

TARGET

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**OCEAN LINE PORT DEVELOPMENT LTD:
THIS IS A GEM COMPANY, TO BE SURE,
BUT IT IS, CERTAINLY, NOTHING AKIN TO A GEMSTONE**

The '**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**' of Ocean Line Port Development Ltd (遠航港口發展有限公司) (Code: 8502, The Growth Enterprise Market – The **GEM** – The Stock Exchange of Hongkong Ltd) was, certainly, nothing beyond any reasonable expectation to write home to mummy and daddy, although, to be completely fair with regard to Management of this Company, it did eke out a profit in respect of the Financial Year, ended December 31, 2023.

Disregarding all the suggested Comprehensive Income of the Company, the Net Profit Attributable to Shareholders in respect of the Financial Year, ended December 31, 2023, was renminbi (RMB) 59,140,000.00.

That result was a decrease, compared with the 2022 Financial Year, of about 7.73 percent.

Mr Kwai Sze Hoi (桂四海), the Chairman of the Board of Directors as well as being an Executive Director of the Company, explained some of the many problems that had befallen the Company, during the 2023 Financial Year.

*'Since 2007, we have established Chizhou Port Ocean Line Holdings Limited (池州港遠航控股有限公司) ("**Chizhou Port Holdings**") in Chizhou City, Anhui Province, the People's Republic of China (the "**PRC**"). We have been operating at the Jiangkou Terminal and the Niutoushan Terminal since 2008 and 2013, respectively. The subsidiaries of Ocean Line Port Development Limited (the "**Company**", together with its subsidiaries, the "**Group**") were granted honour such as the National Outstanding Foreign Investment Enterprise as well as the Outstanding Foreign Investment Enterprise in Anhui Province and in Chizhou City (全國、安徽省、池州市優秀外資企業), Credible Enterprise of Yangtze River Transportation System (長江航運系統誠信企業), Outstanding Transportation Enterprise in Anhui Province (安徽省聯合運輸優秀企業) and Grade A Tax Credit Enterprise in Anhui Province (安徽省A級納稅信用企業) and became the only terminal classified as national Category-1 port in Chizhou City and the largest public terminal. In 2021, the Jiangkou Terminal was*

awarded the honour as a Multi-mode Transport Demonstration Project under the “14th Five-Year Plan” (“十四五”多式聯運示範項目).

‘In 2023, under the complex and volatile environment at home and abroad, the recovery of the market and the economy fell short of expectations, the prices of non-metallic mineral products had remained at low levels for a long time, and some mining companies in the hinterland of Chizhou temporarily suspended or reduced production, which brought challenges to our production and operations. Over the past year, we have been grasping the nettle, forging ahead, taking proactive actions, focusing on internal management, expanding markets, and solidly launching the **“Cost Reduction and Efficiency Enhancement Campaign”** (“降本增效活動”), and pushing forward all the tasks in an orderly manner.

‘**Operations remained relatively stable this year.** Against the backdrop of an unfavorable market environment for port production, the Group’s port cargo throughput volume, operating revenue and profits remained relatively stable, with all per capita indicators remaining at an advanced level of the industry, and the Group has basically completed various tasks of the year.

‘**New progress was made in project construction this year.** As an important part of the Multi-mode Transport Demonstration Project, the long-planned Dedicated Port-entering Railway Line Project (進港鐵路專用線項目) was officially launched. During the year, the establishment of Chizhou Railway Construction and Operation Company Limited (池州市鐵路建設營運有限公司), Chizhou City Huida Port Transportation Company Limited (池州市滙達港口運輸有限公司) and Chizhou Port Guohai Port Services Company Limited (池州港國海港口服務有限公司) was finalized, which will promote the construction of ports and port-entering railway respectively, forming a **“One Dedicated Line and Two Ports”** (“一專線兩碼頭”) structure. Chizhou Niutoushan warehouse No. 1 was completed and put into operation, providing considerable source of cargo support for the Niutoushan Port Terminal; the complex building in Niutoushan Port was completed and put into operation, which greatly improved the working and living environment of port employees...

‘The year 2024 is the year of the full-scale construction of the Dedicated Port-entering Railway Line. It is the year for the improvement of our corporate culture, and also a very important year for the transformation and development of the corporation. The Group will strive for innovation and top performance, and will implement all tasks with stronger commitment, more practical measures and tougher style, in order to realize the Group’s sustainable development.’

And the band played on to a rather attractive melody.

But with regard to the ‘*music*’ of Management Discussion and Analysis, found at pages six through to 12 of the 2023 Annual Report, it does appear that it was playing in a different octave to that of the Chairman’s.

Under the heading, ‘**BUSINESS REVIEW**,’ one was informed of the following:

‘For 2023, the Group’s throughput volume of bulk cargo and container were 27.8 million tonnes (2022: 29.1 million tonnes) and 19,199 TEUs (twenty-foot equivalent unit) (2022: 12,446 TEUs), respectively, representing a decrease of 4.4% and an increase of 54.3%, respectively as compared to last year. The Group’s revenue and profit were RMB173.6 million (2022: RMB187.4 million) and RMB81.1 million (2022: RMB87.5 million), representing a decrease of 7.4% and 7.3%, respectively as compared to last year.’

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