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

(Stock Code: 6117)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL HIGHLIGHTS

During the Reporting Period:

- Revenue of the Company was RMB833.490 million, representing an increase of 9.9% as compared with the same period of last year;
- Net profit attributable to Shareholders was RMB199.873 million, representing an increase of 18.8% as compared with the same period of last year;
- Earnings per share of the Company was RMB12.04 cents; and
- The Board recommended a final dividend of RMB0.024 per share (tax inclusive) to the Shareholders.

The board (the “**Board**”) of directors (the “**Directors**”) of Rizhao Port Jurong Co., Ltd. (the “**Company**”) is pleased to announce the audited financial results (the “**Final Results**”) of the Company for the year ended 31 December 2022 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2021. The Final Results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

	<i>Notes</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Revenue	4	833,490	758,421
Cost of sales		<u>(536,226)</u>	<u>(500,081)</u>
Gross profit		297,264	258,340
Other income	6	27,343	8,768
Other gains and losses, net		(797)	491
Impairment losses reversed/(recognised), net		536	(123)
Selling and distribution expenses		(4,273)	(4,194)
Administrative expenses		(28,951)	(14,968)
Finance costs	7	<u>(21,700)</u>	<u>(22,245)</u>
Profit before income tax	8	269,422	226,069
Income tax expense	9	<u>(69,549)</u>	<u>(57,773)</u>
Profit and total comprehensive income attributable to the owners of the Company for the year		<u>199,873</u>	<u>168,296</u>
Earnings per share attributable to the owners of the Company			
– Basic and diluted (<i>expressed in RMB</i>)	10	<u>12.04 cents</u>	<u>10.14 cents</u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Notes	2022 RMB'000	2021 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	1,742,476	1,797,815
Deposits for purchase of property, plant and equipment		2,361	915
Investment properties	13	287,446	295,221
Intangible assets		3,302	2,806
Other non-current assets		973	1,107
		<u>2,036,558</u>	<u>2,097,864</u>
Current assets			
Inventories		2,669	3,350
Trade and other receivables	14	5,506	31,876
Bills receivable at fair value through other comprehensive income (“FVTOCI”)	15	1,850	3,361
Contract assets		5,005	3,484
Cash and cash equivalents		852,658	592,669
		<u>867,688</u>	<u>634,740</u>
Current liabilities			
Trade and other payables	16	78,234	43,032
Contract liabilities		4,702	14,320
Lease liabilities	17	14,470	13,260
Advance payments from lease contract	18	2,375	2,375
Income tax payable		13,542	11,570
		<u>113,323</u>	<u>84,557</u>
Net current assets		<u>754,365</u>	<u>550,183</u>
Total assets less current liabilities		<u>2,790,923</u>	<u>2,648,047</u>

	<i>Notes</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Non-current liabilities			
Lease liabilities	17	217,668	232,920
Advanced payments from lease contract	18	14,844	17,219
Other payables	16	1,981	–
Deferred tax liabilities		2,823	4,300
		<u>237,316</u>	<u>254,439</u>
Net assets		<u>2,553,607</u>	<u>2,393,608</u>
CAPITAL AND RESERVES			
Share capital	19	1,660,000	1,660,000
Reserves		893,607	733,608
Total equity		<u>2,553,607</u>	<u>2,393,608</u>

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Capital reserve <i>RMB'000</i>	Statutory reserve <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2021	<u>1,660,000</u>	<u>105,245</u>	<u>159,077</u>	<u>46,608</u>	<u>254,382</u>	<u>2,225,312</u>
Total comprehensive income for the year						
Profit and total comprehensive income for the year	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>168,296</u>	<u>168,296</u>
Transactions with owners						
Appropriation for statutory reserve	<u>–</u>	<u>–</u>	<u>–</u>	<u>16,858</u>	<u>(16,858)</u>	<u>–</u>
Total transactions with owners	<u>–</u>	<u>–</u>	<u>–</u>	<u>16,858</u>	<u>(16,858)</u>	<u>–</u>
Balance at 31 December 2021	<u><u>1,660,000</u></u>	<u><u>105,245</u></u>	<u><u>159,077</u></u>	<u><u>63,466</u></u>	<u><u>405,820</u></u>	<u><u>2,393,608</u></u>

	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Capital reserve <i>RMB'000</i>	Statutory reserve <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 1 January 2022	<u>1,660,000</u>	<u>105,245</u>	<u>159,077</u>	<u>63,466</u>	<u>405,820</u>	<u>2,393,608</u>
Total comprehensive income for the year						
Profit and total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,873</u>	<u>199,873</u>
Transactions with owners						
Appropriation for statutory reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,282</u>	<u>(20,282)</u>	<u>-</u>
Dividend paid	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,874)</u>	<u>(39,874)</u>
Total transactions with owners	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,282</u>	<u>(60,156)</u>	<u>(39,874)</u>
Balance at 31 December 2022	<u><u>1,660,000</u></u>	<u><u>105,245</u></u>	<u><u>159,077</u></u>	<u><u>83,748</u></u>	<u><u>545,537</u></u>	<u><u>2,553,607</u></u>

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Rizhao Port Jurong Co., Ltd. (the “**Company**”) is a joint stock company incorporated in the People’s Republic of China (the “**PRC**”) with limited liability. The registered office and headquarter of the Company is at South End, Haibin 5th Road, Rizhao City, Shandong Province, the PRC.

The Company’s immediate holding company, Rizhao Port Co., Ltd. (“**Rizhao Port**”), is a joint stock company with limited liability incorporated in the PRC and its shares are listed for trading on the Main Board of Shanghai Stock Exchange (Stock Code: 600017). In the opinion of the directors, the ultimate holding company is Shandong Port Group Co., Ltd. (山東省港口集團有限公司, “**Shandong Port Group**”). Shandong Port Group is a company incorporated in the PRC with limited liability and a state-owned enterprise ultimately controlled by Shandong Provincial State-owned Assets Supervision and Administration Commission.

The Company is primarily engaged in port operation in Rizhao City, Shandong Province of the PRC, which includes handling grains, woodchips and dried tapioca along with berth leasing, port services such as warehousing, cargo storage, transportation, and related supporting business.

These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

2. BASIS OF PREPARATION

These annual financial statements have been prepared by the International Accounting Standards Board (“**IASB**”) in accordance with the International Financial Reporting Standards (“**IFRSs**”) which collective term includes all applicable individual IFRSs, International Accounting Standards and interpretations issued by the IASB. The financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended IFRSs and their impacts on the financial statements, if any, are disclosed in note 3.

The financial statements have been prepared on the historical cost basis except for bills receivable which are stated in fair values.

3. ADOPTION OF NEW AND AMENDED IFRSs

Amended IFRSs that are effective for annual periods beginning on 1 January 2022

In the current year, the Company has applied for the first time the following amended IFRSs issued by IASB, which are relevant to the Company's operations and effective for the Company's financial statements for the annual period beginning on 1 January 2022:

Amendment to IFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>
Amendments to IFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to IAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to IAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Amendments to IFRSs	<i>Annual Improvements to IFRS Standards 2018–2020</i>

The adoption of the amended IFRSs had no material impact on how the results and financial position of the Company for the current and prior period have been prepared and presented.

Issued but not effective IFRSs

At the date of authorisation of these financial statements, certain new and amended IFRSs have been published but are not yet effective, and have not been adopted early by the Company.

IFRS 17	<i>Insurance Contracts and related amendments¹</i>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback²</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current²</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants²</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies¹</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates¹</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction¹</i>

¹ Effective for annual periods beginning on or after 1 January 2023

² Effective for annual periods beginning on or after 1 January 2024

³ Effective date not yet determined

The Directors anticipate that all of the pronouncements will be adopted in the Company's accounting policy for the first period beginning on or after the effective date of the pronouncement, and these are not expected to have a material impact on the Company's financial statements.

4. REVENUE

The Company's revenue recognised during the year is as follows:

	2022	2021
	RMB'000	RMB'000
Revenue from contracts with customers –		
Provision of services	758,492	672,721
Revenue from other sources – Rental income from investment properties	74,998	85,700
Total revenue	833,490	758,421

Disaggregation of revenue from contracts with customers with the scope of IFRS 15

The Company derives revenue from the provision of services over time and at a point in time in the following types of services in the PRC:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Types of services		
Stevedoring service	602,871	577,095
Storage service	96,337	51,997
Port management service	23,492	16,319
Logistics agency service	35,792	27,310
	<hr/>	<hr/>
Total	758,492	672,721
	<hr/> <hr/>	<hr/> <hr/>
Timing of revenue recognition		
Over time	722,700	645,411
At a point in time	35,792	27,310
	<hr/>	<hr/>
Total	758,492	672,721
	<hr/> <hr/>	<hr/> <hr/>

5. SEGMENT INFORMATION

Information reported to the Board of Directors of the Company, being the chief operating decision maker, for the purposes of resource allocation, assessment of performance and focusing on revenue from rendering stevedoring, storage and ancillary services.

The management of the Company considers that the Company has one reportable operating segment. No operating segment information is presented other than the entity-wide disclosures.

Geographic information

The Company's revenue and profit are all derived from PRC. All non-current assets are located in the PRC.

Information about major customers

The following table sets out the revenue from customers contributing over 10% of the total revenue of the Company during the reporting period.

	2022 RMB'000	2021 <i>RMB'000</i>
Customer A	101,405	73,207

6. OTHER INCOME

	2022 RMB'000	2021 <i>RMB'000</i>
Interest income	14,139	7,009
Government subsidies (<i>Note a</i>)	64	1,299
Value-added tax credit (<i>Note b</i>)	13,019	–
Others	32	460
Exchange gains	89	–
	27,343	8,768

Note a: Government subsidies mainly relates to the subsidies granted by the government in respect of operating and development activities and to provide financial support to the Company which are unconditional grants.

Note b: From 1 October 2019 to 31 December 2022, Ministry of Finance and the State Taxation Administration announced additional value-added tax credit policy for the production and living service industry. Taxpayers in the production and living service industry are allowed to credit the amount of input tax deductible in the current period plus 10% thereof against the amount of taxes payable upon fulfilment of certain conditions.

7. FINANCE COSTS

	2022 RMB'000	2021 <i>RMB'000</i>
Interest expense		
– Interest on lease liabilities	21,700	22,245

8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting) the following:

	2022	2021
	RMB'000	RMB'000
Rental income from investment properties	74,998	85,700
Less: direct operating expenses incurred from investment properties	<u>(7,775)</u>	<u>(7,775)</u>
Net rental income from investment properties	<u>67,223</u>	<u>77,925</u>
Auditor's remuneration	915	753
Depreciation:		
– Property, plant and equipment	96,044	94,785
– Right-of-use assets	20,071	19,677
– Investment properties	7,775	7,775
Amortisation of intangible assets (<i>note a</i>)	<u>419</u>	<u>431</u>
Total depreciation and amortisation charged to profit or loss	<u>124,309</u>	<u>122,668</u>
Lease charges:		
– Short-term leases	9,380	23,859
– Leases of low-value items	83	53
– Variable lease payments	12,844	16,543
Directors' and supervisors' emoluments	1,367	1,021
Other staff costs (exclude directors' and supervisors' emoluments):		
– Salaries, allowances and other benefits	59,049	52,363
– Retirement benefit scheme contributions	20,177	16,581
– Early retirement benefits	<u>3,998</u>	<u>–</u>
Total staff costs	<u>84,591</u>	<u>69,965</u>
Research and development costs recognised as expense (Included in administrative expenses)	<u>3,774</u>	<u>–</u>

Note:

- (a) The amortisation of intangible assets is included in “Administrative expenses” of the statement of profit or loss and other comprehensive income.

9. INCOME TAX EXPENSE

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Current tax		
– PRC enterprise income tax (“EIT”)	71,026	59,135
Deferred tax	<u>(1,477)</u>	<u>(1,362)</u>
	<u>69,549</u>	<u>57,773</u>

The provision for EIT were made based on estimation taxable profits calculated in accordance with income tax laws and regulations applicable in the PRC.

Under the Enterprise Income Tax Law of the PRC (the “EIT Law”) and Provision for Implementation of the EIT Law, the tax rate of the Company is 25% for 2022 (2021: 25%).

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Earnings		
Profit for the year attributable to the owners of the Company	<u>199,873</u>	<u>168,296</u>
	2022	2021
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>1,660,000,000</u>	<u>1,660,000,000</u>
	2022	2021
Basic earnings per share (<i>RMB cents</i>)	<u>12.04</u>	<u>10.14</u>

(b) Diluted earnings per share

There are no dilutive potential ordinary shares in issue for the years ended 31 December 2022 and 2021. Therefore, the basic earnings per share are equal to the diluted earnings per share.

11. DIVIDENDS

The Company declared and paid 2021 final dividends of RMB39,874,000 during the year ended 31 December 2022 (2021: nil). On 31 March 2023, the Board resolved to declare a final dividend of RMB0.024 (tax inclusive) per share, totaling approximately RMB40,000,000 for the year ended 31 December 2022 to the Company's shareholders whose names appear on the register of members of the Company on 30 May 2023, subject to the consideration and approval on the same by shareholders at the forthcoming annual general meeting. This proposed dividend is not reflected as dividend payable in these financial statements.

12. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2022, the additions of property, plant and equipment excluding construction in progress and right-of-use assets, mainly for terminal facilities, buildings, loading equipment and communication facilities and other equipment, were RMB9,836,000 (2021: RMB8,610,000).

During the year ended 31 December 2022, the Company disposed at the carrying amount of RMB356,000, resulting gain on disposal of RMB322,000 (2021: the Company disposed at the carrying amount of RMB149,000, resulting gain on disposal of RMB378,000). The Company write-off certain property, plant and equipment at the carrying amount of RMB1,283,000 (2021: Nil).

During the year ended 31 December 2022, the addition of construction in progress was RMB52,261,000 (2021: RMB3,486,000) and RMB221,000 (2021: RMB28,590,000) was transferred to certain items of property, plant and equipment.

13. INVESTMENT PROPERTIES

Terminal facilities RMB'000

At 1 January 2021

Cost	399,318
Accumulated depreciation	<u>(96,322)</u>

Net book amount 302,996

Year ended 31 December 2021

Opening net book amount	302,996
Depreciation	<u>(7,775)</u>

Closing net book amount 295,221

At 31 December 2021 and 1 January 2022

Cost	399,318
Accumulated depreciation	<u>(104,097)</u>

Net book amount 295,221

Year ended 31 December 2022

Opening net book amount	295,221
Depreciation	<u>(7,775)</u>

Closing net book amount 287,446

At 31 December 2022

Cost	399,318
Accumulated depreciation	<u>(111,872)</u>

Net book amount 287,446

14. TRADE AND OTHER RECEIVABLES

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade receivables		
– Due from related parties	670	16,200
– Due from third parties	4,628	15,658
	5,298	31,858
Less: Expected credit losses (“ECL”) allowance of trade receivables	(104)	(672)
	5,194	31,186
Prepayments	312	690
Total trade and other receivables	5,506	31,876

The Company grants a credit period ranging from 15 to 90 days to its customers. Based on the invoice dates, the ageing analysis of the trade receivables, net of ECL allowance, is as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
0 – 30 days	1,999	26,997
31 – 60 days	2,922	259
61 – 90 days	–	2,158
Over 90 days	273	1,772
	5,194	31,186

15. BILLS RECEIVABLE AT FVTOCI

The following is the ageing analysis of the bills receivables based on the maturity date:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Within 3 months	1,850	2,261
Over 3 months but within 6 months	–	1,100
	<u>1,850</u>	<u>3,361</u>

16. TRADE AND OTHER PAYABLES

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade payables		
- Due to related parties	751	7,906
- Due to third parties	5,613	10,430
	<u>6,364</u>	<u>18,336</u>
Other payables		
- Amounts due to related parties	48,103	2,320
- Other tax payables	237	880
- Payroll payables (<i>Note</i>)	10,705	4,885
- Retention payable due within one year	7,232	6,362
- Other payables	7,574	10,249
	<u>73,851</u>	<u>24,696</u>
Total trade and other payables	<u>80,215</u>	<u>43,032</u>
Less: Classified as non-current liabilities	(1,981)	–
Current portion of trade and other payables	<u>78,234</u>	<u>43,032</u>

Note: Included in payroll payables were early retirement benefits for employees of RMB2,017,000 and RMB1,981,000 classified as current and non-current liabilities respectively (2021: Nil).

The Company was granted by its suppliers credit periods ranging from 30 to 90 days. Based on the invoice dates, the ageing analysis of the trade payables are as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
0 – 30 days	5,872	15,975
31 – 60 days	403	2,272
61 – 90 days	–	–
Over 90 days	89	89
	<u>6,364</u>	<u>18,336</u>

17. LEASE LIABILITIES

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Total minimum lease payments:		
Due within 1 year	35,410	34,954
Due within 1 year to 2 years	24,907	36,259
Due within 2 to 5 years	74,200	93,427
Due more than 5 years	677,177	684,960
	<u>811,694</u>	<u>849,600</u>
Less: future lease liabilities finance charges	<u>(579,556)</u>	<u>(603,420)</u>
Present value of lease liabilities	<u>232,138</u>	<u>246,180</u>
	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Present value of minimum lease payments:		
Due within 1 year	14,470	13,260
Due within 1 to 2 years	4,248	15,218
Due within 2 to 5 years	14,052	13,621
Due more than 5 years	199,368	204,081
	<u>232,138</u>	<u>246,180</u>
Less: payment due within 1 year (presented under current liabilities)	<u>(14,470)</u>	<u>(13,260)</u>
Payment due after 1 year	<u>217,668</u>	<u>232,920</u>

18. ADVANCE PAYMENTS FROM LEASE CONTRACT

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Lease payments received in advance	17,219	19,594
Less: Classified as current liabilities – Advance payments from lease contract	<u>(2,375)</u>	<u>(2,375)</u>
Non-current portion of lease payments	<u><u>14,844</u></u>	<u><u>17,219</u></u>

19. SHARE CAPITAL

	Domestic shares	H shares	Number of shares	RMB'000
Issued and fully paid-up ordinary shares with par value of RMB1 each				
At 1 January 2021, 31 December 2021, 1 January 2022 and 31 December 2022	<u>840,000,000</u>	<u>820,000,000</u>	<u>1,660,000,000</u>	<u>1,660,000</u>

20. CAPITAL COMMITMENTS

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Capital expenditure contracted but not provided for acquisition of property, plant and equipment	<u><u>623,627</u></u>	<u><u>74,754</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

INTERNATIONAL AND DOMESTIC SITUATION

Overall Situation

In 2022, the impact of various factors including the Russia-Ukraine conflict, COVID-19 pandemic, and other developments in global geopolitics had resulted in significant decline in the global economic growth. This has also led to enormous fluctuations in financial markets, global inflation as well as the constant increase in expectation of a global economic recession. The sharp fluctuations in international food prices directly led to an increase in the cost of global food imports, with the world's maize and wheat prices both hitting record peaks. China's foreign trade continuously maintained a steady growth, with the total value of imports and exports of goods reaching RMB42.07 trillion, representing a year-on-year increase of 7.7%, reaching another new historical high. Among them, the total imports and exports of agricultural products were RMB2.23 trillion, representing a year-on-year increase of 9.9%. The proportion of grain imports in the total imports of agricultural products was approximately 34.93%. (Source: General Administration of China Customs of the PRC).

According to the data released by General Administration of China Customs of the PRC, China's grain import volume in 2022 was 146.872 million tonnes, representing a year-on-year decrease of 10.7%. Affected by international grain prices and the decrease in import volume, China's grain import cost rose significantly to a multi-year high. The average import price of grain for the year had reached RMB3,744.7 per tonne, representing an increase of 27% as compared to the previous year; and the average import price of soybeans was RMB4,484.8 per tonne, representing an increase of 25% as compared to the previous year. (Source: General Administration of China Customs of the PRC).

Operation of the Port Industry

In 2022, the growth rate of maritime trade slowed, and the growth rate of global port throughput was under pressure. Key factors in play are the rapid expansion after the ease up of overseas pandemic control, which aggravated the shortage of port labor and the supply chain capacity bottlenecks, as well as the rapid increase of energy and raw material prices inhibiting international procurement. In 2022, China's port production was generally stable, with cargo throughput continuing its growth momentum, completing 15.685 billion tonnes of cargo throughput, representing a year-on-year increase of 0.9%. Out of this volume, 4.607 billion tonnes were contributed by foreign trade cargo throughput, which had declined by 1.9% year-on-year.

Shandong port is located at the crossroads of sea and land of “One Belt, One Road”, at the “double node” of the new development pattern, and is the “bridgehead” of RCEP for Japan, Korea and ASEAN. In 2022, the cargo throughput of Shandong port exceeded 1.6 billion tonnes and the container throughput exceeded 37 million TEUs, continuing its ranks as the first and the third in the world, with an increase of 6.4% and 8.7%, respectively. A new peak in its overall competitiveness achieved a historic new leap and concentration on a new pattern of building a world-class marine port and a world-class enterprise. (Source: Ministry of Transport of China, Shandong Port Group)

BUSINESS AND FINANCIAL REVIEW

Overall Review

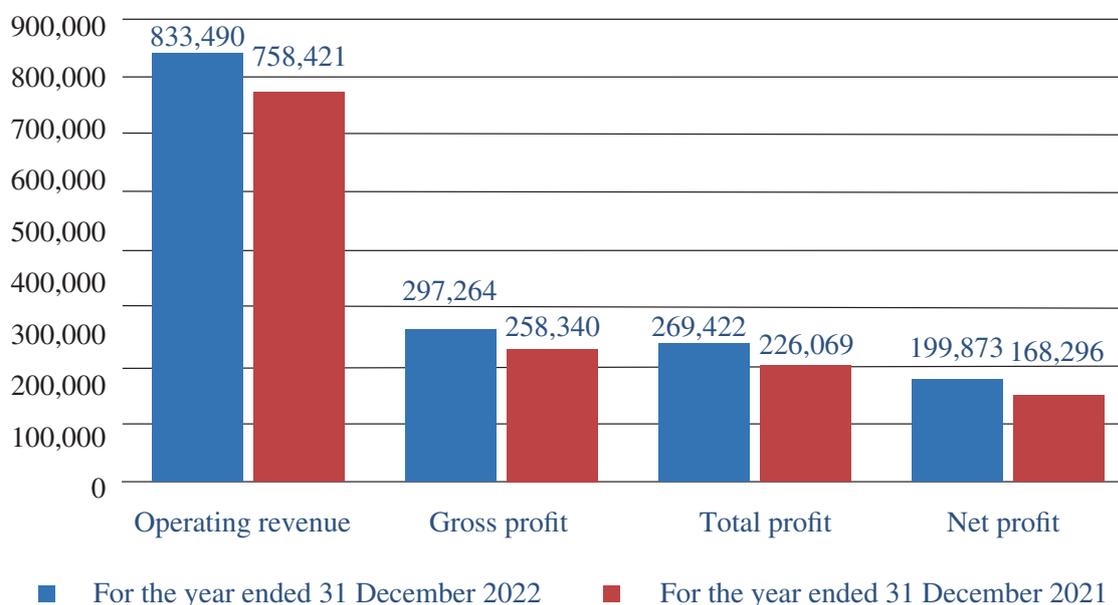
In 2022, the Company has seized market opportunities, optimised port tariffs and expanded the scope for incremental growth. The Company focused on “customer-centricity”, service quality improvement, optimisation of production resources allocation and integrated control of the port area. Through fast turnover of services provided, the Company were able to steadily increase the volume of main cargo types, achieving efficient transshipment, and reaching a new record high in the annual production and operation targets. The Company was awarded the “2022 Golden Bee Corporate Social Responsibility China ESG Competitiveness List”. At the same time, with plans to increase infrastructure investment, the Company commenced construction of the Rizhao Port Grain Base Project, enhancing the development for the food industry.

During the Reporting Period, the Company achieved cargo throughput of 30.40 million tonnes, representing an increase of 1.1% as compared with the same period last year. In terms of cargo mix, the throughput of grains continued to grow year-on-year and the throughput of woodchips, other cargoes and berth leasing maintained relatively stable while there is a sharp reduction in the throughput of dried tapioca compared to the

year before. The increase in throughput of grain cargoes offset the impact of decline in dried tapioca for both revenue and profit of the Company. The Company's major performance indicators remained stable as follows:

Comparison of Major Performance

Unit: RMB'000



During the Reporting Period, the Company achieved an operating revenue of RMB833.490 million, an increase of RMB75.069 million or 9.9% as compared with the same period of 2021.

During the Reporting Period, the Company achieved a gross profit of RMB297.264 million, an increase of RMB38.924 million or 15.1% as compared with the same period of 2021.

During the Reporting Period, the Company achieved the profit before tax of RMB269.422 million, an increase of RMB43.353 million or 19.2% as compared with the same period of 2021.

During the Reporting Period, the Company achieved a net profit of RMB199.873 million, an increase of RMB31.577 million or 18.8% as compared with the same period of 2021.

Financial Review

During the Reporting Period, the Company's total revenue increased by RMB75.069 million or 9.9% as compared with the same period, mainly attributable to an increase of RMB85.771 million in revenue from contracts with customers, compensating for the decrease in revenue from property leasing of RMB10.702 million.

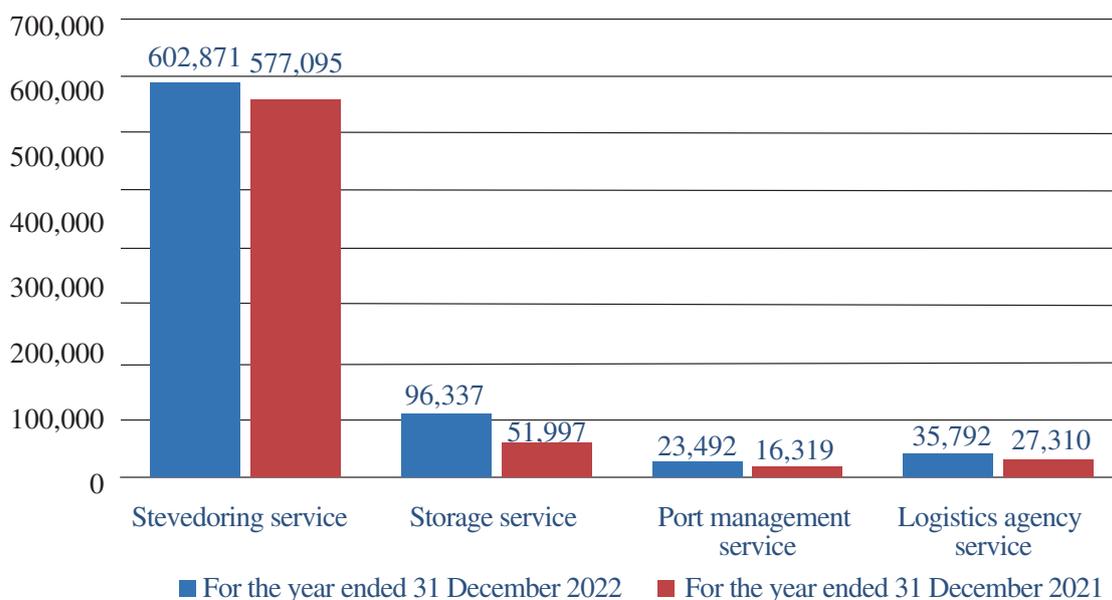
(1) Total Revenue

	For the year ended 31 December			
	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>	Change in amount <i>RMB'000</i>	Percentage of change
Revenue from contracts with customers – Provision of services	758,492	672,721	85,771	12.7%
Rental income from investment properties	74,998	85,700	(10,702)	(12.5%)
Total revenue	833,490	758,421	75,069	9.9%

(2) Revenue from contracts with customers by service type

Major Types of Business Revenue

Unit: RMB'000



	For the year ended 31 December			
	2022	2021	Period-to-period change	
			Change in amount	Percentage of change
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	
Stevedoring service	602,871	577,095	25,776	4.5%
Storage service	96,337	51,997	44,340	85.3%
Port management service	23,492	16,319	7,173	44.0%
Logistics agency service	35,792	27,310	8,482	31.1%
Total	<u>758,492</u>	<u>672,721</u>	<u>85,771</u>	<u>12.7%</u>

During the Reporting Period, for stevedoring service, the increase in business volume of grains offsets the decrease in dried tapioca, along with the increase of port tariff for grain goods, resulting in a 4.5% year-on-year increase in revenue and achieving its steady growth.

During the Reporting Period, the increase in revenue from storage service was mainly attributable to the increase in the import volume of grain cargoes, shortening of the unloading period and improvement of the storage tariff structure, in order to expedite the turnover of cargo discharge as compared with the same period of the last year.

During the Reporting Period, port management service increased as compared with the same period of last year, these are mainly attributable to the increase in the adjustment of accounting items by adjusting the cargo port charges from stevedoring services to port management services account, resulting in an increase in revenue.

During the Reporting Period, the revenue from logistics agency service increased as compared with the same period of last year, which was mainly due to the expansion in logistics business volume for certain customers.

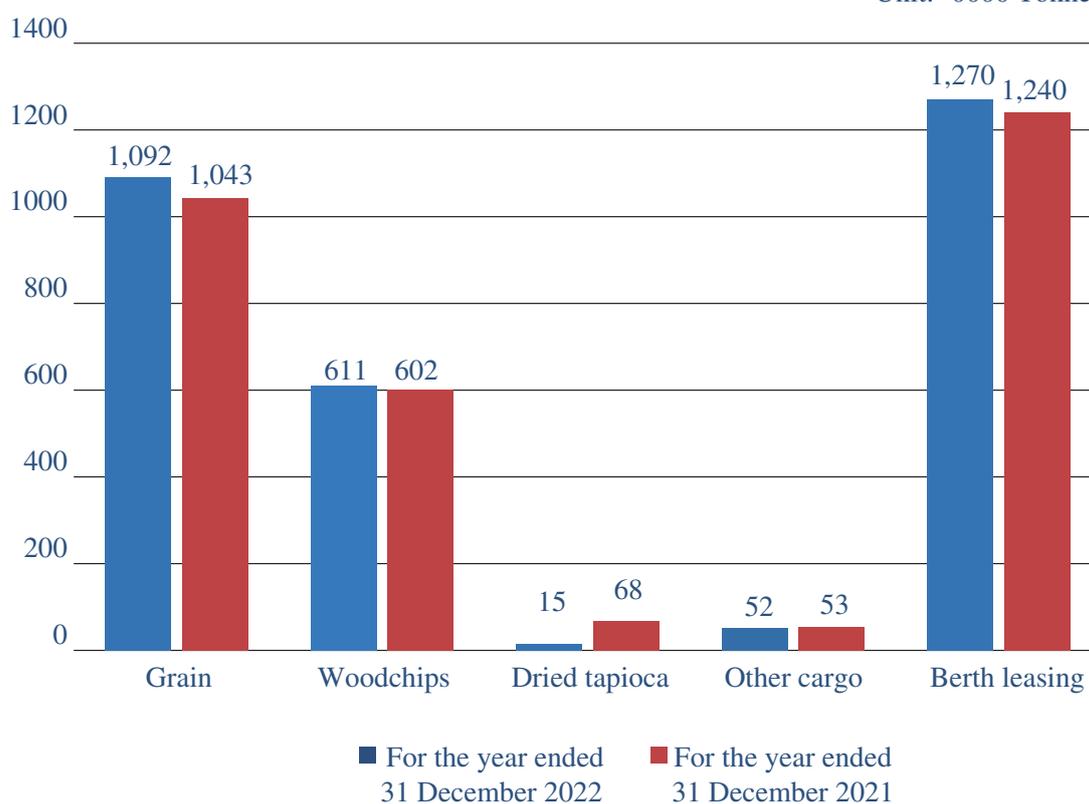
Throughput

Unit: '0000 tonnes Excluding percentage

Cargo types	2022		2021		Change
	Throughput	Proportion	Throughput	Proportion	
Grain	1,092	35.9%	1,043	34.7%	4.7%
Woodchips	611	20.1%	602	20.0%	1.5%
Dried tapioca	15	0.5%	68	2.3%	-77.9%
Other cargo	52	1.7%	53	1.8%	-1.9%
Berth leasing (Asia Symbol)	1,270	41.8%	1,240	41.3%	2.4%
Total	3,040	100.0%	3,006	100.0%	1.1%

Comparison of Throughput by Cargo Type

Unit: '0000 Tonnes



Grain

In 2022, China accumulated grain imports amounting to 146.872 million tonnes, representing a year-on-year decrease of 10.4%, of which, soybeans imports amounted to 91.081 million tonnes, representing a year-on-year decrease of 5.6% (Source: General Administration of China Customs of the PRC). Drawing from the unique competitive advantage of its close proximity to the port, the Company served the grain and edible oil industry well through effective port logistics enhanced by excellent and efficient service from rail and road network and connectivity, enabling record growth in grains handled for the Company, against the backdrop of decline experienced by the industry. The grain throughput amounted to 10.92 million tonnes, representing a year-on-year increase of 4.7%, exceeding 10 million tonnes per annum for three consecutive years, anchoring it the stable core business for the Company.

In terms of the mix of grain types, the Company's soybean throughput amounted to 9.16 million tonnes, exceeding 9 million tonnes for the first time, representing a year-on-year increase of 12.4%. This accounts for 9.7% of the PRC's soybean imports, which represented an increase of 1.6 percentage points as compared with the same period last year. The Company's throughput of maize and other grains amounted to 1.76 million tonnes, representing a decrease of 0.52 million tonnes as compared with the same period last year. In general, the total grains throughput presented a steady growing trend, and was the main factor of the revenue increase of the Company.

From the analysis of port logistics, the Company overcame the impact of pandemic on road transportation, and proactively helped coordinate with the customers and logistics agents. The Company deepened the "door to door" railroad logistics service mode, with the railway delivering 2.8 million tonnes of grains for the whole year, representing a year-on-year increase of 44.3%, which helped the development of multi-modal transportation, consolidating bulk shipments and converting from road to rail transportation.

Woodchips

The procurement amount of woodchips by core customers continued to be high and stable. The Company handled 6.11 million tonnes of woodchips for the whole year and maintained a stable business model. The Company integrated berth resources designated for woodchips, extended the rail connectivity, increased turnaround for yard efficiency, and made precise plans with the railroad, customers and logistics delivery, etc. The proportion of rail transportation increased to 75.1%. Shipments by rail hit 285 wagons per day in the strive for a highly efficient integrated woodchips operation.

Dried tapioca

The Company's dried tapioca business was affected by the berth resources and operation restrictions. Under the premise of securing productive resources for the increment of grain handling, the Company adjusted its cargo mix, resulting in a decrease in the volume handled for dried tapioca as compared with the same period of last year.

Other cargo

The Company prioritised the handling of grains over other cargo with the capacity of the existing berths and storage facilities. At the present stage, an annual unloading capacity of 520,000 tonnes for other small cargo were handled with a minor impact on the Company's revenue and profitability.

Berth leasing

The Company signed a long-term lease agreement to lease the West-4 berth, Wood-2 berth and Wood-3 berth owned by the Company to Asia Symbol Shandong Co., Ltd (亞太森博(山東)漿紙有限公司) (“**Asia Symbol**”), an independent third party engaged in wood pulp production. The business volume of berth leasing was mainly from the import and transfer of woodchips throughput of Asia Symbol. Asia Symbol pays us a fixed rent each year, and is responsible for the maintenance of the leased berth and related berthing equipment.

Cost of sales

During the Reporting Period, the cost of sales of the Company amounted to RMB536.226 million, increased by RMB36.145 million or 7.2% from RMB500.081 million as compared with the same period of 2021, mainly attributable to the increase in labor costs and service charges of the Company..

Gross profit

During the Reporting Period, the Company achieved a gross profit of RMB297.264 million, increased by RMB38.924 million or 15.1% from RMB258.340 million as compared with the same period of 2021, mainly attributable to the increase of revenue from stevedoring and storage service.

Administrative expenses

During the Reporting Period, the total administrative expenses of the Company amounted to RMB28.951 million, increased by RMB13.983 million or 93.4% from RMB14.968 million as compared with the same period of 2021, primarily due to the increase in employees' salaries.

Other income

During the Reporting Period, other income of the Company amounted to RMB27.343 million, increased by RMB18.575 million or 211.8% from RMB8.768 million as compared with the same period of 2021, mainly attributable to the increase in the interest income and value added tax credit.

Finance costs

During the Reporting Period, the finance costs of the Company amounted to RMB21.700 million, decreased by RMB0.545 million or 2.4% from RMB22.245 million as compared with the same period of 2021, mainly attributable to the change in the terms of the office building lease contract.

Income tax expense

During the Reporting Period, the income tax expense of the Company amounted to RMB69.549 million, increased by RMB11.776 million or 20.4% from RMB57.773 million as compared with the same period of 2021, mainly attributable to the increase in profit before tax of the Company.

Total comprehensive income for the period

Due to the foresaid reasons, during the Reporting Period, the total comprehensive income of the Company was RMB199.873 million, increased by RMB31.577 million or 18.8% from RMB168.296 million as compared with the same period of 2021.

LIQUIDITY AND CAPITAL RESOURCES

The Company adopts a prudent treasury management policy to maintain a solid and healthy financial position. The Company monitors the cash flows and cash balance on a regular basis and strives to maintain an optimum liquidity that can meet its working capital needs.

The Company funds its operations principally from cash flow generated from operating activities. The Company's primary uses of cash are for working capital and to satisfy the capital expenditure needs of the Company.

As at 31 December 2022, the Company had cash and cash equivalents of RMB852.658 million (2021: RMB592.669 million) which were denominated in RMB.

As at 31 December 2022, the Company had no bank borrowings (2021: Nil).

The Company's current ratio (being the ratio of total current assets to total current liabilities) was 7.66 as at 31 December 2022 (2021: 7.51).

As at 31 December 2022, the Company's gearing ratio (being the ratio of total interest-bearing borrowings to total equity) was 9.09% (2021: 10.28%).

During the Reporting Period, the Company's net cash from operating activities amounted to RMB339.781 million (the corresponding period of 2021: RMB363.180 million). The Company's net cash used in investing activities during the Reporting Period amounted to RMB3.974 million (the corresponding period of 2021: RMB4.604 million). The Company's net cash used in financing activities during the Reporting Period amounted to RMB75.818 million (the corresponding period of 2021: RMB46.187 million).

PLEDGE OF ASSETS

As at 31 December 2022, the Company did not have any pledge of assets (2021: Nil).

CONTINGENT LIABILITIES

As at 31 December 2022, the Company did not have any contingent liabilities (2021: Nil).

CAPITAL EXPENDITURE

The Company's capital expenditure comprised mainly additions to property, plant and equipment. The Company's capital expenditure in the Reporting Period amounted to RMB18.791 million (the corresponding period of 2021: RMB12.140 million).

SIGNIFICANT INVESTMENTS

In order to consolidate and enhance the Company's position as a grain transshipment and distribution hub among China's coastal ports, the Company invested in the construction of a grain base project, which covered the reconstruction of the West-6 berth with an investment amount of approximately RMB1.44 billion and is expected to be completed and used in June 2024.

Save as disclosed above, no significant investment was made by the Company during the Reporting Period.

MATERIAL ACQUISITIONS AND DISPOSAL

During the Reporting Period, the Company had no material acquisitions and disposal of subsidiaries or associated companies.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this announcement, the Company had no plans authorised by the Board for material investments or additions of capital assets as at the date of this announcement.

EVENTS AFTER THE REPORTING PERIOD

Continuing Connected Transaction – Revision of Annual Caps under the Property Lease (Procurement) Framework Agreement 2022

On 7 December 2022, the Company entered into the property lease (procurement) supplemental framework agreement (the “**Supplemental Agreement**”) with Shandong Port Rizhao Port Group Co., Ltd. (山東港口日照港集團有限公司) (“**Rizhao Port Group**”) to revise the existing annual caps for the transactions contemplated under the property lease (procurement) framework agreement dated 26 November 2021 (the “**Property Lease (Procurement) Framework Agreement 2022**”) for the three financial years ending 31 December 2024.

The Company held the extraordinary general meeting on 15 February 2023 and the resolutions approving the continuing connected transactions contemplated under the Supplemental Agreement and the proposed revised annual caps for the transactions contemplated under the Property Lease (Procurement) Framework Agreement 2022 (as amended by the Supplemental Agreement) for the financial years ending 31 December 2024 were duly passed at the meeting as ordinary resolutions. For details, please refer to the announcements of the Company dated 7 December 2022 and 15 February 2023 and the circular of the Company dated 20 January 2023.

Major and Connected Transaction – Construction Contract

On 31 March 2023, the Company entered into the construction contract with Shandong Gangwan Construction Group Co., Ltd. (山東港灣建設集團有限公司) (“**Shandong Gangwan**”), pursuant to which the Company agreed to engage Shandong Gangwan as the contractor for the Rizhao Port Grain Base Project (Technology Part). The contract sum is RMB536,209,668.98 and the construction period is expected to end on or about 31 December 2023. For details, please refer to the announcement of the Company dated 31 March 2023.

Discloseable and Connected Transaction – Acquisition of Properties

On 31 March 2023, the Company entered into the land use right transfer contracts with Rizhao Port Group, pursuant to which Rizhao Port Group agreed to transfer the land use rights of certain properties to the Company at an aggregate consideration of RMB107,850,000. For details, please refer to the announcement of the Company dated 31 March 2023.

Connected Transaction – Disposal of Asset

On 31 March 2023, the Company entered into an asset transfer agreement with Third Harbor Branch of Rizhao Port Co., Ltd. (日照港股份有限公司第三港務分公司), pursuant to which the Company has conditionally agreed to sell, and Third Harbor Branch of Rizhao Port Co., Ltd. has conditionally agreed to acquire, the no. 3 warehouse which is located at West-18 berth, west district of Shijiu port area, Rizhao City, Shandong Province, the PRC, at a consideration of RMB34,186,760. For details, please refer to the announcement of the Company dated 31 March 2023.

Save as disclosed in this announcement, there are no material events undertaken by the Company after the Reporting Period.

FOREIGN EXCHANGE RISK MANAGEMENT

The operations of the Company are mainly located in the PRC, and substantially all of business assets, liabilities, operating revenue and expenses of the Company are denominated in or settled in RMB, while liabilities denominated in foreign currencies are mainly used to pay overseas agency fees. As such, the Company considers there is no material foreign exchange exposure. As at 31 December 2022, the Company did not enter into any derivative contracts to hedge the foreign exchange exposure.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2022, the Company had a total of 335 full-time employees, all of whom are based in the PRC (2021: 328 employees). During the Reporting Period, the employees costs of the Company amounted to RMB84.591 million (2021: RMB69.965 million).

The remuneration policy of the Company links the remunerations of employees with performance, according to their positions, qualifications, work performance and the Company's production and operation results. For the senior management of the Company, the Company implements a basic salary and a performance-based salary policy. The employees' remunerations are reviewed and adjusted by the Company annually. The Company also provides employees with various benefits in accordance with the relevant national, municipal and city-level laws and regulations in the PRC.

In addition, to actively establish a learning enterprise and cultivate employees with active learning, the Company offers internal trainings on safety and security, business operations and technical skills to the employees for their improvement of skills related to their roles.

FUTURE PROSPECTS

In 2023, global economy is expected to continue to experience negative growth given the high commodity prices and continued monetary tightening are expected to persist in the near term, and the existence of risks such as heightened geopolitical tensions, increased global financial volatility, continued supply chain tensions and deteriorating food security. In 2023, grain transportation demand is expected to grow slightly by 1–2%. Domestic consumer demand is expected to normalise, with success of pandemic preventive measures. Driven by China’s large demographic, the import demand for grains, oilseeds and proteins is expected to grow in tandem with China's imports demand from the global food market.

The Company has a strong foundation in the port industry, expanding infrastructures and a strong logistics and transportation advantage. The Company also enjoy strong momentum through close customer relationships, and these advantages will provide significant opportunities for the Company’s production and operations. The Company will prioritise to reform and innovate, focus on cost reduction and increase in efficiency towards a seamless international logistics flow, and to become a management benchmark of national port grain transshipment bases with focus on “safety, efficiency and effectiveness”. The Company will prioritise on the following tasks:

To anchor soybean cargo species over 10 million with scientific planning

The Company will continuously improve the comprehensive service capacity of the port by paying close attention to the opportunities brought by the new production capacity in the hinterland, following up on the progress of the new plants and raw material procurement plan, consolidation of the strategic cooperation relationship with the core customers accompanied with acceleration of the construction progress of the port infrastructure projects, as well as striving to attract soybean cargo, stabilizing the increase of maize cargo, strive that the annual soybean cargo exceeds 10 million tonnes.

To concentrate on maximum effectiveness in operation with accurate policies

The Company will ensure maximum efficiency of ship unloading by improvement in communication and cooperation with port units and agents, implementation of system efficiency improvement campaign, coordination of human and mechanical resources, scientific production plans, contraction of non-production downtime and smooth planning. The Company will strengthen internal and external cooperation, enhance cost control and implement the “one ship, one policy” plan in order to ensure the continuity of production operations, and focus on improving the efficiency of loading and unloading and transportation.

To build a smart green port with technological empowerment

With application of new-generation information technology, implementation of projects such as shore-side equipment automation transformation, fully automatic unloading of woodchip yard, unmanned precision loading of silo/hopper, and construction of unmanned yard, the Company will commit to one-click safe unmanned warehouse cleaning and dust control grain system, to accelerate the implementation of projects such as remote monitoring, personnel positioning, and centralized control of firefighting, accomplishing to be a smart green port.

To achieve new improvements in customer experience by robust service

The Company's employees will carry out customer service improvement activities, namely "Spring Service", to strengthen service awareness, change service concepts, innovate service methods and elevate service capabilities resulting from the fact that service is the core competitiveness of the port. The Company will lift its comprehensive competitiveness and service, enhance customer adhesion, and win customer reputation with the fundamental starting point of "unloading fast, smooth, good management, low cost".

USE OF NET PROCEEDS FROM LISTING

The Company was listed on the Stock Exchange on 19 June 2019 (the "**Listing Date**") by way of a global offering, under which a total of 460,000,000 H shares (including H shares issued upon full exercise of the over-allotment option) were issued at an offer price HK\$1.50 per share, raising total net proceeds of RMB546.414 million after deducting professional fees, underwriting commissions and other related listing expenses (the "**IPO Proceeds**").

As stated in the prospectus of the Company dated 31 May 2019 (the "**Prospectus**"), the Company had plans to use the IPO Proceeds. As at 31 December 2022, the Company had used approximately RMB382.49 million for the acquisition of the West-6 berth; approximately RMB7.615 million for the procurement of equipment and machinery for the West-6 berth; and approximately RMB54.641 million for working capital and general corporate purposes.

	Utilised amount as at 31 December 2021 <i>RMB'000,000</i>	Unutilised amount as at 31 December 2021 <i>RMB'000,000</i>	Utilised amount during the Reporting Period <i>RMB'000,000</i>	Unutilised amount as at 31 December 2022 <i>RMB'000,000</i>	Expected timeline for utilising the remaining IPO Proceeds ^(Note)
Acquisition of the West-6 berth	382.49	0	0	0	
Procurement of equipment and machinery	7.615	101.667	0	101.667	Expected to be fully utilised on or before 31 December 2023
Working capital and general corporate use	54.641	0	0	0	
Total	444.746	101.667	0	101.667	

Note: In 2022, the Company invested in the construction project of a grain base, which covered the reconstruction of the West-6 berth but it was delayed due to the COVID-19 pandemic and was expected to initially possess grain loading and unloading capacity by the end of 2023. Subsequent adjustments will be made in a timely manner according to the construction progress of the grain base and the market development to ensure the smooth reconstruction of the West-6 berth.

The Company does not have any intention to change the purposes of the IPO Proceeds as set out in the Prospectus, and will gradually utilise the residual amount of the IPO Proceeds in accordance with the intended purposes.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving a high standard of corporate governance practices in the belief that they are critical to the development of the Company and essential for protecting the interest of the shareholders of the Company (the “**Shareholders**”). The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. The Company reviews its corporate governance practice from time to time in order to ensure high standards of corporate governance of the Company and meet the expectations of the Shareholders and other stakeholders.

The Company has complied with the relevant requirements of the applicable code provisions of the CG Code for the year ended 31 December 2022.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct for the Directors and the supervisors of the Company (the “**Supervisors**”) to conduct securities transactions. Having made specific enquiry of all the Directors and Supervisors, each of the Directors and the Supervisors has confirmed that he/she has complied with the required standard as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, no purchase, sale or redemption of the Company’s listed securities were made.

FINAL DIVIDEND, WITHHOLDING OF INCOME TAX AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of RMB0.024 per share (tax inclusive) for the year ended 31 December 2022 to all Shareholders whose names appear on the register of members of the Company on 30 May 2023, subject to the consideration and approval of the same by Shareholders at the forthcoming annual general meeting to be held on 18 May 2023 (the “**AGM**”). The final dividend is expected to be paid on or before 31 July 2023.

For a non-resident enterprise Shareholder of the Company’s H shares (i.e., any Shareholder holding the Company’s H shares in the name of a non-individual Shareholder, including but not limited to any holders of H shares registered in the name of HKSCC Nominees Limited, or any other nominee or trustee, or any other organization or group), 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.

Pursuant to the requirements of Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policies Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020), the foreign individual Shareholders who hold the H Shares of the Company are exempted from individual income tax on dividends and bonus received from the Company (as foreign invested enterprises in the PRC). If otherwise stipulated by other relevant tax laws, regulations and tax treaties, the Company will withhold and pay the individual income tax for the dividends and bonus at the rate and with the procedures in accordance with relevant provisions.

In order to determine the holders of H shares who will be entitled to the proposed final dividends of H shares, the register of members of the Company will be closed from Wednesday, 24 May 2023 to Tuesday, 30 May 2023 (both days inclusive), during which period no transfer of H shares will be registered. The holders of H shares whose names appear on the register of members of the Company on Tuesday, 30 May 2023 are entitled to the proposed final dividend. In order for the holders of H shares to qualify for receiving the proposed final dividend, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Tuesday, 23 May 2023.

REVIEW OF RESULTS

The financial results for the year ended 31 December 2022 have been reviewed with no disagreement by the Audit Committee. The financial figures in this announcement of the Company's results for the year ended 31 December 2022 have been agreed by the Company's auditors, Grant Thornton Hong Kong Limited, to the amounts set out in the Company's audited financial statements for the year.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The AGM of the Company will be held on Thursday, 18 May 2023 and the notice convening such meeting will be published and dispatched to the Shareholders in the manner as required by the Listing Rules in due course.

In order to determine the holders of H shares who will be entitled to attend the AGM, the register of members of the Company will be closed from Friday, 12 May 2023 to Thursday, 18 May 2023 (both days inclusive), during which period no transfer of H shares will be registered. In order for the holders of H shares to qualify for attending the AGM, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Thursday, 11 May 2023.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.rzportjurong.com). In accordance with the requirements under the Listing Rules applicable in the Reporting Period, the 2022 annual report containing all information about the Company set out in this preliminary results announcement for the year ended 31 December 2022 will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company, respectively.

By Order of the Board
Rizhao Port Jurong Co., Ltd.
Cui Liang
Chairman

Rizhao, the PRC
31 March 2023

As at the date of this announcement, the Board comprises Mr. Cui Liang as Chairman and non-executive Director; Mr. Qin Yuning as executive Director; Mr. Seow Kok Leong Terence, Mr. Nyan Ming Ren Francis, Mr. Fang Lei and Mr. Chen Lei as non-executive directors; Mr. Zhang Zixue, Mr. Wu Xibin and Mr. Lee Man Tai as independent non-executive Directors.