	10,000,000	2025-6-12	2026-6-11
Shandong Port Finance Company	13,500,000	2025-6-16	2028-6-15
Shandong Port Finance Company	29,100,000	2025-6-20	2030-6-19
Shandong Port Finance Company	78,000,000	2025-6-26	2028-6-25
Shandong Port Finance Company	10,000,000	2025-7-2	2026-7-1
Shandong Port Finance Company	49,900,000	2025-7-11	2028-7-10
Shandong Port Finance Company	205,900,000	2025-7-11	2028-7-10
Shandong Port Finance Company	208,000,000	2025-7-11	2028-7-10
Shandong Port Finance Company	425,000,000	2025-7-11	2028-7-10

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Finance lease and capital loans (Continued)

(i) Borrowings from Shandong Port Finance Company – (Continued)

	Amount	Starting date	Due Date
Shandong Port Finance Company	3,000,000	2025-7-17	2026-7-16
Shandong Port Finance Company	10,000,000	2025-7-17	2026-7-16
Shandong Port Finance Company	23,800,000	2025-7-18	2030-7-17
Shandong Port Finance Company	15,900,000	2025-7-21	2032-7-20
Shandong Port Finance Company	3,000,000	2025-8-4	2026-8-3
Shandong Port Finance Company	2,500,000	2025-8-6	2026-8-5
Shandong Port Finance Company	36,900,000	2025-8-14	2028-8-13
Shandong Port Finance Company	10,000,000	2025-8-14	2026-8-13
Shandong Port Finance Company	14,029,629	2025-8-20	2032-8-19
Shandong Port Finance Company	3,000,000	2025-8-21	2026-8-20
Shandong Port Finance Company	5,697,961	2025-9-23	2032-9-22
Shandong Port Finance Company	15,000,000	2025-10-16	2026-10-15
Shandong Port Finance Company	2,760,000	2025-10-20	2026-10-19
Shandong Port Finance Company	2,500,000	2025-10-28	2026-10-27
Shandong Port Finance Company	3,000,000	2025-11-11	2026-11-10
Shandong Port Finance Company	5,000,000	2025-11-20	2026-11-10
Shandong Port Finance Company	3,000,000	2025-11-20	2026-10-19
Shandong Port Finance Company	2,000,000	2025-11-20	2026-11-19
Shandong Port Finance Company	2,215,941	2025-11-24	2030-11-23
Shandong Port Finance Company	7,405,775	2025-11-26	2032-11-25
Shandong Port Finance Company	4,900,000	2025-11-28	2032-11-27
Shandong Port Finance Company	4,000,000	2025-12-8	2026-11-10
Shandong Port Finance Company	1,000,000	2025-12-17	2026-12-16
Shandong Port Finance Company	3,000,000	2025-12-29	2032-12-28
Shandong Port Finance Company	7,071,000	2025-12-29	2032-12-28
Shandong Port Finance Company	2,000,000	2025-12-29	2026-12-28
	1,780,624,261		

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Finance lease and capital loans (Continued)

(ii) Interest income –

	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Finance Company	**116,870,417**	117,062,229
Commercial Factoring	**27,120**	11,656
Shangang Sunshine Huicai	**8**	90
	116,897,545	117,073,975

(iii) Interest expenses on related party borrowings –

	Year ended 31 December 2025	Year ended 31 December 2024
Shandong Port Finance Company	**92,313,732**	82,630,212
Qingdao Port Group	**829,612**	5,353,941
	93,143,344	87,984,153

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(d) Investment income

	Year ended 31 December 2025	Year ended 31 December 2024
QQCT	1,197,332,062	1,191,443,412
Shandong Port Finance Company	107,704,758	112,485,597
Qingdao Shihua	97,709,625	166,174,228
UG	46,617,543	48,290,417
Evergreen Container	32,846,457	28,655,614
Qingyin Leasing	31,131,526	26,849,483
Yuanhai Zhirong	19,892,941	15,491,559
Orient Container	14,459,338	10,942,135
Luhai Equipment Group Qingdao	12,183,366	18,546,294
Qinggang International Trade Logistics	8,303,108	14,982,234
Technology Company	7,534,592	6,118,259
Huaneng Qingdao	6,567,976	6,789,203
Ganglianrong Logistics	6,469,808	5,954,941
Qingdao Port Engineering	6,309,037	(9,783,773)
Ganglianhai Logistics	6,055,858	4,911,507
Shandong Zhenhua Energy	5,817,506	1,366,895
United Shipping Agency	4,813,037	3,600,362
Gulf Liquid Chemical	2,770,071	1,595,476
Hailian Container	2,650,346	1,303,428
Shandong Port Energy	1,152,295	2,338,064
PetroChina Storage	1,147,300	(1,513,585)
Ocean Shipping Agency	956,655	1,338,239
Sea Route International	829,318	1,036,577
Qianwan Xinhe Supply Chain	682,319	(40,928)
GSBN	379,784	(3,711,321)
Dongjiakou Sinotrans Logistics	362,550	373,061
Shangang Energy Development	9,067	4,892
Overseas Development Group Qingdao	9,010	998,630
Shandong Sinotrans Chemical	203	–
Bonded Logistics Center	6	–
Xishuangbanna Rubber	(103,995)	(295,783)
Shangang Luhai Jinan	(255,901)	281,034
Linyi Expressway	(281,906)	(416,976)
Dongjiakou Wanbang Logistics	(283,179)	(171,399)
COSCO Abu Dhabi	(9,829,818)	(4,956,400)
QDOT	(31,349,393)	8,725,746
Western Union	(47,639,057)	(3,078,554)
	1,532,954,213	1,656,628,568

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(e) Remuneration of key management personnel

	Year ended 31 December 2025	Year ended 31 December 2024
Remuneration of key management personnel	**13,447,995**	11,538,956

(f) Other related party transactions

(i) Port operation fees, harbour dues, and port facility security expenses received and paid on behalf of related parties to their clients

	Year ended 31 December 2025	Year ended 31 December 2024
Funds received under the entrustment of related parties–		
QQCT	**4,787,525,969**	4,550,947,951
QQCTN	**2,284,906,892**	1,954,037,611
QQCTU	**1,515,206,865**	1,611,971,136
QQCTUA	**608,074,426**	543,167,772
	9,195,714,152	8,660,124,470
Funds paid to related parties–		
QQCT	**4,883,436,999**	4,370,657,262
QQCTN	**2,339,247,895**	1,895,743,376
QQCTU	**1,541,598,777**	1,575,309,967
QQCTUA	**618,104,038**	531,444,997
	9,382,387,709	8,373,155,602

Port operation fees, harbour dues and port facility security expenses received and paid on behalf of related parties are collected by the Company's subsidiaries, Container Development Company and QDP Logistics, on behalf of related parties including QQCT, QQCTU, QQCTUA and QQCTN from their clients and paid to above related parties.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(f) Other related party transactions (Continued)

(ii) Cargo harbour dues, berthing fees, and security fees received by related parties on behalf of the Group

	Year ended 31 December 2025	Year ended 31 December 2024
QQCT	**63,600,915**	64,716,926
Qingdao Shihua	**38,765,849**	59,300,745
QQCTU	**35,453,488**	28,053,723
QQCTN	**29,947,442**	29,458,937
QQCTUA	**10,527,117**	10,125,869
Western Union	**7,562,305**	8,063,649
QDOT	**–**	11,117,440
	185,857,116	210,837,289

Related parties such as Qingdao Shihua and QQCT charge customers for cargo harbour dues, berthing fees, and security fees and submit 50% of them to the Company.

(iii) Accept the commission payment of related parties

	Year ended 31 December 2025	Year ended 31 December 2024
QDOT	**75,480,717**	74,268,464
Qingdao Port Engineering	**69,495,351**	63,850,645
QQCT	**52,267,327**	48,248,832
QQCTU	**29,944,493**	28,116,759
QQCTN	**15,973,615**	19,445,721
Qingdao Shihua	**11,063,834**	16,137,295
Luhai Equipment Group Qingdao	**8,727,759**	84,475,520
Western Union	**8,598,508**	11,908,935
Shanhai Property Qingdao	**8,059,289**	11,800,975
QDP Investment Group	**1,851,641**	3,406,431
Evergreen Container	**1,184,756**	1,879,406
Huaneng Qingdao	**1,121,168**	2,125,153
Harbor Vocational College	**940,310**	1,138,318
Qingdao Port Group	**661,375**	2,978,945
Shangang Production Guarantee	**602,801**	1,039,518
QDP Investment Group	**335,689**	739,559
Cardiovascular Hospital	**–**	1,471,573
Other related parties	**6,047,837**	7,349,231
	292,356,470	380,381,280

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(f) Other related party transactions (Continued)

(iii) Accept the commission payment of related parties (Continued)

Tongze Trading, a subsidiary of the Company, provides agency procurement services for related parties, and accepts the entrustment of related parties to pay the purchase money to suppliers.

(6) Related party balance

(a) Cash at bank and on hand

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Shandong Port Finance Company – Cash at bank	12,465,896,078	–	12,297,234,573	–
Shandong Port Finance Company – Other cash balances	2,711,455	–	6,124,092	–
Shandong Port Finance Company – Accrued interest	42,261,093	–	18,209,038	–
	12,510,868,626	–	12,321,567,703	–

(b) Notes receivable

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Qingdao Port Engineering	23,307,100	(694,552)	–	–
International Cruise	2,110,350	(62,888)	1,759,294	(68,612)
Luhai Equipment Group Qingdao	1,126,206	(33,561)	2,935,990	(114,504)
Qinggang Travel Service	–	–	967,440	(37,730)
	26,543,656	(791,001)	5,662,724	(220,846)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(c) Accounts receivable

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Shandong Harbor Construction	155,278,835	(21,101,330)	88,923,469	(9,454,363)
Qingdao Shihua	85,629,357	(7,044,899)	134,766,668	(6,122,858)
QDOT	50,584,353	(6,917,131)	78,287,096	(12,670,751)
Qingdao Port Engineering	35,685,286	(8,738,778)	37,316,085	(5,425,610)
QQCTN	25,704,191	(2,017,243)	30,240,732	(1,454,175)
QQCT	23,744,497	(1,185,722)	31,015,531	(1,409,308)
QQCTU	23,487,611	(1,073,384)	18,986,962	(880,384)
Luhai Equipment Group Rizhao	18,341,047	(4,070,322)	17,595,103	(1,386,174)
Shangang Express	14,421,949	(659,083)	6,252,409	(283,859)
QDP Investment Group	13,974,470	(1,233,277)	15,475,396	(1,350,642)
Evergreen Container	13,445,264	(646,159)	2,632,258	(119,505)
Shangang Luhai Logistics Development	12,635,184	(577,428)	42,504,322	(1,929,696)
Overseas Development Group Qingdao	12,079,132	(552,016)	11,896,693	(540,110)
Lianyun International Logistic	11,542,193	(527,478)	5,158,131	(234,179)
QQCTUA	11,276,762	(515,348)	1,739,154	(78,958)
Shangang Luhai Lanzhou	10,572,501	(844,373)	7,464,873	(338,905)
Shangang Land Sea Joint Logistics	9,226,938	(421,671)	–	–
Shangang Luhai Zhengzhou	9,215,812	(421,163)	7,576,192	(343,959)
Jiaodong International Container Shipping	9,004,362	(411,499)	6,229,033	(282,798)
Orient Container	8,407,053	(384,202)	3,527,591	(160,153)
Sino-Ocean Daya	7,454,451	(340,668)	3,268,357	(148,383)
China Ocean Shipping Agency	6,547,128	(299,194)	5,270,712	(239,290)
Yuanhai Zhirong	6,304,948	(288,136)	7,549,015	(342,725)
Shandong Zhenhua Energy	5,736,068	(262,138)	–	–
Shangang Shipping Group	5,641,304	(257,808)	419,051	(19,025)
Shandong Port Engineering	5,620,974	(4,101,580)	6,195,821	(3,423,014)
Shanhai Property Qingdao	5,331,808	(334,888)	2,953,151	(134,073)
Weihai Port	5,272,450	(344,211)	1,905,151	(86,494)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(c) Accounts receivable (Continued)

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
COSCO Abu Dhabi	4,538,783	(207,422)	4,640,159	(210,663)
Qingdao Port Group	4,367,068	(2,303,842)	12,032,120	(4,177,676)
Western Union	4,096,495	(187,210)	2,433,966	(122,117)
COSCO SHIPPING Lines	3,940,024	(180,059)	1,487,344	(67,525)
Weifang Bulk Terminal	3,742,032	(171,011)	2,158,667	(98,003)
Shanghai Pan-Asia	3,516,294	(160,695)	1,734,259	(78,735)
Ganglianrong Logistics	3,336,187	(152,464)	1,202,483	(54,593)
Sealand Equipment Haiyang	3,299,078	(150,768)	–	–
Shangang Shipping Weihai	3,262,856	(149,113)	3,860,448	(175,264)
Shangang Sunshine Huicai	2,914,035	(133,171)	2,736,598	(124,242)
Luhai Logistics Rizhao	2,856,413	(130,538)	3,091,995	(140,377)
Binzhou Gangtong Pipeline	2,496,666	(173,647)	2,496,666	(113,349)
Port Municipal Construction	1,789,310	(81,771)	–	–
Ganglianhai Logistics	1,734,625	(79,272)	1,588,772	(72,130)
Huanhai Bay Development and Construction	1,658,471	(497,541)	1,658,471	(165,847)
Bohai Bay Barge	1,549,432	(70,809)	2,423,706	(110,036)
Shandong Port Weifang Port	1,530,000	(1,224,000)	1,530,000	(1,092,420)
Hailian Container	1,425,804	(65,159)	1,280,037	(58,114)
Shangang Luhai Jinan	1,213,377	(55,451)	487,482	(22,132)
Luhai Equipment Group Qingdao	1,103,728	(78,133)	4,222,733	(1,934,165)
COSCO Weizhi Tank Container Logistics	1,415,865	(49,225)	988,768	(44,890)
Qinggang International Trade Logistics	576,191	(26,332)	274,181	(12,448)
Luhai International Logistics	583,228	(25,272)	1,122,510	(50,962)
COSCO SHIPPING Logistics	538,923	(24,629)	3,762,135	(170,801)
Qianwan Xinhe Supply Chain	2,158,953	(19,638)	2,043,485	(92,774)
Shangang Luhai Liaocheng	20,722	(947)	161,831	(7,347)
Dongjiakou Wanbang Logistics	2,475	(113)	2,636,143	(2,634,933)
Dongjiakou Railway	1,107	(51)	15,654,383	(710,709)
Shangang Service Development	–	–	2,202,183	(99,979)
Other related parties	11,428,999	(513,260)	12,047,700	(547,030)
	673,263,069	(72,482,672)	667,108,181	(62,048,652)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(d) Contract assets

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
QQCTU	10,880,601	(525,533)	10,880,601	(427,608)
QQCT	10,549,242	(509,528)	18,629,681	(732,146)
Qingdao Shihua	2,131,200	(102,937)	2,131,200	(83,756)
QDP Investment Group	1,053,345	(50,877)	–	–
Shandong Harbor Construction	–	–	37,164,729	(1,460,574)
Qingdao Port Engineering	–	–	10,395,040	(408,525)
Shangang Luhai Logistics Development	–	–	3,880,502	(152,504)
Other related parties	–	–	633,673	(24,904)
	24,614,388	(1,188,875)	83,715,426	(3,290,017)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(e) Prepayments and other non-current assets

	31 December 2025	31 December 2024
International Cruise Port Development and Construction	120,039,040	–
Luhai Equipment Group Qingdao	106,259,500	2,706,440
Dongjiakou Railway	8,179,672	6,811,586
Qingdao Port Engineering	6,459,115	–
Shangang Culture Media	5,000,000	5,000,000
Shangang Service Development	1,612,000	456,398
Technology Company	1,991,170	444,000
QDP Investment Group	101,936	7,869,747
China Ocean Shipping Agency	87,017	535,128
Shanhai Car Rental	24,557	193,134
Qingdao COSCO SHIPPING Containers	13,565	1,652,065
Qingdao Port Group	13,558	688,958
Luhai Equipment Group	–	50,614,000
Shangang Zhoudao Wubo Information	–	2,152,687
Western Union	–	300,135
Shanghai Pan-Asia	–	24,975
Other related parties	2,068,953	2,056,090
	251,850,083	81,505,343

(f) Other receivables

Dividend receivable –

	31 December 2025	31 December 2024
QDOT	81,810,723	–
Yuanhai Zhirong	19,892,941	17,621,365
Overseas Development Group Qingdao	540,042	–
Qinggang International Trade Logistics	–	4,745,177
Luhai Equipment Group	–	1,611,067
Sea Route International	–	725,320
Shangang Luhai Jinan	–	44,938
	102,243,706	24,747,867

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(f) Other receivables (Continued)

Others –

	31 December 2025		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
QDOT	40,343,524	(1,286,958)	35,463,137	(965,710)
Western Union	17,760,007	(621,189)	14,296,049	(417,247)
Qingdao Port Engineering	17,723,778	(566,831)	16,474,167	(450,147)
QQCT	12,729,306	(411,692)	8,095,097	(213,715)
Shangang Luhai Logistics Development	23,177,938	(391,838)	5,040,078	(133,327)
Evergreen Container	12,231,089	(341,931)	12,400,718	(301,038)
Luhai Logistics Rizhao	10,786,524	(344,090)	5,159,344	(140,496)
Weihai Port International Passenger Transport	10,185,096	(514,889)	9,220,429	(502,699)
Yuanhai Zhirong	9,396,158	(300,219)	10,147,560	(278,667)
Orient Container	9,266,716	(262,644)	5,369,025	(125,782)
Sino-Ocean Daya	10,159,758	(264,634)	9,435,551	(256,943)
QQCTU	6,667,276	(212,686)	4,204,162	(114,485)
Shangang Land Sea Joint Logistics	6,298,309	(200,916)	–	–
COSCO SHIPPING Customs Brokerage	3,819,056	(121,828)	–	–
QQCTN	3,490,448	(111,345)	6,113,459	(166,478)
Qingdao Port Group	3,292,402	(145,403)	4,598,916	(183,091)
Ganglianhai Logistics	3,033,270	(97,117)	2,877,731	(78,676)
OOCL Containers	3,012,449	(95,778)	2,186,336	(59,265)
Luhai Equipment Group Qingdao	2,430,252	(77,678)	44,843,992	(1,241,144)
China Ocean Shipping Agency	3,245,122	(5,096)	4,937,125	(19,855)
Qingdao Shihua	2,227,824	(71,068)	5,449,360	(148,807)
QQCTUA	2,181,109	(69,577)	–	–
Ganglianrong Logistics	2,160,079	(69,185)	2,085,069	(56,779)
QDP Investment Group	1,611,777	(51,416)	6,414,213	(169,222)
Shangang Luhai Lanzhou	1,265,735	(40,377)	–	–
Qingdao COSCO SHIPPING Containers	1,020,000	–	300,000	–
Luhai Equipment Group Rizhao	1,000,000	(31,900)	–	–
Shangang Shipping Group	936,167	(22,245)	200,000	–
Shandong Harbor Construction	764,054	(24,373)	–	–
Shanhai Property Qingdao	495,301	(15,800)	3,122,169	(85,172)
Huaneng Qingdao	105,273	(3,358)	1,781,493	(48,513)
Lianyun International Logistic	695	(22)	1,799,986	(49,016)
UG	–	–	1,656,922	(90,434)
Shangang Group Binzhou Port	–	–	851,994	(23,201)
Other related parties	4,620,725	(96,046)	4,668,111	(154,294)
	227,437,217	(6,870,129)	229,192,193	(6,474,203)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(g) Short-term borrowings

	31 December 2025	31 December 2024
Shandong Port Finance Company – Unsecured borrowings	**99,760,000**	95,250,000
Shandong Port Finance Company – Accrued interest	**76,576**	82,649
	99,836,576	95,332,649

(h) Notes payable

	31 December 2025	31 December 2024
Luhai Equipment Group Qingdao	**52,632,000**	400,000
QDP Investment Group	**6,414,842**	–
Technology Company	**4,594,000**	–
Qingdao Port Engineering	**4,203,603**	9,407,781
Qinggang International Trade Logistics	**–**	1,052,807
	67,844,445	10,860,588

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(i) Accounts payable

	31 December 2025	31 December 2024
Qingdao Shihua	342,497,652	494,431,116
Qingdao Port Engineering	178,448,050	190,233,530
QQCTU	137,797,761	210,403
QDOT	99,217,814	45,455,021
Shangang Luhai Logistics Development	93,571,101	110,001,556
Western Union	35,977,126	3,800,565
QDP Investment Group	30,596,470	26,927,400
Luhai Equipment Group Qingdao	20,743,479	13,037,983
QQCT	15,501,936	1,772,050
Weihai Dingxin Construction	10,463,536	15,223,464
Huaneng Qingdao	7,928,184	7,615,143
QQCTUA	6,789,834	11,038
Rizhao Port Container Development	5,653,639	33,260,147
Dongjiakou Railway	5,266,713	–
Qingdao Port Group	4,576,744	5,171,819
CSSC Fuel Qingdao	3,623,260	4,207,500
Luhai Heavy Industry	3,190,422	2,198,861
Shangang Luhai Zhengzhou	3,038,466	2,780,772
Cardiovascular Hospital	2,644,371	205,337
Harbor Vocational College	2,638,625	–
Shangang Industry-City Integration Weihai	1,934,941	–
Luhai Logistics Yantai	1,739,747	–
Shanhai Property Qingdao	1,346,565	4,498,813
Shandong Port Engineering	1,244,689	–
Shangang Sunshine Huicai	642,412	6,038,577
Evergreen Container	576,330	1,922,696
Luhai Logistics Rizhao	498,205	13,846
Shangang Shanhai Security	329,406	2,455,952
Dongjiakou Sinotrans Logistics	313,372	1,728,929
Qianwan Xinhe Supply Chain	148,700	15,256,328
Shangang Luhai Liaocheng	101,925	2,154,348
Luhai International Logistics	15	37,635
Luhai Logistics Bohai Bay	–	2,069
Shangang International Investment	–	6,106,001
Other related parties	20,265,160	13,921,877
	1,039,306,650	1,010,680,776

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(j) Advances from customers

	31 December 2025	31 December 2024
Evergreen Container	–	4,922,270
Yuanhai Zhirong	291,983	267,874
Qianwan Xinhe Supply Chain	48,671	44,820
Shandong Luhaitong Digital	–	51,020
	340,654	5,285,984

(k) Contract liabilities

	31 December 2025	31 December 2024
COSCO SHIPPING Lines	7,602,593	–
OOCL Containers	2,913,042	1,758,918
Sino-Ocean Daya	2,257,096	3,294,634
China Ocean Shipping Agency	1,060,176	14,686
QDP Investment Group	938,949	850,940
Shangang International Trade Rizhao Company	624,958	–
Luhai International Logistics	591,917	–
Shangang Luhai Logistics Development	465,950	2,041,825
Qingdao COSCO SHIPPING Containers	350,000	124,782
Cardiovascular Hospital	303,914	1,426,415
Qingdao Shipping Agency	108,790	108,790
Qingdao Port Group	–	2,376,579
Port & Shipping Energy	–	1,396,343
Dongjiakou Railway	–	836,193
Luhai Logistics Rizhao	–	6,069
Shangang Express	–	1,978
Other related parties	3,794,083	1,283,549
	21,011,468	15,521,701

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(I) Other payables

	31 December 2025	31 December 2024
Qingdao Port Engineering	1,008,521,883	875,258,842
Luhai Equipment Group Qingdao	187,506,909	232,642,939
Shangang Luhai Logistics Development	159,780,044	105,240,785
Shandong Harbor Construction	155,553,663	253,735,635
Shangang Service Development	114,457,879	848,788
QQCT	103,246,069	203,547,570
Shangang Technology Group	34,263,073	549,367
QQCTU	28,039,778	54,934,639
QQCTN	15,559,372	65,421,036
Qingdao Port Group	12,128,309	11,953,407
QDP Investment Group	11,413,312	50,247,347
Technology Company	7,885,089	10,284,019
Evergreen Container	7,755,231	4,053,450
Shanhai Property Weihai	7,091,556	6,466,909
QQCTUA	6,861,692	17,043,997
Shandong Port Engineering Management	5,160,007	8,250,139
Weihai Lujian	4,073,296	5,484,746
Weihai Dingxin Construction	3,680,749	6,156,314
Shanhai Property Qingdao	2,254,898	82,907,066
Weihai Gangtong Technology	2,016,747	4,906,296
QDOT	1,976,246	228,360
Cardiovascular Hospital	1,443,721	255,863
Shangang Sunshine Huicai	1,301,868	489,972
Shandong Lujian	1,211,000	–
Qingdao COSCO SHIPPING Containers	1,083,232	71,890
Shangangtong Engineering Management Consulting	886,436	1,004,503
Shangang Shanhai Security	874,700	44,974,988
COSCO SHIPPING Lines	431,409	1,451,409
Other related parties	28,795,354	24,761,493
	1,915,253,522	2,073,171,769

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(m) Other non-current liabilities

	31 December 2025	31 December 2024
QQCT	**1,631,243,933**	1,828,665,308
QQCTN	**35,265,160**	37,784,100
QQCTU	**7,665,613**	8,875,973
Evergreen Container	**4,544,784**	–
	1,678,719,490	1,875,325,381

(n) Long-term borrowings

	31 December 2025	31 December 2024
Shandong Port Finance Company – Unsecured borrowings	**3,402,713,156**	2,289,726,759
Shandong Port Finance Company – Accrued interest	**2,603,416**	2,500,227
	3,405,316,572	2,292,226,986

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party balance (Continued)

(o) Lease liabilities

	31 December 2025	31 December 2024
Qingdao Port Group	**120,482,644**	149,766,689
QQCTN	**106,177,123**	–
QDP Investment Group	**28,616,980**	15,982,972
Shanhai Car Rental	**4,468,584**	2,889,577
Shandong Port Finance Company	**–**	177,873,612
Shangang International Trade	**–**	1,044,587
QQCT	**–**	388,771
QQCTU	**–**	291,916
	259,745,331	348,238,124

(p) Long-term payables

	31 December 2025	31 December 2024
Qinggang Leasing Company	**125,850,000**	120,572,284
Qingdao Port Group	**–**	136,925,067
	125,850,000	257,497,351

(q) Employee benefits payable

	31 December 2025	31 December 2024
Key management personnel	**6,239,415**	2,968,138

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(7) Operating lease receipts after the balance sheet date

According to the signed irrevocable operating leases, the Group's future rental receivables from related parties are summarized as follows, except for the operating lease out commitments described in Note IV. (16):

	31 December 2025	31 December 2024
QQCTN	44,271,714	8,679,800
QDOT	43,878,942	28,237,800
QQCT	33,180,838	26,960,522
Evergreen Container	17,909,281	44,550,602
QQCTU	15,023,320	7,407,180
Yuanhai Zhirong	11,551,775	3,791,600
Ganglianhai Logistics	9,767,493	996,780
Orient Container	9,084,052	8,391,200
Ganglianrong Logistics	5,778,298	80,000
QQCTUA	5,596,579	2,661,100
Qingdao Port Engineering	3,149,189	3,162,560
Shanhai Property Qingdao	2,168,917	2,043,000
Shandong Luhaitong Digital	1,228,106	1,693,270
Qingdao Port Group	1,128,954	1,185,402
Technology Company	1,102,019	1,779,441
Luhai Equipment Group Qingdao	1,060,780	1,092,000
Qianwan Xinhe Supply Chain	777,872	48,670
Qingdao Shihua	653,950	40,737,440
Western Union	561,387	586,720
Shangang Shanhai Security	499,091	524,046
Shandong Port Energy	392,878	412,522
CSSC Fuel Qingdao	332,954	370,914
Shangang Production Guarantee	256,537	269,364
Qinggang International Trade Logistics	178,886	93,915
Shangang Technology Group	103,680	–
Shangang Living Guarantee	97,143	102,000
Gulf Liquid Chemical	46,080	–
Shangang Sunshine Huicai	24,528	–
Shanhai Car Rental	17,143	–
Shandong Port Investment	15,151	–
Hailian Container	–	2,607,260
Weihai Shichang Liquor	–	255,000
Gulf Liquid Chemical	–	46,080
International Cruise	–	2,825
	209,837,537	188,769,013

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(7) Operating lease receipts after the balance sheet date (Continued)

On 12 July 2024, the Company's 19th meeting of the fourth session of the Board of Directors reviewed and approved the *Proposal on Major Adjustments to the Restructuring Plan* and other relevant proposals. According to the adjusted proposal, the Company intends to issue shares and pay cash to purchase 100% equity interests in Rizhao Port Oil Terminal Co., Ltd. and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd. held by Rizhao Port Group, and 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd. and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd. held by Yantai Port Group, and to issue shares to raise matching funds by way of quotation.

On 21 February 2025, the Company held the 25th Meeting of the fourth session of the Board of Directors, which considered and passed the *Proposal on Adjusting the Original Restructuring Plan*. Due to slower-than-anticipated progress in resolving bankruptcy matters involving certain key clients of the target companies, Shandong United Energy Pipeline Transportation Co., Ltd. and Shandong Gangyuan Pipeline Logistics Co., Ltd., under the original restructuring plan, and to safeguard the interests of the listed company and minority shareholders, it was decided – after thorough discussions and prudent deliberations by all parties involved – to withdraw the original restructuring plan application documents. The original restructuring plan is proposed to be adjusted to exclude the acquisition of 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd. and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd. Meanwhile, the Company will retain the portion of the plan involving the acquisition of 100% equity interests in Rizhao Port Oil Terminal Co., Ltd. and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd. through cash payment for asset acquisition.

As Rizhao Shihua has been added to the U.S. Specially Designated Nationals List, which may have a significant impact on the target company's relevant business operations, and in order to protect the overall interests of the Company and its shareholders, the Company and Rizhao Port Group signed a termination agreement regarding the aforementioned transaction on 12 December 2025.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(8) Benefits and interests of directors

(a) Remuneration of directors and CEO

The remuneration of every director, supervisor and CEO for the year ended 31 December 2025 is set out below:

	Remuneration for services as a director						Remuneration for other services in connection with the management of the Company or its subsidiaries	
Name	Fees	Salary and allowance	Annuity plan	Pension insurance premiums	Other social security contributions	Bonus		Total
Executive directors:								
Su Jianguang	-	-	-	-	-	-	-	-
Zhang Baohua	-	572,436	75,744	43,235	25,570	843,835	-	1,560,820
Non-executive directors:								
Li Wucheng	-	-	-	-	-	-	-	-
Wang Fuling	-	498,851	75,744	43,235	25,570	712,620	-	1,356,020
Zhu Tao (i)	-	-	-	-	-	-	-	-
Cui Liang	-	-	-	-	-	-	-	-
Wu Yu (ii)	-	-	-	-	-	-	-	-
Independent non-executive directors:								
Zou Guoqiang (iii)	50,040	-	-	-	-	-	-	50,040
Li Xiaohui (iv)	41,261	-	-	-	-	-	-	41,261
Jiang Shenglu (v)	41,261	-	-	-	-	-	-	41,261
Li Yan (vi)	224,708	-	-	-	-	-	-	224,708
Jiang Min (vii)	224,708	-	-	-	-	-	-	224,708
Li Guohao (viii)	273,771	-	-	-	-	-	-	273,771

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(8) Benefits and interests of directors (Continued)

(a) Remuneration of directors and CEO (Continued)

Name	Remuneration for services as a director						Remuneration for other services in connection with the management of the Company or its subsidiaries	Total
	Fees	Salary and allowance	Annuity plan	Pension insurance premiums	Other social security contributions	Bonus		
Supervisors:								
Yao Junjun	-	283,160	35,550	32,426	19,098	406,093	-	776,327
Yuan Qing	-	-	-	-	-	-	-	-
Lou Gang	-	283,620	35,166	32,426	19,098	394,005	-	764,315
Wang Tao	-	282,240	34,578	32,426	19,098	385,957	-	754,299
Independent non-executive supervisors:								
Yang Qiulin (ix)	128,004	-	-	-	-	-	-	128,004
Wang Yaping (x)	128,004	-	-	-	-	-	-	128,004
	1,111,757	1,920,307	256,782	183,748	108,434	2,742,510	-	6,323,538

(i) Departed on 28 October 2025.

(ii) Assumed the role on 28 October 2025.

(iii) Assumed the role on 28 October 2025.

(iv) Assumed the role on 28 October 2025.

(v) Assumed the role on 28 October 2025.

(vi) Departed on 28 October 2025.

(vii) Departed on 28 October 2025.

(viii) Departed on 28 October 2025.

(ix) Departed on 28 October 2025.

(x) Departed on 28 October 2025.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(8) Benefits and interests of directors (Continued)

(a) Remuneration of directors and CEO (Continued)

The remuneration of every director, supervisor and CEO for the year ended 31 December 2024 is set out below:

	Remuneration for services as a director						Remuneration for other services in connection with the management of the Company or its subsidiaries	
Name	Fees	Salary and allowance	Annuity plan	Pension insurance premiums	Other social security contributions	Bonus		Total
Executive directors:								
Su Jianguang	–	–	–	–	–	–	–	–
Zhang Baohua	–	461,340	133,622	42,390	25,476	889,767	–	1,552,595
Non-executive directors:								
Li Wucheng	–	–	–	–	–	–	–	–
Wang Fuling	–	478,140	112,749	42,390	25,476	689,922	–	1,348,677
Zhu Tao	–	–	–	–	–	–	–	–
Cui Liang (i)	–	–	–	–	–	–	–	–
Xue Baolong (ii)	–	–	–	–	–	–	–	–
Independent non-executive directors:								
Li Yan	273,771	–	–	–	–	–	–	273,771
Jiang Min	273,771	–	–	–	–	–	–	273,771
Li Guohao	332,646	–	–	–	–	–	–	332,646
Supervisors:								
Liu Shuiguo (iii)	–	454,976	62,208	42,390	25,476	469,998	–	1,055,048
Xie Chunhu (iv)	–	–	–	–	–	–	–	–
Yao Junjun	–	375,600	62,208	42,390	25,476	439,874	–	945,548
Yuan Qing (v)	–	–	–	–	–	–	–	–
Lou Gang (vi)	–	220,020	34,887	24,727	15,006	256,104	–	550,744
Wang Tao (vii)	–	93,900	13,561	10,597	6,491	108,956	–	233,505
Li Zhengxu (viii)	–	–	–	–	–	–	–	–
Independent non-executive supervisors:								
Yang Qiulin	155,963	–	–	–	–	–	–	155,963
Wang Yaping	155,963	–	–	–	–	–	–	155,963
	1,192,114	2,083,976	419,235	204,884	123,401	2,854,621	–	6,878,231

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(8) Benefits and interests of directors (Continued)

(a) Remuneration of directors and CEO (Continued)

	Providing director services to the Company or its subsidiaries		Providing other services to the Company or its subsidiaries		Total	
	Year ended 31 December 2025	Year ended 31 December 2024	**Year ended 31 December 2025**	Year ended 31 December 2024	**Year ended 31 December 2025**	Year ended 31 December 2024
Remuneration of directors (Executive and non-executive directors)	**2,916,840**	2,901,272	**–**	–	**2,916,840**	2,901,272

In 2025, non-executive director Zhu Tao was employed and paid by COSCO SHIPPING Ports from January 2025 to October 2025. On 28 October 2025, Mr. Zhu Tao resigned from his position as Non-Executive Director of the Company due to work adjustment. Non-executive director Cui Liang was employed and paid by Qingdao Port Group from January 2025 to December 2025. Non-executive director Wu Yu assumed the role on 28 October 2025, and is employed and paid by COSCO SHIPPING Ports.

In 2024, non-executive director Zhu Tao was employed and paid by COSCO SHIPPING Ports from January 2024 to December 2024. Non-executive director Xue Baolong was employed and paid by Qingdao Port Group from January 2024 to March 2024. On 28 March 2024, Mr. Xue Baolong resigned as a non-executive director and a member of the Strategic Development Committee of the Board of Directors of the Company due to work adjustment. Non-executive director Cui Liang assumed the role on 6 June 2024 and is employed and paid by Qingdao Port Group.

In 2025, directors Su Jianguang and Li Wucheng and supervisor Yuan Qing were employed and paid by Qingdao Port Group from January 2025 to December 2025.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(8) Benefits and interests of directors (Continued)

(a) Remuneration of directors and CEO (Continued)

In 2024, directors Su Jianguang and Li Wucheng and supervisor Xie Chunhu were employed and paid by Qingdao Port Group from January 2024 to December 2024. Supervisor Xie Chunhu was employed and paid by Qingdao Port Group from January 2024 to March 2024. On 28 March 2024, Mr. Xie Chunhu resigned as a Supervisor and the Chairman of the Supervisory Committee of the Company due to work adjustment. Supervisor Yuan Qing assumed the role on 6 June 2024 and is employed and paid by Qingdao Port Group.

(a) In 2025, the Group had no directors waiving their remunerations (2024: none).

(b) In 2025, the Group had no retirement benefits for directors because of providing director services (2024: none).

(c) In 2025, the Group did not pay termination benefits for directors (2024: none).

(d) In 2025, the Group did not pay consideration to third parties in return for director services (2024: none).

(e) In 2025, the Group did not provide loans, quasi-loans or other transactions benefiting directors, corporate entities controlled by directors, or connected entities of such directors, nor provide guarantees for loans to directors, corporate entities controlled by directors, or connected entities of such directors (2024: None).

(f) In 2025, the Company did not sign any important transactions, arrangements or contracts in which the directors of the Company directly or indirectly had significant interests (2024: none).

(g) The remuneration of the Company's directors and supervisors is determined in accordance with their positions, responsibilities, the Company's remuneration policies and prevailing market conditions, which is subject to the approval of the shareholders' meeting.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(9) Five highest paid individuals

In 2025, the five highest-paid individuals of the Group included 2 directors (2024: 2 directors), whose remuneration is reflected in Note VIII. (8). The total remuneration for the other 3 individuals (2024: 3 individual) is presented as follows:

	Year ended 31 December 2025	Year ended 31 December 2024
Salary and allowance	**1,186,032**	1,199,311
Annuity plan	**140,904**	267,204
Social security contributions	**206,414**	203,597
Bonus	**2,073,985**	1,890,885
	3,607,335	3,560,997

	Number of individuals	
	Year ended 31 December 2025	Year ended 31 December 2024
Remuneration range:		
HKD0 – 1,000,000	**–**	–
HKD1,000,000 – 1,500,000	**3**	3
HKD1,500,000 – 2,000,000	**–**	–
	3	3

IX COMMITMENTS

(1) Capital expenditure commitments

Capital expenditure commitments contracted for by the Group at the balance sheet date but are not yet necessary to be recognized on the balance sheet are as follows:

	31 December 2025	31 December 2024
Port facilities and others	**1,177,233,614**	1,449,676,460

X EVENTS AFTER THE BALANCE SHEET DATE

The Company proposed to distribute 45% of its distributable profits of 2025 as a cash dividend, with a total of RMB2,242.0259 million dividend (including tax) (the Company's total cash dividend for the year 2025 accounted for approximately 43% of the net profit attributable to shareholders of the listed company as presented in the consolidated financial statements). Based on the Company's total share capital of 6,491,100,000 shares, the Company proposed to distribute a cash dividend of RMB3.454 per 10 shares (including tax) to all shareholders, of which the Company distributed an interim dividend for 2025 of RMB951.5953 million (a cash dividend of RMB1.466 (including tax) per 10 shares) to all shareholders on 24 December 2025. The remaining dividend of RMB1,290.4306 million (cash dividend of RMB1.988 (including tax) per 10 shares) will be paid within two months after the Meeting of Shareholders.

On 14 January 2026, the Board of Directors approved the proposal on the amendment of the Articles of Association of Ganglianhai Logistics. Prior to the completion of this amendment, the financial statements of Ganglianhai Logistics are not included in the consolidated financial statements of QDP Logistics or COSCO SHIPPING Logistics. Upon the completion of this amendment, although the equity structure of Ganglianhai Logistics remains unchanged, the voting rights of QDP Logistics at the shareholders' meeting of Ganglianhai Logistics have been further enhanced. Accordingly, QDP Logistics obtained control over Ganglianhai Logistics and has included it in the Group's consolidated financial statements since 1 January 2026. Ganglianhai Logistics has become a subsidiary of the Company. For further details, please refer to the Company's announcement dated 14 January 2026. Except for the above disclosure of events after the balance sheet date, the Group has no other significant events after the balance sheet date.

XI OTHER MATTERS

(1) Contract dispute between the Company's subsidiary, Logistics Park Development, and Yinglu Pingxing Automotive regarding an import and export agency agreement:

Logistics Park Development, a subsidiary of the Company, filed a lawsuit with Weihai Intermediate People's Court in November 2019 for importing automobiles on behalf of Rongcheng Yinglu Pingxing Imported Automotive Co., Ltd. ("Yinglu Pingxing Automotive"). According to the civil judgement issued by Weihai Intermediate People's Court on 10 November 2020, it was ruled that Yinglu Pingxing Automotive shall pay Logistics Park Development advances, taxes, import agency expenses and other expenses for a total of RMB129,000,724. Shandong Hongtong Zhiyuan Investment Co., Ltd. and the individual Zhang Hong assume joint guarantee liabilities for the debt of Yinglu Pingxing Automotive at the amount of RMB48,938,763. After the judgement came into effect, Yinglu Pingxing Automotive settled part of the debt by pledging fixed assets, and Zhang Hong settled part of the debt by pledging houses. Logistics Park Development has made a full provision for bad debts of remaining receivables RMB63,379,156, and wrote off the amount in 2024.

In March 2025, Yinglu Pingxing Automotive initiated a new lawsuit against Logistics Park Development, demanding either delivery of the imported vehicles under the agency import agreement or compensation for the corresponding vehicle losses, plus interest for capital occupation until actual payment. In July 2025, the case underwent a second hearing, during which Yinglu Pingxing Automotive further amended its claims, requesting that Logistics Park Development return 129 vehicles. In the alternative, Yinglu Pingxing Automotive sought compensation for vehicle losses amounting to RMB143,293,300.

XI OTHER MATTERS (Continued)

(1) Contract dispute between the Company's subsidiary, Logistics Park Development, and Yinglu Pingxing Automotive regarding an import and export agency agreement: (Continued)

According to the civil judgment issued by the Huancui District People's Court of Weihai City on 12 November 2025, all claims brought by Yinglu Pingxing Automotive were dismissed, resulting in a favorable ruling for Logistics Park Development. In November 2025, Yinglu Pingxing Automotive filed an appeal, which has been formally accepted by the Weihai Intermediate People's Court. Logistics Park Development will continue to closely monitor the progress of this matter.

(2) Litigation involving cargo control and supervision services provided by the Company's subsidiary, International Oil Port:

During the current year, the Company's subsidiary, International Oil Port, was sued by PETROLUX SDN. BHD ("Petrolux") in relation to its provision of cargo control and supervision services. Petrolux claimed that International Oil Port should deliver the crude oil stored under its supervision; alternatively, if delivery is not possible, International Oil Port should compensate for the loss based on the value of the cargo and also pay damages for capital occupation losses. On 30 December 2025, the Qingdao Maritime Court issued a first-instance judgment, finding that International Oil Port was not at fault in this matter and dismissed all claims brought by Petrolux. Petrolux has filed an appeal. As of the date of approval of these financial statements, the second-instance hearing has not yet commenced.

Based on the legal opinion issued by Zhong Lun (Qingdao) Law Firm regarding this case, and taking into account the facts established and the ruling rendered by the court in the first-instance judgment, the Company expects that this litigation will not have a material adverse impact on the Group's operations. The Company will continue to closely monitor the progress of the case.

(3) Significant non-equity investments:

From 8 December 2025, to 19 December 2025, the 2nd meeting of the 5th Board of Directors of the Company adopted the following two investment and construction proposals by voting:

Pursuant to the resolution on the *Proposal on Investing in the Construction of Phase I of the Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port*, the Company has been authorized to proceed with the project, which will comprise three specialized container berths with a designed annual throughput capacity of 3.2 million TEUs and an estimated total investment of RMB9,097,067,100.

Pursuant to the resolution on the *Proposal on Investing in the Construction of the General Cargo Terminal at the Head of Langyatai Bay, Dongjiakou Port, Qingdao Port*, the Company has been authorized to proceed with the project. The terminal will comprise seven general-purpose berths (30,000-70,000 DWT), with a designed annual throughput capacity of 14.33 million tonnes and an estimated total investment of RMB6,614.58 million.

The Company has obtained the sea use approval for the above two projects on 19 March 2026. The construction period for both projects is approximately 4 years, with completion expected in 2029.

XII OPERATING LEASE RECEIPTS AFTER THE BALANCE SHEET DATE

The undiscounted cash amount of lease receipts receivable by the Group as a lessor after the balance sheet date is summarized below:

	31 December 2025	31 December 2024
Within 1 year	192,856,113	174,020,089
1 to 2 years	8,774,311	6,388,612
2 to 3 years	8,021,736	6,003,412
3 to 4 years	5,346,580	5,454,574
4 to 5 years	5,000,900	5,709,210
Over 5 years	23,765,333	30,145,416
	243,764,973	227,721,313

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK

The Group's activities expose it to a variety of financial risks: market risk (primarily including foreign exchange risk, interest rate risk, and other price risks), credit risk, and liquidity risk. The aforementioned financial risks and the risk management policies implemented by the Group to mitigate these risks are set out below:

The Board of Directors is responsible for planning and establishing the risk management structure of the Group, formulating the Group's risk management policies and relevant guidelines, and monitoring the implementation of risk management measures. The Group has developed risk management policies to identify and analyze the risks that the Group faces. The risk management policy has specified the specific risks, covering the market risk, credit risk and liquidity risk management, and many other parties surface. The Group assesses the market environment and changes in operating activities of the Group periodically to determine whether updates are needed for risk management policies and systems. The Group's risk management is carried out by the Risk Control Committee in accordance with policies approved by the Board of Directors. The Risk Control Committee adopted the work closely with other business units to identify, evaluate, and evade related risks. The Group's internal audit department controls the risk management system and procedures for periodic review, and the audit results reported to the Group's audit committee.

(1) Market risk

(a) Foreign exchange risk

The Group's main operations are located in China, and its main business is settled in RMB. Foreign exchange risks identified by the Group in foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are denominated primarily in USD and EUR). The Group continuously monitors the size of the Group's foreign currency transactions and foreign currency assets and liabilities in order to minimize its exposure to foreign exchange risk: as at 31 December 2025, the Group had no foreign currency borrowings, and the Group can achieve hedging of foreign exchange risk by entering into forward foreign exchange contracts or currency swap contracts. In 2025, the Group did not enter into any forward foreign exchange contracts or currency swap contracts.

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 31 December 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose carrying currency is RMB are translated into RMB as follows:

	31 December 2025			
	USD	**EUR**	**Others**	**Total**
Foreign currency financial assets –				
Cash at bank and on hand	**343,206,949**	**34,605,069**	**2,996**	**377,815,014**
Accounts receivable	**159,275,820**	**–**	**26,543**	**159,302,363**
Other receivables	**163,016,056**	**–**	**–**	**163,016,056**
	665,498,825	**34,605,069**	**29,539**	**700,133,433**
Foreign currency financial liabilities –				
Accounts payable	**(60,229,597)**	**–**	**(12,065)**	**(60,241,662)**
Other payables	**(168,766,190)**	**–**	**–**	**(168,766,190)**
	(228,995,787)	**–**	**(12,065)**	**(229,007,852)**

	31 December 2024			
	USD	EUR	Others	Total
Foreign currency financial assets –				
Cash at bank and on hand	369,805,714	31,330,979	4,183	401,140,876
Accounts receivable	216,859,989	97,526	4,211	216,961,726
Other receivables	117,045,425	–	–	117,045,425
	703,711,128	31,428,505	8,394	735,148,027
Foreign currency financial liabilities –				
Accounts payable	(114,564,528)	–	(11,118)	(114,575,646)
Other payables	(110,111,286)	–	(39,560)	(110,150,846)
	(224,675,814)	–	(50,678)	(224,726,492)

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 31 December 2025, if RMB had strengthened/weakened by 4% against the USD while all other variables had been held constant, the Group's net profit for the year would have been approximately RMB13,095,000 (31 December 2024: approximately RMB14,371,000) lower/higher for various financial assets and liabilities dominated in USD held by the Group whose recording currency is RMB, which would have no effect on other comprehensive income. As at 31 December 2025, if RMB had strengthened/weakened by 4% against the EUR while all other variables had been held constant, the Group's net profit for the year would have been approximately RMB1,038,000 (31 December 2024: RMB943,000) higher/lower for various financial assets and liabilities dominated in EUR held by the Group whose recording currency is RMB, which would have no effect on other comprehensive income.

(b) Interest rate risk

The Group's interest rate risk arises from long-term interest-bearing borrowings including long-term bank borrowings and debentures payable. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed-rate and floating-rate contracts depending on the prevailing market conditions.

As at 31 December 2025, the Group's long-term interest-bearing borrowings are mainly RMB-denominated with floating rates linked to LPR, amounting to RMB3,163,863,879 (31 December 2024: RMB1,961,915,320). The interest of other parts is calculated at the fixed interest rate.

As at 31 December 2025, the Group's long-term payables include RMB320,000,000 principal amount of sale-leaseback arrangements and Government special bonds treated as collateralized borrowings, all of which bear interest at fixed rates.

The Group continuously monitors the level of the Group's interest rates. Increases in interest rates will increase the cost of new liability and the interest expenses with respect to the Group's outstanding floating rate liability and, therefore, could have a certain effect on the Group's financial position. The management makes adjustments timely with reference to the latest market conditions and may enter into interest rate swap agreements to mitigate its exposure to interest rate risk. For the year ended 31 December 2025 and 31 December 2024, the Group did not enter into any interest rate swap agreements.

As of 31 December 2025, if the interest rate on borrowings based on the floating rate LPR had increased or decreased by 50 basis points with all other factors held constant, the Group's net profit would have decreased or increased by approximately RMB11,864,490 (31 December 2024: RMB7,358,182).

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK (Continued)

(1) Market risk (Continued)

(c) Other price risk

The Group's other price risks mainly arise from all kinds of equity instrument investments, with risk of changes in the price of equity instruments.

As at 31 December 2025, if the expected price of the Group's various equity instrument investments increased or decreased by 10% while all other variables had been held constant, the Group's net profit would have increased or decreased by approximately RMB25,804,000 (31 December 2024: approximately RMB26,789,000).

(2) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, notes receivables, accounts receivables, contract assets, receivables financing, other receivables, debt investments, other debt investments, and investments in debt instruments at fair value through profit or loss that are not included in the impairment assessment scope. As at the balance sheet date, the book value of the Group's financial assets represented the maximum exposure of the Group.

The Group's cash at bank and on hand is mainly cash at bank deposited at state-owned banks and other medium or large size listed banks with a good reputation and a higher credit rating. Shandong Port Finance Company has developed a strict fund management system, and it deposits most of the assets at the People's Bank of China, state-owned banks and domestic joint-stock commercial banks. The Group does not expect that there will be any significant credit risk, so there will be almost no significant losses from non-performance by these banks and Shandong Port Finance Company.

In addition, the Group has relevant policies to limit the credit risk exposure on notes receivable, accounts receivable, financing receivables, other receivables and contract assets. The Group assesses the credit quality of and sets credit periods on its customers by taking into account their financial position, the availability of a guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

As at 31 December 2025 and 31 December 2024, the Group did not make provisions for bad debts regarding the long-term receivables due from Hunan Kupu as the value of the collateral provided by the debtor exceeded its gross book value; except for this, the Group had no significant collateral or other credit enhancements held as a result of the debtor's mortgage.

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK (Continued)

(3) Liquidity risk

Each subsidiary within the Group is responsible for its own cash flow projections. On the basis of summarizing the cash flow forecasts of each subsidiary, the Group continuously monitors short-term and long-term capital needs at the group level to ensure that sufficient cash reserves are readily available and continuous monitoring of compliance with the loan agreement provisions, from major financial institutions to obtain sufficient backup funds to meet short-term and long-term funding needs.

The financial liabilities of the Group at the balance sheet date are analyzed by their maturity date below at their undiscounted contractual cash flows:

	31 December 2025				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	100,298,232	–	–	–	100,298,232
Notes payable	258,794,437	–	–	–	258,794,437
Accounts payable	1,536,214,860	–	–	–	1,536,214,860
Other payables	3,931,882,854	–	–	–	3,931,882,854
Current portion of non-current liabilities	587,722,835	–	–	–	587,722,835
Long-term borrowings	–	510,935,213	2,209,915,724	688,957,734	3,409,808,671
Lease liabilities	–	102,243,402	81,906,487	1,063,213	185,213,102
Long-term payables	–	125,590,000	12,720,000	221,200,000	359,510,000
	6,414,913,218	738,768,615	2,304,542,211	911,220,947	10,369,444,991

	31 December 2024				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	96,570,120	–	–	–	96,570,120
Notes payable	485,891,250	–	–	–	485,891,250
Accounts payable	1,612,906,291	–	–	–	1,612,906,291
Other payables	4,224,759,266	–	–	–	4,224,759,266
Current portion of non-current liabilities	587,933,425	–	–	–	587,933,425
Long-term borrowings	–	499,570,448	901,716,455	858,817,909	2,260,104,812
Lease liabilities	–	118,482,065	176,864,896	69,457,137	364,804,098
Long-term payables	–	145,653,750	121,350,000	–	267,003,750
	7,008,060,351	763,706,263	1,199,931,351	928,275,046	9,899,973,011

XIII FINANCIAL INSTRUMENTS AND ASSOCIATED RISK (Continued)

(3) Liquidity risk (Continued)

The repayment period of bank borrowings and other borrowings is analysed as follows:

	31 December 2025			31 December 2024		
	Bank borrowings	Borrowings from Shandong Port Finance Company	Other borrowings	Bank borrowings	Borrowings from Shandong Port Finance Company	Other borrowings
Within 1 year	11,473,242	511,560,000	–	15,000,000	505,720,000	200,000
1 to 2 years	32,917,956	399,440,000	120,000,000	15,000,000	414,407,863	136,500,000
2 to 5 years	62,899,424	1,994,322,435	–	88,166,424	682,994,301	120,000,000
Over 5 years	53,442,102	597,150,721	200,000,000	15,000,000	781,854,595	–
	160,732,724	3,502,473,156	320,000,000	133,166,424	2,384,976,759	256,700,000

XIV FAIR VALUE ESTIMATES

The level of fair value measurement is determined by the lowest level of inputs, which has a significant impact on fair value management:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(1) Assets and liabilities measured at fair value on a recurring basis

As at 31 December 2025, the assets measured at fair value on a continuing basis are listed below at the 3 levels above:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	–	–	–	–
Equity investments	7,139,277	–	–	7,139,277
Financing receivables –				
Bank acceptance notes receivables	–	–	119,318,404	119,318,404
Other non-current financial assets –				
Equity investments	–	–	344,054,651	344,054,651
Total	7,139,277	–	463,373,055	470,512,332

XIV FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

As at 31 December 2024, the assets measured at fair value on a continuing basis are listed below at the 3 levels above:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	–	–	–	–
Equity investments	8,050,643	–	–	8,050,643
Financing receivables –				
Bank acceptance notes receivables	–	–	212,131,274	212,131,274
Other non-current financial assets –				
Equity investments	–	–	357,184,402	357,184,402
Total	8,050,643	–	569,315,676	577,366,319

The Group has no continuing liabilities measured at fair value.

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. There are no transfers between levels for the current year.

For financial instruments traded in active markets, the Group determines their fair value with their active market quotations; for financial instruments not traded in active markets, the Group uses valuation techniques to determine their fair value. The valuation models used mainly comprise discounted cash flow model and market comparable corporate model. The inputs of valuation technique mainly include risk-free interest rate, benchmark interest rate, expected yield, PE multiplier, PB multiplier, and liquidity discount.

XIV FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

Changes of the above Level 3 financial assets are analyzed below:

	31 December 2024	Purchase	Endorsed or discounted	Settlement	Current gains or losses included in assets held at the end of the period	31 December 2025	The total profit of the current period is recognized in profit or loss.
Financial assets							
Financial assets held for trading –							
Wealth management products	–	–	–	–	–	–	–
Financing receivables –							
Bank acceptance notes receivables	212,131,274	974,900,197	(572,265,036)	(495,448,031)	–	119,318,404	(181,677)
Other non-current financial assets –							
Equity investments	357,184,402	–	–	(39,888,390)	26,758,639	344,054,651	172,217,367
Total	569,315,676	974,900,197	(572,265,036)	(535,336,421)	26,758,639	463,373,055	172,035,690

	31 December 2023	Purchase	Endorsed or discounted	Settlement	31 December 2024	The total profit of the current period is recognized in profit or loss.
Financial assets						
Financial assets held for trading –						
Wealth management products	280,665,064	350,000,000	–	(630,665,064)	–	2,576,061
Financing receivables –						
Bank acceptance notes receivables	314,538,178	1,153,254,827	(701,539,782)	(554,121,949)	212,131,274	(103,056)
Other non-current financial assets –						
Equity investments	393,840,402	–	–	(36,656,000)	357,184,402	34,143,621
Total	989,043,644	1,503,254,827	(701,539,782)	(1,221,443,013)	569,315,676	36,616,626

XIV FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

(a) Gains or losses included in the current profit and loss are included in the income statement, such as changes in fair value changes, investment income, etc.

The relevant information for Level 3 measured at fair value is as follows:

	Fair value on 31 December 2025	Valuation techniques	Inputs			
			Parameter	Range/ Weighted average	Relationship with fair value	Observable/ Unobservable
Financing receivables – Bank acceptance notes receivables	119,318,404	Discounted cash flow	Expected discount rate	0.23%-0.42%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	344,054,651	Marketing method	Comparable listed company	PE multiplier: 13.9-58.4 PB multiplier: 0.6-2.1 Lack of liquidity discount: 8.2%-14.3%	Positive correlation	Unobservable
	463,373,055					

	Fair value on 31 December 2024	Valuation techniques	Inputs			
			Parameter	Range/ Weighted average	Relationship with fair value	Observable/ Unobservable
Financial assets held for trading – Wealth management products	–	Discounted cash flow	Expected yield	1.4%-3.24%	Positive correlation	Unobservable
Financing receivables – Bank acceptance notes receivables	212,131,274	Discounted cash flow	Expected discount rate	0.76%-2.61%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	357,184,402	Marketing method	Comparable listed company	Lack of liquidity discount: 10%-20%	Positive correlation	Unobservable
	569,315,676					

XIV FAIR VALUE ESTIMATES (Continued)

(2) Assets and liabilities not measured at fair value but for which the fair value is disclosed

The Group's financial assets and financial liabilities measured at amortized cost mainly include notes receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, long-term payables, and lease liabilities.

The difference between the book value and the fair value of the above financial assets and financial liabilities not measured at fair value is insignificant.

XV CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares or sell assets to reduce debts.

The Group is not subject to external mandatory capital requirements and monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated by interest-bearing liabilities deducting cash and cash equivalents. Total capital is calculated by shareholder's equity presented in consolidated balance sheet plus net debt.

As at 31 December 2025 and 31 December 2024, the Group's gearing ratio is as follows:

	31 December 2025	31 December 2024
Principal on bank borrowings	**3,663,205,880**	2,518,143,183
Entrusted borrowings	**–**	136,700,000
Sale-leaseback arrangement deemed as mortgage loan	**120,000,000**	120,000,000
Government special bonds	**200,000,000**	–
Less: Cash	**(12,746,849,218)**	(12,207,737,449)
Net assets	**(8,763,643,338)**	(9,432,894,266)
Shareholders' equity	**50,116,493,452**	46,792,086,399
Total capital	**41,352,850,114**	37,359,192,133
Gearing ratio	**Not applicable**	Not applicable

As at 31 December 2025, the Group's cash and cash equivalents exceeded interest-bearing liabilities.

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	31 December 2025	31 December 2024
Cash at bank	1,701,311,561	40,151,667
Deposits of Shandong Port Finance Company	6,337,073,068	6,336,333,869
Other cash balances	–	–
Interest receivable	31,401,154	5,327,773
	8,069,785,783	6,381,813,309
Including: Amounts deposited abroad	36,894	38,876

As at 31 December 2025, there were no other monetary fund balances (31 December 2024: no other monetary fund balances).

(2) Accounts receivable

	31 December 2025	31 December 2024
Accounts receivable	397,224,491	462,812,450
Less: Provision for bad debts	(19,366,520)	(19,479,669)
	377,857,971	443,332,781

Certain businesses of the Company are dealt in the form of cash, advances from customers, bank acceptance notes, or trade acceptance notes. The remains are settled mainly by providing credit terms of 30-90 days.

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

	31 December 2025	31 December 2024
Within 1 year	368,838,113	460,206,329
1 to 2 years	28,386,378	–
2 to 3 years	–	–
Over 3 years	–	2,606,121
	397,224,491	462,812,450

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

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(b) As at 31 December 2025, accounts receivable with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Balance of accounts receivable	Balance of contract assets	Provision for bad debts and impairment provisions	% of total balance of accounts receivable and contract assets
Total amount of top five accounts receivable and contract assets	121,069,026	–	(5,129,430)	30.48%

(c) In 2025, the Company did not have any accounts receivable that were derecognized due to the transfer of financial assets (31 December 2024: nil).

(d) Provision for bad debts

The Company measures the provision of accounts receivable based on the lifetime ECL regardless of whether there exists a significant financing component.

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on the individual basis (i)	–	–	–	–	–	–	–	–
Provision for bad debts on the portfolio basis (ii)	397,224,491	100.00%	(19,366,520)	4.88%	462,812,450	100.00%	(19,479,669)	4.21%
	397,224,491	100.00%	(19,366,520)	4.88%	462,812,450	100.00%	(19,479,669)	4.21%

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(i) As at 31 December 2025, the Company had no accounts receivable with provision for bad debts on the individual basis (31 December 2024: Nil).

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

Portfolio accrual items – related party portfolios:

	31 December 2025			31 December 2024		
	Book balance	Provision for bad debts		Book balance	Provision for bad debts	
		Lifetime			Lifetime	
	Amount	ECL rate	Amount	Amount	ECL rate	Amount
Within 1 year	28,490,144	–	–	91,209,968	–	–
	28,490,144		–	91,209,968		–

Portfolio accrual items – accounts receivable from related parties outside the scope of consolidation and third parties:

	31 December 2025			31 December 2024		
	Book balance	Provision for bad debts		Book balance	Provision for bad debts	
		Lifetime			Lifetime	
	Amount	ECL rate	Amount	Amount	ECL rate	Amount
Within 1 year	340,347,969	4.86%	(16,527,882)	368,996,361	4.93%	(18,176,609)
1 to 2 years	28,386,378	10.00%	(2,838,638)	–	–	–
Over 3 years	–	–	–	2,606,121	50.00%	(1,303,060)
	368,734,347		(19,366,520)	371,602,482		(19,479,669)

(iii) The amount of the provision for bad debts reversed in 2025 was RMB113,149.

(e) There were no actual write-offs of accounts receivable and provision for bad debts during the year.

(f) As at 31 December 2025, the Company had no pledged accounts receivable (31 December 2024: nil).

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Financing receivables

	31 December 2025	31 December 2024
Bank acceptance notes	**46,118,571**	106,404,448

(a) Certain bank acceptance notes satisfied the derecognition criteria and were endorsed or discounted by the Company for the purpose of daily treasury management; thereby, these bank acceptance notes with a good credit rating were categorised as financial assets at fair value through other comprehensive income. As at 31 December 2025, the Company measures the provision for bad debts based on the expected credit loss for lifetime. The credit risk characteristics of the bank acceptance notes held by the Company were similar, and no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes, and it did not expect that there would be any significant losses from non-performance by these banks.

In 2025, the Company transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognised bank acceptance notes were RMB441,313,895 and RMB62,706,977 (2024: RMB625,010,892 and RMB0) respectively, and the related discount losses amounted to RMB142,347 (2024: RMB0, all recognized in investment income).

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

(c) As at 31 December 2025, the Company's bank acceptance notes endorsed or discounted but not matured amounted to RMB80,931,073 (31 December 2024: nil).

In 2025, the Company did not have any write-offs of significant financing receivables (2024: nil).

(4) Other receivables

	31 December 2025	31 December 2024
Dividend receivable	**142,780,185**	143,852,122
Other receivables	**237,122,853**	494,687,985
	379,903,038	638,540,107

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

Dividend receivable is categorized as follows:

	31 December 2025	31 December 2024
QDOT	81,810,723	–
Qinggang Power Supply	50,000,000	–
Ark Intelligent	10,390,420	–
Overseas Development Group Qingdao	540,042	–
Sanya Yalong Bay	39,000	19,500
QDP Logistics	–	138,102,501
Sinopec Qingdao	–	4,119,054
Luhai Equipment Group	–	1,611,067
	142,780,185	143,852,122

The Company has no amounts aggregated to other items and presented in other receivables for centralised fund management.

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

	31 December 2025	31 December 2024
Within 1 year	213,828,713	459,132,100
1 to 2 years	20,704	6,143,326
2 to 3 years	4,434,598	–
Over 3 years	29,999,957	30,162,457
	248,283,972	495,437,883

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

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

Provisions for bad debts of other receivables are analysed by category as follows:

	31 December 2025				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on the individual basis (i)	–	–	–	–	–	–	–	–
Provision for bad debts on the portfolio basis (ii)	248,283,972	100%	(11,161,119)	4.50%	495,437,883	100%	(749,898)	0.15%
	248,283,972	100%	(11,161,119)	4.50%	495,437,883	100%	(749,898)	0.15%

	Stage 1				
	ECL over the next 12 months (portfolio)		ECL over the next 12 months (individual)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	495,437,883	(749,898)	–	–	(749,898)
Increase in the current year	–	(10,411,221)	–	–	(10,411,221)
Decrease in the current year	(247,153,911)	–	–	–	–
31 December 2025	248,283,972	(11,161,119)	–	–	(11,161,119)

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

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

As at 31 December 2025, the Company did not have any other receivables which were at Stage 2 and Stage 3 (31 December 2024: nil). Other receivables at Stage 1 are analysed as follows:

(i) As at 31 December 2025, there were no other receivables for which the related provision for bad debts was provided on the individual basis.

(ii) As at 31 December 2025 and 31 December 2024, other receivables for which the related provision for bad debts is provided on the grouping basis are all in the Stage 1. The analysis is as follows:

	31 December 2025			31 December 2024		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Internal company combinations	30,550,580	–	–	437,749,267	–	–
Agency business receivables portfolio	6,747,386	(231,102)	3.43%	42,626,018	(70,758)	0.17%
Deposit and guarantee portfolios	1,052,150	–	–	1,084,350	–	–
Other portfolios	209,933,856	(10,930,017)	5.21%	13,978,248	(679,140)	4.86%
	248,283,972	(11,161,119)		495,437,883	(749,898)	

(c) The provision for bad debts in the current year amounted to RMB10,411,221. No provision for bad debts was reversed in the current year, and there were no actual write-offs of other receivables and provision for bad debts in the current year.

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

(d) As at 31 December 2025, other receivables with top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables	Provision for bad debts
Qingdao Qingke Free Trade Industrial Park Operation Management Co., Ltd.	Receivables from equity transfers	182,803,324	Within 1 year	73.64%	(9,140,166)
Mercuria Logistics	Construction expenditures paid on behalf others	29,999,957	Over 5 years	12.08%	–
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance pool	13,088,278	Within 1 year	5.27%	–
Western Union	Agency business receivables and others	7,923,767	Within 1 year, 2 to 3 years	3.19%	(975,288)
China Railway Jinan Group Co., Ltd.	Agency business receivables, deposit and guarantee	4,602,893	Within 1 year	1.85%	(227,645)
		238,418,219		96.03%	(10,343,099)

(e) As at 31 December 2025, the Company did not have government grants recognized in accordance with the amount receivable (31 December 2024: nil).

(f) As at 31 December 2025, the Company had no pledged other receivables (31 December 2024: nil).

(5) Long-term receivables

	31 December 2025	31 December 2024
Loans provided to subsidiaries	55,079,827	1,098,618,563
Less: Overdue within one year	(55,079,827)	(468,618,563)
	–	630,000,000
Provision for loan impairment	–	–
	–	630,000,000

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term receivables (Continued)

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

	Stage 1	
	ECL over the next 12 months (portfolio)	
	Book balance	Provision for bad debts
31 December 2024	1,098,618,563	–
Increase in the current year	17,021,889	–
Decrease in the current year	(1,060,560,625)	–
31 December 2025	55,079,827	–

As at 31 December 2025 and 31 December 2024, the Company did not have the long-term receivables for the provision for bad debts on the individual basis, and the long-term receivables for the provision for bad debts on a portfolio basis are all in the Stage 1. The analysis is as follows:

	31 December 2025			31 December 2024		
	Book balance	Provision for bad debts		Book balance	Provision for bad debts	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Internal company combinations	55,079,827	–	–	1,098,618,563	–	–

(6) Long-term equity investments

	31 December 2025	31 December 2024
Subsidiaries (a)	8,903,888,406	8,747,888,225
Joint ventures (b)	12,070,646,713	11,212,049,008
Associates (c)	2,875,287,827	2,759,281,871
	23,849,822,946	22,719,219,104

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

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(a) Subsidiaries

	31 December 2024	Movements in the current year			31 December 2025
		Additional investments	Decrease in investments	Others	
QMT	1,284,094,256	–	–	–	1,284,094,256
QDP Logistics	1,147,303,465	–	–	–	1,147,303,465
Dongjiakou General Terminal	1,120,000,000	–	–	–	1,120,000,000
Weihai Port Development	622,103,297	–	–	–	622,103,297
Barge Limited	588,095,404	–	–	–	588,095,404
International Development	460,574,092	–	–	–	460,574,092
Shandong Port Lianhua	441,660,000	–	–	–	441,660,000
Qingdao Ocean Shipping Tally	389,296,880	–	–	–	389,296,880
Liquid Chemical Terminal	384,149,458	–	–	–	384,149,458
Dongjiakou Oil Products	300,368,260	–	–	–	300,368,260
Mercuria Logistics	273,278,376	–	–	–	273,278,376
Qingdong Pipeline	255,000,000	–	–	–	255,000,000
Qingwei Container	211,227,174	–	–	181	211,227,355
Qingzi Logistics	200,000,000	–	–	–	200,000,000
Gangxin Oil Products	179,531,785	–	–	–	179,531,785
Dongjiakou Oil Storage	150,000,000	–	–	–	150,000,000
Huagang Petroleum Storage	148,920,000	–	–	–	148,920,000
Tongda Energy	142,500,000	–	–	–	142,500,000
Qinggang Power Supply	134,195,060	30,000,000	–	–	164,195,060
Svitzer Towage	115,500,000	–	–	–	115,500,000
Nangang Oil & Gas	45,006,152	–	–	–	45,006,152
Emergency Rescue	40,000,000	–	–	–	40,000,000
Container Development Company	30,000,000	–	–	–	30,000,000
Ark Intelligent	24,952,229	24,000,000	–	–	48,952,229
International Oil Port	20,000,000	80,000,000	–	–	100,000,000
Tongze Trading	10,000,000	–	–	–	10,000,000
Construction & Management Centre	10,000,000	30,000,000	–	–	40,000,000
Qingdao Port Properties	8,000,000	–	(8,000,000)	–	–
Gangjia Logistics	7,299,874	–	–	–	7,299,874
Cultural & Media	3,000,000	–	–	–	3,000,000
China Ocean Shipping Tally Weihai	1,832,463	–	–	–	1,832,463
	8,747,888,225	164,000,000	(8,000,000)	181	8,903,888,406

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(b) Joint ventures

	31 December 2024	Movements in the current year					31 December 2025
		Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	
QQCT	8,026,519,796	1,190,249,480	2,736,008	1,703,748	–	4,016,444	9,225,225,476
Qingdao Shihua	1,589,029,309	93,252,815	140,000	(1,941,417)	(280,196,789)	(2,596,708)	1,397,687,210
QDOT	675,667,629	(32,469,330)	2,571,000	–	(81,810,723)	810,593	564,769,169
Western Union	510,123,105	(49,549,120)	4,182,000	10,031	–	93,975	464,859,991
PetroChina Storage	158,048,783	1,147,300	–	(104,948)	–	–	159,091,135
Huaneng Qingdao	132,827,869	5,078,276	–	–	–	1,489,699	139,395,844
Dongjiakou Wanbang Logistics	67,421,824	(283,179)	–	–	–	–	67,138,645
Dongjiakou Sinotrans Logistics	52,410,693	362,550	–	–	(294,000)	–	52,479,243
	11,212,049,008	1,207,788,792	9,629,008	(332,586)	(362,301,512)	3,814,003	12,070,646,713

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(c) Associates

	31 December 2024	Movements in the current year					31 December 2025
		Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	
Shandong Port Finance Company	1,616,814,367	107,704,759	(2,130,540)	–	(50,618,519)	–	**1,671,770,067**
Zhenhua Petroleum Storage	481,566,895	5,817,506	–	–	–	–	**487,384,401**
Qingyin Leasing	177,693,524	31,131,526	–	–	(9,000,000)	–	**199,825,050**
Qingdao Port Engineering	168,170,615	40,157,813	–	(4,828,660)	–	(23,654,223)	**179,845,545**
Gulf Liquid Chemical	113,330,017	2,770,071	–	–	(420,000)	–	**115,680,088**
Luhai Equipment Group Qingdao	99,677,236	15,716,484	–	(1,036,017)	–	(1,922,054)	**112,435,649**
Technology Company	48,054,220	7,534,592	–	–	–	–	**55,588,812**
Shangang Luhai Jinan	40,629,365	(255,901)	–	–	–	–	**40,373,464**
Overseas Development Group Qingdao	7,122,904	9,010	–	–	(977,371)	–	**6,154,543**
GSBN	6,222,728	379,784	(372,304)	–	–	–	**6,230,208**
	2,759,281,871	210,965,644	(2,502,844)	(5,864,677)	(61,015,890)	(25,576,277)	**2,875,287,827**

As stated in Note II. (1), at preparation of the Company's financial statements, long-term equity investments of Qingdao Port Group that were contributed into the Company are recognized into the Company's balance sheet based on the appraisal values approved by the competent state-owned management authorities.

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Investment properties

	Buildings	Land use rights	Total
Original cost			
31 December 2024	58,627,286	1,112,716,171	1,171,343,457
Increase in the current period:	–	–	–
Transfer from fixed assets	186,152,178	–	186,152,178
Transfer from intangible assets	–	49,391,000	49,391,000
Decrease in the current period:	–	–	–
Disposal	(34,544)	–	(34,544)
Transferred for self-use	–	(31,068,766)	(31,068,766)
31 December 2025	244,744,920	1,131,038,405	1,375,783,325
Accumulated depreciation			
31 December 2024	(20,433,431)	(294,518,397)	(314,951,828)
Increase in the current period:	–	–	–
Current year accrual	(6,893,836)	(26,939,139)	(33,832,975)
Transfer from fixed assets	(9,068,354)	–	(9,068,354)
Transfer from intangible assets	–	(3,539,688)	(3,539,688)
Decrease in the current period:	–	–	–
Disposal	22,932	–	22,932
Transferred for self-use	–	8,646,137	8,646,137
31 December 2025	(36,372,689)	(316,351,087)	(352,723,776)
Book value			
31 December 2025	208,372,231	814,687,318	1,023,059,549
31 December 2024	38,193,855	818,197,774	856,391,629

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Investment properties (Continued)

	Buildings	Land use rights	Total
Original cost			
31 December 2023	42,827,926	1,054,423,288	1,097,251,214
Transfer from fixed assets	15,799,360	–	15,799,360
Transfer from intangible assets	–	58,292,883	58,292,883
31 December 2024	58,627,286	1,112,716,171	1,171,343,457
Accumulated depreciation			
31 December 2023	(13,889,186)	(253,880,365)	(267,769,551)
Current year accrual	(2,068,939)	(29,367,165)	(31,436,104)
Transfer from fixed assets	(4,475,306)	–	(4,475,306)
Transfer from intangible assets	–	(11,270,867)	(11,270,867)
31 December 2024	(20,433,431)	(294,518,397)	(314,951,828)
Book value			
31 December 2024	38,193,855	818,197,774	856,391,629
31 December 2023	28,938,740	800,542,923	829,481,663

As at 31 December 2025, the management of the Company considered that there is no indication that the investment properties may be impaired, therefore, no provision for impairment is recorded (31 December 2024: nil).

As at 31 December 2025, no investment properties are without certificates (31 December 2024: nil).

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets

	31 December 2025	31 December 2024
Fixed assets	11,283,931,447	11,444,086,669
Disposal of fixed assets	4,959,173	1,723,060
	11,288,890,620	11,445,809,729

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2024	456,342,717	6,882,893,415	5,997,016,953	1,701,221,588	341,617,825	-	66,327,564	182,137,573	17,326,164	15,644,883,799
Increase in the current year										
Purchase in the current year	290,370,673	-	-	37,433,451	8,947,522	-	7,002,780	76,129,840	958,749	420,843,015
Transfer from construction in progress	4,642,038	141,661,611	-	43,656,517	11,910,526	-	-	18,627,391	-	220,498,083
Others	-	219,107	-	-	32,177	-	-	-	-	251,284
Decrease in the current year										
Disposal and scrapping	-	(3,688,688)	(1,262,127)	(61,377,816)	(5,789,352)	-	(2,095,228)	(3,493,764)	(698,730)	(78,405,705)
Transfer to investment properties	-	-	(186,152,178)	-	-	-	-	-	-	(186,152,178)
Others	(2,522,245)	(1,528,326)	(69,845,827)	-	(578,761)	-	-	(32,177)	-	(74,507,336)
31 December 2025	748,833,183	7,019,557,119	5,739,756,821	1,720,933,740	356,139,937	-	71,235,116	273,368,863	17,586,183	15,947,410,962
Accumulated depreciation										
31 December 2024	(139,020,833)	(1,762,033,367)	(990,346,855)	(933,953,254)	(196,765,528)	-	(38,155,267)	(127,999,282)	(12,522,744)	(4,200,797,130)
Increase in the current year										
Current year accrual	(17,794,052)	(191,024,166)	(201,865,936)	(72,680,977)	(30,316,237)	-	(3,819,982)	(24,254,999)	(1,498,012)	(543,254,361)
Decrease in the current year										
Disposal and scrapping	-	986,926	-	58,922,704	5,557,778	-	2,011,419	3,354,014	670,781	71,503,622
Transfer to investment properties	-	-	9,068,354	-	-	-	-	-	-	9,068,354
31 December 2025	(156,814,885)	(1,952,070,607)	(1,183,144,437)	(947,711,527)	(221,523,987)	-	(39,963,830)	(148,900,267)	(13,349,975)	(4,663,479,515)
Net book value										
31 December 2025	592,018,298	5,067,486,512	4,556,612,384	773,222,213	134,615,950	-	31,271,286	124,468,596	4,236,208	11,283,931,447
31 December 2024	317,321,884	5,120,860,048	5,006,670,098	767,268,334	144,852,297	-	28,172,297	54,138,291	4,803,420	11,444,086,669

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2023	390,381,972	6,699,449,934	6,010,564,974	1,559,897,158	275,812,528	-	63,806,019	175,514,586	25,926,372	15,201,353,543
Increase in the current year										
Purchase in the current year	-	104,155	-	7,153,885	10,724,902	-	7,524,396	10,899,528	760,175	37,167,041
Transfer from construction in progress	19,276,577	227,742,588	29,924,715	176,984,404	29,627,678	-	375,457	1,909,735	7,901	485,849,055
Reclassification and adjustments	62,483,528	(44,355,748)	(43,384,751)	2,863,296	27,092,673	-	106,489	(2,703,296)	(8,949,577)	(6,847,386)
Decrease in the current year										
Disposal and scrapping	-	(100)	(87,985)	(45,677,155)	(1,639,956)	-	(5,484,797)	(558,452)	(418,707)	(53,867,152)
Transfer to held-for-sale	(15,799,360)	-	-	-	-	-	-	-	-	(15,799,360)
Reclassification and adjustments	-	-	-	-	-	-	-	(2,924,528)	-	(2,924,528)
Others	-	(47,414)	-	-	-	-	-	-	-	(47,414)
31 December 2024	456,342,717	6,882,893,415	5,997,016,953	1,701,221,588	341,617,825	-	66,327,564	182,137,573	17,326,164	15,644,883,799
Accumulated depreciation										
31 December 2023	(126,286,895)	(1,586,982,481)	(788,317,863)	(912,147,609)	(166,321,674)	-	(39,884,660)	(105,014,343)	(17,966,170)	(3,742,921,695)
Increase in the current year										
Current year accrual	(16,647,273)	(176,566,817)	(204,797,960)	(75,588,031)	(27,986,302)	-	(3,510,542)	(16,062,713)	(1,603,775)	(522,763,413)
Reclassification and adjustments	(561,971)	1,515,835	2,745,036	9,556,211	(4,002,323)	-	(2,070)	(8,019,849)	6,714,899	7,945,768
Decrease in the current year										
Disposal and scrapping	-	96	23,932	44,226,175	1,544,771	-	5,242,005	536,114	332,302	51,905,395
Transfer to investment properties	4,475,306	-	-	-	-	-	-	-	-	4,475,306
Reclassification and adjustments	-	-	-	-	-	-	-	561,509	-	561,509
31 December 2024	(139,020,833)	(1,762,033,367)	(990,346,855)	(933,953,254)	(196,765,528)	-	(38,155,267)	(127,999,282)	(12,522,744)	(4,200,797,130)
Net book value										
31 December 2024	317,321,884	5,120,860,048	5,006,670,098	767,268,334	144,852,297	-	28,172,297	54,138,291	4,803,420	11,444,086,669
31 December 2023	264,095,077	5,112,467,453	5,222,247,111	647,749,549	109,490,854	-	23,921,359	70,500,243	7,960,202	11,458,431,848

As at 31 December 2025, the Company had no fixed assets that were pledged and no temporarily idle fixed assets. (31 December 2024: nil).

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets (Continued)

For the year ended 31 December 2025, the amounts of depreciation expenses were RMB543,254,361 (For the year ended 31 December 2024: RMB522,763,413) including charged to cost of sales, general and administrative expenses, selling and distribution expenses and research and development expenditure were RMB516,500,676, RMB24,470,071, RMB11,776 and RMB2,271,838 respectively (For the year ended 31 December 2024: RMB504,322,844, RMB18,033,612, RMB11,840 and RMB395,117).

The original value transferred from construction in progress to fixed assets was RMB193,467,411 (For the year ended 31 December 2024: RMB485,849,055).

As at 31 December 2025, the management of the Company considered that there is no indication that the fixed assets may be impaired, therefore, no provision for impairment is recorded (31 December 2024: nil).

As at 31 December 2025, properties with book values of RMB181,328,393 (Original cost: RMB213,393,494) (As at 31 December 2024, RMB188,203,046 Original cost: RMB213,436,061), were located on non-ownership land and had not yet completed the financial accounts for the completion of the project. The property right certificate had not been obtained.

Fixed assets leased by the Company through operating leases are set out in Note IV. (16).

The lease contracts signed by the Company as lessor have no residual value guarantee clauses.

(9) Construction in progress

	31 December 2025			31 December 2024		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
7-8 Berth Project on North No.3 Jetty of Dongjiakou Port Area	256,530,955	–	256,530,955	14,870,892	–	14,870,892
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	237,012,374	–	237,012,374	–	–	–
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	100,890,383	–	100,890,383	71,384	–	71,384
Other projects	618,467,776	–	618,467,776	534,696,984	–	534,696,984
	1,212,901,488	–	1,212,901,488	549,639,260	–	549,639,260

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Construction in progress (Continued)

The book value of the Company's projects under construction or major projects under construction with an additional amount greater than RMB100 million are listed as follows:

(a) Changes in significant construction in progress

Project name	Budget	31 December 2024	Increase in the current year	Transfer to fixed assets	Capital contribution in the current year	Other decreases	31 December 2025	Percentage of progress investment to the budget (%)	Project progress	Sources of capital
7-8 Berth Project on North No.3 Jetty of Dongjiakou Port Area	3,713,860,000	14,870,892	241,660,063	-	-	-	256,530,955	7	7	Internal capital
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	612,690,000	-	237,012,374	-	-	-	237,012,374	39	39	Internal capital
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	1,467,000,000	71,384	100,818,999	-	-	-	100,890,383	7	7	Internal capital
Other projects	825,755,775	534,696,984	305,423,592	(193,467,411)	-	(28,185,389)	618,467,776	71	71	Internal capital
	6,619,305,775	549,639,260	884,915,028	(193,467,411)	-	(28,185,389)	1,212,901,488			

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Construction in progress (Continued)

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

Project name	Budget	31 December 2023	Increase in the current year	Transfer to fixed assets	Capital contribution in the current year	Other decreases	31 December 2024	Percentage of progress investment to the budget (%)	Project progress	Sources of capital
Other projects	825,755,775	763,444,879	279,804,667	(485,849,055)	-	(7,761,231)	549,639,260	71	71	Internal capital
		763,444,879	279,804,667	(485,849,055)	-	(7,761,231)	549,639,260			

As at 31 December 2025, the management of the Company considered that there is no indication that the construction in progress may be impaired, therefore, no provision for impairment is recorded (31 December 2024: nil).

In 2025, the Company capitalized borrowing costs of RMB85,177 (2024: nil).

The Company's self-built buildings, port facilities, and warehouse facilities will be transferred to fixed assets after completion and acceptance in 2025 and will be transferred to fixed assets accordingly, while machinery and equipment will be transferred to fixed assets after installation, commissioning, and acceptance in 2025.

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(10) Intangible assets

	Land use rights	Software	Sea area use right	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2024	2,202,551,853	234,187,152	49,391,000	30,190,624	258,518	2,516,579,147
Increase in the current year						
Purchase	3,191,850	42,432,379	–	–	–	45,624,229
Transfer from investment properties	31,068,766	–	–	–	–	31,068,766
Others	–	51,555,003	–	–	–	51,555,003
Decrease in the current year						
Transfer to investment properties	–	–	(49,391,000)	–	–	(49,391,000)
31 December 2025	2,236,812,469	328,174,534	–	30,190,624	258,518	2,595,436,145
Accumulated amortization						
31 December 2024	(419,031,369)	(130,065,751)	(3,539,688)	(30,190,624)	(71,811)	(582,899,243)
Increase in the current year						
Accrual	(46,311,528)	(43,676,168)	–	–	(86,173)	(90,073,869)
Transfer from investment properties	(8,646,137)	–	–	–	–	(8,646,137)
Decrease in the current year						
Transfer to investment properties	–	–	3,539,688	–		3,539,688
31 December 2025	(473,989,034)	(173,741,919)	–	(30,190,624)	(157,984)	(678,079,561)
Book value						
31 December 2025	1,762,823,435	154,432,615	–	–	100,534	1,917,356,584
31 December 2024	1,783,520,484	104,121,401	45,851,312	–	186,707	1,933,679,904

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(10) Intangible assets (Continued)

	Land use rights	Software	Sea area use right	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2023	2,244,512,407	173,902,955	49,391,000	30,190,624	–	2,497,996,986
Increase in the current year						
Purchase	16,332,329	3,372,648	–	–	–	19,704,977
Internal research and development	–	53,987,021	–	–	258,518	54,245,539
Others	–	2,924,528	–	–	–	2,924,528
Decrease in the current year						
Transfer to investment properties	(58,292,883)	–	–	–	–	(58,292,883)
31 December 2024	2,202,551,853	234,187,152	49,391,000	30,190,624	258,518	2,516,579,147
Accumulated amortization						
31 December 2023	(387,530,221)	(97,138,137)	(2,551,873)	(29,193,749)	–	(516,413,980)
Increase in the current year						
Accrual	(42,772,014)	(32,366,105)	(987,815)	(996,875)	(71,811)	(77,194,620)
Others	–	(561,509)	–	–	–	(561,509)
Decrease in the current year						
Transfer to investment properties	11,270,866	–	–	–	–	11,270,866
31 December 2024	(419,031,369)	(130,065,751)	(3,539,688)	(30,190,624)	(71,811)	(582,899,243)
Book value						
31 December 2024	1,783,520,484	104,121,401	45,851,312	–	186,707	1,933,679,904
31 December 2023	1,856,982,186	76,764,818	46,839,127	996,875	–	1,981,583,006

For the year ended 31 December 2025, the amortization of intangible assets amounted to RMB90,073,869 (For the year ended 31 December 2024: RMB77,194,620).

As at 31 December 2025, the Company had no pledged intangible assets (31 December 2024: Nil).

As at 31 December 2025, the management of the Company considered that there is no indication that the intangible assets may be impaired, therefore, no provision for impairment is recorded (31 December 2024: nil).

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(11) Provision for impairment of assets and losses

	31 December 2024	Accruals increased in the current year	Reversals decreased in the current year	31 December 2025
Provisions for bad debts of accounts receivable	19,479,669	–	(113,149)	**19,366,520**
Including: Provision for bad debts on the individual basis	–	–	–	**–**
Provision for bad debts on the portfolio basis	19,479,669	–	(113,149)	**19,366,520**
Provisions for bad debts of other receivables	749,898	10,411,221	–	**11,161,119**
Including: Provision for bad debts on the individual basis	–	–	–	**–**
Provision for bad debts on the portfolio basis	749,898	10,411,221	–	**11,161,119**
	20,229,567	10,411,221	(113,149)	**30,527,639**

	31 December 2023	Reversals decreased in the current year	31 December 2024
Provisions for bad debts of accounts receivable	19,504,682	(25,013)	19,479,669
Including: Provision for bad debts on the individual basis	–	–	–
Provision for bad debts on the portfolio basis	19,504,682	(25,013)	19,479,669
Provisions for bad debts of other receivables	3,262,098	(2,512,200)	749,898
Including: Provision for bad debts on the individual basis	–	–	–
Provision for bad debts on the portfolio basis	3,262,098	(2,512,200)	749,898
	22,766,780	(2,537,213)	20,229,567

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(12) Capital surplus

	31 December 2024	Increase in the current year	Decrease in the current year	31 December 2025
Share premium (Note IV.(43)) –				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,151,207)	–	(30,125)	(12,181,332)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	3,952,271	–	(6,197,263)	(2,244,992)
Impact of disposal of subsidiaries	144,424,899	–	–	144,424,899
	16,004,144,473	–	(6,227,388)	15,997,917,085

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(12) Capital surplus (Continued)

	31 December 2023	Increase in the current year	Decrease in the current year	31 December 2024
Share premium (Note IV.(43)) –				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,151,207)	–	–	(12,151,207)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	13,330,798	–	(9,378,527)	3,952,271
Impact of disposal of subsidiaries	144,424,899	–	–	144,424,899
	16,013,523,000	–	(9,378,527)	16,004,144,473

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(13) Other comprehensive income

	Other comprehensive income in the balance sheet		
	31 December 2024	Amount in the current year	**31 December 2025**
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Changes in remeasurement of defined benefit plan obligations	(249,900,000)	119,360,000	**(130,540,000)**
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(20,647,365)	9,629,007	**(11,018,358)**
Other comprehensive income items that will be subsequently reclassified to profit or loss	935,966	(2,502,843)	**(1,566,877)**
	(269,611,399)	126,486,164	**(143,125,235)**

	Other comprehensive income in the balance sheet		
	31 December 2023	Amount in the current year	31 December 2024
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Changes in remeasurement of defined benefit plan obligations	(50,440,000)	(199,460,000)	(249,900,000)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(4,955,899)	(15,691,466)	(20,647,365)
Other comprehensive income items that will be subsequently reclassified to profit or loss	6,454,322	(5,518,356)	935,966
	(48,941,577)	(220,669,822)	(269,611,399)

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(14) Undistributed profits

	Year ended 31 December 2025	Year ended 31 December 2024
Undistributed profits at the beginning of the period	**15,189,188,316**	13,941,413,447
Changes in accounting policies (Note II. (31))	**–**	–
Undistributed profits at the beginning of the period	**15,189,188,316**	13,941,413,447
Add: Net profit for the current year	**4,321,378,066**	4,315,345,088
The impact of transferring subsidiaries to associates	**–**	–
Less: Withdrawal of statutory surplus reserve	**(11,380,298)**	(431,534,509)
Distribution to shareholders (Note IV. (47))	**(2,254,359,030)**	(2,636,035,710)
Undistributed profits at the end of the year	**17,244,827,054**	15,189,188,316

(15) Revenue and cost of sales

	Year ended 31 December 2025		Year ended 31 December 2024	
	Revenue	Cost	Revenue	Cost
Main operations				
– Stevedore service	**4,692,178,303**	**(4,203,429,575)**	4,592,535,901	(4,016,027,609)
	4,692,178,303	**(4,203,429,575)**	4,592,535,901	(4,016,027,609)
Other operations				
– Rental income (i)	**815,173,381**	**(282,231,297)**	801,144,162	(266,384,923)
– Rendering of services and others	**246,170,873**	**(46,387,274)**	282,127,197	(12,175,548)
	1,061,344,254	**(328,618,571)**	1,083,271,359	(278,560,471)
	5,753,522,557	**(4,532,048,146)**	5,675,807,260	(4,294,588,080)

(i) The Company's rental income is from leasing port facilities, storage facilities, buildings, machinery and equipment, and transportation equipment. For the year ended 31 December 2025, there's no variable rental income recognized based on the certain percentage of the lessee's sales amount.

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(15) Revenue and cost of sales (Continued)

In 2025, revenue from sales of fuel and electricity is recognized when corresponding performance obligations are satisfied at a point in time, and revenue from other services is recognized when corresponding performance obligations are satisfied over time.

As at 31 December 2025, the Company's contracted but unfulfilled or unfulfilled performance obligations correspond to revenues of RMB97,429,021 (31 December 2024: RMB83,932,456), of which the Company expects all will be recognized in 2026.

(16) Financial expenses

	Year ended 31 December 2025	Year ended 31 December 2024
Interest costs	840,565	–
Add: Interest expense on lease liabilities	5,884,233	6,652,762
Less: Capitalized interest	85,177	–
Interest expenses	6,639,621	6,652,762
Less: Interest income	(90,572,430)	(81,705,688)
Effect of actuarial calculation of employee benefits	32,640,000	41,550,000
Exchange gains or losses	428,285	9,372,482
Others	247,999	98,267
	(50,616,525)	(24,032,177)

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(17) Expenses by nature

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

	Year ended 31 December 2025	Year ended 31 December 2024
Employee benefits	**1,462,023,635**	1,393,863,230
Cost for outsourcing transportation	**1,390,520,040**	1,428,922,378
Subcontract cost	**762,755,576**	582,243,980
Depreciation of fixed assets	**543,254,361**	522,763,413
Fuel and utility fees	**181,716,664**	204,522,196
Consumption of other raw materials	**137,890,662**	166,644,805
Rental expenses (i)	**122,636,168**	69,467,960
Labor outsourcing	**110,944,306**	99,016,290
Repair expenses	**90,550,759**	101,797,205
Amortization of intangible assets	**90,073,869**	77,194,620
Consulting fee	**38,138,637**	13,789,179
Depreciation of right-of-use assets	**39,749,141**	43,151,317
Property management fees	**35,632,823**	33,491,012
Depreciation of investment properties	**33,832,975**	31,436,104
Auditor's fee	**5,223,429**	6,871,195
Others	**149,612,733**	133,521,813
	5,194,555,778	4,908,696,697

(i) As stated in Note II. (25), the Company's lease expense incurred by short-term lease and low-value lease is recorded in profit or loss. For the year ended on 31 December 2025, the amount is RMB122,636,168 (For the year ended on 31 December 2024: RMB69,467,960).

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(18) Investment income

	Year ended 31 December 2025	Year ended 31 December 2024
Income from long-term equity investments accounted for under the equity method	**1,396,992,162**	1,529,534,861
Income from long-term equity investments accounted for under the cost method	**2,379,982,938**	2,157,310,938
Investment income from the disposal of long-term equity investments	**(3,942,118)**	2,271,162
Interest income from debt investments during the holding period	**17,177,699**	72,923,977
Investment income from holding of financial assets held for trading	**–**	1,088,235
Losses on discount of financing receivables and notes receivable qualifying for derecognition	**(142,347)**	–
Investment income from holding other non-current financial assets	**2,543,794**	9,325,221
Investment income from disposal of other non-current financial assets	**–**	24,818,400
	3,792,612,128	3,797,272,794

XVI NOTES TO THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(19) Income tax expense

	Year ended 31 December 2025	Year ended 31 December 2024
Current income tax calculated based on tax law and related regulations	**264,902,460**	220,513,547
Deferred income tax	**(63,033,189)**	(2,394,290)
	201,869,271	218,119,257

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

	Year ended 31 December 2025	Year ended 31 December 2024
Total profit	**4,523,247,337**	4,533,464,345
Income tax expenses calculated at applicable tax rates	**1,130,811,834**	1,133,366,086
Effect of adjusting income taxes of prior periods	**689,625**	–
Investment income not subject to tax	**(944,879,724)**	(924,042,755)
Additional deduction of employee benefits of the disabled	**(907,510)**	(855,775)
Costs, expenses and losses not deductible	**16,155,046**	9,651,701
Income tax expense	**201,869,271**	218,119,257

I STATEMENT OF NON-RECURRING PROFIT AND LOSS

	Year ended 31 December 2025	Year ended 31 December 2024
Profits or losses on disposal of non-current assets (including write-offs of provision for impairment of assets)	**30,074,810**	30,023,524
Government grants recognized in current profit or loss (except for the government grants that are closely related to the Company's normal business operations, in line with the national policies and regulations, and in accordance with the determined criteria, and have a continuous impact on the Company's profit or loss)	**78,103,435**	82,218,604
Profits or losses on changes in the fair values of financial assets and financial liabilities held by non-financial enterprises and profits or losses on disposal of financial assets and financial liabilities, except for effective hedging operations related to the Company's normal business operations	**171,306,002**	16,532,023
One-time effect on profit or loss for the period due to adjustments in tax, accounting, and other laws and regulations	**–**	61,130,000
Other non-operating income and expenses other than those mentioned above	**17,892,419**	(5,673,583)
Other profit or loss items which meet the definition of non-recurring profit or loss	**17,925,286**	16,395,591
Subtotal	**315,301,952**	200,626,159
Less: Effect of income taxes	**(74,336,275)**	(33,425,599)
Effect of minority interests (after tax)	**(14,151,321)**	(9,251,590)
Total	**226,814,356**	157,948,970

I STATEMENT OF NON-RECURRING PROFIT AND LOSS (Continued)

(1) Basis for preparation of statement of non-recurring profit or loss

In 2023, the China Securities Regulatory Commission issued the *Explanatory Announcement for Information Disclosure of Companies Offering Securities to the Public No.1 – Non-recurring Profit or Loss* (Revised in 2023), ("2023 No. 1 Explanatory Announcement"), which became effective on the issuance date. The Group prepares 2025 statement of non-recurring profit or loss according to 2023 No. 1 Explanatory Announcement.

II RETURN ON EQUITY AND EARNINGS PER SHARE

	Weighted average return on equity (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	Year ended 31 December 2025	Year ended 31 December 2024	**Year ended 31 December 2025**	Year ended 31 December 2024	**Year ended 31 December 2025**	Year ended 31 December 2024
Net profit attributable to ordinary shareholders of the Company	**11.95%**	12.65%	**0.81**	0.81	**0.81**	0.81
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	**11.44%**	12.27%	**0.78**	0.78	**0.78**	0.78


山东港口
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