Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

招商局港口控股有限公司
CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00144)

- Throughput of containers handled reached 145.75 million TEUs, up 6.0% (2023: 137.48 million TEUs)
- Throughput of bulk cargoes handled reached 559 million tonnes, up 0.3% (2023: 557 million tonnes)
- Profit attributable to equity holders of the Company amounted to HK$7,919 million, up 27.0% (2023: HK$6,233 million)
- Recurrent profit attributable to equity holders of the Company
  - √ HK$7,550 million, up 22.6% (2023: HK$6,159 million)
  - √ HK$8,972 million, up 22.1%, from ports operation (2023: HK$7,347 million)
- Basic earnings per share totaled HK$1.886, up 23.1% (2023: HK$1.532)
- Final dividend of HK$0.636 per share (2023: HK$0.48 per share)

2024 ANNUAL RESULTS ANNOUNCEMENT

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	**2024** *HK$'million*	**2023** *HK$'million*
Revenue	2	11,842	11,482
Cost of sales		(6,346)	(6,327)
Gross profit		5,496	5,155
Other income and other gains, net	4	1,045	498
Administrative expenses		(1,457)	(1,410)
Finance income	5	399	444
Finance costs	5	(1,718)	(1,774)
Finance costs, net	5	(1,319)	(1,330)
Share of profits less losses of			
Associates		6,132	5,269
Joint ventures		381	377
		6,513	5,646
Profit before taxation		10,278	8,559
Taxation	6	(1,197)	(1,174)
Profit for the year	7	9,081	7,385
Attributable to:			
Equity holders of the Company		7,919	6,233
Holders of perpetual capital securities		61	191
Non-controlling interests		1,101	961
Profit for the year		9,081	7,385
Dividends	8	3,720	2,924
Earnings per share for profit attributable to equity holders of the Company	9		
Basic (HK dollars)		1.886	1.532

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	**2023**
	HK$'million	*HK$'million*
Profit for the year	9,081	7,385
Other comprehensive expense		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures	(3,997)	(1,266)
Release of reserves upon disposal of a subsidiary	—	109
Items that will not be reclassified subsequently to profit or loss:		
Net actuarial (loss)/gain on defined benefit plans of subsidiaries	(62)	9
Surplus on revaluation of an owner occupied property upon change of use to investment property	—	52
Share of other reserves of associates	242	1,026
Share of net actuarial loss on defined benefit plans of associates and a joint venture	(5)	(16)
Total other comprehensive expense for the year, net of tax	(3,822)	(86)
Total comprehensive income for the year	5,259	7,299
Total comprehensive income attributable to:		
Equity holders of the Company	4,772	6,078
Holders of perpetual capital securities	61	191
Non-controlling interests	426	1,030
	5,259	7,299

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	**2024** *HK$'million*	**2023** *HK$'million*
ASSETS			
Non-current assets			
Goodwill		4,908	5,627
Intangible assets		7,964	8,718
Property, plant and equipment		22,467	21,145
Right-of-use assets		15,464	15,398
Investment properties		5,818	8,229
Interests in associates		81,527	79,861
Interests in joint ventures		8,514	8,327
Other financial assets		5,785	6,801
Other non-current assets		147	133
Deferred tax assets		315	364
		152,909	154,603
Current assets			
Inventories		234	187
Other financial assets		2,772	3,338
Debtors, deposits and prepayments	10	2,142	1,849
Taxation recoverable		7	6
Cash and bank balances		11,410	12,331
		16,565	17,711
Total assets		169,474	172,314

	Note	2024	2023
		HK$'million	*HK$'million*
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		48,731	48,731
Reserves		52,424	51,409
Proposed dividend	8	2,670	2,015
		103,825	102,155
Perpetual capital securities		1,523	1,522
Non-controlling interests		16,084	17,168
Total equity		121,432	120,845
LIABILITIES			
Non-current liabilities			
Bank and other borrowings		13,406	20,246
Lease liabilities		1,494	1,094
Other non-current liabilities		4,471	5,231
Deferred tax liabilities		4,610	4,529
		23,981	31,100
Current liabilities			
Creditors and accruals	11	3,826	3,399
Bank and other borrowings		19,542	16,062
Lease liabilities		106	88
Taxation payable		587	820
		24,061	20,369
Total liabilities		48,042	51,469
Total equity and liabilities		169,474	172,314
Net current liabilities		(7,496)	(2,658)
Total assets less current liabilities		145,413	151,945

NOTES:

1 Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance. The consolidated financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties, financial assets at FVTPL and equity instruments at fair value through other comprehensive income, which are carried at fair value at the end of each reporting period.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

The financial information relating to the years ended 31 December 2024 and 2023 included in this preliminary announcement of annual results 2024 do not constitute the Company's statutory consolidated financial statements for those years but is derived from those consolidated financial statements. Further information relating to these statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the consolidated financial statements for the year ended 31 December 2024 in due course.

The Company's auditor has reported on these consolidated financial statements for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordiance.

During the year, the Group has applied the amendments to HKFRSs issued by the HKICPA for the first time. The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in this consolidated financial information.

2 Revenue

The principal activities of the Group comprise ports operation, bonded logistics operation and property investment. The following is an analysis of the Group's revenue from its major services offered during the year.

	2024	**2023**
	HK$'million	*HK$'million*
Terminal handling charge, representing loading of cargos and containers on and off vessels at the Group's port terminals, stevedoring and the auxiliary services	10,992	10,680
Warehousing services income, representing temporary storage of cargos and containers, customs clearance services and the auxiliary services	639	593
Revenue from contracts with customers	11,631	11,273
Gross rental income from investment properties	211	209
	11,842	11,482

3 Segment information

The key management team of the Company is regarded as the CODM, who reviews the Group's internal reports in order to assess performance, allocate resources and determine the operating segments. The CODM manages the Group's operations by divisions from both business and geographic perspectives.

Individual operating segments for which discrete financial information is available are identified by the CODM and are operated by their respective management teams. These individual operating segments are aggregated in arriving at the reporting segments of the Group.

From business and financial perspectives, management assesses the performance of the Group's business operations including ports operation, bonded logistics operation and other operations.

(i) Ports operation includes container terminal operation, bulk and general cargo terminal operation operated by the Group and its associates and joint ventures.

The Group's ports operation are presented as follows:

(a) Mainland China, Hong Kong and Taiwan

- Pearl River Delta
- Yangtze River Delta
- Bohai Rim
- Others

(b) Other locations outside of Mainland China, Hong Kong and Taiwan

(ii) Bonded logistics operation includes logistic park operation, ports transportation and airport cargo handling operated by the Group and its associates and joint ventures.

(iii) Other operations mainly include property development and investment and logistics operation operated by the Group's associates, property investment operated by the Group and corporate function.

Each of the segments under ports operation includes the operations of a number of ports in various locations within the geographic locations. For the purpose of segment reporting, these individual operating segments have been aggregated into reporting segments on geographic basis as these individual operating segments have similar economic characteristics, and they present a more systematic and structured segment information. To give details of each of the operating segments, in the opinion of the directors of the Company, would result in particulars of excessive length.

Bonded logistics operation and other operations include a number of different operations, each of which is considered as a separate but insignificant operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated according to the natures of their operations to give rise to more meaningful presentation.

There are no material sales or other transactions between the segments.

During the current year, one (2023: one) customer has accounted for over 10% of the Group's total revenue amounting to HK$2,028 million (2023: HK$1,845 million).

The Group's revenue by geographical areas of operations and information about its non-current assets other than other financial assets and deferred tax assets presented based on the geographical areas in which the assets are located are as follows:

	Revenue		**Non-current assets**	
	2024	**2023**	**2024**	**2023**
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*
Mainland China, Hong Kong and Taiwan	6,004	6,348	102,995	102,424
Brazil	2,237	1,977	7,351	9,579
Other locations	3,601	3,157	36,463	35,435
	11,842	11,482	146,809	147,438

An analysis of the Group's segment revenue, operating profit/(loss), share of profits less losses of associates and joint ventures by segments is as follows:

	For the year ended 31 December 2024									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*
Revenue	4,178	—	39	1,002	5,773	10,992	639	211	—	11,842
Earnings/(losses) before finance costs, net, taxation and share of profits less losses of associates and joint ventures	1,529	133	437	29	2,909	5,037	259	83	(295)	5,084
Share of profits less losses of										
– Associates	554	4,663	162	465	479	6,323	7	(198)	—	6,132
– Joint ventures	1	—	171	5	180	357	31	(7)	—	381
	2,084	4,796	770	499	3,568	11,717	297	(122)	(295)	11,597
Finance costs, net	(20)	—	—	(23)	(111)	(154)	(3)	(12)	(1,150)	(1,319)
Taxation	(272)	(220)	(102)	(18)	(546)	(1,158)	(45)	6	—	(1,197)
Profit/(loss) for the year	1,792	4,576	668	458	2,911	10,405	249	(128)	(1,445)	9,081
Holders of perpetual capital securities	—	—	—	—	—	—	—	—	(61)	(61)
Non-controlling interests	(307)	—	—	(199)	(533)	(1,039)	(65)	3	—	(1,101)
Profit/(loss) attributable to equity holders of the Company	1,485	4,576	668	259	2,378	9,366	184	(125)	(1,506)	7,919
Other information:										
Depreciation and amortisation	655	—	1	307	1,043	2,006	104	11	24	2,145
Capital expenditure	429	—	—	51	884	1,364	95	11	8	1,478

An analysis of the Group's segment revenue, operating profit/(loss), share of profits less losses of associates and joint ventures by segments is as follows: (continued)

	For the year ended 31 December 2023									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*
Revenue	3,874	621	85	1,011	5,089	10,680	593	209	—	11,482
Earnings/(losses) before finance costs, net, taxation and share of profits less losses of associates and joint ventures	1,372	300	135	46	2,393	4,246	234	109	(346)	4,243
Share of profits less losses of										
– Associates	108	4,239	194	50	311	4,902	9	358	—	5,269
– Joint ventures	1	—	178	5	205	389	1	(13)	—	377
	1,481	4,539	507	101	2,909	9,537	244	454	(346)	9,889
Finance costs, net	(28)	(1)	1	(22)	(65)	(115)	(1)	(19)	(1,195)	(1,330)
Taxation	(312)	(288)	(49)	(28)	(426)	(1,103)	(39)	(32)	—	(1,174)
Profit/(loss) for the year	1,141	4,250	459	51	2,418	8,319	204	403	(1,541)	7,385
Holders of perpetual capital securities	—	—	—	—	—	—	—	—	(191)	(191)
Non-controlling interests	(218)	(94)	—	(30)	(559)	(901)	(62)	2	—	(961)
Profit/(loss) attributable to equity holders of the Company	923	4,156	459	21	1,859	7,418	142	405	(1,732)	6,233
Other information:										
Depreciation and amortisation	668	113	1	312	963	2,057	113	15	24	2,209
Capital expenditure	316	25	—	181	862	1,384	466	22	1	1,873

For the purposes of monitoring segment performances and allocating resources between segments, all assets other than taxation recoverable and deferred tax assets are allocated to reporting segments, and all liabilities other than taxation payable and deferred tax liabilities are allocated to reporting segments.

An analysis of the Group's assets and liabilities by segments is as follows:

	As at 31 December 2024									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*
ASSETS										
Segment assets (excluding interests in associates and joint ventures)	17,544	2,257	59	10,004	31,226	61,090	3,173	8,180	6,668	79,111
Interests in associates	4,292	44,227	4,895	2,719	8,864	64,997	584	15,946	—	81,527
Interests in joint ventures	8	—	2,891	292	4,650	7,841	301	372	—	8,514
Total segment assets	21,844	46,484	7,845	13,015	44,740	133,928	4,058	24,498	6,668	169,152
Tax recoverable										7
Deferred tax assets										315
Total assets										169,474
LIABILITIES										
Segment liabilities	2,308	—	20	1,576	6,246	10,150	562	339	31,794	42,845
Taxation payable										587
Deferred tax liabilities										4,610
Total liabilities										48,042

An analysis of the Group's assets and liabilities by segments is as follows: (continued)

	As at 31 December 2023									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*	*HK$'million*
ASSETS										
Segment assets (excluding interests in associates and joint ventures)	16,725	1,810	1,022	10,266	32,977	62,800	3,244	8,547	9,165	83,756
Interests in associates	3,865	41,774	4,864	2,983	9,255	62,741	579	16,541	—	79,861
Interests in joint ventures	8	—	2,812	313	4,639	7,772	341	214	—	8,327
Total segment assets	20,598	43,584	8,698	13,562	46,871	133,313	4,164	25,302	9,165	171,944
Tax recoverable										6
Deferred tax assets										364
Total assets										172,314
LIABILITIES										
Segment liabilities	2,577	—	19	1,648	6,427	10,671	593	490	34,366	46,120
Taxation payable										820
Deferred tax liabilities										4,529
Total liabilities										51,469

4 Other income and other gains, net

	2024	2023
	HK$'million	*HK$'million*
Net loss on disposal of property, plant and equipment and right-of-use assets	(13)	(22)
Gain on disposal of a subsidiary	—	115
Net change in fair value of financial assets at FVTPL		
– equity investments	475	59
– structured deposits	36	40
Net change in fair value of investment properties	(25)	(7)
Net reversal for credit losses of trade debtors and other debtors	403	29
Net exchange losses	(135)	(78)
Dividend income from equity investments	80	86
Government grants	135	145
Impairment loss of interest in a joint venture	(9)	—
Deemed gain from share repurchases of an associate	16	—
Others	82	131
	1,045	498

5 Finance income and costs

	2024	2023
	HK$'million	*HK$'million*
Finance income from:		
Interest income from bank and other deposits	302	227
Interest income from advance to a joint venture	82	62
Interest income from advances to associates	15	155
	399	444
Interest expense on:		
Bank loans	(792)	(647)
Notes payable	(588)	(782)
Loans from:		
– a fellow subsidiary	(6)	(21)
– immediate holding company	—	(12)
Lease liabilities	(72)	(50)
Others	(260)	(262)
Finance costs	(1,718)	(1,774)
Finance costs, net	(1,319)	(1,330)

6 Taxation

Hong Kong Profits Tax has been provided for at the rate of 16.5% (2023: 16.5%) on the estimated assessable profit for the year.

The Group's operations in Mainland China are subject to PRC corporate income tax. The standard PRC corporate income tax rate is 25%. Certain of the Group's subsidiaries enjoy the preferential tax rate of 15% upon the fulfilment of the criteria of the PRC tax laws. Further, 10% withholding income tax is generally imposed on dividends relating to any profits earned commencing from 2008 to foreign investors, while for some PRC entities held by companies incorporated in certain places, including Hong Kong and Singapore, preferential tax rate of 5% will be applied according to the PRC tax regulations if such companies are the beneficial owner of over 25% of these PRC entities.

Taxation outside of Hong Kong and Mainland China has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates. Certain of the Group's overseas subsidiaries are exempted from the corporate income tax in the relevant countries.

The amount of taxation charged to the consolidated statement of profit or loss represents:

	2024	**2023**
	HK$'million	*HK$'million*
Current taxation		
Hong Kong Profits Tax	5	4
PRC corporate income tax	443	383
PRC capital gain tax	—	143
Overseas profits tax	395	307
Withholding income tax	129	116
Deferred taxation		
Origination and reversal of temporary differences	225	221
	1,197	1,174

7 Profit for the year

	2024	2023
	HK$'million	*HK$'million*
Profit for the year has been arrived at after charging:		
Staff costs (including Directors' emoluments)	2,288	2,125
Depreciation of property, plant and equipment	1,336	1,418
Depreciation of right-of-use assets	496	495
Amortisation of intangible assets	313	296
Auditor's remuneration		
– audit and audit related services	11	10
– non-audit services	2	1

8 Dividends

	2024	2023
	HK$'million	*HK$'million*
Interim, paid, of HK$0.25 (2023: HK$0.22) per ordinary share	1,050	909
Final, proposed, of HK$0.636 (2023: HK$0.48) per ordinary share	2,670	2,015
	3,720	2,924

At a meeting held on 31 March 2025, the Board proposed a final cash dividend of HK$0.636 per ordinary share (2023: HK$0.48). This proposed dividend is not reflected as a dividend payable in the consolidated financial statements.

The amount of proposed final dividend for 2024 was based on 4,198,009,186 (2023: 4,198,009,186) shares in issue as at 31 March 2025.

9 Earnings per share

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

	2024	**2023**
Basic		
Profit attributable to equity holders of the Company (HK$'million)	7,919	6,233
Weighted average number of ordinary shares in issue	4,198,009,186	4,068,060,286

No diluted earnings per share for both 2024 and 2023 were presented as there were no potential dilutive ordinary shares in issue for both years.

10 Debtors, deposits and prepayments

Debtors, deposits and prepayments balance includes trade debtors of HK$864 million (2023: HK$838 million).

The Group has a credit policy of allowing an average credit period of 90 days (2023: 90 days) to its trade debtors. The ageing analysis of trade debtors, based on the invoice date, net of allowance for credit losses of trade debtors, is as follows:

	2024	**2023**
	HK$'million	*HK$'million*
0 - 90 days	816	766
91 - 180 days	27	31
181 - 365 days	11	30
Over 365 days	10	11
	864	838

11 Creditors and accruals

Creditors and accruals balance includes trade creditors of HK$370 million (2023: HK$359 million). The ageing analysis of the trade creditors, based on invoice date, is as follows:

	2024	**2023**
	HK$'million	*HK$'million*
0 - 90 days	308	342
91 - 180 days	33	7
181 - 365 days	6	4
Over 365 days	23	6
	370	359

PROPOSED FINAL DIVIDEND

In order to reward investors' continuous support of the Group, the Board have resolved to recommend the payment of a final dividend of HK$0.636 per share, totalling HK$2,670 million for the year ended 31 December 2024 to the Shareholders whose names appear on the Register of Members on 6 June 2025 (2023: a final dividend of HK$0.48 per share payable in cash in Hong Kong Dollars), payable on or around 10 July 2025. The final dividend, if approved, is to be payable in cash in Hong Kong Dollars.

The Company attaches great importance to shareholder returns and seeks to provide stable and sustainable returns to the Shareholders. Under the dividend policy of the Company, in deciding whether to propose any dividend payout, the Board will take into account, among other things, the financial position and development plans of the Company. Subject to approval by the Shareholders in general meeting, the Company's targets dividend payout ratio is not less than 40% in the coming year. The Board will review the dividend policy as appropriate from time to time.

CLOSURE OF REGISTER

To ascertain Shareholders' entitlement to attend and vote at the 2025 AGM, the Register of Members will be closed from 28 May 2025 to 3 June 2025 (both days inclusive), during which no transfer of shares will be registered. In order to qualify to attend and vote at the 2025 AGM, all transfers and the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Tuesday, 27 May 2025.

Subject to the approval of the Shareholders at the 2025 AGM, the proposed final dividend will be despatched to Shareholders whose names appear on the Register of Members after the close of business at 4:30 p.m. on Friday, 6 June 2025. In order to qualify for the proposed final dividend, all transfers and the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at the above address not later than 4:30 p.m. on Friday, 6 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL OVERVIEW

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

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

The global industrial chain and supply chain saw a fragmented and regionalized development. Since the Regional Comprehensive Economic Partnership (RCEP) came into effect three years ago, it effectively stimulated regional co-operation, exemplifying that open development and free trade are conducive to economic growth and market prosperity. According to the data of the General Administration of Customs of China, import and export trade value in RMB denominated between China and member countries including Singapore, Vietnam, Malaysia recorded an increase of 3.9%, 14.6% and 12.7% year-on-year in 2024 respectively. The development of digital intelligence technologies such as big data, artificial intelligence, cloud computing, Internet of Things, and blockchain has brought new directions to the international economy and trade, mitigated the information asymmetry in the trade process, changed the international supply and demand relationship, and had a far-reaching impact on the trade model, trade structure and trade pattern. The gradual advancement and improvement of the platform-based trade ecosystem would further improve the utilization rate of production factors and trade operation efficiency.

The international maritime market environment underwent significant new changes due to multi-interwoven factors. Firstly, under the impact of the global economy and international trade, trade frictions and geopolitical conflicts continuously exposed the vulnerability of the global industrial chain and supply chain, prompting the developed countries to intervene strongly with the aim of transforming towards the industrial supply chain short-chain, nearshoring and friendshoring. Secondly, changes in the situation at key maritime transport nodes also posed serious challenges to the global supply chain. The instability in the Red Sea, a key stronghold in international maritime transport, triggered chain effects such as rerouting and shipping costs/freight rates surge, which affected the benefits of maritime industry of many countries. Thirdly, under the influence of the shipping alliance pattern, there would be significant changes in the container shipping alliance, which would lead to more intense competition in global trade routes and increase the instability of global shipping and supply chain.

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

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

BUSINESS STRATEGY DEPLOYMENT

During the year, under the complicated and severe external environment, the Group adhered to the general principle of seeking progress while maintaining stability. Aiming at the goal of achieving "world-class", the Group maintained strategic stability, combined integrity and innovation, strengthened the controlled business, optimized management, refined operations, expanded the layout, and prolonged the new chapter of high-quality development, resulting in all-time high performance and satisfactory results.

As for homebase port construction, the Group strengthened its homebase port infrastructure and enhanced its core competitiveness. The West Shenzhen Port Zone achieved a record high container throughput, and its volume growth of container business higher than the container volume growth of whole Shenzhen ports, and its business performance surpassed the level of whole Shenzhen ports, thus significantly enhancing its homebase port status. CICT in Sri Lanka expanded new quality routes and strengthened cooperation with shipping companies, resulting in container volume growth. HIPG steadily launched its container business. Its port functions have been increasingly strengthened, and the business indicators have steadily improved.

Regarding overseas expansion, the Group's key projects were implemented and the performances of the existing projects were impressive. The Group vigorously promoted global network expansion and successfully completed the acquisition of 51% equity interests in the NPH project in Indonesia at the end of June 2024, representing the first step in Indonesia market to further expand the layout in Southeast Asia. In addition, the existing overseas projects have performed remarkably well. Container throughput of the controlled terminals overseas, including CICT in Sri Lanka, TCP in Brazil and LCT in Togo, hit record highs, underscoring the Group's strengths in global deployment and internationalized operations.

In respect of operation management, the Group deepened lean management and its cost leadership brought tangible results. In terms of lean management, the Group established the COE mechanism in its system and promoted it across the board at the controlled terminals, forming replicable management experience. With the two-level interplay, remarkable results were achieved. Meanwhile, the Group's engineering management capability and business control capability were significantly enhanced through the optimization of its organizational structure and improvement of its policies and mechanisms. In terms of cost leadership, from the meticulous mindset of "Every Little Bit Makes a Difference" to the concept of "Big Cost Perspective", the Group continuously improved the "Refined Cost Control System" with its own characteristics and also improved its profitability.

In respect of technological innovation, the Group was committed to digital intelligence empowerment and promoted industrial upgrade. Mawan Smart Port passed the on-site assessment of "Five-Star Smart Port in China", striving to become the fourth smart port in China to obtain the five star, which was the highest star ranking. "CMCore" CTOS was deployed again in the European market. CMIT, an associate of the Group, signed a contract for the licensing, implementation and maintenance of CTOS with Mediterranean Intermodal Terminal Operator and Duferco Terminal Mediterraneo in Italy. The Group constructed Internet of Things applications and a 'digital base' to realize 'total connectivity' of Internet of Things equipment and facilities in terminals. The automatic driving product realized the system scheduling of unmanned vehicles in the pilot port area, and the operational efficiency of the ships in terms of pole efficiency and vehicle efficiency was ahead of the overall level of the industry. In co-operation with AI model manufacturers, "AI+" was launched to provide online equipment operation and maintenance assistants, system passes and port affairs assistants.

In respect of green transformation, the Group accelerated its green transformation and explored new energy bunkering. The Group continued to improve the "Dual Carbon" management mechanism and promoted the use of clean energy and new technologies. The West Shenzhen Port Zone replaced 185 trailers with new energy, and investment was made in the construction of a power swap station. CICT in Sri Lanka carried out electrification transformation for its 54 trailers.

In terms of intensifying reform, the Group promoted the decentralization of ESG management to stimulate corporate vitality. The Group persisted in promoting the decentralization of ESG management and established a vertical and coordinated interoperability mechanism from the headquarters to its subsidiaries. The Group comprehensively promoted recruitment through competitive examination, strengthened performance appraisal, vigorously implemented the mechanism with six measures of "promotion or demotion, employment or dismissal, and salary increment or decrement", continued to improve corporate governance, established a value creation benchmarking system, and pushed forward the reduction of hierarchy, which has achieved a series of results and stimulated the vitality of the Group's development. MSCI, an international ESG rating agency, upgraded the Group's ESG rating to BBB, being the highest rating among port companies listed in Mainland China and Hong Kong. Both of CICT and HIPG in Sri Lanka were honored with the title of "Sri Lanka's Most Significant Foreign Direct Investment Contributors" by the Board of Investment of Sri Lanka.

BUSINESS REVIEW

Ports operation

In 2024, both the domestic and overseas container business showed relatively faster growth. The Group's container business outperformed the industry as a whole and increased its market share in major regions. The Group's ports handled a total container throughput of 145.75 million TEUs, up by 6.0% year-on-year. Among them, the Group's ports in Mainland China, Hong Kong and Taiwan contributed an aggregate container throughput of 108.91 million TEUs, representing an increase of 5.3% year-on-year, which was mainly benefitted from the growth of container throughput of the West Shenzhen Port Zone, the Yangtze River Delta region and the Bohai Rim region in Mainland China. The total container throughput handled by the Group's overseas ports grew by 8.1% year-on-year to 36.84 million TEUs, which was mainly benefitted from the growth of container throughput of CICT in Sri Lanka, TCP in Brazil, LCT in Togo, PDSA in Djibouti and Terminal Link. Bulk cargo volume handled by the Group's ports increased by 0.3% year-on-year to 559 million tonnes, among which the Group's ports in Mainland China handled a total bulk cargo volume of 550 million tonnes, representing a slight decrease of 0.1% year-on-year.

The gross throughput volume handled by the Group's container terminals for the year ended 31 December 2024 is as below:

Container Terminals	**2024 thousand TEUs**	2023 thousand TEUs	Year-on-year Changes
Mainland China, Hong Kong and Taiwan	**108,910**	103,413	5.3%
Pearl River Delta region	**19,782**	17,345	14.1%
West Shenzhen Port Zone	**14,685**	12,311	19.3%
CMCS and MTL	**4,289**	4,155	3.2%
CKRTT	**808**	879	-8.1%
Yangtze River Delta region	**51,506**	50,817	1.4%
SIPG	**51,506**	49,158	4.8%
Ningbo Daxie	**—**	1,659	-100.0%
Bohai Rim region	**32,470**	30,310	7.1%
Liaoning Port	**12,315**	11,438	7.7%
QQCTU	**11,713**	10,650	10.0%
Tianjin Port Container Terminal	**8,442**	8,222	2.7%
Others	**5,152**	4,941	4.3%
Shantou Port	**1,679**	1,644	2.1%
Zhangzhou Port	**419**	356	17.7%
Zhanjiang Port	**1,320**	1,271	3.9%
KMCT	**1,734**	1,670	3.8%
Other locations	**36,835**	34,064	8.1%
CICT	**3,394**	3,248	4.5%
HIPG	**53**	—	—
TCP	**1,558**	1,253	24.3%
LCT	**1,663**	1,601	3.9%
NPH	**417**	—	—
TICT	**285**	317	-10.1%
PDSA	**1,312**	887	47.9%
Kumport	**1,260**	1,317	-4.3%
Terminal Link	**26,893**	25,441	5.7%
Total	**145,745**	137,477	6.0%

Pearl River Delta region

The West Shenzhen Port Zone handled a container throughput of 14.69 million TEUs, up by 19.3% year-on-year, which was mainly benefitted from the increase in cargo volume in emerging markets such as Southeast Asia; and handled a bulk cargo volume of 8.61 million tonnes, up by 3.4% year-on-year. CMCS and MTL in Hong Kong delivered an aggregate container throughput of 4.29 million TEUs, increased by 3.2% year-on-year. CKRTT handled a total container throughput of 0.81 million TEUs, down by 8.1% year-on-year; and handled a bulk cargo volume of 4.72 million tonnes, up by 18.4% year-on-year, which was mainly driven by the domestic trade business.

Yangtze River Delta region

SIPG handled a container throughput of 51.51 million TEUs, up by 4.8% year-on-year; and handled a bulk cargo volume of 85.52 million tonnes, up by 1.8% year-on-year. After the Group disposed 45% equity interest in Ningbo Daxie to Ningbo Port in August 2023, no more container throughput was contributed from Ningbo Daxie.

Bohai Rim region

Liaoning Port handled a container throughput of 12.32 million TEUs, up by 7.7% year-on-year, which was mainly benefitted from the increase in shipping routes in South America and India; and handled a bulk cargo volume of 252 million tonnes, up by 0.1% year-on-year. Owing to the optimization of shipping routes structure and the growth of import and export laden containers business, QQCTU handled a container throughput of 11.71 million TEUs, representing an increase of 10.0% year-on-year. QQTU handled a bulk cargo volume of 14.99 million tonnes, representing an increase of 7.7% year-on-year. Qingdao Dongjiakou handled a bulk cargo volume of 77.57 million tonnes, up by 3.9% year-on-year. Tianjin Port Container Terminal handled a container throughput of 8.44 million TEUs, representing an increase of 2.7% year-on-year.

South-East region of Mainland China

Shantou Port handled a container throughput of 1.68 million TEUs, representing an increase of 2.1% year-on-year; and handled a bulk cargo volume of 4.06 million tonnes, down by 12.1% year-on-year, which was mainly due to the decrease in the cargo volume of coal. Zhangzhou Port located in the Xiamen Bay Economic Zone handled a container throughput of 0.42 million TEUs, increased by 17.7% year-on-year, mainly attributable to the additional contribution from the customers of import and export laden container business; its bulk cargo volume increased by 2.8% year-on-year to 9.42 million tonnes. Xia Men Bay Terminals handled a bulk cargo volume of 5.46 million tonnes, down by 11.9% year-on-year, mainly due to the decline in the cargo volume of sandstone and bulk grain.

South-West region of Mainland China

Zhanjiang Port handled a container throughput of 1.32 million TEUs, representing an increase of 3.9% year-on-year; and handled a bulk cargo volume of 88.27 million tonnes, representing a decrease of 6.5% year-on-year.

Taiwan

KMCT in Kaohsiung handled a total container throughput of 1.73 million TEUs, representing an increase of 3.8% year-on-year.

Overseas operation

In 2024, overseas port businesses saw a rapid growth as a whole. A total container throughput handled by the Group's overseas projects increased by 8.1% year-on-year to 36.84 million TEUs. CICT in Sri Lanka handled a container throughput of 3.39 million TEUs, up by 4.5% year-on-year, which was mainly benefitted from the increase in import and export cargos. Seizing the window period of business development owing to the Red Sea situation, HIPG in Sri Lanka launched the container business in the first half of 2024 with the accumulative container throughput of 53,000 TEUs; its bulk cargo volume decreased by 4.1% year-on-year to 2.36 million tonnes. TCP in Brazil handled a container throughput of 1.56 million TEUs, up by 24.3% year-on-year, which was mainly benefitted from the change of business structure, the additional shipping routes and the improvement of the laden container and reefer container businesses. Container throughput handled by LCT in Togo was 1.66 million TEUs, up by 3.9% year-on-year. Container throughput of NPH in Indonesia was included since July

2024, and its accumulated container throughput was 0.42 million TEUs. Container throughput handled by TICT in Nigeria was 0.29 million TEUs, representing a decrease of 10.1% year-on-year, mainly due to the shipping route adjustments. PDSA in Djibouti handled a container throughput of 1.31 million TEUs, up by 47.9% year-on-year, which was mainly benefitted from the significant increase in international transshipment cargoes and the adjustment of regional shipping routes; and the bulk cargo volume handled was 4.58 million tonnes, up by 14.1% year-on-year, mainly due to the increase demand of grain import in its economic hinterland. Container throughput handled by Kumport in Turkey was 1.26 million TEUs, representing a decrease of 4.3% year-on-year, and a bulk cargo volume of 0.47 million tonnes, up by 5.4% year-on-year. Terminal Link handled a container throughput of 26.89 million TEUs, representing an increase of 5.7% year-on-year, which was mainly benefitted from the growth in container volume of the ports in Europe and Africa.

Bonded logistics operation

In 2024, with a direction to building a platform for the harborside logistics supply chain, the Group's bonded logistics business continued to take initiatives to upgrade the comprehensive service standard of the port and made every effort to improve the resource utilization rate of existing warehouses and yards. CMBL in Shenzhen has been actively extending its port logistics service chain and laying out various nodes of the logistics chain, with an average utilization rate of the warehouses up to 99%. China Merchants International Terminal (Qingdao) Co., Ltd. improved the comprehensive service standard by emphasizing a working mindset of improving cargo quality, capabilities and services, and its average utilization rate of the warehouses reached 98%. Tianjin Haitian Bonded Logistics Co., Ltd. which is an associate of the Group, recorded an average utilization rate of 100% of its warehouses. In the Djibouti International Free Trade Zone, the average utilization rate of the bonded warehouse wholly-owned by the Group was 97%.

In 2024, the total cargo volume handled at the three major air cargo terminals in Hong Kong amounted to 4.05 million tonnes, up by 18.8% year-on-year. Asia Airfreight Terminal Company Limited, which is a joint venture of the Group, handled a total cargo volume of 0.79 million tonnes, representing an increase of 17.9% year-on-year and a market share of 19.5%, down by 0.2 percentage point as compared with last year.

FINANCIAL REVIEW

The Group's revenue for the year ended 31 December 2024 amounted to HK$11,842 million, a year-on-year increase of 3.1%. If revenue contribution amounted to HK$621 million for the same period last year of Ningbo Daxie whose equity interests were disposed in August 2023 is excluded, the Group's revenue increased by 9.0% year-on-year, mainly driven by the growth in business volume. Profit attributable to equity holders of the Company increased to HK$7,919 million, representing a year-on-year increase of 27.0%, including a year-on-year increase in share of profits of associates and joint ventures of HK$867 million, a year-on-year increase in fair value of financial assets at FVTPL of HK$412 million, and the reversal of impairment of receivable of HK$403 million. Recurrent profit[Note 1] increased to HK$7,550 million, representing a year-on-year increase of 22.6%.

Total assets of the Group amounted to HK$169,474 million as at 31 December 2024 which remained basically the same as compared with the beginning of the year. The total liabilities of the Group decreased by 6.7% from HK$51,469 million as at 31 December 2023 to HK$48,042 million as at 31 December 2024, mainly due to the impact of repayment of bank loans. As at 31 December 2024, net assets attributable to equity holders of the Company was HK$103,825 million, which remained basically the same as compared with the beginning of the year.

The financial statements of the Group's foreign investments are expressed in RMB, EURO, USD, BRL, IDR or other currencies and any exchange difference arising from retranslation of these financial statements was recognized in the reserve of the Group. The Group has developed a sound foreign exchange rate risk management mechanism to prevent the impact arising from foreign exchange rate fluctuation on the Group, and thus maintain foreign exchange risk at a manageable level.

Note [1] Profit attributable to equity holders of the Company net of non-recurrent gains/losses after tax. Non-recurrent gains/losses include: for 2024, net change in fair value of financial assets at FVTPL, net change in fair value of investment properties, impairment loss of interest in a joint venture and deemed gain from share repurchases of an associate; while for 2023, net change in fair value of financial assets at FVTPL, net change in fair value of investment properties and gain on disposal of a subsidiary.

In general, the Group's ports operation continued to yield stable cash inflow. For the year ended 31 December 2024, the Group's net cash inflow from operating activities amounted to HK$8,547 million, representing a year-on-year increase of 18.1%. Due to an increase in dividend distribution from certain associates, cash dividends from associates and joint ventures received by the Group for the year amounted to HK$2,716 million, representing a year-on-year increase of 33.5%. The Group's net cash inflow from investing activities decreased from HK$2,569 million for last year to HK$345 million for the year which was mainly impacted by the receipt of repayment of shareholder's loan from an associate last year. Meanwhile, the Group's dividends paid to ordinary shareholders increased over the same period last year, the net cash outflow from financing activities increased from HK$7,108 million for last year to HK$9,637 million for the year.

LIQUIDITY AND TREASURY POLICIES

As at 31 December 2024, the Group had approximately HK$11,410 million in cash and bank balances, 3.2% of which was denominated in HK Dollars, 22.1% in USD, 66.9% in RMB, 2.9% in BRL and 4.9% in other currencies.

The Group mainly derived its funding sources from its operating activities related to ports operation, bonded logistics operation and property investment, and investment returns received from associates and joint ventures, which amounted to HK$8,547 million in total.

During the year, the Group incurred capital expenditure amounting to HK$1,478 million, while the Group adopted a prudent financial policy and maintained a sound financial position. In addition, as a significant portion of the Group's bank loans were medium-term to long-term loans, the Group, supported by adequate undrawn bilateral bank facilities of HK$13,744 million, did not anticipate any difficulty in refinancing its short-term loans while the pressure for repaying the short-term loans was limited.

SHARE CAPITAL AND FINANCIAL RESOURCES

As at 31 December 2024, the Company had 4,198,009,186 shares in issue.

As at 31 December 2024, the Group's net gearing ratio [Note 2] was approximately 19.1%.

The Group had aggregate bank loans, notes payable and perpetual capital securities of HK$28,005 million as at 31 December 2024 that contain customary cross default provisions.

Note [2] Net interest-bearing debts and lease liabilities divided by total equity.

As at 31 December 2024, the Group's outstanding bank and other borrowings amounted to HK$32,948 million (2023: HK$36,308 million). The analysis is as below:

	2024	**2023**
	HK$'million	*HK$'million*
Floating-rate bank loans which are repayable as follows (Note):		
Within 1 year	14,041	15,795
Between 1 and 2 years	364	4,715
Between 2 and 5 years	1,718	1,559
More than 5 years	1,123	1,330
	17,246	23,399
Fixed-rate bank loans which are repayable as follows:		
Within 1 year	1,612	—
Between 1 and 2 years	725	—
Between 2 and 5 years	826	28
	3,163	28
Notes payable which are repayable:		
In 2025	3,879	3,903
In 2027	3,874	3,897
In 2028	4,631	4,656
	12,384	12,456
Loans from a fellow subsidiary which are repayable as follows:		
Within 1 year	10	267
More than 5 years	145	158
	155	425

Note: All loans are unsecured except for the secured loans from banks of HK$1,342 million (2023: HK$1,370 million).

The bank and other borrowings are denominated in the following currencies:

	Bank loans	Notes payable	Loans from a fellow subsidiary	Total
	HK$'million	*HK$'million*	*HK$'million*	*HK$'million*
As at 31 December 2024				
HK Dollars & USD	10,470	12,384	—	22,854
RMB	9,878	—	155	10,033
IDR	61	—	—	61
	20,409	12,384	155	32,948
As at 31 December 2023				
HK Dollars & USD	12,019	12,456	—	24,475
RMB	11,182	—	425	11,607
BRL	226	—	—	226
	23,427	12,456	425	36,308

ASSETS CHARGE

As at 31 December 2024, bank loans of HK$1,342 million (2023: HK$1,370 million) borrowed by subsidiaries of the Company were secured by right-of-use assets with carrying value of HK$173 million (2023: HK$34 million) and property, plant and equipment with carrying value of HK$167 million (2023: nil).

EMPLOYEES AND REMUNERATION

As at 31 December 2024, the Group employed 8,713 full time staff, of which 149 worked in Hong Kong, 4,450 worked in Mainland China, and the remaining 4,114 worked overseas. The remuneration paid by the Group during the year amounted to HK$2,288 million, representing 29.3% of the total operating expenses of the Group.

The Group adhered to the concepts of people-oriented and meritocracy, and took measures to manage talents in the whole process of selection, nurturing, utilization and retention. The Group launched the "Hundred Seedlings Plan" (百苗計劃), which gave full play to the strengths of the headquarters and its subsidiaries in practical training, and innovated a new mode of recruitment and training of graduates. The Group also implemented the "Living Water Plan" (活水計劃), which broke down organizational barriers, activated internal manpower resources mechanism, and guided the orderly flow of talents, thus smoothing out the path of career development. The Group implemented a tiered and categorized talent cultivation system, building talent pools and workshops to empower the development of professional, technological and technical talents. The Group innovated the mode of school-enterprise co-operation and development by establishing joint master's and doctoral degree program, and joining hands with renowned colleges and universities in the maritime industry to create high-quality engineering and technology talents in the port and shipping sectors. The Group kept on enhancing the brand influence of "C Blue Talent Program" of China Merchants, building a platform for the in-depth integration of professional knowledge and diversified cultures, actively exploring and deepening the new mode of cross-cultural talent cultivation, and thus contributing to the international exchanges and cooperation in the port and shipping sectors.

The Group optimized its remuneration distribution mechanism and explored ways to improve its incentive system to provide important support and strong protection for the achievement of its strategies and human resources planning. The Group improved the work efficiency linkage mechanism, which was market-oriented, matched with economic benefits and linked to input and output effectiveness; optimized the incentive and restraint mechanism, which was in line with the market, consistent with the industry, geographically appropriate and performance-oriented; promoted double matching of performance and remuneration; prioritized scientific and technological innovations; coordinated and improved the honor and recognition system; strengthened the positive incentive effect; and taken multiple measures to continuously enhance the efficiency of resource allocation. The Group promoted a caring staff program to provide proper staff welfare protection and enhance staff recognition and sense of belonging, so as to enable the employees and the Group to share their interests and risks, and give attention and support to the Group's long-term development.

SUSTAINABLE DEVELOPMENT

The Group committed to the concept of sustainable development, actively assumed its responsibilities to various stakeholders, strengthened its compliance management and operation, integrated the concept of sustainable development into its investment, operation and management in a comprehensive manner, and promoted sustainable development in a professional, standardized, transparent and efficient management manner.

The Group strictly complied with relevant laws and regulations on ecological and environmental protection, and continuously strengthened its management in the areas of emission reduction, waste reduction and efficient utilization of resources. The Group attached great importance to and takes measures to minimize the negative impacts of its business operations on the environment and natural resources and its reliance on them. At the same time, the Group actively responded to the call for energy security and green and low-carbon transformation by promoting a series of measures such as upgrading the energy efficiency of equipment and the intelligent control of operations, and improving the digital energy management system, in order to facilitate the achievement of the development goal of "Energy Conservation and Efficiency", and to continue to explore the opportunities for the development of a green and smart port. Mawan Smart Port passed the on-site assessment of "Five-Star China's Smart Port". TCP was awarded the Climate Medal (Selo Clima Paraná) of Paraná state as well as honored with the International Renewable Energy Certificate (I-REC) for two consecutive years. The Group recognized the importance of ecosystem and biodiversity protection and takes measures to avoid, mitigate, restore and compensate for the impact of its operations on the marine ecosystem and the communities around its sites. TCP launched a number of regular environmental and social monitoring programs; HIPG continued to promote its "Peace for Humans and Elephants" project; and LCT continued to detect and protect sea turtles along the coastal areas of Togo. Zhangzhou Port conducted regular inspections of air quality and noise operations in the port area in an effort to minimize and even eliminate the impact of its operations on the ecosystem and to promote the vision of a harmonious coexistence between the port and nature.

The Group firmly established the principle of “People-Oriented and Safe Development”, strictly complied with the relevant laws and regulations on health and safety management in the places of operation, continuously improved the occupational health and safety management system, formulated and implemented effective occupational safety objectives, plans and measures, practically enhanced the level of safety management, cultivated the awareness of safety and the sense of responsibility, and promoted the application of science and technology in the field of occupational health and safety in order to provide a safe and healthy working environment for its employees. The Group earnestly protected the legitimate rights and interests of its employees, built a warm and supportive platform for their growth and development, and helped them realize their personal values.

The Group actively promoted the integration and development of the ports and the communities. Relying on the “Global Philanthropic Mission” public welfare program, the Group continued to strengthen communication with the communities in which it operated to promote the joint development of the ports and its neighboring communities, and took forward the implementation of a series of programs, including “Rural Education Public Welfare Project”, the “C Blue Talents Program”, the “China Merchants Silk Road Hope Village” as well as the “Save the Elephants” and the “Coral Gardens Nurturing”. HIPG and CICT were honored with the title of “Sri Lanka’s Most Significant Foreign Direct Investment Contributors” in recognition of their outstanding contributions to the economic growth and social development of Sri Lanka. The Group actively organized and carried out volunteer projects and encourages its employees to participate in public welfare and volunteer services. Through various means, the Group enhanced community openness and exchanges, stimulated community vitality and created value for the community and society.

In the future, the Group will continue to uphold the concept of sustainable development, continue to explore and practice, strive to realize value sharing and win-win situations, and constantly contribute to a greener, smarter and more harmonious port development.

INVESTOR RELATIONS

In 2024, the Group proactively communicated with domestic and overseas investors and conducted more than 20 investor relations activities, including results briefing, roadshows, investor conferences and on-site visit, etc., and interacted with the domestic and overseas capital markets through diversified channels, receiving nearly 440 investor visits. Simultaneously, the investor relations team regularly reported to the Board and management on capital market developments and investor concerns, and continued to adopt the two-way feedback mechanism to fully serve its roles as a communication bridge.

RATINGS

In 2024, international credit rating agencies Standard and Poor's maintained the rating of BBB+ on the Group and the "Stable" outlook, while Moody's maintained the Baa1 investment rating on the Group and the "Stable" outlook.

During the year, MSCI, an international ESG rating agency, upgraded the Group's ESG rating for the second consecutive year to BBB (2023: BB); and the Group received an A grade (2023: A-) in the sustainability performance assessment undertaken by Hong Kong Quality Assurance Agency.

FUTURE PROSPECTS

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

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

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

Focus on Strategy Execution to Explore Room for Development. The Group will strengthen its strategic control and firm up its global deployment to continuously enhance its core competitiveness. Firstly, in accordance with the requirements of the work focus of "clinging reforms, capturing innovation and boosting development", the Group will make significant efforts in the preparation of the "15th Five-Year Plan", and continue to improve the overall strategic framework of the Group, to optimize the six aspects of "Overseas

Strategy", "Homebase Port Strategy", "Lean Management Strategy", "Innovation Strategy", "Digitalization Strategy" and "Low-carbon Strategy", and to regulate strategy execution. Secondly, the Group will focus on the implementation of "Overseas Strategy", and accelerate the pace of internationalization, so as to further build up a competitive edge in the global network and enhance its core competitiveness.

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

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

Focus on Lean Management to Drive Endogenous Growth. The Group will deepen lean management at a high standard, strengthen synergies and cooperation at a high grade, and promote ESG construction at a high level, so as to add impetus to its endogenous growth. Firstly, the Group will strengthen penetrating control and enhance the capabilities of its operational management, asset management, financial control, engineering construction management and commercial marketing coordination. Secondly, the Group will intensify the efforts to strengthen communication and cooperation with key shipping company customers. Thirdly, the Group will continue to optimize the ESG management system, enhance the corporate governance standards, and deepen the concept of sustainable development. The Group will improve the quality of ESG disclosure, deliver significant results from corporate brand-building and enhance the influence of the brand.

Focus on Support and Protection to Build a Solid Foundation for Development. The Group will continue to strengthen the development of its human resources and improve production safety in order to build a solid foundation for its development. Firstly, the Group will improve its talent database, conduct a good inventory of talents, and cultivate various talents through the "Hundred Seedlings Program" (百苗計劃). Secondly, the Group will keep on enhancing the production safety and emergency management capabilities, promote the three-year campaign to tackle the root causes of accidents, strengthen the investigation and management of hidden dangers, and ensure that major accident hazards are eliminated in a dynamic manner, so as to build a solid foundation for safety.

Looking ahead, the Group will continue to promote business model and technological innovation by leveraging the three strategic drivers of "Global Presence", "Lean Management", "Innovative Transformation" to refine and perfect its global network distribution and to build an excellent port service system. At the same time, the Group will continue to move towards world-class standards in terms of container throughput, market share and integrated management. The Group will create higher returns for its Shareholders, support the development of the local economy and industry, and contribute to the healthy development of the port industry.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee comprises all of the five Independent Non-Executive Directors. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial report matters including the review of the audited financial statements for the year ended 31 December 2024 and the 2024 annual results.

CORPORATE GOVERNANCE

The Board is committed to upholding a high standard of corporate governance practices and business ethics with the firm belief that they are essential for maintaining and promoting investors' confidence and maximising Shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during the year.

In the opinion of the Board, the Company has complied with the code provisions set out in Part 2 of the Corporate Governance Code which set out the corporate governance principles and the code provisions with which the listed issuers are expected to follow and comply throughout the year ended 31 December 2024, except the following:-

In respect of code provision F.2.2 under the Corporate Governance Code. Mr. Feng Boming, the Chairman of the Board, did not attend the 2024 AGM due to business trip. Mr. Yim Kong, the Non-executive Director and the Vice Chairman of the Board, took chair of the 2024 AGM according to the articles of association of the Company.

In order to ensure effective communication with the Shareholders, the chairman and/or members of each of the Audit Committee, the remuneration committee and the nomination committee of the Company, and other Board members and the external auditor attended the 2024 AGM to answer the Shareholders' questions.

The current practices of the Company will be reviewed and updated regularly to reflect as much as possible the latest best practices in corporate governance.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save as disclosed in the "Management Discussion and Analysis" section of this announcement, the Company and its subsidiaries have not purchased, sold or redeemed any of the Company's listed securities during the year.

SIGNIFICANT EVENTS AFTER THE END OF THE YEAR ENDED 31 DECEMBER 2024

Acquisition of Vast in Brazil

On 28 February 2025, the Company and its wholly-owned subsidary, Cyber Chic Company Limited, entered into a share purchase agreement with Prumo, API and Vast, pursuant to which the Company has agreed to conditionally acquire from Prumo and API for the 70% interest of Vast. Upon closing, the Company will indirectly hold 70% of the total capital stock of Vast and the remaining 30% of the total capital stock of Vast will be held by Prumo. Vast will become an indirect subsidiary of the Company and its financial results will be consolidated into the Group. Please refer to the announcements of the Company dated 28 February 2025 and 18 March 2025 for further details of such transaction.

Issue of the First Tranche of Medium-Term Notes for the Year of 2025

On 24 March 2025, the Company completed its issue of the first tranche of medium-term notes for the year of 2025 with an aggregate principal amount of RMB2 billion at a coupon rate of 1.98% per annum for a term of three years. Please refer to the announcement of the Company dated 26 March 2025 for further details of such issuance.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITE OF THE HKSE

The 2024 annual report will be despatched to the Shareholders and published on the website of the HKSE at www.hkexnews.hk and the website of the Company at www.cmport.com.hk in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expression shall have the following meanings:

"2024 AGM"	the annual general meeting of the Company held on 20 June 2024
"2025 AGM"	the annual general meeting of the Company to be held on 3 June 2025
"API"	Açu Petróleo Investimentos S.A.
"Audit Committee"	the audit committee of the Company
"Board"	the board of directors of the Company
"BRL"	Brazilian Real dollars, the lawful currency of Brazil
"CICT"	Colombo International Container Terminals Limited
"CKRTT"	Chu Kong River Trade Terminal Co., Limited
"CMBL"	China Merchants Bonded Logistics Co., Ltd.
"CMCS"	China Merchants Container Services Limited
"CMIT"	China Merchants International Technology Company Limited

"COE"	Center of Excellence
"CODM"	chief operating decision-maker
"Companies Ordinance"	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Corporate Governance Code"	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
"CTOS"	Container Terminal Operating System
"Directors"	the directors of the Company
"ESG"	environmental, social and governance
"EURO"	Euro, the lawful currency of the members states of the European Union
"FVTPL"	fair value through profit or loss
"GDP"	gross domestic product
"HKFRSs"	Hong Kong Financial Reporting Standards
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HIPG"	Hambantota International Port Group (Private) Limited
"HKSE"	The Stock Exchange of Hong Kong Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Hong Kong Dollars", "HK Dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"IMF"	International Monetary Fund
"IDR"	Indonesian Rupiah, the lawful currency of Indonesia
"KMCT"	Kao Ming Container Terminal Corp.
"Kumport"	Kumport Liman Hizmetleri ve Lojistik Sanayi ve Ticaret Anonim Şirketi
"LCT"	Lomé Container Terminal S.A.
"Liaoning Port"	Liaoning Port Co., Ltd., shares of which are listed on the Shanghai Stock Exchange (stock code: 601880) and the HKSE (stock code: 2880)
"Listing Rules"	the Rules Governing the Listing of Securities on the HKSE
"Mawan Smart Port"	the automated container port zone at Mawan, Shenzhen
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"MTL"	Modern Terminals Limited
"Ningbo Daxie"	Ningbo Daxie China Merchants International Terminals Co., Ltd.

"Ningbo Port"	Ningbo Zhoushan Port Company Limited, shares of which are listed on the Shanghai Stock Exchange (stock code: 601018)
"NPH"	PT Nusantara Pelabuhan Handal Tbk, shares of which are listed on the Indonesia Stock Exchange (stock code: PORT)
"PDSA"	Port de Djibouti S.A.
"PRC"	the People's Republic of China
"Prumo"	Prumo Logística S.A.
"Qingdao Dongjiakou"	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.
"QQCTU"	Qingdao Qianwan United Container Terminal Co., Ltd.
"QQTU"	Qingdao Qianwan West Port United Terminal Co., Ltd.
"Register of Members"	the register of members of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Shantou Port"	Shantou China Merchants Port Group Co., Ltd.
"Shareholders"	the holder of the ordinary shares(s) of the Company
"SIPG"	Shanghai International Port (Group) Co., Ltd., shares of which are listed on the Shanghai Stock Exchange (stock code: 600018)

"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"TCP"	TCP Participações S.A.
"Terminal Link"	Terminal Link SAS
"TEU"	twenty-foot equivalent unit
"the Company"	China Merchants Port Holdings Company Limited, shares of which are listed on the HKSE (stock code: 00144)
"the Group"	the Company and its subsidiaries
"Tianjin Port Container Terminal"	Tianjin Port Container Terminal Co., Ltd.
"TICT"	Tin-Can Island Container Terminal Ltd.
"USD"	United States dollars, the lawful currency of the United States of America
"Vast"	Vast Infraestrutura S.A.
"West Shenzhen Port Zone"	Mega Shekou Container Terminals Limited; Chiwan Container Terminal Co., Ltd.; Shenzhen Mawan Terminals Co., Ltd.; Shenzhen Mawan Wharf Co., Ltd.; Shenzhen Haixing Harbour Development Company Ltd.; and China Merchants Port Services (Shenzhen) Company Limited
"Xia Men Bay Terminals"	Xia Men Bay China Merchants Terminals Co., Ltd.
"Zhangzhou Port"	Zhangzhou China Merchants Port Co., Ltd.

"Zhanjiang Port"	Zhanjiang Port (Group) Co., Ltd.
"%"	per cent.

By Order of the Board
China Merchants Port Holdings Company Limited
Feng Boming
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the Board comprises Mr. Feng Boming (Chairman) and Mr. Yim Kong as Non-Executive Directors; Mr. Xu Song, Mr. Lu Yongxin and Mr. Tu Xiaoping as Executive Directors; and Mr. Chan Hiu Fung Nicholas, Ms. Chan Yuen Sau Kelly, Mr. Li Ka Fai David, Mr. Wong Chi Wing and Ms. Wong Pui Wah as Independent Non-Executive Directors.