



遠航港口發展有限公司

OCEAN LINE PORT DEVELOPMENT LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8502



2025
Annual Report

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CORPORATE INFORMATION

DIRECTORS

Executive Directors:

Mr. Kwai Sze Hoi (*Chairman*)
Mr. Huang Xueliang

Non-executive Director:

Ms. Cheung Wai Fung

Independent non-executive Directors:

Mr. Nie Rui
Mr. Cheung Sze Ming
Mr. Cheng Yin Pan

AUTHORISED REPRESENTATIVES

Mr. Kwai Sze Hoi
Mr. Lee Chun Hin

AUDIT COMMITTEE

Mr. Cheung Sze Ming (*Chairman*)
Mr. Nie Rui
Mr. Cheng Yin Pan

REMUNERATION COMMITTEE

Mr. Nie Rui (*Chairman*)
Mr. Cheung Sze Ming
Mr. Cheng Yin Pan

NOMINATION COMMITTEE

Mr. Cheng Yin Pan (*Chairman*)
Ms. Cheung Wai Fung
(appointed on 16 June 2025)
Mr. Nie Rui
Mr. Cheung Sze Ming

COMPANY SECRETARY

Mr. Lee Chun Hin

AUDITOR

BDO Limited

PRINCIPAL BANKERS

Agricultural Bank of China
Chizhou Jiuhua Rural Commercial Bank
Huishang Bank
Industrial and Commercial Bank of China
(Asia) Limited
BNP Paribas

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
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CORPORATE INFORMATION

HEADQUARTER, HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Chizhou, Anhui
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PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

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COMPANY WEBSITE

www.oceanlineport.com

STOCK CODE

8502

CHAIRMAN'S STATEMENT

Since 2007, we have established Chizhou Port Ocean Line Holdings Group Limited (“**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” (“十四五”多式聯運示範項目).

In 2025, facing multiple challenges including macroeconomic downturn, shrinking demand in the non-metallic mineral building materials market, and intensifying industry competition, the Group centered its efforts around the core working principles of “innovation-driven development, internal management enhancement, external market expansion, service improvement” (“創新引領、內強管理、外拓市場、提升服務”). We vigorously pursued “boosting operational efficiency, accelerating project construction, and deepening Cost Reduction and Efficiency Enhancement” (“提高工作效率、加快專案建設、深入降本增效”). All employees worked together, tackled difficulties head-on, maintained stable corporate operations, and successfully advanced a series of key projects against the odds, solidifying the foundation for long-term development.

This year, we achieved two new milestones. Chizhou Ocean Line Niutoushan Limited (“**Chizhou Niutoushan**”), a subsidiary of the Company, set new records for both monthly and annual throughput volumes. The situation of production safety for the year reached its best level in history.

This year, all projects advanced in an orderly manner. The Jiangkou Terminal Photovoltaic Power Generation (Phase I) project has commenced operations in the first half of the year; the No. 5 sorting warehouse at Niutoushan Terminal was completed and achieved immediate operational efficiency upon commissioning in the same year. The Dedicated Port-entering Railway Line and the Jiangkou Terminal Phase IV project (collectively “**Rail-Water Transportation Project**”), and Niutoushan Terminal Photovoltaic Power Generation (Phase I) project progressed as scheduled, laying the hardware foundation for capacity expansion and green port development during the “15th Five-Year”.

This year, we achieved five certifications. Chizhou Port Holdings successfully passed the review of High and New Technology Enterprises qualification and obtained 4A-level Logistics Enterprise Certification; the “Supply Chain Scheduling Method Based on Port Digital-Intelligent Supply Chain Cloud Platform Management” (《基於港口數智化供應鏈雲平台管理的供應鏈調度方法》) was granted a national invention patent; and was certified as an Grade A Tax Credit Enterprise in Anhui Province (安徽省A級納稅信用企業) for seventeen consecutive years. Chizhou Niutoushan was recognized as an Information Technology Enterprise in Anhui Province (安徽省資料技術企業).

CHAIRMAN'S STATEMENT

This year, we received three awards. We were honored as an Outstanding Innovative Enterprise (優秀創新型企業) by the Chizhou Municipal Committee and Municipal Government. Our self-developed project, the "Yangtze River Port Bulk Cargo Digital Supply Chain Cloud Platform" (《長江港口散雜貨數智化供應鏈雲平台》), won the Third Class Award in the Inland Port Science and Technology Innovation Competition (內河港口首屆科技創新大賽). The achievement "Refined Management Practice of Port Enterprises" (《港口企業精細化管理實踐》) was awarded the Third Prize in the Anhui Provincial Enterprise Management Modernization Innovation Awards ("安徽省企業管理現代化創新成果")

Looking ahead, the inland ports will accelerate their evolution towards green, intelligent, and collaborative development. 2026 marks the inaugural year of the Company's "second entrepreneurial journey," presenting vast opportunities alongside significant responsibilities. With unwavering conviction, heightened determination, and pragmatic approaches, we will unite in purpose and strive diligently to ensure the completion of various tasks of the year.

Ocean Line Port Development Limited
Kwai Sze Hoi
Chairman and Executive Director

Hong Kong, 26 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an inland terminal operator in the PRC and is principally engaged in the provision of port logistic services (including uploading and unloading of cargoes, bulk cargo handling services, container handling, storage and other services). The Group operates two port terminals, namely, Jiangkou Terminal and Niutoushan Terminal, both situated in Chizhou City, Anhui Province, the PRC. Chizhou City, which located in the upper reach of the downstream section of the Yangtze River, is an important port city in the southwestern region of Anhui Province. It is also a crucial component of the integrated development of the Yangtze River Delta. With abundant mining resources as its biggest strengths, Chizhou City is an integral non-metallic mineral base in Eastern China. There are eleven multipurpose/bulk cargo berths in the two major terminals of the Group, including the four multi-purpose/bulk cargo berths of the new phase (Phase III) of Jiangkou Terminal, making the Group the largest public port operator in Chizhou City, as well as an important driver of the opening-up and promoting of investment and business in Chizhou City.

In 2025, the Group's throughput volume of bulk cargo and container were 26.4 million tonnes (2024: 28.3 million tonnes) and 18,537 TEUs (2024: 17,004 TEUs), respectively, representing a decrease of 6.8% and an increase of 9.0%, respectively, as compared to last year. The Group's revenue and profit were RMB158.8 million (2024: RMB177.0 million) and RMB71.8 million (2024: RMB88.8 million), respectively, representing decreases of 10.3% and 19.1%, respectively, as compared to last year.

The port throughput volume was mainly influenced by the following factors:

Firstly, the PRC's general economic slowdown led to the falling market prices of non-metallic minerals and building materials as well as serious involution. Several large mining companies along the Yangtze River were put into production, resulting in severe overcapacity and supply-demand imbalances, triggering intensive price wars. Mining enterprises faced operational pressures, which directly affected bulk cargo throughput of inland river ports.

Secondly, the construction of the Rail-Water Transportation Project exerted certain impacts on the port production environment. This year, the fully launched construction works of the Dedicated Port-entering Railway Line (進港鐵路專用線) and Jiangkou Terminal Phase IV project have presented challenges to road traffic and production scheduling within the Jiangkou Terminal.

Thirdly, we spared no effort in wolf marketing (狼性行銷) under the severe production situation. In light of the severe production and operation situation, we did not hesitate nor deploy a passive strategy correspondingly. Instead, we took every initiative possible by maintaining immense vigor and energetic attitude aiming to improve our market share. Also, we have strived to explore new customers, including actively led the "Land to Water" ("陸改水") (water transportation in lieu of land transportation), and made every effort to promote the shipping volume of marginal customers. By achieving the above, we have successfully ensured the smooth and orderly development of port production.

Fourthly, we launched the Cost Reduction and Efficiency Enhancement Campaign while strengthening the internal management. "Living on a Tight Budget" ("緊日子") has yielded "new benefits" ("新效益"). Throughout the year, we vigorously implemented the "Eight Measures for Living on a Tight Budget" (《過緊日子八條》), starting with every drop of water, every kilowatt-hour of electricity, and every sheet of paper. The efforts has produced remarkable results, with a marked increase in labor efficiency per capita, further promoting the internal growth momentum for corporate development.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

The Year 2026 marks the first year of the “15th Five-Year” plan and a critical year when the construction of the Rail-Water Transportation Project is set to be fully launched. We shall deeply analyze the risks and challenges facing us, grasp development opportunities accurately, and strive to reach new heights in all performance indicators.

Firstly, robust policy support provides clear direction. Documents jointly issued by multiple ministries, such as the “Opinions on Promoting High-Quality Development of Inland Waterway Transportation” (《關於推動內河航運高品質發展的意見》) and the “Work Plan for Stable Growth of the Building Material Industry (2025-2026)” (《建材行業穩增長工作方案(2025–2026年)》), chart the course for the coming years. They explicitly stated that by 2030, the PRC will have basically established a modern inland waterway shipping system, fostered and strengthened the non-metallic mineral industry, and cultivated a number of distinctive industrial clusters. This signifies that non-metallic minerals have been elevated to the level of a strategic resource, with more proactive macroeconomic policies.

Secondly, the strategic importance of ports has become increasingly prominent. At the policy level, inland waterway shipping has been elevated to a strategic position for “reducing logistics costs across society and serving the domestic economic circulation” (“降低全社會物流成本、服務國內大循環”). Efforts are focused on resolving key issues such as navigation “bottlenecks” and port hub capacity. Major ports along the Yangtze River are to achieve the full coverage of railway access to port, and the role of inland ports are transforming from mere “transportation channels” to comprehensive “economic hubs.”

Thirdly, port development is also facing a number of challenges. Firstly, the geopolitical tensions, rising oil prices, and increased detour costs have made comprehensive shipping cost increases inevitable, potentially reducing foreign trade cargo volumes. Secondly, the ongoing transformation of associated industries, entering into a cycle of reduced development by the steel industry and the downward pressure on the property segment being improbable to be relieved in the short term, which continues affecting the building materials industry. Thirdly, the continuous disruptions of port productions brought by construction works, which would persist impacts on port operations until the Dedicated Port-entering Railway Line becomes fully operational.

In 2026, the Group will adhere to the strategy of “relying on ports for logistics and developing logistics for strengthening the ports” (“依托港口做物流，發展物流強港口”). We will promote the rational layout of the industry, accelerate the improvement of port service and logistics service systems, ensure the smooth advance of Jiangkou Terminal Phase IV construction works, and accomplish various tasks of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

	Year ended 31 December		Increase/(decrease)	
	2025 RMB'000	2024 RMB'000	RMB'000	%
Revenue from provision of uploading and unloading services				
Bulk cargo and break bulk cargo	143,828	147,151	(3,323)	(2.3)
Containers	3,452	3,212	240	7.5
Subtotal	147,280	150,363	(3,083)	(2.1)
Revenue from provision of ancillary port services	11,547	26,679	(15,132)	(56.7)
Total revenue	158,827	177,042	(18,215)	(10.3)

	Year ended 31 December		Increase/(decrease)	
	2025	2024		%
Total cargo throughput (thousand tonnes)	26,401.0	28,334.5	(1,933.5)	(6.8)
Container throughput (TEUs)	18,537	17,004	1,533	9.0

Our revenue which is principally generated from the provision of uploading and unloading services was approximately RMB147.3 million for the year ended 31 December 2025 (2024: RMB150.4 million), representing a decrease of RMB3.1 million or approximately 2.1% as compared to 2024. The decrease in revenue was mainly due to the decrease in cargo handling revenue since the throughput of cargo decreased by approximately 1.9 million tonnes as compared to 2024, resulting from a decline in demand and prices for non-metallic minerals and building materials products along with a shortage of commodity cargo caused by the general economic slowdown in the PRC. The revenue from provision of ancillary port services decreased by approximately RMB15.1 million or 56.7%, which is mainly due to the decline in our logistics agency business due to unfavorable market conditions.

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of services

Our cost of services primarily consists of depreciation of property, plant and equipment, staff cost, subcontracting fee, fuel and oil, consumables, electricity, repairs and maintenance expenses and others.

For the year ended 31 December 2025, our cost of services was approximately RMB52.9 million (2024: RMB59.8 million), representing a decrease of RMB6.9 million or approximately 11.5% as compared to the last year. The decrease in cost of services was mainly attributable to the impacts of the following: (i) a decrease in staff cost and subcontracting fee collectively of approximately RMB4.5 million which was driven by the decrease in cargo handling services due to the decrease in throughput volume of cargo by 6.8% in terms of tonnes; and (ii) a decrease in consumables and electricity collectively of approximately RMB1.4 million.

Gross profit and gross profit margin

	Year ended 31 December			
	2025	2024	Increase/(decrease)	%
Gross profit (RMB'000)	105,887	117,256	(11,369)	(9.7)
Gross profit margin (%)	66.7	66.2	0.5	N/A

For the year ended 31 December 2025, our gross profit decreased to approximately RMB105.9 million. The decrease in gross profit was primarily due to decrease of our total revenue by 10.3% as compared to 2024. Our gross profit margin was approximately 66.7%, which remained at similar level to last year.

Administrative expenses

For the year ended 31 December 2025, our administrative expenses decreased by approximately RMB1.2 million or 4.2% which was primarily attributable to the impacts of the following: (i) decrease in administrative staff costs of approximately RMB5.7 million which was mainly driven by Chizhou Port Holdings no longer being required to accrue employee bonus and welfare funds during the year in accordance with the new regulations of the Ministry of Commerce of the PRC; (ii) an increase in other taxes of approximately RMB2.2 million which is mainly due to certain taxes in connection with the sale and purchase of land use right being incurred as Chizhou Haishun Port Services Limited ("Chizhou Haishun"), an indirect 43.2% effective shareholding interest-owned subsidiary of the Company, has acquired the land use right of a piece of land held by Chizhou Port Holdings for its future project and operation during the year; and (iii) an increase in legal and professional fee of approximately RMB0.9 million due to more compliance activities being carried out during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Income tax expenses

For the year ended 31 December 2025, the Group's income tax expense amounted to approximately RMB20.0 million (2024: RMB14.7 million), representing an increase of RMB5.3 million or approximately 36.1% as compared to last year. The profit generated from one of the Qualifying Project of Chizhou Port Holdings for the year ended 31 December 2024 enjoyed 50% tax reduction (the "3-Year 50% Tax Reduction Entitlement"). The Qualifying Project can no longer enjoy the 3-Year 50% Tax Reduction Entitlement for the year ended 31 December 2025 as the tax preferential period has ended on 31 December 2024. Save for the mentioned better tax preferential policy being enjoyed by the Qualifying Project, as High and New Technology Enterprises, Chizhou Port Holdings and Chizhou Ocean Line Niutoushan Limited ("Chizhou Niutoushan"), subsidiaries of the Company paid/will pay the enterprise income tax at the rate of 15% for three consecutive financial years from from 2025 to 2027 (as Chizhou Port Holdings successfully renewed the expiring tax entitlements for three consecutive financial years from 2022 to 2024 during the year) and from 2023 to 2025, respectively ("3-Year High and New Technology Enterprises Tax Entitlements"). For the year ended 31 December 2025, the effective tax rate is approximately 21.8% (2024: 14.2%). Should the deferred tax expense for the year ended 31 December 2025 of approximately RMB1.1 million be excluded, the adjusted effective tax rate would have been approximately 20.5%. Our adjusted effective tax rate for the year ended 31 December 2025 was lower than that of the PRC EIT standard rate of 25% mainly because of the 3-Year High and New Technology Enterprises Tax Entitlements for Chizhou Port Holdings from 2025 to 2027 and Chizhou Niutoushan from 2023 to 2025.

Profit for the year

As a result of the foregoing, the Group recorded profit for the year of approximately RMB71.8 million (2024: RMB88.8 million). The net profit margin of the Group was approximately 45.2% (2024: 50.2%).

Property, plant and equipment

As at 31 December 2025, net carrying amount property, plant and equipment amounted to approximately RMB368.0 million (31 December 2024: RMB381.0 million). It mainly represented (i) terminal facilities of approximately RMB235.0 million (31 December 2024: RMB248.7 million); (ii) port machinery and equipment of approximately RMB35.7 million (31 December 2024: RMB41.8 million); and (iii) right-of-use assets of approximately RMB55.9 million (31 December 2024: RMB58.0 million). The decrease of the balance was mainly due to the net effect of (i) addition of property, plant and equipment (including construction in progress and right-of-use assets) of approximately RMB13.1 million; and (ii) depreciation charges of RMB24.6 million for the year.

Financing and credit facilities

As at 31 December 2025, the Group's total outstanding bank borrowings amounted to RMB2,000 (31 December 2024: no outstanding bank borrowings). Including time deposits over three months, the Group had bank and cash balances amounted to approximately RMB385.8 million (31 December 2024: RMB379.9 million). Available but unused banking facilities amounted to approximately RMB528.8 million (31 December 2024: RMB115.8 million).

MANAGEMENT DISCUSSION AND ANALYSIS

BORROWINGS AND GEARING RATIO

As at 31 December 2025, the Group's total outstanding debts amounted to RMB2,000 (31 December 2024: no outstanding debts). The Group's bank borrowings, if any, are primarily used in financing the working capital requirement of its operations.

As at 31 December 2025, the gearing ratio of the Group, calculated as the total debts divided by the total equity, was less than 0.1% (31 December 2024: N/A).

SIGNIFICANT INVESTMENT

On 9 November 2024, Chizhou Port Holdings entered into a joint venture agreement with four investors which are independent third parties pursuant to which Chizhou Port Holdings agreed to make a cash injection of approximately RMB10,000,000 in total into Chizhou Tie Hang Construction Investment Development Co., Ltd. ("**Chizhou Tie Hang**") in return for 5% equity interest of Chizhou Tie Hang (the "**Investment**"). The other investors agreed to make cash injections proportionate to their holdings. On 12 March 2025, the shareholders' meeting of Chizhou Tie Hang was held during which the resolutions were passed to approve, among others, the increase of additional capital commitment by the investors of Chizhou Tie Hang in the total amount of approximately RMB1,335,303,000, which shall be contributed by the investors of Chizhou Tie Hang to Chizhou Tie Hang in proportion to their respective shareholding interests in Chizhou Tie Hang. As a result, Chizhou Port Holdings was required to make additional capital contribution in the amount of approximately RMB66,765,000 to Chizhou Tie Hang. Up to 31 December 2025, approximately RMB31,015,000 has been injected by Chizhou Port Holdings in aggregate. For details of the formation of Chizhou Tie Hang and increase in capital commitment, please refer to the announcement of the Company dated 12 March 2025 and the circular of the Company dated 25 April 2025.

Chizhou Tie Hang is principally responsible for the design, investment and financing, construction, operation, management, maintenance and handover of the project for the construction and operation of Guichi Mineral Products Transportation Railway Line and the Chizhou Jiangkou Port Railway Line project (the "**Project**"), which will consist of two phases in total. The construction of the Project aims to shift mineral product transportation from traditional road-based methods to a system primarily utilizing railway line and corridor transport, supplemented by road transport. This transition seeks to gradually establish a green, multimodal transport system centered around the port that integrates mining, railways, and terminals. As at 31 December 2025, the Project was still under construction without generating revenue, and the fair value of the Investment amounted to approximately RMB30,452,000, which accounted for approximately 3.2% of the Group's total assets.

The Group considers the Investment to be long-term strategic capital investment in nature and classified it as equity investment at fair value through other comprehensive income in the consolidated financial statements. During the year, decrease in fair value of the Investment of approximately RMB555,000 is recognised in other comprehensive income and accumulated within the fair value reserve within equity, and no other gain or loss (including realised/unrealised gain or loss or any dividend received) was contributed by the Investment.

Save for the mentioned investment, during the year ended 31 December 2025, the Group did not acquire or hold any significant investment.

MANAGEMENT DISCUSSION AND ANALYSIS

DIVIDEND

To award the shareholders of the Company for their continued supporting and to enhance investors' confidence in the Company, the board of Directors of the Company (the "Board") has proposed a final dividend of HK\$3.0 cents and a special final dividend of HK\$1.0 cent (2024: Nil) per share for the year out of the retained earnings account within the equity section of the statement of financial position of the Company. Subject to shareholders' approval at the forthcoming AGM to be held on 28 May 2026, the proposed final dividend and the proposed special final dividend will be paid on or around 29 July 2026.

BUSINESS UPDATE

1. On 10 January 2025, Chizhou Haishun entered into an agreement (the "**Construction Contract**") with an independent contractor, pursuant to which the contractor would undertake various construction works including but not limited to the construction of hydraulic structures, onshore infrastructure and supporting ancillary works for Phase IV of Jiangkou Terminal located in Jiangkou Port Area, Economic and Technological Development Zone, Chizhou City, Anhui Province, the PRC at the consideration of RMB146,485,000. For details of the Construction Contract, please refer to the announcement of the Company dated 10 January 2025 and the circular of the Company dated 25 February 2025.
2. On 12 March 2025, the shareholders' meeting of Chizhou Tie Hang was held during which resolutions were passed to approve, among others, the increase of additional capital commitment by the investors of Chizhou Tie Hang in the total amount of approximately RMB1,335,303,000, which shall be contributed by the investors of Chizhou Tie Hang to Chizhou Tie Hang in proportion to their respective shareholding interests in Chizhou Tie Hang. As a result, Chizhou Port Holdings is required to make additional capital contribution in the amount of approximately RMB66,765,000 to Chizhou Tie Hang. For details of the formation of Chizhou Tie Hang and increase in capital commitment, please refer to the announcement of the Company dated 12 March 2025 and the circular of the Company dated 25 April 2025. During the year, Chizhou Port Holdings further injected RMB21,015,000 of capital into Chizhou Tie Hang.
3. On 28 March 2025, Chizhou Port Holdings entered into a land use right transfer agreement with Chizhou Haishun, pursuant to which Chizhou Port Holdings agreed to transfer the land use right of a piece of land (the "**Project Land**") located at Chizhou Economic Development Zone, East of Tongguan Port Project, North of Yanjiang Avenue in Chizhou City, Anhui Province, the PRC with an area of approximately 74,798 square metres to Chizhou Haishun at the consideration of approximately RMB17,952,000 (the "**Transfer**"). Chizhou Haishun has obtained the title certificate of the Project Land on 17 April 2025. The Transfer was in substance an intra-group transfer which resulted in an effective net disposal of a 28.8% interest in the land use right of the Project Land to the 40% minority shareholders of Chizhou Haishun, and was exempted from the requirements of Chapter 19 of the GEM Listing Rules.

MANAGEMENT DISCUSSION AND ANALYSIS

- On 25 November 2025, Chizhou Port Holdings entered into the compensation agreement (the “**Compensation Agreement**”) with Guichi District Building Expropriation Service Centre* (貴池區房屋徵收服務中心) (the “**Expropriation Department**”) and Jiangkou Street Office of Guichi District* (貴池區江口街道辦事處) (the “**Implementation Unit**”), pursuant to which, Chizhou Port Holdings agreed to the vacation, demolition of, and the relocation from the buildings, ancillary facilities and green seedlings located in Chizhou Economic and Technological Development Zone, Chizhou City, Anhui Province, the PRC, with buildings having a total construction area of approximately 7,117 square meters as well as equipment relocation and dismantling by Chizhou Port Holdings (the “**Vacation and Demolition**”), whereas the Expropriation Department and the Implementation Unit agreed to compensate Chizhou Port Holdings for the Vacation and Demolition. For details of the Compensation Agreement, please refer to the announcements of the Company dated 25 November 2025 and 22 December 2025.
- Pursuant to the “Announcement of Filing of the 2025 Recognized and Filed The first batch High and New Technology Enterprises by the Accreditation Authorities in Anhui Province” (對安徽省認定機構2025年認定報備的第一批高新技術企業進行備案的公告) issued by the National High and New Technology Enterprise Accreditation and Administration Leading Group Office (全國高新技術企業認定管理工作領導小組辦公室) on 24 November 2025, Chizhou Port Holdings has been recognized as a High and New Technology Enterprise. The qualification is valid for three years.

According to the relevant national regulations, upon being recognized as a High and New Technology Enterprise, Chizhou Port Holdings will be entitled to tax preferential policies of the state in relation to High and New Technology Enterprises for three consecutive financial years. Chizhou Port Holdings will pay the enterprise income tax at the rate of 15% for three consecutive financial years from 2025 to 2027. For further details, please refer to the announcement of the Company dated 25 November 2025.

- On 20 January 2026, Chizhou Port Holdings entered into the equipment procurement and installation contract (the “**Equipment Procurement and Installation Contract**”) with an independent contractor, pursuant to which the contractor will be responsible for various works of the manufacturing, installation, technical services, training services, commissioning, trial operation, and acceptance of the ship loading system (including one ship loader, two belt conveyors, one tail underground hopper, and one set of dust suppression system) and four sets of belt conveyor enclosed corridor ancillary facilities to be located in Jiangkou Port Area, Chizhou Economic and Technological Development Zone, Chizhou City, Anhui Province, PRC at a consideration of approximately RMB29,001,000. For further details of the Equipment Procurement and Installation Contract, please refer to the announcement of the Company dated 20 January 2026.
- On 12 February 2026, Chizhou Port Holdings entered into the port yard lease agreement (the “**Port Yard Lease Agreement**”) with Chizhou Tie Hang, pursuant to which, Chizhou Port Holdings agreed to lease the land use right of a parcel of land located in the Chizhou Economic and Technological Development Zone, Chizhou City, Anhui Province, the PRC, with an area of approximately 102,287 square meters to Chizhou Tie Hang. The total rental under the Port Yard Lease Agreement is approximately RMB20,018,000. For further details of the Port Yard Lease Agreement, please refer to the announcement of the Company dated 12 February 2026.

* For identification purpose only

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

MANAGEMENT EXECUTIVE DIRECTOR AND CHAIRMAN

KWAI Sze Hoi (桂四海), aged 76, is the chairman of our Board and an executive director of the Company. He was appointed as a director on 30 October 2017 and was re-designated as an executive Director on 1 June 2018.

As one of our founders and a member of controlling shareholders of the Company, he is mainly responsible for the overall management and development of the Group as well as the formulation and implementation of our business strategies. Mr. Kwai has over 40 years of experience in international shipping and port operation business. In the early 1990s, Mr. Kwai established Ocean Line Holdings Limited (“**Ocean Line Holdings**”) in Hong Kong and has been serving as the chairman of its board and chief executive officer since then. After over three decades of development, Ocean Line Holdings has become a diversified, sizable and integrated enterprise which primarily engages in international shipping business with port, logistic and mining as its ancillary businesses and financial investment as its supporting business. Currently, Ocean Line Holdings wholly-owns, operates and manages a fleet of seagoing vessels with a total carrying capacity of more than 4 million deadweight tonnage.

He also invests in and operates bulk cargo (such as ores) terminal business in Tianjin Port through joint ventures established by Ocean Line Holdings and Tianjin Port Development Holdings Limited.

In 2007, Mr. Kwai established Ocean Line Group (Chizhou) Port Development Inc. and is responsible for the formulation and development of business strategies. He has also served as the chairman of the board as well as a non-executive director of Brockman Mining Limited, a company listed on the Main Board of the Stock Exchange (stock code: 0159) and the Australian Securities Exchange (stock code: BCK) since 2012.

Mr. Kwai graduated from Anhui University with a Bachelor degree in Foreign Language Studies in English in 1975. Mr. Kwai is the husband of Ms. Cheung Wai Fung.

EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

HUANG Xueliang (黃學良), aged 63, engineer, senior professional manager, is the executive Director and chief executive officer of the Company. He was appointed as a Director on 7 December 2017 and re-designated as an executive Director on 1 June 2018. He is responsible for the overall management and supervision of the operation of our PRC operating subsidiaries.

Mr. Huang has over 18 years of experience in the port logistic services industry in Chizhou City, Anhui Province. Mr. Huang joined our Group in June 2008. Mr. Huang has also served as the Assistant President of Ocean Line Holdings and has become the Vice President of Ocean Line Holdings since February 2019. Since June 2008, Mr. Huang has acted as the managing director of Ocean Line Group Chizhou Company Limited (遠航集團池州有限公司), an investment holding company, and has been responsible for overseeing its investment projects and operations management.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Huang obtained a Professional diploma in Economic Management from Anhui Institute of Finance and Trade in 1994. He further obtained a Professional diploma in Business Administration from Anhui University in 1998 and a Professional postgraduate diploma in World Economics from Fudan University in 2002. Mr. Huang has extensive experience in corporate management. Prior to joining our Group, he worked at various companies in the PRC in textile engineering, tourism, asset management and chemical engineering at senior management level. Mr. Huang served as a member of the People's Congress Standing Committee of Chizhou City, Anhui Province for 11 years (two terms) and the vice president of the Anhui Entrepreneurs Association* (安徽省企業家聯合會) for 10 years (two terms). He is currently the vice president of Chizhou Enterprises (Entrepreneur) Association* (池州市企業(企業家)聯合會).

Mr. Huang has been granted 29 national invention patents (國家發明專利) and utility models patents (實用新型專利), 42 software copyrights (軟件著作權) and 4 prizes in national and Anhui provincial innovation competitions (全國和安徽省創新大賽獎), on numerous occasions, received awards from port logistic industry organisations and provincial and municipal government authorities and departments after joining our Group. For instance, in December 2017, Mr. Huang was named one of the Top Ten Most Outstanding People at the sixth Yangtze River Shipping industry awards ceremony held by Changjiang River Administration of Navigational Affairs (長江航務管理局) of the Ministry of Transport; in March 2019, he was honoured with the title of Outstanding Professional Manager of Anhui Province at the 40th Anniversary of Reform and Opening Up in the sixth award ceremony (紀念改革開放40周年暨第六屆安徽省傑出職業經理人); in December 2020, he was awarded the honorable title of National Labor Model in the Logistics Industry (全國物流行業勞動模範).

NON-EXECUTIVE DIRECTOR

CHEUNG Wai Fung (張惠峰), aged 73, is one of our founders and a member of controlling shareholders and a non-executive Director of the Company. She was appointed as a Director on 7 December 2017 and re-designated as a non-executive Director on 1 June 2018. She is a member of the nomination committee (the "**Nomination Committee**") of the Company. Ms. Cheung is primarily responsible for providing advice to the Board on business strategy of our Group.

Ms. Cheung founded Ocean Line Holdings together with Mr. Kwai in 1994 and was appointed as a director responsible for overseeing finance and human resources. In addition, Ms. Cheung has over 19 years of experience in hotel management industry. Since 2005, Ms. Cheung was appointed as the chairman of Anhui Jinjiuhua International Hotel Company Limited (安徽金九華國際大酒店有限公司), a PRC company conducting hotel businesses in Anhui Province, the PRC and she is responsible for the design and construction of the hotel as well as overseeing the management decisions of the company.

Ms. Cheung obtained a bachelor's degree in Chinese Medicine from the Guangzhou University of Chinese Medicine in 1978.

Ms. Cheung is the spouse of Mr. Kwai.

* For identification only

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTOR

NIE Rui (聶睿), aged 49, was appointed as independent non-executive Director (“INED”) on 1 June 2018. He is the chairman of the remuneration committee (the “**Remuneration Committee**”) and a member of each of the audit committee (the “**Audit Committee**”) and the Nomination Committee of the Company. Mr. Nie is responsible for supervising and providing independent judgement to our Board, the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Nie has over 26 years of experience in investment banking and corporate finance. Between July 2000 and December 2001, Mr. Nie worked as an investment banking analyst at Morgan Stanley. From January 2002 to May 2005, Mr. Nie worked at the Deutsche Bank Group and his last position held with the Deutsche Bank Group was an investment banking associate. In June 2005, he joined HSBC and his last position held with HSBC was the Managing Director and Head of China Equity Capital Markets. Since September 2015, Mr. Nie joined Rainbow Capital Management Limited, where he is currently serving as the Chief Executive Officer. Mr. Nie has been acting as a managing partner of Welight Capital HK Limited since December 2019.

Mr. Nie obtained a Bachelor of Arts in Philosophy, Politics and Economics from Oxford University in 2000.

CHEUNG Sze Ming (張詩敏), aged 56, was appointed as INED on 6 November 2020. He is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee. Mr. Cheung is responsible for supervising and providing independent judgement to our Board, the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Cheung served as an executive director, the company secretary and the chief financial officer of Baijin Life Science Holdings Limited (formerly known as Affluent Partners Holdings Limited) (stock code: 1466), the issued shares of which are listed on the Main Board of the Stock Exchange, from April 2018; an executive director, the company secretary and the chief financial officer of Far East Holdings International Limited, (stock code: 36), the issued shares of which are listed on the Main Board of the Stock Exchange, from February 2023; and an independent non-executive director of Yuk Wing Group Holdings Limited, (stock code: 1536), the issued shares of which are listed on the Main Board of the Stock Exchange, from January 2024. He holds a bachelor’s degree in Accountancy from the Hong Kong Polytechnic University. He is also a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Cheung has accumulated over 30 years of working experience from an international audit firm and public listed companies. He had spent about 8 years in the international audit firm and was an audit manager before he left the firm. Thereafter, Mr. Cheung has held different senior positions in various public listed companies. He was an executive director and chief financial officer of Dingyi Group Investment Limited (stock code: 508), the issued shares of which are listed on the Main Board of the Stock Exchange, from October 2011 to March 2018. He also served as an independent non-executive director of Great Wall Terroir Holdings Limited (stock code: 524), the issued shares of which are listed on the Main Board of the Stock Exchange, from March 2021 to November 2024.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

CHENG Yin Pan (鄭彥斌), aged 38, was appointed as INED on 10 July 2024. He is the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee. Mr. Cheng is responsible for supervising and providing independent judgement to our Board, the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Cheng has over 16 years of experience in investment banking and corporate finance. Mr. Cheng is the Chairman & Chief Executive Officer of Youngtimers AG, a Switzerland-listed global asset management firm (SIX: YTME), since January 2025, and Chief Executive Officer of C Capital, a wholly-owned subsidiary of Youngtimers AG, since March 2016. Prior to C Capital, he worked at the investment banking division of Bank of America Merrill Lynch and Standard Chartered Bank.

Mr. Cheng also holds positions in the following companies/organisations: (i) member of the venture committee of Hong Kong Venture Capital and Private Equity Association since August 2019; (ii) board member of Prenetics Global Limited, a company listed on Nasdaq Stock Market (NASDAQ: PRE), since May 2022; and (iii) board member of Youngtimers AG since November 2024.

Mr. Cheng holds a bachelor's degree of science in quantitative finance in the Chinese University of Hong Kong. He is a member of CPA Australia.

SENIOR MANAGEMENT

Mr. LEE Chun Hin (李俊軒), aged 38, joined our Group on 10 July 2019 and is our financial controller and company secretary. He is primarily responsible for financial reporting, financial planning, treasury and financial control and corporate secretaries practices and procedures of our Group.

Mr. Lee has over 16 years of experience in providing accounting and auditing services. He worked in BDO Limited from June 2015 to July 2019 with his last position as an audit manager. He has extensive experience in auditing and financial reporting, particularly with respect of companies listed on the Stock Exchange.

Mr. Lee graduated from Edinburgh Napier University and further obtained a Master's degree in Corporate Governance from the Hong Kong Polytechnic University in September 2022. He is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Chartered Governance Institute.

Mr. GUI Siqing (桂四清), aged 61, is the financial controller of Chizhou Port Holdings. He has over 30 years of experience in accounting and financial management. He also has over ten years of experience in the port logistic services industry. Mr. Gui joined our Group on 3 June 2016 and is responsible for overseeing the day-to-day port operation and financial reporting of Chizhou Port Holdings. Prior to joining our Group, Mr. Gui worked at the Accounting Department and the small commodity branch of Anqing Department Store Company (安慶百貨公司) from July 1984 to December 2007 with his last position as a deputy manager, where he was responsible for overseeing the company's financial and accounting operations. From December 2007 to May 2016, he worked in the financial department of Anqing Port Ocean Line Holdings Limited with his last position as the company general manager, where he was wholly responsible for the production and operation of the company.

Mr. Gui obtained a Professional diploma in Financial Accounting from Anhui College of Finance and Commerce in July 1991.

DIRECTORS' REPORT

The Directors are pleased to present this annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 41 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of comprehensive income on page 93 of this annual report.

To award the shareholders of the Company for their continued supporting and to enhance investors' confidence in the Company, the Board has proposed a final dividend of HK\$3.0 cents and a special final dividend of HK\$1.0 cent (2024: Nil) per share for the year out of the retained earnings account within the equity section of the statement of financial position of the Company. Subject to shareholders' approval at the forthcoming AGM to be held on 28 May 2026, the proposed final dividend and the proposed special final dividend will be paid on or around 29 July 2026. The consolidated financial statements do not reflect this dividend payable.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The record date for ascertaining Shareholders' entitlement to attend and vote at the AGM will be 28 May 2026 (Thursday). The register of members of the Company will be closed from 22 May 2026 (Friday) to 28 May 2026 (Thursday) (both days inclusive, 4 business days in total) during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 21 May 2026 (Thursday).

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDEND

The register of members of the Company will be closed from 8 June 2026 (Monday) to 9 June 2026 (Tuesday), both days inclusive, for the purpose of determining the entitlement to the proposed final dividend and the proposed special final dividend for the year ended 31 December 2025. In order to qualify for the proposed final dividend and the proposed special final dividend for the year ended 31 December 2025, all transfer forms accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 5 June 2026 (Friday).

BUSINESS REVIEW AND PERFORMANCE

A fair review of the Group's business, a discussion and analysis of the Group's performance during the year and an analysis of the likely future development of the Group's business are set out in the Management Discussion and Analysis from pages 6 to 13. Description of the principal risks and uncertainties facing the Group are set out in the Corporate Governance Report from pages 31 to 46 of this annual report and note 36 to the consolidated financial statements.

DIRECTORS' REPORT

Except as disclosed elsewhere in consolidated financial statement, there is no important event affecting the Group that had occurred since the end of the year up to the date of this report. In addition, further discussion on the key relationships with the Company's key stakeholders, the Group's environmental policies and performance as well as compliance with relevant laws and regulations which have a significant impact on the Group are provided throughout the section "Environmental, Social and Governance Report".

PROPERTY, PLANT AND EQUIPMENT

Details of changes in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

There were no movements in the Company's share capital during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "Articles") or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Group and of the Company during the year are set out in the Consolidated Statement of Changes in Equity on from pages 96 to 97 and note 40 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2025, the Company's reserves, including the share premium account and retained profits, available for distribution Company ("Shareholders"), amounted to RMB83,998,000 (2024: RMB32,756,000), of which HK\$32,000,000 (approximately RMB28,131,000, using exchange rate of RMB0.8791 to HK\$1.00, which is the average exchange rate of five working days prior to the date of this report) has been proposed out of the retained earnings account as a final dividend and a special final dividend for the year after the reporting period.

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 169 of this annual report.

MAJOR PROPERTIES

Details of the major properties of the Group as at 31 December 2025 are set out on page 170 of this annual report.

EQUITY-LINKED AGREEMENTS

Other than the share option scheme as disclosed in note 38 to the consolidated financial statements, no equity-linked agreements were entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS' REPORT

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the revenue attributable from the Group's five largest customers accounted for approximately 41.9% (2024: 33.8%) of the Group's total revenue for the year and the revenue attributable from to the Group's largest customer amounted to approximately 12.7% (2024: 14.5%). Purchases from the Group's five largest suppliers accounted for approximately 68.0% (2024: 73.8%) to the Group's total purchases for the year and purchases from the Group's largest supplier amounted to approximately 47.7% (2024: 58.5%).

None of the Directors or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the issue share capital of the Company as at the date of this annual report) had any interest in any of the Group's five largest customers and five largest suppliers.

DIRECTORS

The Directors during the year and up to the date of this annual report were:

Executive Directors:

Mr. Kwai Sze Hoi (*Chairman*)
Mr. Huang Xueliang

Non-executive Director:

Ms. Cheung Wai Fung

Independent Non-executive Directors:

Mr. Nie Rui
Mr. Cheung Sze Ming
Mr. Cheng Yin Pan

Biographical details of the Directors and senior management as at the date of this report are set out from pages 14 to 17 of this annual report. Details of Directors' remuneration are set out in note 10 to the consolidated financial statements.

In accordance with the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years and a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. In accordance with the Articles, each of Mr. Kwai Sze Hoi and Mr. Huang Xueliang will retire at the forthcoming annual general meeting of the Company ("**AGM**") and, being eligible, will offer themselves for re-election thereat.

DIRECTORS' REPORT

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the listing date of the Company, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other and subject to renewal.

The non-executive Director and each of the INEDs has entered into a letter of appointment with the Company. The terms and conditions of each of such letters of appointment are similar in all material respects. The non-executive Director and each of the INEDs has been appointed with an initial term of three years commencing from the relevant dates of appointment subject to renewal and termination in certain circumstances as stipulated in the relevant letters of appointment.

On 10 July 2024, Mr. Cheng Yin Pan has been appointed as an INED and he has obtained the legal advice referred to in Rule 5.02D of the GEM Listing Rules. He has confirmed he understood his obligation as a Director.

Save as aforesaid, none of our Directors has or is proposed to have a service contract with the Company or any of our subsidiaries (other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

DIRECTORS' SERVICE CONTRACTS

No contracts, other than the service agreement, concerning the management and administration of the whole or any substantial part of the Group's business were entered into or existed during the year.

PERMITTED INDEMNITY PROVISIONS

During the year and up to the date of this report, the Company has in force permitted indemnity provisions which are provided for in the Articles and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against the Directors and the directors of the Group respectively.

DIRECTORS' REPORT

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests or short positions of the Directors and chief executives of the Company in the shares (the "Shares"), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to Rules 5.46 to 5.67 of GEM Listing Rules to be notified to the Company and the Stock Exchange, will be as follows:

(A) Long position interests in the Shares

Name of Director	Capacity/Nature of interests	Number of issued ordinary shares held/interested	Percentage of shareholding
Kwai Sze Hoi	Interest of a controlled corporation (Note)	600,000,000	75%
Cheung Wai Fung	Interest of a controlled corporation (Note)	600,000,000	75%

Note: Vital Force Developments Limited ("Vital Force") is legally and beneficially owned as to 58.4% by Kwai Sze Hoi, 38.9% by Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang. Kwai Sze Hoi and Cheung Wai Fung are deemed to be interested in all the Shares held by Vital Force under Part XV of the SFO. Mr. Kwai Sze Hoi is the chairman and an executive Director and a director of Vital Force. Ms. Cheung Wai Fung is a non-executive Director, a director of Vital Force and the spouse of Mr. Kwai Sze Hoi. Mr. Huang Xueliang is an executive Director.

DIRECTORS' REPORT

(B) Long position interests in ordinary shares of associated corporation

Name of associated corporation	Name of Director	Capacity/Nature of interests	Number of issued ordinary shares held	Percentage of the Company's share capital
Vital Force	Kwai Sze Hoi	Beneficial owner (Note 1)	29,200	58.4%
Vital Force	Cheung Wai Fung (Note 2)	Beneficial owner (Note 1)	19,466	38.9%
Vital Force	Huang Xueliang	Interest of a controlled corporation (Note 1)	1,334	2.7%

Notes:

1. Vital Force is legally and beneficially owned as to 58.4% by Kwai Sze Hoi, 38.9% by Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang.
2. Cheung Wai Fung is the spouse of Kwai Sze Hoi.

Save as disclosed above, as at 31 December 2025, none of the Directors nor chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

The Company has adopted a share option scheme ("**Share Option Scheme**") on 10 July 2018 to provide incentive or rewards to participants including the Directors and eligible employees of the Group. Particulars of the Share Option Scheme are set out in note 38 to the consolidated financial statements. No share options were granted under the Share Option Scheme since its adoption.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the share options as stated above, at the end of the year and at no time during the year was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company or their spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2025, none of the Directors nor their respective close associates was interested in any business which was considered to compete or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the GEM Listing Rules.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

In accordance with 17.50A(1) of the GEM Listing Rules, the changes to information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of 17.50(2) of the GEM Listing Rules during the course of the Directors' terms of office for the period from date of publication of the Company's latest annual report up to the date of this annual report are set out below:

1. Ms. Cheung Wai Fung has been appointed as a member of the Nomination Committee with effect from 16 June 2025;

SUBSTANTIAL SHAREHOLDER'S AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to the Directors, as at 31 December 2025, the following shareholders and persons (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long position in the Shares

Name	Capacity/Nature of interests	Number of issued ordinary shares held	Percentage of the Company's share capital
Vital Force	Beneficial owner	600,000,000	75%

Note: Vital Force is legally and beneficially owned as to 58.4% by Kwai Sze Hoi, 38.9% by Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang. Kwai Sze Hoi and Cheung Wai Fung are deemed to be interested in all the Shares held by Vital Force under Part XV of the SFO.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND CONNECTED TRANSACTIONS

Continuing connected transaction

During the year, the Group had the following transactions with connected person (as defined in the GEM Listing Rules) of the Company:

Tenancy Agreement

Name of counterparty	Location	(i) Date of agreement (ii) Term (D/M/Y)	Amount of the year HK\$'000
Ocean Longevity Company Limited ("Ocean Longevity")	Room 2715-16, 27/F., Hong Kong Plaza 188 Connaught Road West, Hong Kong	(i) 30/11/2023 (Effective from 1/12/2023) (the "Tenancy Agreement") (ii) 1/1/2024 – 31/12/2026	634

The total annual rent payable under the Tenancy Agreement (including the estimated utilities and telephone charges) by Ocean Line Port Development (Hong Kong) Limited to Ocean Longevity would be approximately HK\$665,000. The value of the right-of-use assets under the Tenancy Agreement in aggregate to be recognised by the Group according to HKFRS 16 amounts to approximately HK\$1,744,000, representing the present value of the lease payments payable under the fixed terms of the Tenancy Agreement in aggregate. Each of the total annual rent payable and the value of the right-of-use assets under the Tenancy Agreement is less than HK\$3,000,000 per annum and less than the 5% percentage ratios (other than the profits ratio) mentioned in Rule 19.07 of the GEM Listing Rules, the amounts would fall below the de minimis threshold under Rule 20.74(1)(c) of the GEM Listing Rules and thus would not be subject to any reporting, announcement or independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

DIRECTORS' REPORT

Related party transactions

Save for the exempt continuing connected transaction disclosed above, the Group also entered into certain related party transactions during the year which are contained in note 33 to the consolidated financial statements.

Save as disclosed above, there was no transaction, arrangement or contract which is significant in relation to the business of the Company to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the INEDs, an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all of the INEDs are independent.

REMUNERATION POLICY

A written remuneration policy (which ensures a clear link to business strategy and a close alignment with the Shareholders' interest and current market best practice) is in place and the remunerations of Executive Directors will take into account the Group's operating results, individual performance and comparable market statistics. The INEDs are paid fees in line with market practice. No individual should determine his or her own remuneration.

Employee's remuneration was determined in accordance with individual's responsibility, competence and skills, experience and performance as well as market pay level. Remuneration package includes, as the case may be, basic salary, Directors' fee, contribution to pension schemes, discretionary bonus relating to financial performance of the Group and individual performance, and other competitive fringe benefits such as medical and life insurances. Details of the remunerations of the Directors and the five highest paid employees of the Group are set out in note 10 to the consolidated financial statements.

DIVIDEND POLICY

The Board has adopted the policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Company do not have any pre-determined dividend payout ratio. The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the Articles and all applicable laws and regulations and the factors set out below:

- (a) financial results;
- (b) cash flow situation;
- (c) business conditions and strategies;

DIRECTORS' REPORT

- (d) future operations and earnings;
- (e) capital requirements and expenditure plan;
- (f) interest of shareholders;
- (g) any restrictions on payment of dividends; and
- (h) any other factors that the Board may consider relevant.

Depending on the financial conditions of the Company and the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period:

- (a) interim dividend
- (b) final dividend
- (c) special dividend
- (d) any distribution of net profits that the Board may deem appropriate.

Any final dividend for a financial year will be subject to shareholders' approval. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

On 9 November 2024, Chizhou Port Ocean Line Holdings Group Limited ("**Chizhou Port Holdings**"), a subsidiary of the Company, entered into a joint venture agreement with four joint venture partners, pursuant to which the parties agreed to establish a joint venture company, namely Chizhou Tie Hang Construction Investment Development Co., Ltd.* (池州鐵航建設投資發展有限公司) ("**Chizhou Tie Hang**") in Chizhou City, the PRC. Accordingly, Chizhou Tie Hang was incorporated on 9 November 2024 and is principally engaged in design, investment and financing, construction, operation, management, maintenance and handover of the project for the construction and operation of Guichi Mineral Products Transportation Railway Line and the Chizhou Jiangkou Port Railway Line project (the "**Project**"). Chizhou Tie Hang is owned beneficially as to 24%, 51%, 10% and 10%, respectively by the four joint venture partners, and the remaining 5% by Chizhou Port Holdings. Pursuant to the terms of the joint venture agreement (the "**JV Agreement**"), the proposed registered capital of Chizhou Tie Hang is RMB200,000,000 and the initial capital commitment (the "**Initial Capital Commitment**") made by Chizhou Port Holdings to Chizhou Tie Hang to subscribe for the registered capital is RMB10,000,000.

DIRECTORS' REPORT

On 16 December 2024, an advance was made by each of the shareholders of Chizhou Tie Hang to Chizhou Tie Hang in proportion to their respective shareholding interests in Chizhou Tie Hang (as to approximately RMB1,515,000 by Chizhou Port Holdings (the “Advance”)) for the purpose of financing the preliminary work for implementation of the phase one construction of the Project.

The Advance (when aggregated with the Initial Capital Commitment of RMB10,000,000) constituted a discloseable transaction on the part of the Company and the Company failed to announce the discloseable transaction as soon as practicable after its terms have been agreed as required under Rule 19.34 of the GEM Listing Rules, constituting a non-compliance of the GEM Listing Rules (the “Non-Compliance”).

Further details of the Non-Compliance event are set out in the clarification announcement of the Company dated 14 April 2025.

In order to prevent the occurrence of similar non-compliance incidents in the future and to comply with the requirements under the GEM Listing Rules, the Company has taken the following remedial actions:

- (i) the Company has published an announcement on 14 April 2025 in relation to the JV Agreement and the Advance to inform the shareholders of the details thereof and to re-comply with the requirements under Rule 19.34 of the GEM Listing Rules;
- (ii) the Company has issued a memorandum to the Board and senior management of the Company on 12 May 2025 to report the incident of non-compliance of GEM Listing Rules in relation to the JV Agreement and the Advance and to reiterate the importance to strictly follow the internal control measures adopted by the Company to ensure that the Company will be able to comply with the applicable requirements under the GEM Listing Rules, and in case of any doubt, the Company will consult external legal advisers, financial advisers and/or the Stock Exchange in advance;
- (iii) the Company has conducted an internal control review particularly in relation to the procedures of notifiable transaction of the Company and advances made to third parties and has implemented the necessary measures to enhance the internal control of the Company by 26 March 2026; and
- (iv) the relevant personnel(s) of the Group (i.e. the Board and senior management of the Group (including the Company secretary of the Company and senior management of Chizhou Port Holdings)) has/have attended a training in relation to the requirements under Chapter 19 of the GEM Listing Rules on 12 May 2025 to get himself/herself/themselves familiar with the requirements under the GEM Listing Rules and to ensure that he/she/they will procure the Company to comply with the requirements under the GEM Listing Rules in the future.

As at 26 March 2026, all of the above remedial actions have been completed.

Save as aforesaid, the Group has complied with the relevant laws and regulations. For the year ended 31 December 2025, there was no incident of non-compliance with relevant laws and regulations which have a significant impact on the Group.

DIRECTORS' REPORT

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders by reason of their holdings of the Shares.

CORPORATE GOVERNANCE IN RESPECT OF NON-COMPETITION DEED

Pursuant to a deed of non-competition undertaking dated 1 June 2018 (“**Deed**”) provided by Vital Force, Mr. Kwai Sze Hoi and Ms. Cheung Wai Fung (“**Covenantors**”) in favour of the Company, the Covenantors had given undertakings to the Company not to carry on, or be interested or involved or engaged in or acquire or hold any rights or interest, whether directly or indirectly, in any of the Restricted Business (as defined in the Deed).

1. Covenantors had confirmed that they had fully complied with the undertakings in the Deed and that the Company had not received nor was aware of any New Business Opportunities (as defined in the Deed) that required the Covenantors to offer to the Company by the Deed; and
2. the INEDs had made an annual review on the compliance of the terms of the Deed by the Covenantors and the enforcement of the non-competition undertakings in the Deed and formed the view that the Covenantors had fully complied with the undertakings in the Deed.

RETIREMENT BENEFIT SCHEME

Details of the retirement benefit scheme of the Group are set out in note 4.11(ii) to the consolidated financial statements.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 31 to 46 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, as at 31 December 2025, there was sufficient public float of 25% of the Company's issued Shares and the Company has maintained the prescribed minimum public float under Rule 17.37B of the GEM Listing Rules.

DIRECTORS' REPORT

As at 31 December 2025, (i) the Company's share capital consisted of 800,000,000 issued ordinary shares, all of which carried equal voting rights and ranked pari passu in all respects; and (ii) the composition of the Company's issued share capital was as follows:

Shareholders	As at 31 December 2025	
	No. of Shares	Approximate %
Substantial shareholder		
Vital Force Developments Limited (<i>Note</i>)	600,000,000	75.0
Other public shareholders	200,000,000	25.0
Total	800,000,000	100.0

Note: Vital Force is legally and beneficially owned as to 58.4% by Kwai Sze Hoi, 38.9% by Cheung Wai Fung and 2.7% by Hongkong Shun Yi Industrial Co. Limited, which is a company incorporated in Hong Kong with limited liability and owned as to 60% by Mr. Huang Xueliang. Kwai Sze Hoi and Cheung Wai Fung are deemed to be interested in all the Shares held by Vital Force under Part XV of the SFO. Mr. Kwai Sze Hoi is the chairman and an executive Director and a director of Vital Force. Ms. Cheung Wai Fung is a non-executive Director, a director of Vital Force and the spouse of Mr. Kwai Sze Hoi. Mr. Huang Xueliang is an executive Director.

AUDITORS

BDO Limited will retire at the forthcoming AGM and a resolution for their reappointment as auditors of the Company will be proposed thereat.

On behalf of the Board

Kwai Sze Hoi
Chairman
Hong Kong
26 March 2026

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report is presented for the year ended 31 December 2025. The Company places high value on the corporate governance practice and the Board firmly believes that a good corporate governance practice can improve accountability and transparency for the benefit of the shareholders of the Company. The Board is committed to maintaining a high standard of corporate governance for the Company within a sensible framework. The Company has applied the principles as set out in the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of the GEM Listing Rules during the year. The CG Code sets out the principles of good corporate governance, code provisions and recommended best practices. Issuers are expected to comply with the code provisions or devise their own code on corporate governance on the terms they consider appropriate provided that considered reasons are given. Throughout the reporting period, the Company had complied with the applicable code provisions of the CG Code and there had been no deviation by the Company.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and regulations and the CG Code and align with the latest developments.

THE BOARD

Board Composition

As at 31 December 2025, the Board comprised six Directors, with two Executive Directors, one Non-Executive Director and three INEDs who possess the skills, experience and expertise either in the same industry or relevant to the management of the business of the Group. The biographies of the Directors are set out on pages 14 to 17 of this annual report under the “Biographies of Directors and Senior Management” section. The Board includes at least three INEDs with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise at all times during the year.

Chairman and Chief Executive Officer

Code provision C.2.1 requires that the roles of the chairman and chief executive officer should be separate and not be performed by the same individual. Mr. Kwai Sze Hoi has been appointed as the Chairman of the Board who provides the Board with strong and consistent leadership. With the support of the company secretary of the Company (“Company Secretary”), he ensures that all Directors receive, in a timely manner, adequate information and are properly briefed on issues arising at the board meetings. He is responsible for ensuring that the Board works effectively.

Mr. Huang Xueliang is the chief executive officer of the Group who is responsible for the Group’s strategic planning, business growth and development as well as overseeing different functions. The Board considers that the current segregation of duties make the Board and the operation of the Group function effectively.

CORPORATE GOVERNANCE REPORT

Non-executive Directors

The INEDs are all professionals with valuable experience and expertise in legal, accounting or auditing in business areas who contribute impartial view and make independent judgment on issues to be discussed at Board meetings. Each of the INEDs has been appointed with an initial term of three years commencing from the relevant dates of appointment subject to renewal. The terms of the INEDs are subject to retirement by rotation and re-election provision under the Articles.

The Company had received confirmation of independence from each of the INEDs. The Board considered each of them to be independent by reference to the factors as set out in Rule 5.09 of the GEM Listing Rules. The INEDs had been expressly identified as such in all corporate communications of the Company that disclose the names of Directors.

Roles and Responsibilities of the Board

The Company is headed by the Board which is responsible for the leadership, control and promotion of the success of the Group in the interests of the Shareholders by directing and supervising its affairs and by formulating strategic directions and monitoring the financial and management performance of the Group.

Delegation to the Management

The management is led by the Executive Committee of the Company (which comprises all the Executive Directors of the Board) and has delegated powers and authorities to carry out the day-to-day management and operation of the Group, formulate business policies and make decision on key business issues. The Executive Committee shall have all powers and authorities of the Board except the following matters as set out in a formal schedule of matters specifically reserved by the Board:

- Publication of final, interim and quarterly results (if any) of the Company
- Dividend distribution or other distributions
- Major issues of treasury policy, accounting policy and remuneration policy
- Changes to group corporate structure or Board composition requiring notification by announcements
- Publication of the announcement for notifiable transactions and non-exempted connected transaction/ continuing connected transactions
- Non-exempted connected transactions/continuing connected transactions
- Notifiable transactions requiring Shareholders' approval
- Capital restructuring and issue of new securities of the Company
- Financial assistance to Directors

CORPORATE GOVERNANCE REPORT

Board independence

To ensure independent views and input are available to the Board, the effectiveness of certain mechanisms and features of the Board's structure are reviewed annually. For instance, the efficiency and quality of Board meeting discussions and the time commitment and proper discharge of duties of Directors are evaluated and assessed annually. Further, since the listing of the Company, at least half of the Board has comprised of non-executive Directors, and majority of the members of the Board committees have been independent non-executive Directors.

Board diversity policy

The Company has adopted a board diversity policy which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Board reviews the implementation and effectiveness of the Company's policy on board diversity on an annual basis.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

The Nomination Committee will review the board diversity policy on an annual basis to ensure its continued effectiveness.

For the purpose of implementation of the board diversity policy, the following measurable objectives were adopted:

1. at least one-third of the members of the Board shall be INEDs;
2. at least one of the members of the Board shall have obtained accounting or other professional qualifications;
and
3. the Board shall have at least one member of a different gender.

The Board has achieved the measurable objectives in the board diversity policy.

CORPORATE GOVERNANCE REPORT

DIRECTOR NOMINATION POLICY

The Board has adopted the policy which sets out (1) the principles which guide the Nomination Committee to identify and evaluate a candidate for nomination to (i) the Board for appointment or (ii) the shareholders of the Company for election, as a director of the Company; (2) the nomination procedures; and (3) the requirement to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company.

The Nomination Committee shall consider a number of factors in making nominations, including but not limited to the following:

- (a) **Skills and Experience:** The candidate should possess the skills, knowledge and experience which are relevant to the operations of the Company and its subsidiaries.
- (b) **Diversity:** Candidates should be considered on merit and against objective criteria, with due regard to the diversity perspectives set out in the Board Diversity Policy of the Company including but not limited to gender, age, cultural and educational background, ethnicity and the balance of skills and experience in board composition.
- (c) **Commitment:** The candidate should be able to devote sufficient time to attend Board meetings and participate in induction, trainings and other Board associated activities. In particular, if the proposed candidate will be nominated as an INED and will be holding his/her seventh (or more) listed company directorship, the Nomination Committee should consider the reason given by the candidate for being able to devote sufficient time to the Board.
- (d) **Standing:** The candidate must satisfy the Board and The Stock Exchange that he/she has the character, experience and integrity, and is able to demonstrate a standard of competence commensurate with the relevant position as a director of the Company.
- (e) **Independence:** The candidate to be nominated as an INED must satisfy the independence criteria set out in Rule 5.09 of the GEM Listing Rules.
- (f) **Others:** Such other perspectives that are appropriate to the Company's business plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors.

CORPORATE GOVERNANCE REPORT

If the Nomination Committee determines that an additional or replacement director is required, the Committee may take such measures that it considers appropriate in connection with its identification and evaluation of a candidate based on the criteria as set out above. The Nomination Committee may propose to the Board a candidate recommended or offered for nomination by a shareholder of the Company as a nominee for election to the Board. On making recommendation, the Nomination Committee may submit the candidate's personal profile to the Board for consideration. The Board may appoint the candidate as director to fill a casual vacancy or as an addition to the Board or recommend such candidate to shareholders for election or re-election (where appropriate) at the general meeting.

The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board. The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above. The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting. Where the board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the listing rules and/or applicable laws and regulations.

The Nomination Committee will conduct regular review on the structure, size and composition of the Board and this policy and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

Board skills matrix

Our Board of Directors comprises individuals with diverse skills and backgrounds, which are listed in the following table:

Skills and experiences	Kwai Sze Hoi (Executive Director and chairman of the Board)	Huang Xueliang (Executive Director and chief executive officer)	Cheung Wai Fung (Non-Executive Director)	Nie Rui (Independent Non-Executive Director)	Cheng Yin Pan (Independent Non-Executive Director)	Cheung Sze Ming (Independent Non-Executive Director)
Accounting and Finance			✓	✓	✓	✓
Laws and Regulations		✓				
Administrative	✓	✓	✓	✓	✓	✓
Industry Knowledge	✓	✓	✓			
Information Technology		✓		✓		
ESG and Sustainability						✓
Experience in other listed companies	✓				✓	✓

CORPORATE GOVERNANCE REPORT

In accordance with our Board Diversity Policy, Directors should possess certain strengths or features across various factors (including but not limited to gender, age, cultural and educational background, professional expertise and skills) and be able to contribute to the Board. Based on the Board's current mix of skills, experience, and diversity:

- (1) The executive Directors have strengths in administrative and relevant industry experience. They are responsible for the overall management and development of the Group, as well as for formulating and implementing business strategies.
- (2) The Chairman of the Board holds positions in other listed companies and is well-versed in the operations of listed companies and the GEM Listing Rules.
- (3) Chief executive officer of the Company possesses qualifications in the technology field, which is beneficial to the Group in pursuing technological innovation.
- (4) Chief executive officer of the Company has work experience in the legal field, ensuring that the Group conducts its business in full compliance with the applicable local laws and regulations.
- (5) The non-executive Director possesses strengths in finance and accounting, enabling her to assist the Board in reviewing financial information and monitoring the financial reporting system.
- (6) One of the INEDs has experience in sustainability (environmental, social and governance), enabling him to provide advice on the Company's ESG performance and reporting.
- (7) Two of the INEDs hold positions in other listed companies, enabling them to provide advice on the operations of listed companies and compliance with the GEM Listing Rules.
- (8) One of the INEDs has experience in the technology field and can provide advice on the Group's technological issues.
- (9) The non-executive Director is a female director, achieving the Board's objective of gender diversity.

The current composition of the Board has already met the requirements of the Board Diversity Policy, including having directors with sufficient relevant experiences and various professional backgrounds such as finance and accounting, as well as both male and female Board members. The Nomination Committee will continue to review the Board's composition on an ongoing basis to ensure compliance with the Board Diversity Policy and the latest GEM Listing Rules.

Although the Board does not currently have a specific plan for acquiring new skills, the Board will closely monitor compliance requirements, including those under the GEM Listing Rules, to ensure that its skill matrix remains adequate. The Board will also receive regular professional training for Directors in order to acquire new knowledge and skills.

CORPORATE GOVERNANCE REPORT

Induction, Support and Professional Development of Directors

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interest and business of the Group and such induction materials will also be provided to newly appointed Directors shortly upon their appointment as Directors. All Directors have been updated on the latest developments of the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses in order to assist them to perform their duties to the Company.

The Directors confirmed that they had complied with the Code Provision C.1.4 of the Code on Directors' training. During the year, each Director had participated in continuous professional development by attending seminars/workshops/reading materials (where appropriate) on the following topics to develop and refresh their knowledge and skills and has provided a record of training to the Company.

Name of Directors	Topics of training covered for all Directors
Mr. Kwai Sze Hoi	(1) corporate governance
Mr. Huang Xueliang	(2) finance
Ms. Cheung Wai Fung	(3) industry specific
Mr. Nie Rui	(4) regulatory
Mr. Cheung Sze Ming	(5) anti-corruption
Mr. Cheng Yin Pan	

Board Evaluation

The Company has conducted a Board performance evaluation for the current financial year. During the year, the Group engaged an independent consultant to perform the Board performance evaluation.

The evaluation was carried out by the independent consultant using various assessment tools, including questionnaires and analytical reviews. The questionnaires were completed by all Board members, the Company Secretary, and the independent consultant. A total of 40 questions were included in the questionnaire, with a full score of 100 points. The assessment areas covered Board activities, Board organization, governance, Board meetings, and other relevant topics. Appraisers were also invited to provide recommendations or comments on the Board's work and effectiveness. The completed questionnaires were then submitted to the independent consultant for consolidation and analysis. The analysis was conducted based on the questionnaire results as well as other available information.

The team or members of the independent consultant are independent from the Company and all Board members.

CORPORATE GOVERNANCE REPORT

The questionnaire adopted a full score of 100 points and a passing score of 80 points. The evaluation results indicated that all appraiser categories assessed the Board's overall performance, as well as the performance in each individual assessment area, as meeting the passing threshold. The independent consultant also raised several improvement suggestions in the Board performance evaluation report, including: (i) further enhancing Board diversity, including but not limited to gender, age, and nationality; (ii) regularly reviewing the tenure of independent non-executive directors; (iii) considering the strengthening of sustainability governance by incorporating ESG KPIs into the calculation of directors' remuneration packages; (iv) actively contributing to Corporate Social Responsibility initiatives; and (v) strictly adhering to existing corporate governance policies to avoid recurrence of non-compliance issues.

Directors' Insurance

The Company has arranged appropriate insurance cover in respect of any legal action against the Directors in compliance with the requirements under the CG Code.

Directors' Attendance

The attendance of Directors at the meetings during the year:

Name of Directors	Board	No. of meeting attended/eligible to attend			
		Audit Committee	Remuneration Committee	Nomination Committee	Annual General Meeting (Note)
Executive Directors					
Kwai Sze Hoi	4/4	N/A	N/A	N/A	1/1
Huang Xueliang	4/4	N/A	N/A	N/A	1/1
Non-executive Director					
Cheung Wai Fung	4/4	N/A	N/A	0/0	1/1
Independent Non-executive Directors					
Nie Rui	4/4	4/4	1/1	1/1	1/1
Cheung Sze Ming	4/4	4/4	1/1	1/1	1/1
Mr. Cheng Yin Pan	4/4	4/4	1/1	1/1	0/1
Total number of meetings held:	4	4	1	1	1

Note:

AGM for 2024 was held on 28 May 2025.

CORPORATE GOVERNANCE REPORT

Upon reviewing (a) the confirmation of the time commitment given by each Director; (b) the directorships and major commitments of each Director; and (c) the attendance rate of each Director on the meeting(s), the Board is satisfied that all Directors have spent sufficient time in performing their responsibilities during the year.

Board Meetings and Proceedings

Regular Board meetings will be held at approximately quarterly intervals. The Directors have access to the advice and services of the Company Secretary and key officers of the company secretarial team for ensuring that the Board procedures as well as all applicable rules and regulations are followed.

With the assistance of the Company Secretary, the meeting agenda is set by the Chairman of the Board in consultation with other Board members. Board meeting notice was sent to the Directors at least 14 days prior to each regular Board meeting. Relevant meeting materials together with all appropriate, complete and reliable information are generally sent to all Directors and relevant committee members at least 3 days before each meeting to enable them to make informed decisions.

Minutes of Board meetings and Board committee meetings are drafted by the secretary of the meetings and recorded in sufficient details the matters considered and decisions reached, with draft and final versions being circulated to the Directors for their comment and records respectively. Originals of such minutes, being kept by the Company Secretary, are open for inspection at any reasonable time with reasonable notice by any Director.

If a Director has conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting rather than a written resolution. That Director will abstain from voting on the relevant Board resolution in which he/she or any of his/her associates has a material interest and he/she shall not be counted in the quorum present at the Board meeting. INEDs who, and whose close associates, have no material interest in the transaction are present at that Board meeting.

Board Committees

To assist the Board in execution of its duties and facilitate effective management, certain functions of the Board have been delegated by the Board to the Audit Committee, Remuneration Committee and Nomination Committee.

CORPORATE GOVERNANCE REPORT

All of the members of the Audit Committee, Remuneration Committee and majority of members of Nomination Committee are INEDs. Clear written terms of reference of all the Board Committees are given to the respective members of these Committees. Details of the Board Committees are set out below:

1. Audit Committee

The Audit Committee currently consists of three INEDs, namely Mr. Cheung Sze Ming (*Chairperson of the Committee*), Mr. Nie Rui and Mr. Cheng Yin Pan.

The specific written terms of reference of the Audit Committee is available on the websites of the Stock Exchange and the Company. The Audit Committee is primarily responsible for, among other matters, (a) making recommendations to the Board on the appointment, reappointment and removal of the external auditor; (b) reviewing and monitoring the external auditor's independence and objectivity and effectiveness of the audit process; (c) approving the remuneration and terms of engagement of external auditor; and (d) reviewing financial information and overseeing the financial reporting system, risk management and internal control procedures. The Audit Committee held four meetings during the year for, inter alia, reviewing the Group's annual results, the first quarterly results, interim results, the third quarterly results, the financial reporting and compliance procedures, the effectiveness of the risk management and internal control systems and discussing with the auditors about the audit plan.

2. Remuneration Committee

The Remuneration Committee currently consists of three members, namely Mr. Nie Rui (*Chairman of the Committee*), Mr. Cheung Sze Ming and Mr. Cheng Yin Pan.

The specific written terms of reference of the Remuneration Committee is available on the websites of the Stock Exchange and the Company. The Remuneration Committee is primarily responsible for making recommendation to the Board on (a) the Company's policy and structure of the remuneration of Directors and senior management; (b) the remuneration of INEDs; and (c) the specific remuneration packages of individual Executive Directors and senior management. Details of the remuneration of each of the Directors for the year are set out in note 10 to the consolidated financial statements. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual Directors and senior management. The Remuneration Committee held one meeting during the year and performed the following:

1. Reviewed and approved the remuneration packages of all Directors and senior management of the Group to ensure that such remuneration is reasonable and not excessive.
2. Reviewed the staff policy and emolument policy of the Group.

CORPORATE GOVERNANCE REPORT

3. Nomination Committee

The Nomination Committee currently consists of four members, namely Mr. Cheng Yin Pan (*Chairman of the Committee*), Ms. Chueng Wai Fung, Mr. Nie Rui and Mr. Cheung Sze Ming.

The specific written terms of reference of the Nomination Committee is available on the websites of the Stock Exchange and the Company. The Nomination Committee is primarily responsible for (a) reviewing the structure, size and diversity of the Board; (b) reviewing the Board Diversity Policy; (c) determining the policy for the nomination of Directors and identifying potential candidates for directorship; (d) making recommendations to the Board on the appointment, re-appointment, re-election or re-designation of Directors and succession planning for Directors; (e) assessing the independence of INEDs; and (f) reviewing the time commitment of each Director. When selecting and recommending candidates for directorship during the year, the Nomination Committee considered the candidates based on merit having regard to the experience, skills and expertise as well as the overall board diversity and made recommendations to the Board as appropriate for its consideration. The Nomination Committee held one meeting during the year and performed the following:

1. Reviewed the Board Diversity Policy of the Company.
2. Approved the re-election of Directors of the Company.
3. Reviewed the structure, size and composition including the skills knowledge and experience of the Board.

As adopted by the Board, the Board Diversity Policy aims to achieve diversity on the Board in the broadest sense in order to have a balance of skills, experience and diversity of perspectives to the business nature of the Company. Selection of candidates on the Board is based on a range of diversity perspectives, including gender, age, cultural and educational background, ethnicity, professional qualification and experience, skill, knowledge and length of service. The Nomination Committee will also assess the merits and contribution of any Director proposed for re-election or any candidate nominated to be appointed as Director against the objective criteria, with due regard for the benefits of diversity on the Board that would complement the Company's corporate strategy.

SECURITIES TRANSACTION OF DIRECTORS

The Company adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding directors' securities transactions of the Company. Upon the Company's specific enquiry, each Director had confirmed that during the year, they had fully complied with the required standard of dealings and there was no event of non-compliance.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

The Directors acknowledged their responsibilities to prepare the consolidated financial statements of the Group and other financial disclosures required under the GEM Listing Rules and the management has provided such explanation and information to the Board to enable it to make an informed assessment of the financial and other Board decisions. The Directors believe that they have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable and ensured the consolidated financial statements are prepared on a "going concern" basis. The auditor of the Company has made a statement about their reporting responsibilities in the Independent Auditor's Report.

The management has provided all members of the Board with monthly updates on internal financial statements so as to give the Directors a balanced and understandable assessment of the Group's performance, position and prospects.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the design, implementation, monitor and review of the Group's internal control system including the internal control and risk management for the Company to ensure their effectiveness and efficiency. The objective of internal control is to safeguard the Company's assets and ensure its accounting records are properly maintained, so that all the financial information is accurate and reliable. The Group has adopted a series of internal control policies and procedures designed to provide reasonable assurance for achieving the objectives including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations, including those relating to the Company's environmental, social and governance performance and reporting. All employees are committed to continually enhancing the risk management measures to ensure that these measures work in line with the growth of our business strategies and integrated into day-to-day operation of the business. The Board shall at least annually review its risk management and internal control system.

Internal Controls

The Group has maintained internal control policies to provide sufficient guidelines for the management staff and employees of the Company to work efficiently under a standardised work procedure. The internal control policies cover various operating processes from risk assessment, financial reporting, cost management and staff recruitment. The internal control system is generally overseen by the executive Directors and senior management and is reviewed at least once a year. For cost effectiveness, the Group did not divert resources to establish a separate internal audit department. Nevertheless, the Board will continue to review at least annually the need for an internal audit department. During the year, the Group engaged an independent internal control consultant to perform the review on internal control of the Group, including financial, operational and compliance controls and risk management functions, for the year ended 31 December 2025. The Board concluded that the Group has maintained effective and adequate internal control measures to ensure that the operations of the Group would be in full compliance with the CG Code and the applicable laws and regulations. The Board is committed to implementing an effective and sound internal control system to safeguard the interest of Shareholders and the Group's assets and the internal control systems would be reviewed annually.

CORPORATE GOVERNANCE REPORT

Risk Management

In the course of conducting the business of the Group, the Company is exposed to various types of risks, including business risks, financial risks, environmental, social and governance risks, operation and other risks. The Board is ultimately responsible for the risk management of the Group and the risk management system is reviewed at least once a year. At operational level, a risk management team is in place to carry out risk identification and monitoring procedures. The risk management team consists of the operation staff, the Company Secretary and Mr. Kwai Sze Hoi. The objectives of the risk management process are to ensure that the operations of the Group would be in full compliance with the CG Code and the applicable laws and regulations enhance the governance and corporate management processes as well as to safeguard the Group against unacceptable levels of risks and losses. The risk management process of the Group would involve, among others, (i) risk identification and analysis exercise which involves assessment of the consequence and likelihood of risks and the development of risk management plans for mitigating such risks; and (ii) review of the implementation of the risk management plans and fine tune when necessary. During the year, the risk management process of the Group has been reviewed, and the Board considered that process was effective and adequate for the year.

Procedures and Internal Controls for Handling and Dissemination of Inside Information

In handling and dissemination of inside information, the Group:

- (i) will conduct immediate dissemination once inside information is available and/or respective decision is made, except the inside information falling into the Safe Harbours of Securities and Futures Commission that allow non-disclosure;
- (ii) complies with applicable laws, rules and guidelines on disclosure of inside information issued by Securities and Futures Commission;
- (iii) decides and implements monitoring procedures regarding dissemination of inside information; and
- (iv) communicates with relevant persons about corporate information disclosure practices with respective training.

CORPORATE GOVERNANCE REPORT

Anti-corruption and whistle-blowing

The Company takes a zero-tolerance approach to corruption or malpractice of any form throughout our operations. We strictly prohibit the acceptance of money or any other gifts from external entities such as customers, suppliers, contractors, authorities or other business partners. All employees are required to follow our Employee Handbook which details a set of guiding principles for responsible business conduct.

In support of our policies on ethical behaviours, the Group's whistle-blowing policy and grievance mechanism are in place to allow employees at all levels and those who deal with the Group (e.g. customers and suppliers) to raise concerns regarding any misconduct. To ensure whistleblowers have the freedom to report grievances without fear of reprisal, all cases are treated in strict confidence and submitted to designated personnel for further investigation. During the reporting year, there were zero cases of non-compliance with the relevant laws and regulations, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of laws of Hong Kong) relating to corrupt practices.

COMMUNICATION WITH SHAREHOLDERS

The Company had established a shareholders' communication policy and the Board reviews it on an annual basis. The Board is satisfied with the implementation and effectiveness of the Company's activities in communicating with Shareholders and investors during the reporting period. The Company communicates with the Shareholders mainly in the following ways: (i) the holding of AGMs and extraordinary general meetings, if any, which may be convened for specific purposes which provide opportunities for the Shareholders to communicate directly to the Board; (ii) the publication of announcements, annual reports, interim reports, quarterly reports (if any) and/or circulars as required under the GEM Listing Rules and press releases providing updated information of the Group; and (iii) the availability of latest information of the Group in the Company's website at <http://www.oceanlineport.com>.

There is regular dialogue with institutional Shareholders. Shareholders and investors are welcome to visit the Company's website to raise enquiries and/or communicate their views on various matters affecting the Company. The relevant contact details are available on the Company's website. The Directors, Company Secretary or other appropriate members of senior management of the Company respond to enquiries from Shareholders promptly. All Shareholders are also welcomed to attend general meetings of the Company to discuss matters relating to the Group.

Separate resolutions will be proposed at the general meetings for substantial separate issues, including re-election of retiring Directors. The Company's notice to the Shareholders for the AGM will be sent to Shareholders at least 20 clear business days before the meeting and notices of all other general meetings will be sent to the Shareholders at least 10 clear business days before the meetings.

Majority of the Directors of the Company attended the AGM of the Company held on 28 May 2025 (the "2024 AGM") and the Chairman of the Board as well as chairman/members of the Board Committees made themselves available to answer questions at the 2024 AGM. External auditor was invited and attended the AGM to address shareholders' enquiries.

CORPORATE GOVERNANCE REPORT

The forthcoming AGM will be held on 28 May 2026 which will be conducted by way of poll. The Chairman of the AGM and the chairman/members of the Board Committees will be available at the AGM to answer questions from the Shareholders. With the assistance of the Company Secretary, the Chairman of the meeting will explain the procedures for conducting a poll during the meeting.

SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the Shareholders as required to be disclosed pursuant to the CG Code.

Convening an Extraordinary General Meeting/Right to call Extraordinary General Meeting

Shareholder(s) representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings may send a request to the Company pursuant to Section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("CO"). The request must state the general nature of the business to be dealt with at the meeting, and may include the text of resolution that may properly be moved and is intended to be moved at the meeting. Requests may consist of several documents in like form. A request may be sent to the Company for the attention of the Company Secretary in hard copy form or in electronic form and must be authenticated by the relevant Shareholder(s). Such request will be verified with the Company's share registrar and the Company Secretary will request the Board to convene a general meeting within 21 days upon its confirmation that the request is in order. Such meeting must be held on a date not more than 28 days after the date of the notice convening the meeting and such notice must include notice of the resolution.

Section 568 of the CO provides that if the Directors do not within 21 days as stated above to call a general meeting, the Shareholders representing more than one half of the total voting rights of all of them, may themselves call a general meeting, but the meeting so convened must be called for a date not more than 3 months after the Directors become subject to the requirement to call a meeting. The meeting must be called in the same matter, as nearly as possible, as that in which that meeting is required to be called by the Directors. The business that may be dealt with at the meeting includes a resolution to be dealt with at the meeting. All reasonable expenses incurred by the Shareholders of this purpose must be reimbursed by the Company.

Putting forward Proposals at General Meetings/Right to Circulate Resolution at AGM

Section 615 of the CO provides that (i) shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders; or (ii) at least 50 Shareholders having a right to vote on the resolution at the AGM may request the Company to circulate a notice of a resolution may properly moved or is intended to be moved at that meeting. Such request must identify the resolution to be moved at the AGM, must be authenticated by the relevant Shareholder(s) and sent to the registered office of the Company for the attention of the Company Secretary in hard copy form or in electronic form not later than 6 weeks before the relevant AGM or if later, the time when the notice of AGM is despatched.

Proposing a Person for Election as a Director

The procedures for Shareholders to propose a person for election as a Director are available for viewing on the Company's website.



CORPORATE GOVERNANCE REPORT

Enquires from Shareholders

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar, Tricor Investor Services Limited. Other Shareholders' enquiries can be directed to the Company Secretary of the Company whose contact details are shown on the Company's website.

CONSTITUTIONAL DOCUMENTS

There is no significant change in the Company's constitutional document during the year.

AUDITOR'S INDEPENDENCE AND REMUNERATION

The Audit Committee is mandated to review and monitor the independence of the auditor to ensure objectivity and the effectiveness of the audit process of the financial statements in accordance with applicable standard. Members of the Audit Committee was of the view that the Company's auditor, Messrs. BDO Limited ("BDO") is independent and had recommended the Board to re-appoint it as the Company's auditor at the 2025 AGM. The fee paid/payable to BDO for the year in respect of the audit services and non-audit services provided to the Company and its subsidiary amounted to RMB743,000 and RMB229,000, respectively.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Introduction of the Report

This report is the Environmental, Social and Governance (“ESG”) Report (the “Report”) of Ocean Line Port Development Limited (the “Company”) and its subsidiaries (collectively, the “Group” or “We”) for the current financial year. This Report summarises the Group’s strategies, practices and vision regarding the ESG issues for the year of 2025.

Reporting Scope and Reporting Period

Unless otherwise stated, this Report covers the achievements to environmental protection and social development of two terminals that generate our major revenue and are operated by the Group, namely the Jiangkou Terminal and Niutoushan Terminal. This Report explains the work performance with respect to the environment and social of the Group from 1 January 2025 to 31 December 2025 (the “Year” or the “2025”) in details.

Basis for Preparation

This Report is prepared in accordance with the Environmental, Social and Governance Reporting Code (the “ESG Reporting Code”) set out in Appendix C2 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This Report also complies with the “Comply or Explain” provision of the ESG Reporting Code and the reporting principles of materiality, quantitative, balance and consistency. When preparing this Report, the Group adopted emission factors and international standards listed in the ESG Reporting Code issued by the Stock Exchange using the same preparation method as the previous year. For details on applying materiality reporting principle, please refer to the section headed “Materiality Assessment” in this Report.

Contact of the Group

For details of the financial performance and corporate governance of the Group during the Year, please refer to the website (www.oceanlineport.com) of the Group and the Annual Report.

Your opinion is of great value to the Group. If you have any suggestion and feedback on this Report and the performance of the Group in respect of sustainable development, please post them to the principal place of business of the Company in Hong Kong, which is located at Room 2715–16, 27th Floor, Hong Kong Plaza, 188 Connaught Road West, Hong Kong.

Data Sources and Reliability Statement

The information disclosed in this Report comes from the Group’s internal documents, statistical reports and relevant public materials. The Group confirms that the Report does not contain any false statement, misleading representation or material omission and take responsibilities for its contents as to the authenticity, accuracy and completeness. This Report is released in both English and Chinese versions. Should there be any discrepancies between the two versions, the English version shall prevail.

Confirmation and Approval

The management team of the Group has confirmed to the board of directors (the “Board”) of the Group that the ESG risk management and internal monitoring systems for the Year are effective.

This Report received approval at the meeting of the Board held on 26 March 2026 at Suite 2101, 21/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong. The electronic version of this Report can be viewed on the website of the Stock Exchange and website of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MANAGEMENT OF ESG

Statement of the Board

As a responsible corporate citizen, the Group adheres to the concept of sustainable development, actively fulfils its corporate social responsibilities and incorporates ESG management into its business development decisions. In addition, the Group has been focusing on maintaining closer connections with different stakeholders.

The Group has established governance structure to strengthen the ESG management. The Board assumes full responsibility for the ESG issues of the Group and fully monitors related risks and opportunities. The Board is responsible for formulating management approach, strategies and goals in relation to the Group's ESG, regularly reviews the goals set by the Group and performance of the goals and review the strategies pursuant to the actual condition. To integrate the concept of sustainability and manage ESG issues effectively, the Group has established the ESG Working Group ("**ESG Working Group**") to help the Board to monitor and promote the implementation of various ESG strategies. The ESG Working Group is also responsible for assisting the Board to identify important issues and rank their priorities in order of importance, regularly report to the Board on the effectiveness of the ESG system and performance of the Group and prepare the annual ESG report.

In the future, the Board will continue to monitor and improve the Group's measures and performance on sustainability and commit to create long-term values for all stakeholders and the communities where the business is located.

Management structure

The Board	<ul style="list-style-type: none">The Board is responsible for monitoring ESG issues, including formulating related approach and strategies.
ESG Working Group	<ul style="list-style-type: none">The ESG Working Group is responsible for assisting the Board to execute various daily management works for ESG issues.
Functional Departments	<ul style="list-style-type: none">Each functional department is responsible for enforcing various measures for ESG issues formulated by the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Identification and Communication with Stakeholders

In the course of its operations, the Group continues to pay attention to major issues of interest of the stakeholders. The Group understands the expectations and needs of its stakeholders through comprehensive and transparent communication, and continues to improve the Group's sustainable development strategies and plans based on the opinions of its stakeholders, so as to consolidate mutual trust and cooperative relations and jointly achieve its sustainable development plan, create a future with the coexistence of sustainable economic growth, environmental friendliness and social development.

Information of Stakeholders

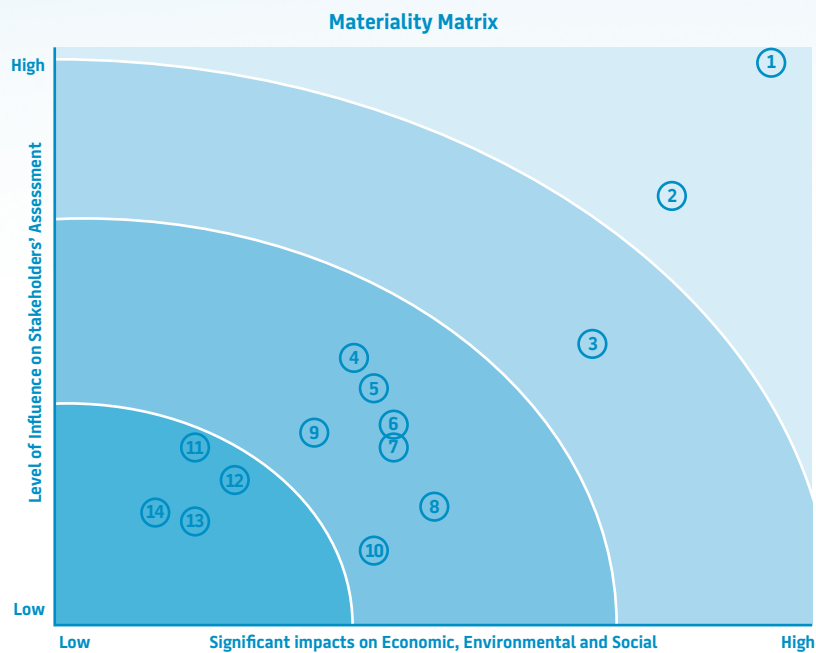
Stakeholders	Possible matters involved	Communication and response
Stock Exchange	Compliance with the Listing Rules and timely and accurate publication of announcements	Meeting, training, seminar, programme, website update and announcement
The government	Compliance with laws and regulations, attention to social welfare and prevention of tax evasion	Interaction and inspection, governmental inspection, tax return and other information
Suppliers	Payment schedule and stable demand	On-site investigation
Investors	Corporate governance system, business strategies and performance and investment returns	Company's website, general meeting, provision of financial report or business report for investors, media and analysts
Business partners	Business strategies and investment return	Meeting and on-site investigation
Media	Corporate governance, environmental protection and human rights	Notice published on the Company's website
Customers	Product/service quality, reasonable price, service value, labour protection and work safety	On-site inspection and after-sales service
Employees	Rights, interests and welfare, employee remuneration, training and development, working hours and work environment	Holding of team activity, training and interview, distribution of staff manual and internal memorandum
Community	Community environment, employment and community development and social welfare	Development of social welfare sponsorship and donation

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Materiality Assessment

In order to ensure that this Report has fully covered and responded to the major concerns of stakeholders, in addition to regular communication with stakeholders, the Group has also referred to various resources of internal policies, industry trends and Material Map by Sustainability Accounting Standards Board to identify issues with potential and actual impact to the Group’s sustainable development.

The Group analysed and prioritised the ESG issues identified based on certain factors such as its strategy, development and objectives. There were no significant changes in our stakeholders and operations during the Year. Therefore, the Group confirmed that the results of the materiality matrix from the 2024 ESG report remained applicable for 2025, which could continue to fulfil stakeholders' expectations. The materiality matrix of ESG issues of the Group is as follows, and the results are as follows:



ESG issues	
1. Health and safety	8. Anti-corruption
2. Product responsibility	9. Water consumption
3. Labour standards	10. Community investment
4. Climate change	11. Supply chain management
5. Energy consumption	12. Waste generation
6. The environment and natural resources	13. Employment
7. Development and training	14. Emissions

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENT

Summary of Environment

The Group is an inland terminal operator in the People's Republic of China (the "PRC"), and mainly operates two port terminals, namely, Jiangkou Terminal and Niutoushan Terminal, both of which are situated in Chizhou City, Anhui Province, the PRC. Our services principally consist of the uploading and unloading services of bulk cargo, the uploading and unloading services of containers, storage services and other relevant ancillary port services.

The Group has established a safety and environment department, led by a senior management member, for supervising and managing issues relating to environmental protection and emission of hazardous dust and materials, in order to ensure the Group's compliance with existing requirements on environmental protection during its business operations.

The Group strictly adheres to a series of national and local municipal government's laws on environmental protection by the state and local governments in the course of all business activities and production processes. During the Year, we obtained all necessary local and national permits as well as various emissions approvals and licenses, including but not limited to Port Operation License (港口經營許可證), Statement of Compliance of a Port Facility (港口設施保安符合證書), Road Transportation Operation License (道路運輸經營許可證), Affiliate Permit for Handling Hazardous Goods at Ports (港口危險貨物作業附證).

During the Year, the Group complied with all environment-related laws, including but not limited to the Water Pollution and Prevention Law of the PRC (《中華人民共和國水污染防治法》), the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》), the Solid Pollution and Prevention Law of the PRC (《中華人民共和國固體廢物污染環境防治法》), Cleaner Production Promotion Law of the PRC (《中華人民共和國清潔生產促進法》) and the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》). Meanwhile, we were not involved in any confirmed non-compliance relating to environmental protection that would have a material impact on the Group.

The Group and Environment

Intensive transportation and cargo handling activities at our terminals generate limited noise and cause water and dust pollution. In regard to this, the Group has established internal environmental policies and engaged a third-party agency with professional qualifications for conducting environment assessment of the Group. We hope to ensure observance of legal obligations and requirements for normal operation through regular monitoring and inspection.

In order to effectively control dust and water pollution, we have implemented the following environmental protection measures:

- Setting up dust screens, dust-prevention walls and nets around the perimeter of the work area to effectively suppress dust dispersion and minimize impact on the surrounding environment through multiple physical containment mechanisms;
- Setting up water spraying equipment within the facilities and improving the coverage and atomization efficiency of existing sprinkling system continuously, which ensures timely moisture replenishment to dampen material surfaces, controlling dust generation at its source while facilitating water recycling and minimizing water loss simultaneously; and
- Using a dust inspection system for real-time data collection and analysis, ensuring all indicators comply with environmental regulations through precise monitoring data, serving as a scientific basis for adjusting pollution control strategies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Emissions

This Report is prepared in accordance with the ESG Reporting Code of the Stock Exchange with a focus on direct greenhouse gas (“GHG”) emissions (Scope 1) and energy indirect GHG emissions (Scope 2), whereas other indirect GHG emissions (Scope 3) are excluded from the Report. The Group’s main source of direct GHG emissions is the use of gas cooking appliances and vehicles, and the main source of indirect GHG emissions is the consumption of purchased electricity.

To support our port logistic services, in addition to private vehicles for customers pick up, we are also equipped with loaders, tractors, sprinkler trucks and shuttle buses. We regularly conduct routine inspection to keep the vehicles at their optimal condition, thereby improving fuel consumption efficiency and ensuring road safety.

The Group is aware of the increasingly stringent laws and regulations in relation to environmental protection. Therefore, we are gradually using electric machines to replace the traditional diesel-powered horizontal transport machines at our ports with high emissions. The Group has prepared a Survey on Horizontal Transport Machine at Port and the Implementation of ‘Replacing Diesel with Electricity’ to record the progress of “replacing diesel with electricity”.

During the Year, we generated a total of 956.38 kg of nitrogen oxides (NO_x), 88.67 kg of particulate matter (PM) and 1.82 kg of sulphur oxides (SO_x). In active response to energy conservation and emissions reduction policies, the Group strictly enforces optimized emission reduction measures for mobile sources. In addition to phasing out all inefficient and outdated vehicles, we have also precisely calibrated the emission data for vehicles of different weights. During the Year, the subcontracting of the Niutoushan terminal canteen to a third-party operator has resulted in a significant reduction in liquefied petroleum gas consumption. Although the increased frequency of heavy-duty truck use driven by business needs has caused slight fluctuations in particulate matter emissions, the Group will continue to monitor air pollutants and strive to balance business expansion with environmental responsibility. Details of the emission data are set out below:

KPI — Emissions ¹						
KPI A1.1	Source	2025	2024	Type of emissions	2025	2024
<i>Emissions data</i>						
	Kilometres travelled by vehicles	282,091.25 km	269,414.88 km	Nitrogen oxides (NO _x)	956.38 kg	999.69 kg
				Particulate Matter (PM)	88.67 kg	73.29 kg
	Fuel consumption					
	Diesel	109,230.90 litre	177,076.25 litre	Sulphur oxides (SO _x)	1.82 kg	2.92 kg
	Petrol	4,066.01 litre	4,497.10 litre			
	Liquefied petroleum gas	52.72 litre	120.00 litre			

¹ The calculation of emissions is based on “How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Waste Generation

The Group adheres to the principles of waste management and is committed to the rational management and disposal of waste generated from its business activities. The Group maintains high standards of waste reduction, educates its employees on the importance of sustainable development and provides them with relevant support to enhance their skills and knowledge in sustainable development.

During the Year, the Group optimized its waste data collection system, enabling the quantification of hazardous waste generation. The main hazardous wastes generated from our operations are petroleum asphalt, vessels pollutants, waste mineral oils, mineral oil-containing waste, and waste barrels. To ensure compliant disposal, we engaged certified professional chemical waste treatment providers to process hazardous waste in accordance with relevant environmental regulations. During the Year, we generated a total of 4.53 tonnes of hazardous waste. Details of the emission data are set out below:

KPI — Hazardous waste			
KPI A1.3	Source	2025	2024
<i>Hazardous waste emissions</i>			
	Petroleum asphalt	2.16 tonnes	N/A
	Vessels pollutants	1.65 tonnes	N/A
	Waste mineral oils, mineral oil-containing waste, and waste barrels	0.72 tonnes	N/A
Total emissions of hazardous waste		4.53 tonnes	N/A
Intensity of total hazardous waste emissions ²		0.02 tonnes/employee	N/A

² As of December 31, 2025, the Group's total number of employees was 196 (2024: 205). This figure is also used to calculate other density metrics.

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The main non-hazardous waste generated from our operations are paper, domestic waste, vessel domestic waste and vessel domestic wastewater. To reduce waste generation, we actively promote a “paperless” work environment and have implemented relevant measures, including but not limited to:

- Adopting an electronic mode of operation to centralise the processing of office documents and files to reduce the need for physical paperwork with the aim of establishing an efficient and low-carbon paperless office environment;
- Regularly conducting environmental education to communicate the core messages of resources conservation to employees; and
- Requiring employees to follow strict paper usage standards including printing on both sides and reusing paper printed on only one side in order to minimise paper consumption.

During the Year, we generated a total of 1,686.40 tonnes of non-hazardous waste. With the launching of new projects, the corresponding increase in administrative and operational requirements, coupled with the influx of a large number of construction personnel into the port area, has led to a rise in paper consumption and domestic waste generation. Details of the emission data of non-hazardous waste are set out below:

KPI — Non-hazardous waste			
KPI A1.4	Source	2025	2024
<i>Non-hazardous waste emissions</i>			
	Paper	0.37 tonnes	0.30 tonnes
	Domestic waste	21.40 tonnes	16.30 tonnes
	Vessel domestic waste	19.21 tonnes	N/A ³
	Vessel domestic wastewater	1,645.42 tonnes	N/A ³
Total emissions of non-hazardous waste		1,686.40 tonnes	16.60 tonnes
Intensity of total non-hazardous waste emissions		8.60 tonnes/employee	0.08 tonnes/employee

³ To continuously enhance the completeness and accuracy of data disclosure, the Group further refined its waste data management system during the current fiscal year. This included the addition of disclosures for two categories of non-hazardous waste: vessel domestic waste and vessel domestic wastewater. These enhancements aim to more comprehensively and accurately reflect the Group’s commitment to sustainable development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Year, the Group further refined its non-hazardous waste accounting system, incorporating vessel domestic waste and vessel domestic wastewater into its disclosure scope. Due to a significant increase in total non-hazardous waste emissions of the Year, the Group was unable to achieve its target of maintaining or reducing non-hazardous waste emission intensity within the Year, using 2024 as the baseline year. Looking ahead, the Group will continue to reduce emissions of both hazardous and non-hazardous waste, aiming to achieve a 20% reduction in the emission intensity of hazardous and non-hazardous waste by 2030, using 2025 as the baseline year.

Use of Resources

Energy Consumption

In its daily operation, the Group's direct energy consumption is diesel and petrol consumed by vehicles and liquefied petroleum gas (LPG) for gas cooking appliances, while indirect energy consumption includes purchased electricity. Our electricity consumption is mainly for the purpose of daily operation of the Group's office and the machines and equipment at the terminals. Within the Group's energy consumption structure, electricity is primarily utilized in two key areas: for administrative operations, it powers the daily functioning of air conditioning systems, information technology equipment, and various office facilities; and for terminal operations area, it serves as the critical energy source driving core production equipment, including conveyor belts, cranes, and other mechanical transportation systems. We are committed to monitoring electricity efficiency across all segments to achieve our low-carbon operational objectives.

To effectively use the Group's resources, we have taken the following measures to save electricity in the Group's office:

- Strictly enforce the "turn off lights when leaving" principle. All unused lighting fixtures and office appliances must be promptly switched off to prevent energy waste. Maintain office temperatures at the government-recommended optimal and energy-efficient level (e.g., 25.5°C). Ensure the air conditioning system is completely shut down during non working hours or when conference rooms are unoccupied;
- Conduct a comprehensive power-off inspection after office hours each day and in idle rooms for extended periods to ensure all non-essential lighting and air conditioning equipment are turned off; and
- Employees are encouraged to consciously switch their personal computers and related office equipment to hibernation mode or turn them off when leaving their workstations for a long time during office hours (e.g., when visiting clients, taking lunch breaks, or attending external meetings) to reduce standby power consumption.

Besides, we will strictly control the consumption of electricity by each machine and equipment item in order to reduce the electricity consumption of the machines and equipment items at our terminals. Each and every production unit will, on a regular basis, inspect and control the electricity consumption of each machine and equipment. They will actively look into the reason when a certain machine and equipment item in a certain month consume more electricity than it does in other months and implement corresponding measures to reduce electricity consumption of the equipment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition, our equipment department will carry out regular maintenance of the machines and equipment. We have put in place a set of maintenance specification, e.g. 1,000 hours of maintenance specification. Our equipment department will carry out a set of maintenance procedures according to our maintenance specification when our equipment items have been operated beyond a stipulated number of hours to ensure our equipment items are in effective operation and reduce unnecessary consumption of resources.

Details of the Group’s energy consumption emission data are set out below:

KPI — Energy consumption			
KPI 2.1	Source	2025	2024
<i>Direct energy consumption emissions⁴</i>			
	Diesel	1,212,643.44 kWh	1,895,288.70 kWh
	Petrol	39,405.16 kWh	43,583.01 kWh
	Liquefied petroleum gas	403.42 kWh	871.71 kWh
<i>Indirect energy consumption</i>			
	Purchased electricity	10,367,435.00 kWh	11,283,608.00 kWh
Total energy consumption		11,619,887.02 kWh	13,223,351.42 kWh
Intensity of total energy consumption		59,285.14 kWh/employee	64,504.15 kWh/employee

During the Year, the Group’s energy consumption intensity decreased by 8.09% compared to 2024. Specifically, both direct and indirect energy consumption levels declined.

⁴ The unit conversion method for energy consumption data is customized with reference to the “Energy Statistics Manual” published by the International Energy Agency.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In terms of direct energy consumption, the Group actively optimized its fleet structure during the Year, significantly improving energy efficiency by phasing out older, high-energy-consumption diesel vehicles. In addition, the subcontracting of the Niutoushan terminal canteen to third-party for operation resulted in a substantial decrease in liquefied petroleum gas consumption. Driven by these factors, direct energy consumption recorded a notable decline this Year. Regarding indirect energy consumption, the Group's continued implementation of electricity management measures and technological upgrades led to a slight decrease in electricity consumption this Year. Regarding indirect energy consumption, the Group's continued the implementation of power management measures and technological upgrades resulted in a slight decrease in electricity usage for the Year.

Taking into account all the above factors, the Group's total energy consumption emissions showed a downward trend during the Year, enabling us to achieve the goal of maintaining or reducing energy consumption emission intensity compared to 2024 as the baseline year. Looking ahead, the Group will continue to reduce total energy consumption emissions and aims to achieve a 15% reduction in energy consumption emission intensity by 2030, using 2024 as the baseline year.

Water Consumption

Due to the nature of the Group's business, water consumption is insignificant, primarily arising from the daily use of water by employees in the office during working hours, and does not include hazardous wastewater. Due to the geographical location of the Group's operations, there are no issues in sourcing water that is fit for the purpose.

To ensure efficient water usage, we have implemented the following water conservation measures across our Group to maintain stable facility operations and uphold our water resource management responsibilities:

- To effectively prevent water pipes freezing and bursting due to severe cold weather in winter, and mitigate potential leakage risks, regularly wrap exposed or temperature-sensitive water pipe installations with professional antifreeze materials;
- Establish a routine inspection mechanism to conduct leak checks on faucets, toilets, pipe connections, and all water-using equipment, enabling early detection and repair of drips and leaks; and
- Through internal announcements, signage reminders, and regular environmental training, we communicate the importance of water conservation and practical methods (such as turning off faucets completely and reducing unnecessary flushing) to all personnel, embedding a culture of water conservation into daily operations.

Although the Group's water consumption is minimal, it remains committed to reducing its environmental impact by fostering and enhancing a water-saving culture among its employees.

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Details of the Group’s water consumption data are set out below:

KPI — Water consumption			
KPI A2.2	Source	2025	2024
<i>Water consumption</i>			
<i>Total water consumption</i>	domestic water	30,175.00 m ³	30,400.00 m ³
<i>Intensity of total water consumption</i>		153.95 m ³ /employee	148.29 m ³ /employee

During the Year, the intensity of total water consumption of the Group showed a downward trend, the water consumption intensity slightly increased by 3.82% due to a reduction in the number of employees. Consequently, the Group was unable to achieve its target of maintaining or reducing water consumption intensity in the Year, using 2024 as the baseline year. Looking ahead, the Group will continue to control water consumption and aims to achieve a 5% reduction in water consumption intensity by 2030, using 2024 as the baseline year.

The Environment and Natural Resources

The offices of the Group in their daily operations do not have significant impacts on environment or natural resources. The Group has always adhered to the principle of environment and natural resources protection in the course of its operations, and strives to avoid causing significant impacts on the environment or over-consumption of natural resources.

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Climate Change

In response to the international community's concern on climate change, the Group has included climate change-related risks as one of the ESG issues, and made relevant disclosures based on the framework of the S2 Climate-related Disclosures of International Financial Reporting Standards.

The Group's analysis of potential financial risks brought by climate change and response strategies are as follows:

Risk type		Short-term (during the Year)	Medium-term (1 to 3 years)	Long-term (4 to 10 years)	Response strategy
Physical risks	Acute Extreme weather conditions such as intensified floods leading to asset loss or supply chain interruption				Develop safety rules and contingency plans in response to extreme weather conditions
	Chronic Continuous high temperature and extreme hot weather leading to increased electricity consumption, consequently affecting operation cost				Adopt energy saving policies and green measures to avoid excessive consumption of natural resources
Transitional risks	Policies and regulations More stringent climate policies and regulations, such as stricter power constraints, may increase compliance cost and operating cost				Establish a forward-looking policy monitoring mechanism to develop contingency plans in advance, thereby reducing the costs and operational disruptions caused by ad hoc policy responses.
	Market Consumers turned to be more active in environmental protection, resulting in a decrease in income				Upholding the Group's commitment to sustainable development, we rigorously manage service and operational processes to meet consumer and market expectations.

Possible financial effects

Low ■ Medium ■ High ■

Although the climate change risks identified by the Group do not have a significant impact on its business, the Group will also review the potential impact of climate change on its business annually and adopt corresponding measures to reduce any potential risks.

Regarding the newly introduced requirements in Part D: Climate-related Disclosure of the Stock Exchange's Reporting Code, the Group has reviewed the current disclosure capabilities, internal resources, and data maturity. We have determined that the existing climate disclosure framework will continue to be applied at this stage, and the new requirements have not yet been fully integrated.

Looking ahead, the Group will continuously refine the climate data collection methods, risk management, and scenario analysis capabilities. In accordance with the Stock Exchange's implementation guidance and schedule, we aim to progressively enhance the transparency and completeness of relevant information to more fully comply with the Stock Exchange's climate-related disclosure requirements.

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The GHG emissions data of the Group is detailed as follows:

KPI — GHG emission ⁵	Source	2025	2024	Emission Type	2025	2024
<i>Scope: Covers GHG emissions directly resulting from operations owned or controlled by the Company</i>						
Scope 1 — Direct GHG emissions	Fuel consumption			Emission		
	Diesel	109,230.90 litre	177,076.25 litre	Tons of carbon dioxide equivalent	310.17	489.29
	Petrol	4,066.01 litre	4,497.10 litre			
Liquefied petroleum gas	52.72 litre	120.00 litre				
Scope 2 — Energy indirect GHG emissions	Purchased electricity	10,367.435.00 kWh	11,283,608.00 kWh		5,989.27	6,435.04
GHG emissions removals	Newly planted trees	102 trees	78 trees		(2.35)	(1.79)
Total GHG emissions					6,297.09	6,922.54
Intensity of total GHG emissions					32.13 tonnes CO₂e/employee	33.77 tonnes CO₂e/employee

During the current fiscal year, the Group's GHG emission intensity decreased by 4.86% compared to 2024. Specifically, Scope 1 emissions recorded a significant decline, primarily attributable to the phase-out of high-energy-consumption older diesel vehicles and the discontinuation of gasoline vehicles in line with business adjustments, thereby reducing GHG emissions. Additionally, the Group's liquefied petroleum gas consumption decreased substantially following operational adjustments at the Niutoushan Terminal canteen, which was subcontracted to a third-party. Scope 2 emissions also declined, primarily due to the Group's ongoing implementation of electricity management optimization programs and various energy-saving technology upgrades.

Furthermore, the Group increased tree planting in 2025 as well for further control of GHG emissions, enabling the Group to achieve the goal of maintaining or reducing the intensity of total GHG emissions during the Year using the 2024 as the baseline year. Looking forward, the Group will spare no effort in controlling the GHG emissions of the Group. We aim to achieve the goal of reducing the intensity of GHG emissions of 10% in 2030, using 2024 as the baseline year, through measures such as vehicle management, energy-saving policies, and green initiatives.

⁵ GHG emissions data are presented in carbon dioxide equivalents, referencing but not limited to the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard," the "Announcement on the Release of 2024 Power Carbon Footprint Factor Data" issued by China's Ministry of Ecology and Environment, the global warming potential values in the "Sixth Assessment Report" published by the Intergovernmental Panel on Climate Change (IPCC), and the "How to Prepare Environmental, Social and Governance Reports — Appendix II: Environmental Key Performance Indicator Reporting Guidelines" issued by the Stock Exchange.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SOCIETY

Employment and Labour Standards

Overview of Human Resources

We strongly believe that employees are the crucial cornerstone of corporate growth and an indispensable part of sustainable development. Therefore, we wish to attract and retain talents through competitive compensation and welfare mechanism and quality promotion opportunities. The Group strives to safeguard the statutory benefits of all of our employees, and strictly adheres to various labour laws and regulations in the PRC, including but not limited to the PRC Labour Law (《中華人民共和國勞動法》), the PRC Labour Contract Law (《中華人民共和國勞動合同法》), and the PRC Social Insurance Law (《中華人民共和國社會保險法》).

Furthermore, we hope to continuously enhance our service quality and increase the development opportunities for employees. Therefore, we provide a series of training to employees to improve their knowledge regarding business operation and safety guidelines.

During the Year, the Group strictly complied with the labour laws and relevant regulations in the PRC and was not involved in any confirmed non-compliance relating to employment that would have a material impact on the Group.

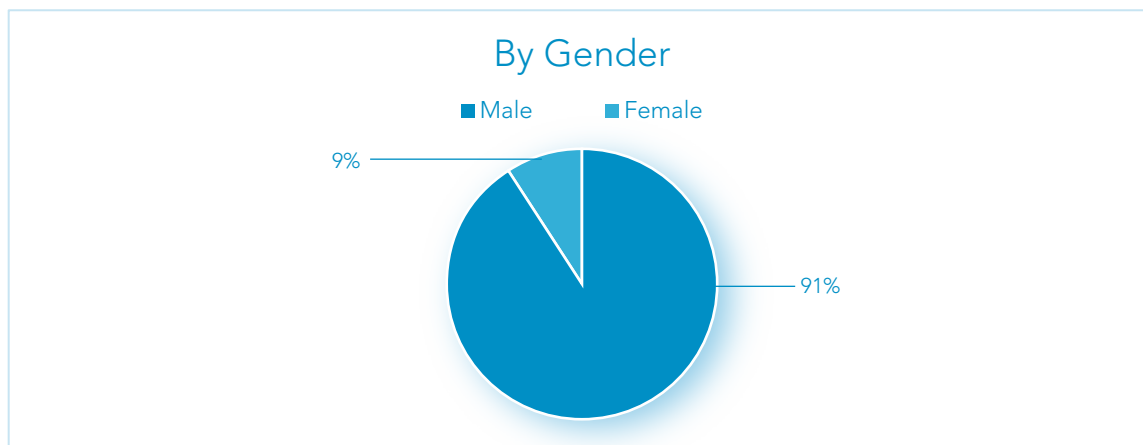
Employment

The Group has prepared the Staff Handbook (《員工手冊》) in accordance with applicable labour laws and regulations, covering various policies on human resources, including but not limited to, recruitment and promotion procedures, training, performance assessment management, salary and benefits, working hours, leave and other vacations (including marriage leave, bereavement leave, work-related injury leave and maternity leave).

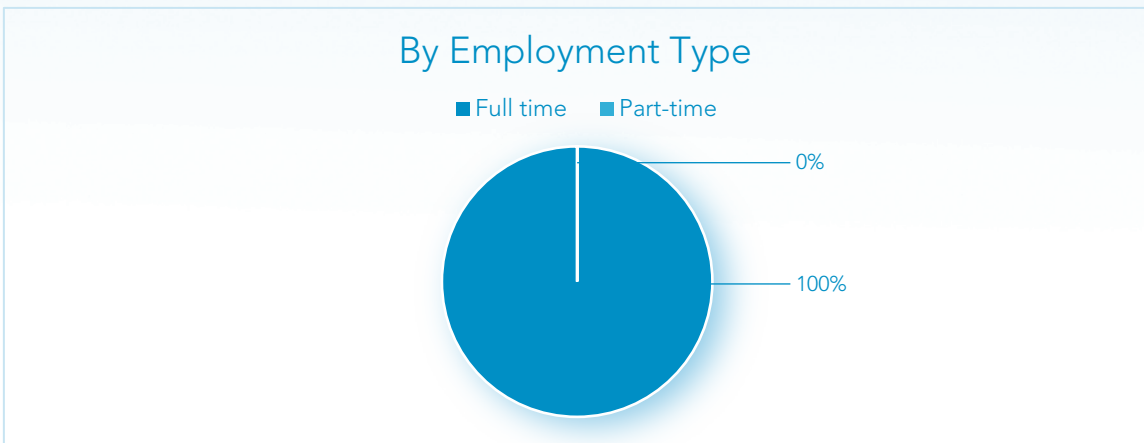
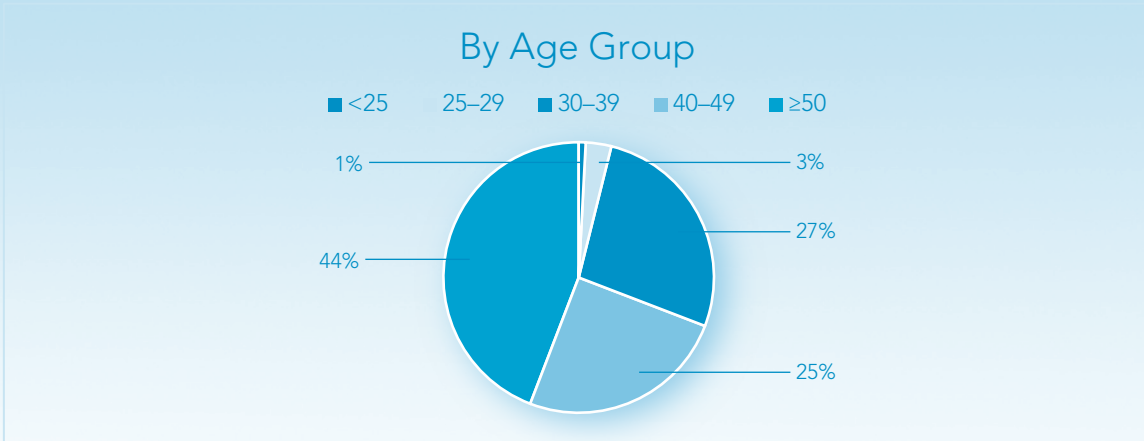
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

At 31 December 2025, the Group has a total of 196 (2024: 205) employees. Details of the employees are as follows:

	Total number of employees	
	2025	2024
<i>Total number of employees</i>	196	205
<i>By gender</i>		
Male	178	183
Female	18	22
<i>By age group</i>		
< 25	2	5
25–29	5	6
30–39	53	52
40–49	50	58
≥ 50	86	84
<i>By employment type</i>		
Full time	196	205
Part time	0	0
<i>By geographical region</i>		
Mainland China	195	204
Hong Kong	1	1



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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During the Year, a total of 9 (2024: 25) employees of the Group resigned. The following sets out the statistics of employee turnover:

	Employee turnover rate ⁶	
	2025	2024
Total turnover rate	5%	12%
By gender		
Male	3%	13%
Female	22%	9%
By age group		
< 25	0%	20%
25–29	20%	33%
30–39	0%	10%
40–49	4%	3%
≥ 50	7%	18%
By geographical region		
Mainland China	5%	12%
Hong Kong	0%	0%

Recruiting and Retaining Talents

We believe that the Group's business success and development depend on the contribution and devotion from our employees. Hence, we actively make resource investments and provide favourable compensation and benefit packages to attract and motivate talents. We have in place a clear incentive policy, and, based on the competence and performance of staff, grant rewards to them accordingly, so as to enhance employees' motivation.

In addition, we determine fair compensation based on employee contribution and market standards. We have established a comprehensive staff performance assessment mechanism to unify evaluation criteria regarding performance of each employee during the year, with the evaluation results linked to staff salary and annual performance bonus.

⁶ Overall employee turnover rate = (number of employees who left during the year/number of employees at the end of the year) x 100%; employee turnover rate by category = (number of employees by category who left during the year/number of employees by category at the end of the year) x 100%.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Welfare and Leave

The Group has adopted a standardised working hour system, pursuant to which, the daily working time of employee is kept within eight hours and the weekly working time is limited to within 40 hours. The Group ensures that the staffs are entitled to all statutory holidays, as well as marriage, bereavement, maternity leave and paid annual leave, in strict compliance with the national requirements. Meanwhile, we make social security contributions for all our staffs, including unemployment, medical, maternity, work-related injury, pension and housing provident funds. In order to ensure the personal health of employees and maintain a safe work environment, all employees are required to go through the health check organised by the Group before induction. We genuinely care about the physical and mental health of employees, and encourage them to participate in the sport, cultural and leisure activities organised by the Group to stay healthy both physically and mentally.

Tolerance

The Group strives to provide an all-embracing and harmonious work environment with zero harassment or discrimination being tolerated. All recruitment, promotion and termination decisions are solely based on performance and carried out through fair and transparent procedures, regardless of race, skin colour, nationality, religion, gender, age and disability. In the course of operation, we will not use illegal means of violence, threatening or activity restriction etc. to force employees to work.

Diversity Policy

We attach great importance to the non-discrimination principle of management and strive to create a diversified working environment. In terms of Board composition, the Group has established a Director nomination procedure which enables the Group's shareholders to recommend any eligible person to stand for the election of Director.

Pursuant to our board diversity policy, recommendation for Board candidates will be based on different backgrounds and expertise, criteria of recommendation include but not limited to gender, age, cultural and educational background, professional knowledge, skills and relevant experience. Elected Directors should have certain advantages in the above criteria and are able to bring contribution to the Board. At least one male Director and one female Director should be included in the elected Directors in order to achieve board diversity. The Board comprises Directors with sufficient relevant experience and from various professional backgrounds, including financial accounting, as well as male and female members, as a result, we consider the current composition of the Board of the Group satisfies the requirements of diversity policy. The nomination committee is responsible for conducting continuous review on the Board composition to ensure the requirements of diversity policy are satisfied.

Save for the Board, we also implement non-discrimination and diversity policy in the working environment of general employees. The current employee structure of the Group comprises both male and female employees, both of which are entitled to similar career development opportunities and welfare. We will continue to refine our diversity policy in the future, including increasing the proportion of female in the employee structure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Health and Safety

We attach great importance to occupational health and are committed to create a safe and healthy working environment for our staffs.

The Group is in strict compliance with all applicable national and local laws and regulations in relation to health and safety, including the Work Safety Law of the PRC (《中華人民共和國安全生產法》), the Law of the PRC on the Prevention and Treatment of Infectious Diseases (《中華人民共和國傳染病防治法》) and the Law of the PRC on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), etc.

The Group did not have any fatalities in the past three years, including the Year. However, the Group had one case of work injury during the Year (2024: one case) and the number of working days lost was 120 days (2024: 25 days). The Group reported the case to the local department of work injury of the Ministry of Human Resources and Social Security immediately after the incident. During the period of the employee's injury, the Group also arranged for management to offer consolation, and provided corresponding leaves for work injury in accordance with the relevant provisions of the Civil Code of the PRC (《中華人民共和國民法典》), during which wages are also calculated and paid in accordance with the standard of working hours. The Group will periodically update our Staff Manual for Safety Production (《員工安全生產手冊》) to clarify the requirements for internal safety operation procedures, committing to provide a safe and healthy working environment.

The Group has placed social insurance for all staffs in compliance with the law to ensure that those who experienced work-related incidents can obtain adequate medical coverage. We have held a special meeting concerning the incident to enhance education and reinforce the awareness of our staffs regarding protection and safety.

In order to enhance our staffs' safety awareness and ability to prevent accident, we have developed the Operation Procedures for Safety Production (《安全生產操作流程》), which primarily comprise the details and key points for safety operation in each high-risk work, including operations of uploading and unloading packaged goods, clearing up vessels and importing bulk cargoes. In addition, our Staff Manual for Safety Production (《員工安全生產手冊》) has set out safety working procedures, proper wearing of labour protection items and safety operation rules for each production unit.

Meanwhile, we have set up a safety committee which is responsible for organising safety training programmes and activities. Our safety committee will also update the Staff Manual for Safety Production (《員工安全生產手冊》) from time to time in accordance with applicable safety laws and regulations to ensure our operation procedures are executed in strict compliance with national requirement.

To uphold a people-oriented management philosophy and fully foster a high-quality, comfortable, and occupational health-compliant work environment, the Group has implemented the following safeguard measures:

- Conduct regular inspections, maintenance, and preventive repairs on all production machinery and office equipment to ensure optimal operational condition at all times. This eliminates potential safety hazards from mechanical failures at the source, safeguarding operational continuity and personnel safety;
- Strictly enforce labor protection standards, ensuring all employees are provided with personal protective equipment (PPE) that meets national specifications and quality requirements; and
- Develop fire safety awareness mechanisms, regularly organizing all employees to participate in fire prevention training and emergency evacuation drills. This enhances employees' response efficiency and self-rescue/ mutual-aid capabilities during emergencies, building a robust corporate fire safety defense system.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Development and Training

We firmly believe that employees' skills and experience are crucial cornerstones for the long-term development of the Group, and continuing education enables our employees to remain competitive in the industry. Therefore, we prepare Annual Training Plan every year and strive to enhance our employees' performance by providing on-the-job training and mentoring.

We expect to raise employees' awareness on safety by providing a series of safe operation training. The training includes but is not limited to delivering important tips for machine operations and safe operation procedures for respective positions. We also hold training sessions on safety regulations for employees above the middle level to keep them informed of major national safety laws and regulations and ensure our stringent compliance with the related national laws and regulations in our daily operations.

In addition, we provide orientation training to newcomers and assist them to fit themselves in the new work environment. The training includes but is not limited to the Group's management system, corporate culture and safe production and skill training. Pre-employment training also equips our employees with adequate work knowledge, which further enhances our efficiency and work quality.

During the Year, the total training hours we provided to our employees amounted to 2,454 hours (2024: 2,453 hours). Statistics in respect of development and training are set out below:

Percentage of employees trained ⁷	2025	2024
Total employees trained	100%	99%
<i>By gender</i>		
Male	91%	89%
Female	9%	11%
<i>By employee category</i>		
Entry-level employees	88%	92%
Middle-level employees	9%	5%
Senior-level employees	3%	3%

⁷ Percentage of total employees trained = (number of employees trained during the year/number of employees at the end of the year) x 100%; percentage of employees trained by category = (number of employees by category trained during the year/total number of employees trained during the year) x 100%.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Average training hours ⁸	2025	2024
Average training hours of total employees trained	12.52	11.97
<i>By gender</i>		
Male	12.69	12.16
Female	10.83	10.36
<i>By employee category</i>		
Entry-level employees	10.99	9.47
Middle-level employees	22.06	32.43
Senior-level employees	27.92	36.57

Labour Standards

The Group is committed to the protection of human rights and complies with all laws and regulations relating to labour standards, including but not limited to the Labour Law of the PRC (《中華人民共和國勞動法》).

To prevent the hiring of child labour, we have strict requirements for screening employees. During recruitment, the Group requires applicants provide information such as identity cards, proof of highest academic qualifications, professional certificates (e.g. work certificates for technical positions) and certificates of termination of employment from their previous organisations for verification of identity. To prevent forced labour, the Group has outlined rights related to working hours and rest periods in the Staff Handbook (《員工手冊》).

If any non-compliance with child labour or forced labour regulations is discovered, the Group will initiate an immediate investigation and, if the allegations are found to be true, will impose appropriate penalties on the non-compliant employees. The Group may also terminate the employment contracts with the relevant employees and take legal action accordingly.

During the Year, the Group was not aware of any material non-compliance with laws and regulations relating to the employment of child labour and compulsory labour.

⁸ Average training hours= (number of training hours by category during the year/number of employees by category at the end of the year).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Operating Practice

Supply Chain Management

As an inland terminal operator, good supply chain management is paramount to our success.

Terminal operation mainly requires machines, equipment components and consumables (such as fuel, electricity and water). As such, during the Year, our main suppliers comprised fuel suppliers, conveyor belt and equipment components suppliers. During the Year, we had a total of 70 suppliers (2024: 58 suppliers), all of which were from the PRC. All suppliers have been carefully assessed and are subject to regular monitoring by relevant personnel.

To ensure quality, we have set up a range of standards for selecting suppliers and internal policies on supply chain management, including but not limited to (1) product quality; (2) capacity and reputation; (3) pricing of products; (4) timely supply of goods. Our purchasing staffs will assess suppliers regularly based on the above standards and to phase out the unqualified suppliers. Considering the potential environmental and social impacts of the supply chain, the Group prioritises potential suppliers who promote the use of environmentally friendly products and services, as well as those who are committed to occupational health and safety, labour rights, and compliance with laws and regulations, aiming to bring a positive impact to the entire supply chain.

Product Responsibility

As an inland terminal operator in the PRC, we focus on the provision of port logistic services (including the uploading and unloading of cargo, temporary storage services prior to/or after shipments and short distance land transport services). We place great emphasis on service quality and strive to improve and enhance service quality. All the businesses operated by the Group are in compliance with the state and regional laws and regulations in relation to product liability, including but not limited to Law of the PRC on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》) and Tort Law of the PRC (《中華人民共和國侵權責任法》).

During the Year, the Group had no non-compliance with relevant laws and regulations in relation to health and safety, advertising, labeling and privacy issues.

Quality Control

The Group has set up a comprehensive quality control system, which includes the quality control policy and standard operating procedures during our course of business to ensure the consistent quality of our services.

To ensure effective quality control, we only procure equipment components, machines and other supplies required in our operation from recognised suppliers. The procurement department is responsible for the management of our equipment. We select qualified suppliers with caution based on internal assessment standards (such as product quality and pricing). Meanwhile, all the equipment will be inspected by the procurement department upon receipt to ensure that the material and equipment purchased by the Group satisfy quality standards.

The equipment items used in port logistic services include portal cranes, belt conveyors, loaders, forklifts and container trucks. As the aging or damage of equipment affects our quality consistency, our procurement department performs full-dimensional inspection and maintenance on all equipment every two years and the findings of inspection will be recorded in regular inspection reports to ensure quality standard.

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The Group has set up a complaint and feedback system. Customers may provide feedbacks through calls, email or SMS in the event that they are unsatisfied with our service quality. Upon receiving the opinion or complaint of customers, the management will timely understand the case and take measures according to the actual situation. In addition, the sales department will perform a customer satisfaction survey at the end of each year, to receive customers' feedback on the service quality of the Group. Based on the results of questionnaires, we will analyse and review our service quality and provide corresponding trainings to employees where appropriate.

During the Year, the Group did not receive any complaint in relation to our product and services (2024: 0 cases).

Intellectual Property Rights

In 2017, the Group registered the trademark and domain name for its brand "Ocean Line Port Development Limited" and domain name "www.oceanlineport.com", and the brand and domain name has thereby been under the legal protection of intellectual property ("IP") rights.

We believe that brand and IP are crucial to the success of the Group. The Group takes multiple measures to protect its IP rights to prevent the misuse or leakage of such rights. Employees are also prohibited from disclosing or exploiting any patents and trademarks to any third party. In the event of any infringement of our IP rights, we will deter infringers from continuing such behaviour and will take further action if the infringement persists.

During the Year, the Group did not encounter any incidents of controversies, disputes and claims relating to the IP rights against any third parties.

Privacy Policies

We endeavour to establish long-term and trusting relationships with customers. In order to enhance the customers' confidence in our Group, we are committed to avoid the disclosure of confidential information of customers to third parties and to maintain and process the confidential information of customers prudently.

The Group requires employees to use the computers provided by the Company only to save customer information. Our information management department is responsible for monitoring and ensuring the proper operation of the company's network and servers to prevent and detect any unauthorised access.

The Group required employees to sign the Employee Service Commitment (《員工服務承諾書》) to undertake to abide by the confidentiality duties and strictly observe the Company's confidentiality to safeguard the interests of the Group. In addition, the Group's Staff Handbook (《員工手冊》) set out the content and scope of confidentiality of employees, confidentiality obligations and liabilities for default. According to the Staff Handbook (《員工手冊》), all employees are strictly prohibited from leakage, illegal usage or improper utilisation of the company's confidential information obtained from business or other ways. If any of the Group's business confidential information is disclosed or copied without the consent of the Group, the Group will take disciplinary actions against the staff involved in accordance with the disciplinary provisions detailed in the Staff Handbook (《員工手冊》) and reserve the right to legal proceedings.

During the Year, the Group was not aware of any cases in relation to leakage of customer information (2024: 0 cases).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-corruption

All the businesses operated by the Group are in compliance with the national and local laws and regulations regarding the prevention of bribery, extortion, fraud and money laundering, including but not limited to the Criminal Law of the PRC (《中華人民共和國刑法》) and the Anti-Money Laundering Law of the PRC (《中華人民共和國反洗錢法》). The Group requires its employees to strictly follow the requirements of the aforesaid ordinances in order to prevent behaviors such as bribery, extortion, fraud and money laundering.

In addition, we strictly prohibit all employees from using their powers for personal interests through the violations of laws and regulations or illegal activities such as bribery, extortion, fraud and money laundering in order to promote anti-corruption resolutely. The Group has set up a reporting and complaint channel. If any suspected case is observed, employees are able to report by telephone, email and SMS. Upon receiving any suspected cases, the Group will promptly initiate an investigation and take the necessary and appropriate actions. We also commit to protecting the identity of whistleblowers, to eliminate all conflicts of interest and behaviours that could potentially harm the Group and its stakeholders. The Group will regularly monitor the effectiveness of its reporting mechanisms.

To protect the Group's interest, the Group requires employees to strictly follow the code of conduct listed in the Staff Handbook (《員工手冊》). In addition, the Group provides relevant training to employees on a regular basis. During the Year, a total of 71 employees of the Group participated in approximately 74 hours of training on the Party conduct, integrity building and clean business practices.

During the Year, there were no concluded corruption lawsuits involving the Group or its employees (2024: 0 cases).

COMMUNITY

Community Investment

We deeply understand the importance of giving back to the community and spare no effort in providing assistance. Therefore, establishing community investment-related policies to govern the Group's corporate social responsibility (CSR) approach and priorities is a core responsibility of our management team. These policies ensure that CSR measures are integrated into all business operations and that relevant CSR measures and programs are adapted to local conditions.

In 2025, the Group has not yet initiated any community investment activities. Instead, the Group focused on resource integration and optimisation internally while exploring more impactful ways to give back to society in the future. The Group will actively pursue collaborations with various public welfare and charitable organisations, always attentive to the difficulties and needs of society and vulnerable groups. We are committed to proactively giving back to the community with the goal of promoting social harmony.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THE STOCK EXCHANGE “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE”

Item	Description	Disclosure	Reference Section	
Part C: “Comply or explain” Provisions				
Subject Areas, Aspects, General Disclosures and KPIs				
A. ENVIRONMENTAL				
A.1 Emissions				
General Disclosure	Information on: (A) the policies; and (B) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	<Emissions> and <Waste Generation>	
Key Performance Indicators	A1.1	The types of emissions and respective emissions data.	Disclosed	<Emissions>
	A1.3	Total amount and in intensity of hazardous waste produced.	Disclosed	<Waste Generation>
	A1.4	Total amount and in intensity of non-hazardous waste produced.	Disclosed	<Waste Generation>
	A1.5	Description of emission target(s) set and the steps taken to achieve them.	Disclosed	<Emissions> and <Waste Generation>
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of reduction target(s) set and steps taken to achieve them.	Disclosed	<Waste Generation>

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Item	Description	Disclosure	Reference Section	
A2: Use of Resources				
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	<Use of Resources>	
Key Performance Indicators	A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Disclosed	<Energy Consumption>
	A2.2	Water consumption in total and intensity.	Disclosed	<Water Consumption>
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	<Energy Consumption>
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	<Water Consumption>
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	N/A	Given the business nature of the Group, this key performance indicator is inapplicable.
A3: The Environment and Natural Resources				
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Disclosed	<The Environment and Natural Resources>	
Key Performance Indicators	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	<The Environment and Natural Resources>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section	
B. SOCIAL				
B1: Employment				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Disclosed	<Employment>	
Key Performance Indicators	B1.1	Total workforce by gender, employment type (e.g. full or part time), age group and geographical region.	Disclosed	<Employment>
	B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	<Employment>
B2: Health and Safety				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe work environment and protecting employees from occupational hazards.	Disclosed	<Health and Safety>	
Key Performance Indicators	B2.1	Number and rate of work-related fatalities in the past three years including the reporting year.	Disclosed	<Health and Safety>
	B2.2	Lost days due to work-related injury.	Disclosed	<Health and Safety>
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Disclosed	<Health and Safety>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section	
B3: Development and Training				
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	<Development and Training>	
Key Performance Indicators	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	<Development and Training>
	B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	<Development and Training>
B4: Labour Standards				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	<Labour Standards>	
Key Performance Indicators	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	<Labour Standards>
	B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	<Labour Standards>
B5: Supply Chain Management				
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	<Supply Chain Management>	
Key Performance Indicators	B5.1	Number of suppliers by geographical region.	Disclosed	<Supply Chain Management>
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Disclosed	<Supply Chain Management>
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	<Supply Chain Management>
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	<Supply Chain Management>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section	
B6: Product Responsibility				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	<Product Responsibility>	
Key Performance Indicators	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	Given the business nature of the Group, this key performance indicator is inapplicable.
	B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	<Quality Control>
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	<Intellectual Property Rights>
	B6.4	Description of quality assurance process and recall procedures.	Disclosed	<Quality Control>
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Disclosed	<Privacy Policies>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section	
B7: Anti-corruption				
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	<Anti-corruption>	
Key Performance Indicators	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	<Anti-corruption>
	B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	Disclosed	<Anti-corruption>
	B7.3	Description of anti-corruption training provided to directors and staffs.	Disclosed	<Anti-corruption>
B8: Community Investment				
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	<Community Investment>	
Key Performance Indicators	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	<Community Investment>
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	<Community Investment>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Part D: Climate-related Disclosures			
(I) Governance			
19.(a)	<p>the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:</p> <ul style="list-style-type: none"> (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and 	Partially disclosed	<p><Management of ESG></p> <p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>
(b)	<p>management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:</p> <ul style="list-style-type: none"> (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions. 		

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
(II) Strategy			
Climate-related risks and opportunities			
20.	<p>An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:</p> <ul style="list-style-type: none"> (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer’s cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines “short term” , “medium term” and “long term” and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making. 	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Business model and value chain			
21.	<p>An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain. Specifically, the issuer shall disclose:</p> <ul style="list-style-type: none"> (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer’s business model and value chain; and (b) a description of where in the issuer’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets). 	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Strategy and decision-making			
22.	<p>An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:</p> <p>(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;</p> <p>(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);</p> <p>(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and</p> <p>(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets), described in accordance with the aforementioned; and</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).</p>	Partially disclosed	<p><Climate Change></p> <p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>
23.	<p>An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).</p>	Undisclosed	<p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Financial position, financial performance and cash flows			
24.	<p>An issuer shall disclose qualitative and quantitative information about:</p> <ul style="list-style-type: none"> (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements. 	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
25.	<p>The issuer shall provide qualitative and quantitative disclosures about:</p> <ul style="list-style-type: none"> (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: <ul style="list-style-type: none"> (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities. 	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Strategy and decision-making			
26.	<p>An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:</p> <p>(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:</p> <ul style="list-style-type: none"> (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; <p>(b) how and when the climate-related scenario analysis was carried out, including:</p> <ul style="list-style-type: none"> (i) information about the inputs used, including: <ul style="list-style-type: none"> (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out. 	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
(III) Risk Management			
Strategy and decision-making			
27.	<p>An issuer shall disclose information about:</p> <p>(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:</p> <p>(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);</p> <p>(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;</p> <p>(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);</p> <p>(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;</p> <p>(v) how the issuer monitors climate-related risks; and</p> <p>(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;</p> <p>(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</p> <p>(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.</p>	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
(IV) Metrics and Targets			
Greenhouse gas emissions			
28.	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO ₂ equivalent, classified as: <ul style="list-style-type: none"> (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions. 	Partially disclosed	<Climate Change> The Group will continuously improve its greenhouse gas data collection and management processes, and gradually disclose Scope 3 (other indirect greenhouse gas emissions) data when appropriate to ensure transparency and compliance.
29.	An issuer shall: <ul style="list-style-type: none"> (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: <ul style="list-style-type: none"> (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). 	Partially disclosed	<Climate Change> The Group will continuously improve its greenhouse gas data collection and management processes, and gradually disclose Scope 3 (other indirect greenhouse gas emissions) data when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Climate-related transition risks			
30.	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Climate-related physical risks			
31.	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Climate-related opportunities			
32.	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Capital deployment			
33.	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Internal carbon prices			
34.	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Remuneration			
35.	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.
Industry-based metrics			
36.	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Undisclosed	The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
Climate-related targets			
37.	<p>An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:</p> <ul style="list-style-type: none"> (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has helped the issuer to set an target. 	Partially disclosed	<p><Emissions>, <Waste Generation>, <Energy Consumption>, <Water Consumption> and <Climate Change></p> <p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>
38.	<p>An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:</p> <ul style="list-style-type: none"> (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions. 	Undisclosed	<p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>
39.	<p>An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.</p>	Undisclosed	<p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Description	Disclosure	Reference Section
40.	<p>For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:</p> <ul style="list-style-type: none"> (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: <ul style="list-style-type: none"> (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset). 	Partially disclosed	<p><Climate Change></p> <p>The Group has not yet utilized carbon credits, but will review internal information and actively explore their feasibility. The Group will make disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>
Applicability of cross-industry metrics and industry-based metrics			
41.	<p>In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics and (ii) industry-based metrics.</p>	Undisclosed	<p>The Group will review internal information and make further disclosures regarding the relevant content when appropriate to ensure transparency and compliance.</p>

INDEPENDENT AUDITOR'S REPORT



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TO THE MEMBERS OF OCEAN LINE PORT DEVELOPMENT LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Ocean Line Port Development Limited (“the Company”) and its subsidiaries (together “the Group”) set out on pages 93 to 168, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued as by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties

Refer to notes 4.4, 5(c) and 15 to the consolidated financial statements.

Management estimated the fair value of the Group’s investment properties to be approximately RMB94,800,000 as at 31 December 2025, with a fair value gain of approximately RMB648,000 recognised in the consolidated statement of comprehensive income for the year then ended.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Valuation of investment properties (continued)

Management has engaged an independent professional valuer (the "Management Expert") to assist in performing the fair value measurement of the investment properties. In determining the fair value, the Management Expert have based on a method of valuation which involves certain estimates of market condition. The valuation of the Group's investment properties are dependent on certain key assumptions and estimations that require significant management judgement.

We identified valuation of the investment properties as a key audit matter because the valuation was inherently subjective and requires significant management judgement and estimation and significant changes in these estimates could result in material changes to the valuation of the investment properties.

Our responses:

Our procedures in relation to this key audit matter included:

- Evaluating the appropriateness of the valuation methodologies and the reasonableness of the key assumptions used in the valuation of the fair value of the investment properties;
- Evaluating the appropriateness of the inputs used in the valuation;
- Involving an auditor's expert to assist our assessment on the reasonableness and appropriateness of the valuation methodologies and the key assumptions used in the valuation of the fair value of the major investment properties; and
- Evaluating the competence, capabilities and objectivity of the Management Expert and auditor's expert.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited

Certified Public Accountants

Cheung Or Ping

Practising Certificate Number P05412

Hong Kong, 26 March 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	7(a)	158,827	177,042
Cost of services rendered		(52,940)	(59,786)
Gross profit		105,887	117,256
Other income and gains, net	7(b)	13,778	17,834
Change in fair value of investment properties	15	648	(1,288)
Selling and distribution expenses		(658)	(1,131)
Administrative expenses		(27,801)	(29,030)
Finance costs	8	(49)	(80)
Share of results of an associate	28	5	–
Profit before income tax	9	91,810	103,561
Income tax expense	11	(19,975)	(14,725)
Profit for the year		71,835	88,836
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Change in fair value of equity investments at fair value through other comprehensive income ("FVTOCI")		(474)	(284)
Other comprehensive income for the year		(474)	(284)
Total comprehensive income for the year		71,361	88,552
Profit for the year attributable to:			
Owners of the Company		52,179	65,623
Non-controlling interests		19,656	23,213
		71,835	88,836
Total comprehensive income for the year attributable to:			
Owners of the Company		51,838	65,419
Non-controlling interests		19,523	23,133
		71,361	88,552
		RMB cents	RMB cents
Earnings per share attributable to owners of the Company			
— Basic and diluted earnings per share	13	6.52	8.20

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	14	367,951	380,981
Investment properties	15	94,800	89,400
Investment in an associate	28	2,605	2,600
Equity investments at FVTOCI	16	47,634	27,093
Deposits and prepayments	20	13,957	2,898
		526,947	502,972
Current assets			
Inventories	17	2,171	2,642
Trade receivables	18	14,201	7,866
Debt instruments at FVTOCI	19	19,585	13,151
Deposits, prepayments and other receivables	20	4,743	2,125
Time deposits	21	112,154	153,960
Cash and cash equivalents	21	273,616	225,918
		426,470	405,662
Current liabilities			
Trade payables	22	10,629	5,412
Contract liabilities	23	4,938	24,741
Other payables, accruals and receipt in advance	24	82,748	92,466
Amount due to non-controlling interests	34	17,832	16,061
Lease liabilities	25	555	546
Deferred government grant	29	890	890
Income tax payable		6,452	3,563
		124,044	143,679
Net current assets		302,426	261,983
Total assets less current liabilities		829,373	764,955

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Non-current liabilities			
Borrowing	27	2	–
Deferred government grant	29	29,974	29,864
Lease liabilities	25	–	579
Deferred tax liabilities	11(b)	6,930	5,786
		36,906	36,229
Net assets		792,467	728,726
EQUITY			
Share capital	30	6,758	6,758
Reserves	31	594,149	545,320
Equity attributable to owners of the Company		600,907	552,078
Non-controlling interests		191,560	176,648
Total equity		792,467	728,726

On behalf of the directors

Kwai Sze Hoi
Director

Huang Xueliang
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company											Total RMB'000
	Share capital RMB'000 (Note 30)	Share premium RMB'000 (Note 31(a))	Capital reserve RMB'000 (Note 31(e))	Special reserve RMB'000 (Note 31(b))	Statutory reserve RMB'000 (Note 31(c))	Other reserve RMB'000 (Note 31(d))	Assets revaluation reserve RMB'000 (Note 31(f))	Fair value reserve RMB'000 (Note 31(g))	Retained earnings RMB'000	Subtotal RMB'000	Non- controlling interests RMB'000	
At 1 January 2024	6,758	6,464	369	10,760	119,989	176,540	376	(2,249)	167,652	486,659	159,576	646,235
Profit for the year	-	-	-	-	-	-	-	-	65,623	65,623	23,213	88,836
Other comprehensive income:												
Change in fair value of equity investments at FVTOCI	-	-	-	-	-	-	-	(204)	-	(204)	(80)	(284)
Total other comprehensive income	-	-	-	-	-	-	-	(204)	-	(204)	(80)	(284)
Total comprehensive income	-	-	-	-	-	-	-	(204)	65,623	65,419	23,133	88,552
Transfer to statutory reserve	-	-	-	-	20,404	-	-	-	(20,404)	-	-	-
Appropriations to reserve	-	-	-	1,834	-	-	-	-	(1,834)	-	-	-
Dividends declared to non- controlling interests (note 39)	-	-	-	-	-	-	-	-	-	-	(16,061)	(16,061)
Capital injection by non-controlling interests	-	-	-	-	-	-	-	-	-	-	10,000	10,000
At 31 December 2024	6,758	6,464	369	12,594	140,393	176,540	376	(2,453)	211,037	552,078	176,648	728,726

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company											
	Share capital	Share premium	Capital reserve	Special reserve	Statutory reserve	Other reserve	Assets revaluation reserve	Fair value reserve	Retained earnings	Subtotal	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 30)	(Note 31(a))	(Note 31(e))	(Note 31(b))	(Note 31(c))	(Note 31(d))	(Note 31(f))	(Note 31(g))				
At 1 January 2025	6,758	6,464	369	12,594	140,393	176,540	376	(2,453)	211,037	552,078	176,648	728,726
Profit for the year	-	-	-	-	-	-	-	-	52,179	52,179	19,656	71,835
Other comprehensive income:												
Change in fair value of equity investments at FVTOCI	-	-	-	-	-	-	-	(341)	-	(341)	(133)	(474)
Total other comprehensive income	-	-	-	-	-	-	-	(341)	-	(341)	(133)	(474)
Total comprehensive income	-	-	-	-	-	-	-	(341)	52,179	51,838	19,523	71,361
Transfer to statutory reserve	-	-	-	-	12,272	-	-	-	(12,272)	-	-	-
Appropriations to reserve	-	-	-	374	-	-	-	-	(374)	-	-	-
Dividends declared to non-controlling interests (note 39)	-	-	-	-	-	-	-	-	-	-	(17,837)	(17,837)
Deregistration of a subsidiary	-	-	-	-	(1,256)	-	-	-	1,256	-	(283)	(283)
Disposal of land use right to non-controlling interests (note)	-	-	-	-	-	-	-	-	(3,009)	(3,009)	3,009	-
Capital injection by non-controlling interests	-	-	-	-	-	-	-	-	-	-	10,500	10,500
At 31 December 2025	6,758	6,464	369	12,968	151,409	176,540	376	(2,794)	248,817	600,907	191,560	792,467

Note:

On 28 March 2025, Chizhou Port Ocean Line Holdings Group Limited ("Chizhou Port Holdings"), an indirect 72% owned subsidiary of the Company entered into a land use right transfer agreement with Chizhou Haishun Port Services Limited ("Chizhou Haishun"), an indirect 43.2% effective shareholding interest-owned subsidiary of the Company, pursuant to which Chizhou Port Holdings agreed to transfer the land use right of a piece of land ("Project Land") located at Chizhou Economic Development Zone, East of Tongguan Port Project, North of Yanjiang Avenue in Chizhou City, Anhui Province, the PRC with an area of approximately 74,798 square metres to Chizhou Haishun at the consideration of approximately RMB17,952,000 (the "Transfer"). The carrying value of the Project Land is approximately RMB10,447,000 upon the Transfer. The Transfer was in substance an intra-group transfer which resulted in an effective net disposal of a 28.8% interest in the land use right of the Project Land to the 40% minority shareholders of Chizhou Haishun.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Cash flows from operating activities			
Profit before income tax		91,810	103,561
Adjustments for:			
Interest income	7(b)	(6,382)	(6,387)
Interest expense	8	49	80
Depreciation of property, plant and equipment	9	24,630	24,615
Expected credit losses recognised	9	–	1
Loss on disposal of property, plant and equipment	9	220	55
Gain on land resumption of property, plant and equipment	7(b)	–	(603)
Gain on land resumption of investment properties	7(b)	–	(321)
Share of results of an associate	28	(5)	–
Change in fair value of investment properties	15	(648)	1,288
Amortisation of deferred government grant	9	(890)	(890)
Net cash inflow generated from operating activities before movements			
in working capital		108,784	121,399
Decrease/(increase) in inventories		471	(4)
Increase in trade receivables		(6,335)	(3,303)
Increase in debt instruments at FVTOCI		(6,434)	(8,527)
(Increase)/decrease in deposits, prepayments and other receivables		(15,192)	2,909
Increase in deferred government grant		1,000	–
Increase/(decrease) in trade payables		5,217	(1,229)
Decrease in contract liabilities		(19,803)	(15,899)
Decrease in other payables, accruals and receipt in advance		(9,718)	(4,955)
Cash generated from operations			
Income tax paid		(15,942)	(13,506)
Net cash generated from operating activities		42,048	76,885

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
Cash flows from investing activities			
Payments for additions of property, plant and equipment	14	(13,052)	(5,743)
Payment incurred for investment properties	15	(4,752)	(1,337)
Proceeds from disposal of property, plant and equipment		1,200	–
Proceeds from land resumption of property, plant and equipment	7(b)	–	1,040
Proceeds from land resumption of investment properties	7(b)	–	1,670
Investment made in equity investments at FVTOCI		(19,500)	(10,000)
Placement of time deposit		(112,154)	(153,960)
Release of time deposit		153,960	2,293
Placement of other current assets		–	(10,000)
Release of other current assets		–	10,000
Deregistration of a subsidiary		(283)	–
Interest received		6,382	6,387
Net cash generated from/(used in) from investing activities		11,801	(159,650)
Cash flows from financing activities			
Repayment of principal portion of the lease liabilities	35	(535)	(504)
Repayment of interest portion of the lease liabilities	35	(49)	(80)
Capital injection by non-controlling interests		10,500	10,000
Proceeds from borrowing	35	2	–
Dividends paid to non-controlling interests	35	(16,061)	–
Repayment to non-controlling interests	35	(5)	–
Net cash (used in)/generated from financing activities		(6,148)	9,416
Net increase/(decrease) in cash and cash equivalents		47,701	(73,349)
Cash and cash equivalents at beginning of the year		225,918	299,267
Effect of exchange rate changes on cash and cash equivalents		(3)	–
Cash and cash equivalents at end of the year		273,616	225,918
Analysis of balances of cash and cash equivalents			
Cash and cash equivalents with an original maturity of three months or less:			
— Cash deposits at banks and on hand		145,746	66,197
— Short-term deposits		127,870	159,721
		273,616	225,918

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

Ocean Line Port Development Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 30 October 2017. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 2715-16, 27th Floor, Hong Kong Plaza, 188 Connaught Road West, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in port operation in Chizhou City, Anhui Province, the People’s Republic of China (the “PRC”). Details of the principal activities of the Company’s subsidiaries are set out in note 41 to the consolidated financial statements. The Company and its subsidiaries are collectively referred to as the “Group” hereafter.

In the opinion of the directors, the Company’s immediate and ultimate parent is Vital Force Development Limited (“Vital Force”), a company incorporated in the British Virgin Islands (the “BVI”) and its ultimate controlling parties are Mr. Kwai Sze Hoi (“Mr. Kwai”) and his spouse Ms. Cheung Wai Fung (“Ms. Cheung”).

The consolidated financial statements for the year ended 31 December 2025 were approved and authorised for issue by the board of directors on 26 March 2026.

2. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

(a) Adoption of amendments to HKFRS Accounting Standards — effective 1 January 2025

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued amendment to HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKA 37	Disclosure about Uncertainties in the Financial Statements

The application of the amendments to HKFRS Accounting Standards 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 these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS (continued)

(b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amendments to HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 7 and HKFRS 9	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 7 and HKFRS 9	Contracts Referencing Nature — dependent Electricity ¹
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11 ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026.

² Effective for annual periods beginning on or after 1 January 2027.

³ No mandatory effective date yet determined but available for adoption

The directors of the Company are in the process of making an assessment of what the impact of these new and amended HKFRS Accounting Standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a material impact on the Group's financial position and performance except there will be changes on the presentation and disclosure of the financial statements due to the adoption of HKFRS 18. HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statement of comprehensive income and providing management-defined performance measures within the financial statements. The directors of the Company are currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION

(a) Basis of compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS Accounting Standards”) issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and certain financial instruments which are measured at fair value.

(c) Functional and presentation currency

The functional currency of the Company is Hong Kong Dollars (“HK\$”), while the consolidated financial statements are presented in Renminbi (“RMB”). As the functional currency of the major subsidiaries of the Company is RMB, the directors consider that it will be more appropriate to adopt RMB as the Group’s and the Company’s presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance costs, are charged to profit or loss during the financial period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.3 Property, plant and equipment (continued)

Property, plant and equipment are depreciated so as to write off their cost, other than construction in progress, net of expected residual value, over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Terminal facilities	The shorter of the lease term and 25–30 years
Buildings	The shorter of the lease term and 10–40 years
Port machinery and equipment	8–12 years
Vessels	25 years
Motor vehicles	5–8 years
Furniture and office equipment	5 years
Leasehold improvements	The shorter of the lease terms and 5–30 years
Right-of-use assets	The shorter of assets' useful life and the lease terms

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of comprehensive income.

Construction in progress is stated at cost less impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.4 Investment property

Investment property is held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property, calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the period in which the property is derecognised.

4.5 Leasing

All leases (irrespective of they are operating leases or finance leases) are capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

(i) Right-of-use asset

The right-of-use asset is recognised at cost, which comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right to use assets at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. For right-of-use asset that meets the definition of an investment property, they are carried at fair value.

The Group accounts for certain leasehold land and buildings that are held for rental or capital appreciation purpose under HKAS 40 and are carried at fair value at subsequent reporting dates.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.5 Leasing (continued)

(ii) Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate of the particular lessee.

The following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modification

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

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.5 Leasing (continued)

(iii) Accounting as a lessor

The Group has leased out its investment properties to a number of tenants. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

4.6 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.6 Revenue recognition (continued)

(i) Provision of port services

Container and cargo handling services and ancillary port services

The Group provides handling service of container, general and bulk cargos and ancillary port services, which is assisting the handling service of container, general and bulk cargos. Revenue is recognised based on the progress of completed services over a period of time, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Invoices for port services are issued on a monthly basis upon completion of service. Customers are usually offered with a credit period ranging from 10 days to 55 days from the date of issue of the invoice. For certain customers, they are required to pay the port services fee before rendering of port services by the Group. A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(ii) Interest income

Interest income is recognised using the effective interest method, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

(iii) Rental income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.7 Financial Instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Debt investments at FVTOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity instruments at FVTOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.7 Financial Instruments (continued)

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") for trade receivables, financial assets measured at amortised cost and debt investments measured at FVTOCI. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.7 Financial Instruments (continued)

(ii) Impairment loss on financial assets (continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on an individual basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in "Fair value reserve (recycling)".

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, other payables and accruals, amount due to non-controlling interests, borrowing and lease liabilities are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.8 Accounting for income tax

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement in determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.9 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable and are recognised as other income and gains, net, rather than reducing the related expense.

4.10 Foreign currency

Transactions entered into by the Group entities in currencies other than the currency of the primary economic environment in which they operate (the “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of nonmonetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.11 Employee benefits

(i) Short term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

(ii) Defined contribution retirement plan

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group operates the Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme is a defined contribution retirement benefit plan and contributions to the scheme are made based on a percentage of the employees’ relevant income.

The employees of the Company’s subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme.

(iii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment and investment in associates to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs to disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4.13 Research and development expenses

Research expenditure is recognised as an expense as incurred.

Costs incurred on development projects are capitalised as intangible assets when recognition criteria are fulfilled and tests for impairment are performed annually. Other development expenditures that do not meet those criteria are recognised as expenses as incurred. Development costs previously recognised as expenses are not recognised as assets in subsequent periods.

4.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, and short-term highly liquid investments with original maturities of three months or less that are readily convertible into know amounts of cash which are subject to an insignificant risk of changes in value.

4.15 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertainty timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosure as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probabilities of outflow of economic benefits is remote.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Impairment of financial assets

The Group's management assesses the credit risk of financial assets on a regular basis to determine if any provision for impairment is necessary. The implementation of HKFRS 9 resulted in a change to the assessment of the critical accounting estimates and judgements related to impairment of financial instruments. In determining ECLs, management is required to exercise judgement in defining what is considered to be a significant increase in credit risk and in making assumptions and estimates to incorporate relevant information about past events, current conditions and forecasts of economic conditions. The information about the ECLs and the Group's trade receivables and other financial assets at amortised cost are disclosed in note 36(c) to the consolidated financial statements.

(b) Estimated useful lives of property, plant and equipment

In determining the useful lives of property, plant and equipment, the Group has to consider various factors, such as expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is made based on the experience of the Group with similar assets that are used in a similar way. Depreciation charge is revised if the estimated useful lives of items of property, plant and equipment are different from the previous estimation. Estimated useful lives are reviewed, at the end of each of the reporting period, based on changes in circumstances. The carrying amount of property, plant and equipment is disclosed in note 14.

(c) Fair values of investment properties

Investment properties are stated at fair value based on the valuation with the existence of independent professional valuer. In determining the fair value, the valuer have based on a method of valuation which involves certain estimates of market condition. The valuation of the Group's investment properties are dependent on certain key assumptions and estimations that require significant management judgement. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(d) Income taxes

The Group is subject to income taxes in the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provision in the year in which such determination is made.

(e) Judgements on the cost and completion date of construction-in-progress

The construction of terminal facilities involves various points in time and different parts of the construction projects. The Group transfers the construction-in-progress to relevant categories of property, plant and equipment in batches upon the completion of respective parts of the terminal facilities. The cost of terminal facilities may not be paid in full when the construction is completed and ready for its intended use. The Group estimates the completion progress, time to reach its intended use and the cost of the construction-in-progress to be transferred to property, plant and equipment where necessary. If the estimation differs significantly from the final settlement of the completed construction projects, the difference will impact the cost of property, plant and equipment and the depreciation charge.

(f) Government grants

Government grants should be recognised in the profit or loss to match them with the expenditure towards which they are intended to compensate. Management will recognise the grants as grants to asset or income according to terms. Sometimes there will be some conditions attached to the grants, management will carefully assess whether the Group will comply with the conditions and grants will be only recognised when the Group is certain to comply with the conditions even if the grants has already been received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(g) Fair value measurement and valuation processes

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company are responsible for determining the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The directors of the Company work closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model. The directors of the Company regularly assess the impact and the cause of fluctuations in the fair value of the assets and liabilities. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments and investment properties.

The Group measures investment properties (note 15), equity investments at FVTOCI (note 16) and debt instruments at FVTOCI (note 19) at fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS (continued)

(g) Fair value measurement and valuation processes (continued)

The fair value of unlisted equity investment that is not traded in an active market is determined by using valuation technique. The Group uses its judgement with the aid of an independent valuer, to select a variety of methods and make assumptions that are based on market condition and other circumstances, this might involve developing estimates and assumptions consistent with how market participants would price the instrument. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. Details of the valuation assumption and its carrying amount are set out in note 16.

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

(h) Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios situated in the PRC are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time rather than through sale. As a result, the presumption that the carrying amount of the Group's investment properties in the PRC is to recover through sale rather than through use has been rebutted and deferred tax on the changes in fair value is recognised according to the relevant tax rules.

6. SEGMENT INFORMATION

(a) Operating segment information

The Group identifies its operating segments and prepares segment information based on the regular internal financial information reported to the Company's executive directors, who are the chief operating decision makers of the Group, for their decisions about resources allocation to the Group's business components and review of these components' performance. There is only one business component in the internal reporting to the Company's executive directors, which is the provision of port services. Accordingly, no segment information analysed by operating segment is presented in the consolidated financial statements.

(b) Geographical information

The geographical location of revenue allocated is based on the location at which services are provided. The Group renders port services in the PRC and all its revenue for the years ended 31 December 2025 and 2024 were derived in the PRC. The geographical location of the Group's non-current assets is based on the physical location of the assets. The Group's non-current assets are located or based in the PRC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. SEGMENT INFORMATION (continued)

(c) Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2025 RMB'000	2024 RMB'000
Customer A	20,174	25,614

7. REVENUE, OTHER INCOME AND GAINS, NET

- (a) Disaggregation of revenue which represents the income from provision of port services excluding value-added tax, where applicable.

	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers within the scope of HKFRS 15		
Provision of uploading and unloading handling services		
— Bulk cargo and Break bulk cargo	143,828	147,151
— Containers	3,452	3,212
Provision of ancillary port services	11,547	26,679
	158,827	177,042

The Group has applied the practical expedient to its port service contracts and therefore it does not disclose about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for provision of port services that have an original expected duration of one year or less and that are unsatisfied or partially unsatisfied as of the end of the reporting periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7. REVENUE, OTHER INCOME AND GAINS, NET (continued)

(b) An analysis of the Group's other income and gains, net during the year is as follows:

	2025	2024
	RMB'000	RMB'000
Bank interest income	6,382	6,387
Rental income from investment properties	6,684	4,823
Government grants		
— relating to investment properties and right-of-use assets (note 29)	890	890
— other rewards [#]	2,636	2,576
Gain on land resumption of property, plant and equipment*	—	603
Gain on land resumption of investment properties*	—	321
Exchange (loss)/gain, net	(3,779)	1,647
Others	965	587
	13,778	17,834

[#] Government grants of other rewards represent unconditional cash subsidies from government.

* On 31 March 2024, Chizhou Port Holdings, a subsidiary of the Company, and Chizhou Economic Development Zone Management Committee (the "Committee") entered into a compensation agreement, pursuant to which the Committee resumed the Group's certain leasehold land held for own use, with a site area of approximately 4,781 square meters and the Group's certain leasehold land held for rental purpose, with a site area of approximately 7,680 square meters (the "Land Resumption"). Chizhou Port Holdings agreed to the Land Resumption, to facilitate the Committee's Chizhou Economic Development Zone Riverside Road Widening Project (池州經濟技術開發區濱江大道拓寬工程). The cash compensation for the Land Resumption was approximately RMB2,710,000. The Group recorded gain on Land Resumption of approximately RMB924,000 in total during the year ended 31 December 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

8. FINANCE COSTS

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	49	80

9. PROFIT BEFORE INCOME TAX

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

	2025 RMB'000	2024 RMB'000
Auditor's remuneration	743	770
Costs of inventories recognised as an expense (included under cost of services rendered)	2,285	3,339
Employee benefit expenses (note) (including directors' emoluments (note 10))		
— Wages, salaries and other benefits	14,898	21,827
— Discretionary bonuses	6,649	6,897
— Defined contributions	2,927	3,098
	24,474	31,822
Direct operating expenses arising from investment properties that generated rental income	531	599
Depreciation of property, plant and equipment (note 14)	24,630	24,615
Repairs and maintenance expenses (included under cost of services rendered)	1,023	1,078
Subcontracting fee (included under cost of services rendered)	10,977	14,212
Short-term lease	1	6
Amortisation of deferred government grant	(890)	(890)
Expected credit losses recognised	—	1
Loss on disposal of property, plant and equipment	220	55
Gain on land resumption of property, plant and equipment	—	(603)
Gain on land resumption of investment properties	—	(321)

Note:

During the year ended 31 December 2025, the Group incurred expenses for the purpose of research and development of approximately RMB9,124,000 (2024: RMB8,852,000), which comprised employee benefits expenses of approximately RMB3,928,000 (2024: RMB4,800,000) and were included in administrative expenses on the consolidation statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors' remuneration

The emolument of each of the directors for the year is set out below:

	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Defined contributions RMB'000	Total RMB'000
Year ended 31 December 2025					
<i>Executive directors:</i>					
Mr. Kwai	310	–	–	–	310
Mr. Huang Xueliang ("Mr. Huang")	240	640	–	–	880
	550	640	–	–	1,190
<i>Non-executive director:</i>					
Ms. Cheung	221	–	–	–	221
<i>Independent non-executive directors:</i>					
Mr. Nie Rui	166	–	–	–	166
Mr. Cheng Yin Pan (note (i))	166	–	–	–	166
Mr. Cheung Sze Ming	166	–	–	–	166
	498	–	–	–	498
Year ended 31 December 2024					
<i>Executive directors:</i>					
Mr. Kwai	310	–	–	–	310
Mr. Huang	240	640	–	–	880
	550	640	–	–	1,190
<i>Non-executive director:</i>					
Ms. Cheung	221	–	–	–	221
<i>Independent non-executive directors:</i>					
Mr. Nie Rui	166	–	–	–	166
Dr. Li Weidong (note (i))	87	–	–	–	87
Mr. Cheng Yin Pan (note (i))	79	–	–	–	79
Mr. Cheung Sze Ming	166	–	–	–	166
	498	–	–	–	498

Note:

- (i) On 10 July 2024, Dr. Li Weidong resigned as the independent non-executive director of the Company and Mr. Cheng Yin Pan was appointed as the independent non-executive director of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

(b) Five highest paid individuals

The five highest paid individuals of the Group included one director (2024: one director) during the year, whose emoluments are reflected in note (a).

The analysis of the emolument of the four (2024: four) highest paid non-director individuals during the year, are set out below:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	1,304	1,191
Discretionary bonuses	369	444
Pension scheme contributions	102	103
	<hr/>	<hr/>
	1,775	1,738

The emolument paid or payables to each of the above non-director individuals during the year fell within the following band:

	2025 Number of individuals	2024 Number of individuals
Nil to HK\$1,000,000	4	4

During the year, no director or any of the highest paid individuals waived or agreed to waive any emoluments (2024: Nil). No emoluments were paid by the Group to the directors or any of the highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group (2024: Nil).

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

(c) Pensions — defined contribution plans

No forfeited contribution is available to reduce the contribution payable in future year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX EXPENSE

(a) Income tax

The amount of taxation in the consolidated statement of comprehensive income during the year represents:

	2025 RMB'000	2024 RMB'000
Current tax expenses		
— PRC enterprise income tax	18,801	14,133
— Under-provision in respective of prior years	30	81
Deferred tax expense (Note 11(b))	1,144	511
	<hr/>	<hr/>
	19,975	14,725

Hong Kong profit tax

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits arising in or derived from Hong Kong for the year (2024: Nil).

PRC corporate income tax

The Company's subsidiaries in the PRC are subject to the PRC enterprise income tax (the "EIT") at the standard rate of 25% on the estimated assessable profits, except for the following subsidiaries which enjoyed certain tax exemption and relief.

Pursuant to the PRC tax law, its rules and regulations, enterprises that invest in qualifying public infrastructure projects are eligible for certain tax benefits.

One of the infrastructure projects (the "Qualifying Project") of Chizhou Port Holdings, a subsidiary of the Company, is engaging in qualifying public infrastructures. It is entitled to a 50% reduction from the financial year beginning on 1 January 2022 to 31 December 2024. Therefore, the relevant profit generated from the Qualifying Project is computed at a reduced rate of 50% as taxable amount ("50% Tax Reduction Entitlement") for the year ended 31 December 2024, however, the Qualifying Project can no longer enjoy the 50% Tax Reduction Entitlement for the year ended 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX EXPENSE (continued)

(a) Income tax (continued)

PRC corporate income tax (continued)

Apart from the Qualifying Project, Chizhou Port Holdings has been recognised as a high and new technology enterprise under the applicable PRC tax law. Other infrastructure projects of Chizhou Port Holdings were subject to a reduced rate of 15% EIT for three consecutive financial years from 2022 to 2024. In 2025, Chizhou Port Holdings has successfully renewed the tax reduction for another three years up to 2027.

Chizhou Ocean Line Niutoushan Limited (“**Chizhou Niutoushan**”), a subsidiary of the Company, has been recognised as a high and new technology enterprise under the applicable PRC tax law. Chizhou Niutoushan is subject to a reduced rate of 15% EIT for three consecutive financial years from 2023 to 2025.

Chizhou Port Ocean Line Logistic Company Limited (“**Chizhou Logistic**”) and Chizhou Qianjiang Port Logistic Company Limited (“**Qianjiang Logistic**”), subsidiaries of the Company, have met the criteria of small low-profit enterprise under the applicable PRC tax law. As the annual taxable income of Chizhou Logistic and Qianjiang Logistic do not exceed RMB1 million, the relevant EIT are computed at a reduced rate of 12.5% as taxable income amount and subject to EIT at 20%.

PRC withholding income tax

Withholding tax is calculated at 10% of the dividends declared in respect of profits earned by PRC entities distribute to a non-PRC holding company, except for the following non-PRC subsidiary of the Company which enjoyed certain tax reduction.

Pursuant to the double tax arrangement between the PRC and Hong Kong effective on 1 January 2007, a qualified Hong Kong Tax resident will be liable for withholding income at the rate of 5% (“**Tax Reduction**”) for dividend income derived from the PRC in the case where the holding company is a Hong Kong resident enterprise holding 25% or more equity interests in such PRC resident enterprise pursuant to the Arrangement between Mainland China and Hong Kong for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income. Ocean Line Port Development (Hong Kong) Limited (“**Ocean Line Hong Kong**”) and Ocean Line Group (Chizhou) Port Development Inc. (“**Ocean Line Chizhou**”), subsidiaries of the Company, are entitled to the Tax Reduction, hence the applicable withholding tax rate for Ocean Line Hong Kong and Ocean Line Chizhou were 5% for the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX EXPENSE (continued)

(a) Income tax (continued)

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of comprehensive income as follows:

	2025 RMB'000	2024 RMB'000
Profit before income tax	91,810	103,561
Taxation calculated at PRC EIT rate of 25%	22,952	25,890
Non-taxable income	(1,237)	(1,564)
Expenses not deductible for tax	2,317	1,844
Tax effect of preferential tax rates for subsidiaries	(4,380)	(11,809)
Withholding tax on dividend	293	283
Under-provision in respect of prior years	30	81
Income tax expense	19,975	14,725

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX EXPENSE (continued)

(b) Deferred tax

Details of the deferred tax assets and liabilities recognised and movements in the year:

	Deferred government grant RMB'000	Fair value adjustment of investment properties RMB'000	Interests capitalised as qualifying assets RMB'000	Withholding tax on undistributed dividends RMB'000	Total RMB'000
As at 1 January 2024	4,303	(5,735)	(160)	(3,683)	(5,275)
Charged to profit or loss	(116)	(112)	–	(283)	(511)
As at 31 December 2024 and 1 January 2025	4,187	(5,847)	(160)	(3,966)	(5,786)
Charged to profit or loss	(116)	(735)	–	(293)	(1,144)
As at 31 December 2025	4,071	(6,582)	(160)	(4,259)	(6,930)

As at 31 December 2025, the Group recognised deferred tax liabilities of approximately RMB4,259,000 (2024: RMB3,966,000), for withholding tax that would be payable on the retained profits of the Company's subsidiaries established in the PRC. There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. INCOME TAX EXPENSE (continued)

(b) Deferred tax (continued)

For the purpose of presentation in consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Deferred tax liabilities	(6,930)	(5,786)

12. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2025 (2024: Nil).

Subsequent to the end of the reporting period, the Board has proposed a final dividend of HK\$3.0 cents and a special final dividend of HK\$1.0 cent (2024: Nil) per share for the year out of the retained earnings account within the equity section of the statement of financial position of the Company. The proposed final dividend and the proposed special final dividend are subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

13. EARNINGS PER SHARE

	2025 RMB'000	2024 RMB'000
Profit for the year attributable to owners of the Company	52,179	65,623

	2025	2024
Weighted average number of ordinary shares in issue	800,000,000	800,000,000

Diluted earnings per share is the same as the basic earnings per share because the Company has no dilutive potential ordinary shares in issue during the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT

	Terminal facilities RMB'000	Buildings RMB'000	Port machinery and equipment RMB'000	Vessels RMB'000	Motor vehicles RMB'000	Furniture and office equipment RMB'000	Leasehold improvements RMB'000	Construction- in-progress RMB'000	Right-of-use assets RMB'000 (note)	Total RMB'000
At 1 January 2024										
Cost	397,564	17,594	115,884	14,026	4,676	4,105	4,142	11,879	77,793	647,663
Accumulated depreciation	(141,277)	(6,332)	(69,696)	(4,921)	(2,655)	(3,155)	(1,811)	-	(17,509)	(247,356)
Net carrying amount	256,287	11,262	46,188	9,105	2,021	950	2,331	11,879	60,284	400,307
Year ended 31 December 2024										
Opening net carrying amount	256,287	11,262	46,188	9,105	2,021	950	2,331	11,879	60,284	400,307
Additions	265	637	25	-	408	537	-	3,871	-	5,743
Transfers in/(from)	6,622	2,309	1,611	-	-	-	-	(10,542)	-	-
Disposals	(70)	-	-	-	-	-	-	-	(622)	(692)
Depreciation	(14,446)	(764)	(5,976)	(580)	(497)	(268)	(154)	-	(1,930)	(24,615)
Eliminated on disposals	15	-	-	-	-	-	-	-	185	200
Exchange realignment	-	-	-	-	-	-	-	-	38	38
Closing net carrying amount	248,673	13,444	41,848	8,525	1,932	1,219	2,177	5,208	57,955	380,981
At 31 December 2024 and 1 January 2025										
Cost	404,381	20,540	117,520	14,026	5,084	4,642	4,142	5,208	77,171	652,714
Accumulated depreciation	(155,708)	(7,096)	(75,672)	(5,501)	(3,152)	(3,423)	(1,965)	-	(19,216)	(271,733)
Net carrying amount	248,673	13,444	41,848	8,525	1,932	1,219	2,177	5,208	57,955	380,981
Year ended 31 December 2025										
Opening net carrying amount	248,673	13,444	41,848	8,525	1,932	1,219	2,177	5,208	57,955	380,981
Additions	882	-	628	-	181	35	-	11,326	-	13,052
Transfers in/(from)	245	-	-	-	-	-	-	(245)	-	-
Disposals	(112)	(91)	(3,276)	-	(85)	(4)	-	(59)	-	(3,627)
Depreciation	(14,702)	(761)	(5,603)	(585)	(487)	(340)	(154)	-	(1,998)	(24,630)
Eliminated on disposals	-	22	2,102	-	80	3	-	-	-	2,207
Exchange realignment	-	-	-	-	-	-	-	-	(32)	(32)
Closing net carrying amount	234,986	12,614	35,699	7,940	1,621	913	2,023	16,230	55,925	367,951
At 31 December 2025										
Cost	405,396	20,449	114,872	14,026	5,180	4,673	4,142	16,230	77,171	662,139
Accumulated depreciation	(170,410)	(7,835)	(79,173)	(6,086)	(3,559)	(3,760)	(2,119)	-	(21,246)	(294,188)
Net carrying amount	234,986	12,614	35,699	7,940	1,621	913	2,023	16,230	55,925	367,951

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT (continued)

Note:

Right-of-use assets

	Office properties RMB'000	Leasehold land RMB'000	Total RMB'000
As at 1 January 2024	1,591	58,693	60,284
Disposals	–	(622)	(622)
Depreciation	(536)	(1,394)	(1,930)
Eliminated on disposals	–	185	185
Exchange realignment	38	–	38
As at 31 December 2024 and 1 January 2025	1,093	56,862	57,955
Depreciation	(536)	(1,462)	(1,998)
Exchange realignment	(32)	–	(32)
As at 31 December 2025	525	55,400	55,925

The Group leases office properties and holds land use rights for use of land for port operation. Lease terms for office properties are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. The leasehold land under right-of-use assets represents land use rights in the PRC whereby prepayments were made by the Group for the use of land in the PRC which are held on leases with lease terms between 40 and 50 years.

As at 31 December 2025, the Group's property, plant and equipment with net carrying amount of approximately RMB129,869,000 (2024: RMB127,383,000) were pledged to secure banking facilities as set out in note 27.

Details of the maturity analysis of lease liabilities and total cash outflow for leases are set out in notes 25 and 35 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES

	Completed RMB'000	Under construction RMB'000	Total RMB'000
Fair value			
At 1 January 2024	90,700	–	90,700
Additions	342	995	1,337
Disposal	(1,349)	–	(1,349)
Changes in fair value	(2,393)	1,105	(1,288)
At 31 December 2024 and 1 January 2025	87,300	2,100	89,400
Additions	–	4,752	4,752
Changes in fair value	100	548	648
Transfer in/(out)	7,400	(7,400)	–
At 31 December 2025	94,800	–	94,800

The fair value of the Group's investment properties, which are warehouses for port operation including the land use rights for the land upon which the warehouses are situated, at 31 December 2025 and 2024 have been arrived at based on market value basis carried out by Kroll (HK) Limited, an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The land use rights are held on leases with lease terms between 40 and 50 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES (continued)

Information about level 3 fair value measurements:

	Valuation techniques	Unobservable input	Ranges	Relationship of unobservable input(s) to fair value
Land in the PRC	Direct comparison method	Adjustment rate to unit sales taking into account of individual factors such as location, usage and size etc.	0% to 10% (2024: (10%) to 10%)	The higher adjustment rate, the higher the fair value measurement, and vice versa.
Buildings (completed) in the PRC	Direct comparison method	Adjustment rate to unit sales taking into account of individual factors such as transaction status, location, property condition, economic environment, usage, size and time etc.	(36)% to (18)% (2024: (42%) to (20%))	The higher adjustment rate, the higher the fair value measurement, and vice versa.
Buildings (under construction) in the PRC	Direct comparison method	Adjustment rate to unit sales taking into account of individual factors such as transaction status, location, property condition, economic environment, usage, size and time etc.	Nil (2024: (42%) to (27%))	The higher adjustment rate, the higher the fair value measurement, and vice versa.
		Estimated construction costs	Nil (2024: RMB1,175 per square meter)	The higher the estimated construction costs, the lower the fair value, and vice versa.

The valuations of investment properties were determined based on direct comparison method, by reference to recent market transaction prices of comparable properties and land in the similar locations with adjustments for other individual factors. The construction cost incurred and estimated construction cost to complete the development as at the date of valuation are also taken into account.

As at the date of approval of the consolidated financial statements, the Group are in the process of applying for the title certificates of certain of their buildings with an aggregate net carrying amount of RMB28,300,000 as at 31 December 2025 (2024: RMB23,200,000). The directors of the Company are of the opinion that the aforesaid matters will not have any significant impact on the Group's financial position.

There were no changes to the valuation techniques during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. INVESTMENT PROPERTIES (continued)

A reconciliation of the opening and closing fair value balance of the Group's investment properties is provided below.

	2025 RMB'000	2024 RMB'000
Opening balance (level 3 recurring fair value)	89,400	90,700
Additions	4,752	1,337
Disposal	–	(1,349)
Gain/(loss) on change in fair value included in profit or loss	648	(1,288)
Closing balance (level 3 recurring fair value)	94,800	89,400
Change in fair value (unrealised gain/(loss)) for the year included in profit or loss	648	(1,288)

There were no transfers between Level 1, Level 2 and Level 3 valuation during the year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

As at 31 December 2025, the Group's investment properties of approximately RMB14,600,000 (2024: RMB14,100,000) were pledged to banking facilities as set out in note 27.

16. EQUITY INVESTMENTS AT FVTOCI

	2025 RMB'000	2024 RMB'000
Non-current assets		
Unlisted equity investments	47,634	27,093

The equity investments were irrevocably designated at FVTOCI as the Group considers the investments to be long-term strategic capital investment in nature. Changes in fair value of the above equity investments are recognised in other comprehensive income and accumulated within the fair value reserve within equity. The Group transfers amounts from fair value reserve (non-recycling) to retained earnings when the relevant equity investment is derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. EQUITY INVESTMENTS AT FVTOCI (continued)

Particulars of investments in unlisted equity securities held by the Group as at 31 December 2025 and 2024 are as follows:

Name of investee company	Place of incorporation	Percentage of effective interest held		Carrying value	
		2025	2024	2025 RMB'000	2024 RMB'000
Chizhou Wusha Port Transportation Company Limited ("Chizhou Wusha")	The PRC	7.2%	7.2%	17,140	16,850
Chizhou Tie Hang Construction Investment Development Co., Ltd. ("Chizhou Tie Hang")	The PRC	3.6%	3.6%	30,452	9,992

The fair value of the Group's equity investments at 31 December 2025 and 2024 has been arrived at based on asset approach carried out by Peak Vision Appraisals Limited, an independent valuer who holds a recognised and relevant professional qualification. Under the asset approach, the share of the net asset value has been used to capture the present value of the expected future economic benefits to be derived from the ownership of the equity investment. In applying market approach, the Group has selected comparable discount rate in the same or a similar industry and applying an appropriate ratio that is a relevant performance measure for its investments.

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

	2025 Level 3 RMB'000	2024 Level 3 RMB'000
Unlisted equity investments	47,634	27,093

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. EQUITY INVESTMENTS AT FVTOCI (continued)

Information about level 3 fair value measurements:

Investment	Valuation techniques	Unobservable input	Range	Relationship of unobservable inputs to fair value
Chizhou Wusha Unlisted equity investment in the PRC	Market approach (2024: Market approach)	Discount for lack of control and discount for lack of marketability	5.2% (2024: 5.2%) 15.6% (2024: 15.6%)	The discount rate is negatively correlated to the fair value measurement of the unlisted equity investment. A slight increase in the discount for lack of control and lack of marketability would result in a slight decrease in fair value measurement of the equity investment, and vice versa.
Chizhou Tie Hang Unlisted equity investment in the PRC	Assets approach (2024: Assets approach)	Discount for lack of control	1.9% (2024: 0.1%)	The discount rate is negatively correlated to the fair value measurement of the unlisted equity investment. A slight increase in the discount for lack of control would result in a slight decrease in fair value measurement of the equity investment, and vice versa.

There were no changes to the valuation techniques during the year.

A reconciliation of the opening and closing fair value balance of the Group's equity investments at FVTOCI is provided below.

	2025 RMB'000	2024 RMB'000
Opening balance (level 3 recurring fair value)	27,093	17,377
Addition (note)	21,015	10,000
Change in fair value included in other comprehensive income	(474)	(284)
Closing balance (level 3 recurring fair value)	47,634	27,093

Note:

During the year ended 31 December 2025, a capital injection of RMB21,015,000 (2024: RMB10,000,000) was made by the Group into the capital of Chizhou Tie Hang in proportionate to the equity interest held of Chizhou Tie Hang.

There were no transfers between Level 1, Level 2 and Level 3 valuation during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. INVENTORIES

	2025 RMB'000	2024 RMB'000
Consumables	2,171	2,642

18. TRADE RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	14,202	7,867
Less: Provision for impairment	(1)	(1)
Trade receivables, net	14,201	7,866

The credit period for trade receivables is generally ranging from 10 to 55 days. The directors of the Company consider that the fair value of the trade receivables which are expected to be recovered within one year is not materially different from their carrying amounts because the balance has short maturity periods on their inception.

Based on invoice dates, ageing analysis of the Group's trade receivables, net of impairment provision, is as follows:

	2025 RMB'000	2024 RMB'000
0 to 30 days	14,201	6,117
31 to 90 days	–	1,082
91 to 120 days	–	667
	14,201	7,866

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18. TRADE RECEIVABLES (continued)

The below table reconciled the provision of impairment loss on trade receivables during the year:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	1	–
Expected credit losses recognised	–	1
Balance at 31 December	1	1

19. DEBT INSTRUMENTS AT FVTOCI

	2025 RMB'000	2024 RMB'000
Current assets		
Bills receivables	19,585	13,151

As at 31 December 2025, the maturity period for bills receivables is ranging from 3 to 6 months (2024: 3 to 6 months).

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

	2025 Level 3 RMB'000	2024 Level 3 RMB'000
Bills receivables	19,585	13,151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. DEBT INSTRUMENTS AT FVTOCI (continued)

Information about level 3 fair value measurements:

	Valuation techniques	Unobservable input	Range	Relationship of unobservable inputs to fair value
Bills receivables	Income approach — in this approach, the discounted cash flow method was used to capture the present value of the cash flows to be derived from the receivables	Discount rate	1.6% (2024: 2.9%–3.1%)	The discount rate is negatively correlated to the fair value measurement of bills receivables.

There were no changes to the valuation techniques during the year.

A reconciliation of the opening and closing fair value balance of the Group's debt instruments at FVTOCI is provided below.

	2025 RMB'000	2024 RMB'000
Opening balance (level 3 recurring fair value)	13,151	4,624
Additions	45,528	32,130
Disposals	(39,094)	(23,603)
Closing balance (level 3 recurring fair value)	19,585	13,151

There were no transfers between Level 1, Level 2 and Level 3 valuation during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. DEBT INSTRUMENTS AT FVTOCI (continued)

As at 31 December 2025 and 2024, the Group discounted certain bank acceptance bills to banks for cash proceeds and endorsed certain bank acceptance bills to suppliers on a full recourse basis for settling trade payables of the same amount. The Group has derecognised these bills receivable and the payables to suppliers in their entirety. These derecognised bank acceptance bills had a maturity date less than six months from the end of the reporting period. In the opinion of the directors, the Group has transferred substantially all the risks and rewards of ownership of these bills to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations should the issuing banks fail to settle the bills on maturity date. The Group considered the issuing banks of the bills are of good credit rating and the non-settlement of these bills by the issuing banks on maturity is not probable.

As at 31 December 2025, the Group's maximum exposure to loss and undiscounted cash outflow, which is the same as the amounts payable by the Group to banks or suppliers in respect of the discounted bills and endorsed bills, should the issuing banks fail to settle the bills on maturity date, amounted to RMB15,230,000 and RMB1,514,000 (2024: RMB8,914,000 and Nil) respectively.

20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Notes	2025 RMB'000	2024 RMB'000
Deposits	(i)	13,976	1,398
Prepayments		1,466	1,892
Other receivables	(ii)	3,258	1,733
		18,700	5,023
Classified as:			
Non-current assets		13,957	2,898
Current assets		4,743	2,125
		18,700	5,023

The Group does not hold any collateral over these balances.

Notes:

- (i) As at 31 December 2025, included in deposits, approximately RMB95,000 (2024: RMB99,000) represents rental deposit paid to a related company, of which Mr. Kwai and Ms. Cheung are the beneficial owners.
- (ii) As at 31 December 2025, the value-added tax for future deduction was approximately RMB2,494,000 (2024: RMB148,000) which are expected to be recovered or utilised within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

21. CASH AND CASH EQUIVALENTS/TIME DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash deposits at banks and on hand	145,746	66,197
Short-term deposits	127,870	159,721
Cash and cash equivalents	273,616	225,918
Time deposits classified as current assets	112,154	153,960

Cash deposits at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits in a bank are made for 1 to 3 months (2024: 1 to 3 months) and earn interests at 0.90% to 3.93% per annum (2024: 0.90% to 4.30% per annum).

As at 31 December 2025, time deposits of RMB112,154,000 (2024: RMB153,960,000) represent fixed deposits with original maturity more than three months but within 1 year from the deposit date, which carried interest at rate of 1.00% to 1.45% (2024: 0.90% to 4.20%) per annum.

As at 31 December 2025, the Group has cash and bank balances denominated in RMB amounted to approximately RMB290,734,000 (2024: RMB172,650,000), of which the remittance of cash out of the PRC is subject to the exchange control restrictions imposed by the PRC government.

22. TRADE PAYABLES

The credit period is generally 30 days.

Based on invoice dates, ageing analysis of the Group's trade payables is as follows:

	2025 RMB'000	2024 RMB'000
0 to 30 days	8,434	2,833
31 to 90 days	702	428
91 to 120 days	39	39
121 to 365 days	394	122
Over 1 year	1,060	1,990
	10,629	5,412

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Contract liabilities arising from:		
Provision of port services	4,938	24,741

Typical payment terms which impact on the amount of contract liabilities recognised

Contract liabilities mainly relate to the deposits received from customers for port services based on the billing schedules as established in the contracts. The deposits that the Group receives on port services remain as contract liabilities until such time as the port services are provided to the customers.

Movement in contract liabilities

	2025 RMB'000	2024 RMB'000
Balance at 1 January	24,741	40,640
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(24,741)	(40,640)
Increase in contract liabilities as a result of billings in advance of port services being provided	4,938	24,741
Balance at 31 December	4,938	24,741

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. OTHER PAYABLES, ACCRUALS AND RECEIPT IN ADVANCE

	2025 RMB'000	2024 RMB'000
Other payables	12,948	23,236
Accruals	30,860	32,571
Receipt in advance	38,940	36,659
	82,748	92,466

Other payables mainly represented construction cost payables of investment properties, cost of fixed assets acquisition payable which are due to be settled within twelve months after the reporting period. Receipt in advance mainly represented rental paid by tenants of the Group prior to their recognition as rental income.

25. LEASE LIABILITIES

The amounts included in the consolidated statement of financial position in respect of the carrying amounts of lease liabilities and the movements during the year is as follows:

	Office properties RMB'000
As at 1 January 2024	1,591
Interest expense	80
Lease payments	(584)
Foreign exchange movements	38
As at 31 December 2024 and 1 January 2025	1,125
Interest expense	49
Lease payments	(584)
Foreign exchange movements	(35)
As at 31 December 2025	555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

25. LEASE LIABILITIES (continued)

Future lease payments are due as follows:

	31 December 2025		
	Minimum lease payments RMB'000	Interest RMB'000	Present value RMB'000
Not later than one year	571	(16)	555

	31 December 2024		
	Minimum lease payments RMB'000	Interest RMB'000	Present value RMB'000
Not later than one year	595	(49)	546
Later than one year and not later than five years	595	(16)	579
	1,190	(65)	1,125

The present value of future lease payments are analysed as:

	2025 RMB'000	2024 RMB'000
Current liabilities	555	546
Non-current liabilities	–	579
	555	1,125

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

26. OPERATING LEASING ARRANGEMENTS

The Group as lessor

At the reporting date, the minimum rent receivables under non-cancellable operating leases are as follows:

	2025 RMB'000	2024 RMB'000
Not later than one year	4,837	1,008
Later than one year and not later than two years	4,837	949
Later than two years and not later than three years	4,388	803
Later than three years and not later than four years	4,388	555
Later than four years and not later than five years	4,388	496
Later than five years	11,003	6,614
	33,841	10,425

The Group leased its investment properties to tenants under operating leases. The leases run for an initial period of 1 to 20 years, with options to renew the lease terms upon expiry when all terms are re-negotiated. Certain leases include contingent rentals which are refundable if certain annual transportation volume targets from the tenants are met. No contingent rent in respect of these leases was recognised in profit or loss during the reporting periods.

27. BORROWING

As at 31 December 2025, the Group's aggregate banking facilities of approximately RMB528,812,000 (2024: RMB115,812,000), denominated in RMB, were granted by banks located in the PRC to subsidiaries of the Company of which approximately RMB528,810,000 (2024: RMB115,812,000) was unutilised. The banking facilities were secured by:

- (i) the pledge of certain property, plant and equipment of the Group with net carrying amount of approximately RMB129,869,000 (2024: RMB127,383,000) (note 14) as at 31 December 2025; and
- (ii) the pledge of investment properties of the Group of approximately RMB14,600,000 (2024: RMB14,100,000) (note 15) as at 31 December 2025.

As at 31 December 2025, the Group's bank borrowing of RMB2,000 (2024: Nil) was drawn down under these facilities, at interest rate of 2.85% per annum and repayment in June 2027.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

28. INVESTMENT IN AN ASSOCIATE

	2025 RMB'000	2024 RMB'000
Share of net assets of the associate, unlisted	2,605	2,600

Name	Place of incorporation, operation and principal activity	Percentage of owner's interests
Chizhou City Huida Port Transportation Company Limited ("Chizhou Huida") (池州市滙達港口運輸有限公司)	Port operation in PRC	26% (Note) (2024: 26%)

Summarised financial information of the associate, adjusted for any difference in accounting policies, is as follows:

	2025 RMB'000	2024 RMB'000
As at 31 December		
Current asset	10,018	10,000
Non-current assets	–	–
Current liabilities	–	–
Net assets	10,018	10,000
Group's share of net assets of associates	2,605	2,600
Revenue	20	–
Expense	(2)	–
Profit for the year	18	–
Group's share of results of associates	5	–

Note:

On 30 June 2023, the Group entered into an agreement with two investors which are PRC state-owned enterprises pursuant to which the Group agreed to make a cash injection of RMB26,000,000 in total to Chizhou Huida, in return for 26% equity interest of Chizhou Huida. In the opinion of the directors of the Company, the Group is able to exercise significant influence over Chizhou Huida through its representation in the board of directors and its participation in policy-making processes because it has the power to appoint one out of five directors of Chizhou Huida under the articles of association of Chizhou Huida. As at 31 December 2025, the Group has not yet paid up the subscribed registered capital of Chizhou Huida of RMB23,400,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. DEFERRED GOVERNMENT GRANT

	2025 RMB'000	2024 RMB'000
At beginning of the year	30,754	31,644
Addition	1,000	–
Amortisation	(890)	(890)
At end of the year	30,864	30,754
Classified as:		
Non-current liabilities	29,974	29,864
Current liabilities	890	890
	30,864	30,754

The Group's deferred government grants mainly related to the Group's acquisition payments for investment properties and leasehold land recognised as right-of-use assets. The Group does not have any unfulfilled conditions and other contingencies attaching to government assistance in regard to the government grants at the reporting dates.

30. SHARE CAPITAL

	Number of ordinary shares	HK\$'000	RMB'000
Authorised:			
Ordinary shares of HK\$0.01 each as at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	5,000,000,000	50,000	40,929
Issued and fully paid:			
Ordinary shares of HK\$0.01 each as at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	800,000,000	8,000	6,758

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

31. RESERVES

(a) Share premium

The share premium represents the excess of the proceeds received over the nominal value of the Company's shares issued.

(b) Special reserve

In accordance with the regulations of the State Administration of Work Safety, the PRC subsidiaries have commitment to appropriate 1% of corresponding turnover to a special reserve which will be used for enhancement of safety production environment and improvement of facilities.

(c) Statutory reserve

In accordance with the relevant laws and regulations in the PRC and Articles of Association of the PRC subsidiaries, they are required to appropriate 10% of the annual net profits of the PRC subsidiaries after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory reserve before distributing any net profit. Such appropriation is applicable to Chizhou Port Holdings, Chizhou Niutoushan, Yuan Hang Port Development (Chizhou) Limited and Qianjiang Logistic, subsidiaries of the Company.

When the balance of the statutory reserve reaches 50% of the registered capital of the PRC subsidiaries, any further appropriation is at the discretion of shareholders. The statutory reserve can be used to offset prior years' losses, if any, and may be capitalised as capital, provided that the remaining balance of the statutory reserve after such issue is no less than 25% of registered capital.

(d) Other reserve

Other reserves represent the difference between the investment costs in subsidiaries and the nominal value of the issued share capital, capital reserve (if any) of the Company's subsidiaries and reserve resulting from recognition of equity-settled share-based payments to the directors of the Company over the vesting period in the prior year. Further details are set out in note 38.

(e) Capital reserve

Capital reserve represents capital contribution from the controlling shareholder to the Group.

(f) Assets revaluation reserve

Assets revaluation reserve represents the revaluation surplus arising from transfer of payments for certain leasehold land held for own use under operating leases to investment properties upon change in use.

(g) Fair value reserve

The balance represents the cumulative net change in the fair value of equity investments designated at FVTOCI that are held at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

32. CAPITAL COMMITMENTS

At the reporting date, the Group had the following capital commitments:

	2025 RMB'000	2024 RMB'000
Contracted, but not provided for		
— Construction in progress	127,205	4,008

33. RELATED PARTY TRANSACTIONS

(a) Save as disclosed elsewhere in these consolidated financial statements, the Group had the following related party transactions during the year:

	2025 RMB'000	2024 RMB'000
Lease payment paid to a related company (<i>note</i>)	584	584

Note: Ocean Line Hong Kong, a subsidiary of the Company and a related company entered into a tenancy agreement pursuant to which the related party as the landlord agreed to lease certain premises to Ocean Line Hong Kong as the tenant. The annual rental under the tenancy agreement amounted to approximately HK\$634,000 from 1 January 2024 and expiring on 31 December 2026. Mr. Kwai and Ms. Cheung are the beneficial owners of the related company.

The above transaction with a related company was negotiated and carried out in the ordinary course of business and at terms agreed between the Group and the related company.

(b) Key management personnel compensation

The directors of the Company consider that the key management personnel compensation comprises only the emoluments of the directors as disclosed in note 10.

34. AMOUNT DUE TO NON-CONTROLLING INTERESTS

The balance represents the dividend payable which is unsecured, interest free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

	As at 1 January 2025 RMB'000	Financing cash flow RMB'000	Non-cash changes			At 31 December 2025 RMB'000
			Interest expense recognised RMB'000	Dividend declared RMB'000	Exchange Movements RMB'000	

Year ended 31 December 2025

Amount due to non-controlling interests	16,061	(16,066)	-	17,837	-	17,832
Lease liabilities	1,125	(584)	49	-	(35)	555
Borrowing	-	2	-	-	-	2

	As at 1 January 2024 RMB'000	Financing cash flow RMB'000	Non-cash changes			At 31 December 2024 RMB'000
			Interest expense recognised RMB'000	Dividend declared RMB'000	Exchange Movements RMB'000	

Year ended 31 December 2024

Amount due to a non-controlling interest	-	-	-	16,061	-	16,061
Lease liabilities	1,591	(584)	80	-	38	1,125

Note: The total cash flow for leases are RMB585,000 (2024: RMB590,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

These risks are limited by the Group's financial management policies and practices described below.

(a) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate.

(b) Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency exposures. Such exposures arise from the balance of assets and liabilities in currencies other than the functional currency of the Group's entities. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date that are considered significant by the directors of the Company are stated as follows:

	2025 RMB'000	2024 RMB'000
Assets:		
HK\$	48,072	54,368
Liabilities		
HK\$	(1,677)	(2,140)
Net exposure to foreign currency risk	46,395	52,228

The Group's policy requires the management monitors foreign exchange exposure by closely monitoring the movement of foreign currency rate and may enter into foreign currency options or forward contracts, when and where appropriate.

The following table illustrates the sensitivity of the Group's profit for the year and retained earnings at end of the year in regard to a 5% depreciation in the functional currency of the Group's entities against the foreign currency. These rates are the rates used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the possible change in foreign exchange rates.

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the year has been determined based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the year and held constant throughout the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Foreign currency risk (continued)

	Increase on profit for the year/retained earnings	
	2025 RMB'000	2024 RMB'000
HK\$	2,320	2,611

The same percentage appreciation in the functional currencies of the Group's entities against the respective foreign currency would have the same magnitude on the Group's profit or loss and equity but of opposite effect.

(c) Credit risk

As at 31 December 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is primarily attributable to trade and other receivables, debt instruments at FVTOCI and bank deposits. The Group has a credit policy in place and exposures to these credit risks are monitored on an ongoing basis.

The Group applies simplified approach to measure ECL on trade receivables; and general approach to measure ECL on other receivables, debt instruments at FVTOCI and cash and cash equivalent. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL. Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-month ECL, Stage 2: Lifetime ECL — not credit-impaired and Stage 3: Lifetime ECL — credit-impaired.

Financial assets with credit risk exposure

(i) Debt instruments at FVTOCI

The Group has concentration of credit risk with bills receivables issued by bank. The credit risk on the bills receivables is limited because the counterparties are mainly banks with high credit-rating or with good reputation.

(ii) Other receivables

The directors have made individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also forward-looking information, as appropriate. The Group has considered the consistently low historical default rate in connection with payments, and concluded that credit risk inherent in the Group's outstanding other receivables is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

Financial assets with credit risk exposure (continued)

(iii) *Cash and cash equivalent*

Cash is deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

(iv) *Trade receivables*

The Group has concentration of credit risk from various customers. In view of their good payment record and long established relationships with the Group, management does not consider the Group's credit risk to be significant. At 31 December 2025, the Group's largest trade receivables balance and the five largest trade receivables accounted for 25% (2024: 31%) and 72% (2024: 78%) of the total trade receivable, respectively.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the year over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group's management considers that trade receivables that were past due but not impaired under review are of good credit quality. The maximum exposure to credit risk at the reporting date is the fair value of trade receivables. The Group does not hold any collateral in respect of trade receivables past due but not impaired.

Receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired related to a number of independent customers that had a good track record with the Group. On that basis, ECL provision for trade receivables was assessed to be immaterial and no loss allowance (2024: RMB1,000) was recognised during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Credit risk (continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2025 RMB'000	2024 RMB'000
Balance at 1 January	1	–
Expected credit loss recognised	–	1
Balance at 31 December	1	1

There are no significant changes in the gross carrying amount of trade receivables contributed to the increase in the loss allowance during the year.

(d) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade and other payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major banks and financial institutions to meet its liquidity requirements in the short and longer terms. The Group also monitors the utilisation of borrowings and ensures compliance with loan covenants.

The liquidity policies have been followed by the Group since prior years and are considered to have been effective in managing liquidity risks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the reporting dates, based on the contractual undiscounted payments, are as follows:

	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	On demand or within one year RMB'000	More than one year but not exceeding two years RMB'000
At 31 December 2025				
Trade payables	10,629	10,629	10,629	–
Other payables and accruals	42,682	42,682	42,682	–
Amount due to non-controlling interests	17,832	17,832	17,832	–
Lease liabilities	555	555	555	–
Borrowing	2	2	–	2
	71,700	71,700	71,698	2

	Carrying amount RMB'000	Total contractual undiscounted cash flow RMB'000	On demand or within one year RMB'000	More than one year but not exceeding two years RMB'000
At 31 December 2024				
Trade payables	5,412	5,412	5,412	–
Other payables and accruals	56,267	56,267	56,267	–
Amount due to non-controlling interests	16,061	16,061	16,061	–
Lease liabilities	1,125	1,190	595	595
	78,865	78,930	78,335	595

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Fair value

Financial instruments measured at fair value and disclosed in Notes 16 and 19.

Financial instruments not measured at fair value include cash and cash equivalents, time deposits, trade receivables, deposits and other receivables, trade payables, other payables and accruals, amount due to non-controlling interests, borrowing and lease liabilities.

The fair values of the Group's financial assets and liabilities were not materially different from their carrying amounts because of the immediate or short term maturity of these financial instruments.

(f) Summary of financial assets and financial liabilities by category

The carrying amounts of each of the categories of financial instruments as at the reporting dates are as follows:

Financial assets

	2025	2024
	RMB'000	RMB'000
At amortised cost		
— Trade receivables	14,201	7,866
— Deposits and other receivables	782	1,600
— Time deposits	112,154	153,960
— Cash and cash equivalents	273,616	225,918
	<hr/>	<hr/>
	400,753	389,344
At fair value		
Debt instruments at FVTOCI	19,585	13,151
Equity investments at FVTOCI	47,634	27,093
	<hr/>	<hr/>
	67,219	40,244
	<hr/>	<hr/>
	467,972	429,588

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Summary of financial assets and financial liabilities by category (continued)

Financial liabilities

	2025 RMB'000	2024 RMB'000
At amortised cost		
— Trade payables	10,629	5,412
— Other payables and accruals	42,682	56,267
— Amount due to non-controlling interests	17,832	16,061
— Borrowing	2	—
— Lease liabilities	555	1,125
	<hr/>	<hr/>
	71,700	78,865

37. CAPITAL MANAGEMENT

The Group's capital management objectives include:

- (i) to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for owners and benefits for other stakeholders;
- (ii) to support the Group's stability and growth; and
- (iii) to provide capital for the purpose of strengthening the Group's risk management capability.

The capital structure of the Group consists of net debt, which includes bank borrowings, net of cash and cash equivalents and equity attributable to the owners of the Company.

The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, issue of new shares as well as issue of new debts. The Group monitors capital on the basis of gross gearing ratio. Gearing ratio is calculated based on the total debts which include payable incurred not in the ordinary course of business, divided by total equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

37. CAPITAL MANAGEMENT (continued)

The Group's total debts and total equity and gross gearing ratio at 31 December 2025 and 2024 were as follows:

	2025 RMB'000	2024 RMB'000
Total debts	2	–
Total equity	792,467	728,726
Gross gearing ratio (%)	–	N/A

38. SHARE-BASED PAYMENT TRANSACTIONS

The share option scheme of the Company (the "Share Option Scheme") has been conditionally adopted by way of shareholder's written resolution passed on 1 June 2018. The Share Option scheme has become unconditional on the 10 July 2018 (i.e. the listing date of the Company) and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

Summary of the terms of the Share Option Scheme are set out below:

(i) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to the eligible participants who, has contributed or may contribute to the Group as incentive or reward for their contribution to the Group to subscribe for the Company's shares ("the Shares") thereby linking their interest with that of the Group.

(ii) Eligibility of the Share Option Scheme

The "Eligible participants" of the Share Option Scheme include any employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any subsidiary (including any director of the Company or any subsidiary) who is in full-time or part-time employment with or otherwise engaged by the Company or any subsidiary at the time when an option is granted to such employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner who, in the absolute discretion of the Company's Board, has contributed or may contribute to the Group as incentive or reward for their contribution to the Group to subscribe for the Shares thereby linking their interest with that of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(iii) Maximum number of Shares in respect of which options may be granted

As at 31 December 2025 and 2024 and the date of approval of the consolidated financial statements, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme of the Group must not in aggregate exceed 10% of the total number of Shares in issue (i.e. 80,000,000 Shares).

(iv) Maximum entitlement of each participant

No Participants shall be granted an option if total number of the Shares issued and to be issued upon exercise of the options granted and to be granted to each grantee (including both exercised, cancelled and outstanding options) in any 12-month period up to and including the date of grant to such participant would exceed in aggregate 1% of the Shares for the time being in issue unless the proposed grant has been approved by the shareholder of the Company in general meeting with proposed grantee and its associates (as defined in the GEM Listing Rules) abstaining from voting.

(v) Period within which the Shares must be taken up under an option

An option may be exercised in accordance at any time during the period to be determined and identified by the Company's Board ("the Board") to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of grant but subject to the early termination of the Share Option Scheme.

(vi) Minimum period, if any, for which an option must be held before it can be exercised

At the time of granting an option, the Company's directors ("the Directors") may, at their discretion, specify the minimum period(s), if any, for which an option must be held before it can be exercised.

(vii) Amount payable upon acceptance of the option and the period within which the payment must be made

HK\$1.00 shall be paid within 21 days from, and inclusive of the date of offer of the option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(viii) Basis of determining the exercise price of the option

The exercise price for Shares under the Share Option Scheme shall be a price determined at the discretion of the Directors, but in any case will not be less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer, which must be a business date;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer; or
- (c) the nominal value of a Share on the offer date of the particular option.

(ix) Remaining life of the Share Option Scheme

Subject to early termination of the Scheme pursuant to the terms thereof, the Share Option Scheme shall be valid and effective for a period of 10 years commencing from the date on which the Share Option Scheme becomes effective, i.e. 1 June 2018 and ending on 31 May 2028.

On 23 December 2019, the controlling shareholders of the Company granted 1,334 shares of Vital Force to an executive director of the Company under the sales and purchase agreement as a reward for employee services to the Group without vesting conditions and without recharging arrangement. The estimated fair value of the share-based payments recognised on 23 December 2019 of RMB3,680,000 (equivalent to approximately HK\$4,000,000) was expensed to the consolidated statement of comprehensive income as directors' remuneration and was capitalised in other reserve.

During the years ended 31 December 2025 and 2024, there is no option outstanding, granted, exercised, cancelled and lapsed under the Share Option scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39. NON-CONTROLLING INTERESTS

Chizhou Port Holdings, a 72% owned subsidiary of the Company and Chizhou Niutoushan, a 77.7% owned subsidiary of the Company, have material non-controlling interests ("NCI"). Summarised financial information in relation to Chizhou Port Holdings and Chizhou Niutoushan, before intra-group eliminations, is presented below:

(a) Chizhou Port Holdings

	2025 RMB'000	2024 RMB'000
Revenue	89,295	142,978
Profit for the year	57,459	74,953
Total comprehensive income	56,985	74,669
Profit allocated to owner of the Company	41,370	53,966
Profit allocated to NCI of Chizhou Port Holdings	11,179	14,614
Total comprehensive income allocated to NCI	11,046	14,534
Dividends declared to NCI (note)	(16,122)	(14,230)
Cash flows generated from operating activities	36,988	60,416
Cash flows used in investing activities	(28,387)	(21,741)
Cash flows used in financing activities	(48,992)	–
Net cash (outflow)/inflows	(40,391)	38,675
Current assets	205,013	225,683
Non-current assets	474,499	461,825
Current liabilities	(129,747)	(137,861)
Non-current liabilities	(31,303)	(30,590)
Net assets	518,462	519,057
Proportion of the ownership interest and voting rights held by NCI	28%	28%
Accumulated non-controlling interests of Chizhou Port Holdings	111,506	116,582

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39. NON-CONTROLLING INTERESTS (continued)

(a) Chizhou Port Holdings (continued)

Note:

On 27 March 2025, Chizhou Port Holdings declared dividend of approximately RMB57,580,000 (the "2025 Declared Dividend") to its shareholders. The 2025 Declared Dividends were distributed in accordance with the respective individual equity interests of the shareholders, out of the 2025 Declared Dividend, the Group was entitled to dividend of approximately RMB41,458,000 in respect of its equity interest of 72% and of approximately RMB16,122,000 to the party with equity interests of 28% in Chizhou Port Holdings, respectively.

On 12 March 2024, Chizhou Port Holdings declared dividend of approximately RMB50,821,000 (the "2024 Declared Dividend") to its shareholders. The 2024 Declared Dividends were distributed in accordance with the respective individual equity interests of the shareholders, out of the 2024 Declared Dividend, the Group was entitled to dividend of approximately RMB36,591,000 in respect of its equity interest of 72% and of approximately RMB14,230,000 to the party with equity interests of 28% in Chizhou Port Holdings, respectively.

(b) Chizhou Niutoushan

	2025 RMB'000	2024 RMB'000
Revenue	93,978	63,199
Profit for the year	53,882	37,874
Total comprehensive income	53,882	37,874
Profit and total comprehensive income allocated to		
NCI of Chizhou Niutoushan	11,999	8,435
Dividends declared to NCI (note)	(1,710)	(1,547)
Cash flows generated from operating activities	37,441	47,120
Cash flows used in investing activities	(4,501)	(3,505)
Cash flows used in financing activities	(1,547)	(28,367)
Net cash inflows	31,393	15,248
Current assets	103,345	57,259
Non-current assets	116,425	118,842
Current liabilities	(65,060)	(41,358)
Non-current liabilities	(1,315)	(1,030)
Net assets	153,395	133,713
Proportion of the ownership interest and voting rights held by NCI	22.27%	22.27%
Accumulated non-controlling interests of Chizhou Niutoushan	52,093	41,804

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39. NON-CONTROLLING INTERESTS (continued)

(b) Chizhou Niutoushan (continued)

Note:

On 25 April 2025, Chizhou Niutoushan declared dividend of approximately RMB34,200,000 (the "2025 Declared Dividend") to its shareholders. The 2025 Declared Dividends were distributed in accordance with the respective individual equity interests of the shareholders, out of the 2025 Declared Dividend, the Group was entitled to dividend of approximately RMB21,091,000 in respect of its equity interest of 61.67%, approximately RMB11,399,000 to the party with equity interests of 33.33%, and of approximately RMB1,710,000 to the party with equity interests of 5% in Chizhou Niutoushan, respectively.

On 15 May 2024, Chizhou Niutoushan declared dividend of approximately RMB30,943,000 (the "2024 Declared Dividend") to its shareholders. The 2024 Declared Dividends were distributed in accordance with the respective individual equity interests of the shareholders, out of the 2024 Declared Dividend, the Group was entitled to dividend of approximately RMB19,083,000 in respect of its equity interest of 61.67%, approximately RMB10,313,000 to the party with equity interests of 33.33%, and of approximately RMB1,547,000 to the party with equity interests of 5% in Chizhou Niutoushan, respectively.

(c) Individual immaterial subsidiaries with non-controlling interest

	2025 RMB'000	2024 RMB'000
Dividends declared to NCI	(5)	(284)
Accumulated non-controlling interests	27,961	18,262

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	Note	2025 RMB'000	2024 RMB'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		–	–
Investment in subsidiaries		144,000	144,000
		144,000	144,000
Current assets			
Prepayments and other receivables		29	30
Due from subsidiaries		96,354	56,853
Cash and cash equivalents		48	36
		96,431	56,919
Current liabilities			
Accruals		1,121	1,016
Due to a subsidiary		505	12,340
		1,626	13,356
Net current assets		94,805	43,563
Net assets		238,805	187,563
EQUITY			
Share capital	30	6,758	6,758
Reserve		154,513	154,513
Retained earnings		77,534	26,292
Total equity		238,805	187,563

On behalf of the directors by

Kwai Sze Hoi
Director

Huang Xueliang
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Reserve movement of the Company

	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Other reserve RMB'000 (Note 31(d) and 38)	Retained earnings RMB'000	Total RMB'000
At 1 January 2024	6,758	6,464	144,369	3,680	31,360	192,631
Loss and total comprehensive income for the year	–	–	–	–	(5,068)	(5,068)
At 31 December 2024 and 1 January 2025	6,758	6,464	144,369	3,680	26,292	187,563
Profit and total comprehensive income for the year	–	–	–	–	51,242	51,242
At 31 December 2025	6,758	6,464	144,369	3,680	77,534	238,805

41. PARTICULAR OF SUBSIDIARIES

Company name	Place and date of incorporation	Particulars of issued and fully paid up share capital/registered capital		Effective percentage of equity held by the Company				Principal activities
		As at 31 December 2025	As at 31 December 2024	As at 31 December 2025		As at 31 December 2024		
				Directly	Indirectly	Directly	Indirectly	
Ocean Line Chizhou	BVI 9 October 2007	US\$2	US\$2	100.00%	–	100.00%	–	Investment holding
Noble Century Ventures Limited	BVI 26 April 2017	US\$10	US\$10	100.00%	–	100.00%	–	Investment holding
Chizhou Port Holdings (notes 1 and 4)	The PRC 18 December 2007	RMB342,177,063	RMB342,177,063	–	72.00%	–	72.00%	Port operation
Yuan Hang Port Development (Chizhou) Limited (note 2)	The PRC 28 November 2017	RMB100,000	RMB100,000	–	100.00%	–	100.00%	Investment holding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. PARTICULAR OF SUBSIDIARIES (continued)

Company name	Place and date of incorporation	Particulars of issued and fully paid up share capital/registered capital		Effective percentage of equity held by the Company				Principal activities
		As at 31 December 2025	As at 31 December 2024	As at 31 December 2025		As at 31 December 2024		
				Directly	Indirectly	Directly	Indirectly	
Chizhou Logistic (note 3)	The PRC 27 April 2021	RMB500,000	RMB500,000	-	72.00%	-	72.00%	Logistic services
Chizhou Niutoushan (notes 3 and 4)	The PRC 11 April 2012	RMB80,000,000	RMB80,000,000	-	77.73%	-	77.73%	Port operation
Chizhou Meilong (notes 3, 4 and 5)	The PRC 3 December 2020	RMB20,000,000	RMB20,000,000	-	51.84%	-	51.84%	Inactive
Ocean Line Hong Kong	Hong Kong 30 October 2017	HK\$1	HK\$1	-	100.00%	-	100.00%	Investment holding
Qianjiang Logistic (note 3, 4 and 7)	The PRC 12 April 2022	-	RMB1,000,000	-	-	-	77.73%	Logistic services
Chizhou Haishun (note 3, 4 and 6)	The PRC 15 April 2024	RMB56,500,000	RMB25,000,000	-	43.20%	-	43.20%	Port operation

Notes:

1. a Sino-foreign equity joint venture operating in the PRC.
2. a wholly foreign owned enterprise operating in the PRC.
3. a limited liability company operating in the PRC.
4. The business operations of the Group for the provision of port services in the PRC are carried out by Chizhou Port Holdings and its subsidiaries. Chizhou Port Holdings is a Sino-foreign equity joint venture in which the PRC government own and hold, indirectly, 28% of its equity interests and hence have significant influence over Chizhou Port Holdings. Chizhou Port Holdings and its subsidiaries operate in the PRC, an economic environment currently predominated by entities directly or indirectly controlled by the PRC government through its government authorities, agencies, affiliations and other organisations (collectively referred to as “state-controlled entities”). Chizhou Port Holdings and its subsidiaries have entered into transactions with other PRC state-controlled entities during their ordinary course of businesses including but not limited to the purchases of inventories, construction works, rendering and receiving services and use of public utilities, among others.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. PARTICULAR OF SUBSIDIARIES (continued)

Notes: (continued)

5. During the year ended 31 December 2020, Chizhou Port Holdings, non-wholly owned subsidiary of the Company, entered into an agreement with two investors which are PRC state-controlled entities pursuant to which Chizhou Port Holdings agreed to make a cash injection of RMB36,000,000 in total by installment into the capital of the Chizhou Meilong, the Company's subsidiary, in return for 72% equity interest of Chizhou Meilong. In addition, the other investors agreed to make cash injections proportionate to their holdings. The fund injected by Chizhou Port Holdings and two investors will be utilised for the construction of a new port terminal. During the year ended 31 December 2021, the shareholders of Chizhou Meilong entered into a supplemental agreement, pursuant to which the parties thereto agreed that the timing of the remaining 60% of their total capital contribution to Chizhou Meilong will be determined by the shareholders of Chizhou Meilong based on the project progress of Chizhou Meilong. As at 31 December 2021, Chizhou Port Holdings has injected RMB14,400,000. As at 31 December 2024 and 2025, the outstanding commitment by the Group is RMB21,600,000.
6. Management has concluded that the Group controls Chizhou Haishun, because its 72% equity interest owned subsidiary, Chizhou Port Holdings, is the largest shareholder with a 60% equity interest in Chizhou Haishun, while the remaining shares are held 30% and 10% by two investors. The articles and association mentioned that resolutions relating to decision on directing the relevant activities are required to pass on the board of shareholders. In the opinion of the directors of the Company, the Group is able to exercise control over Chizhou Haishun through its 60% of the voting rights on the board of shareholders.
7. Qianjiang Logistic was deregistered during the year.

42. EVENT AFTER THE REPORTING PERIOD

- (a) On 20 January 2026, Chizhou Port Holdings entered into the Equipment Procurement and Installation Contract with a Contractor, pursuant to which the Contractor will undertake the equipment construction works for Jiangkou Port Area at a consideration of approximately RMB29,001,000. Further details are set out in the announcement of the Company dated 20 January 2026.
- (b) On 12 February 2026, Chizhou Port Holdings entered into the Port Yard Lease Agreement with Chizhou Tie Hang, pursuant to which, Chizhou Port Holdings agreed to lease the land use right of a parcel of land to Chizhou Tie Hang. Further details are set out in the announcement of the Company dated 12 February 2026.

FINANCIAL SUMMARY

The following table summarises the results, assets and liabilities of the Group for the years ended 31 December 2021, 2022, 2023, 2024 and 2025:

	For the year ended 31 December				
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
RESULTS					
REVENUE	165,837	187,377	173,583	177,042	158,827
PROFIT BEFORE TAX	94,249	107,687	98,109	103,561	91,810
INCOME TAX EXPENSE	(14,749)	(20,234)	(17,026)	(14,725)	(19,975)
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	57,206	64,092	59,140	65,623	52,179

	As at 31 December				
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
ASSETS AND LIABILITIES					
TOTAL ASSETS	748,461	813,156	832,302	908,634	953,417
TOTAL LIABILITIES	(192,384)	(187,185)	(186,067)	(179,908)	(160,950)
NET ASSETS	556,077	625,971	646,235	728,726	792,467
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	409,178	472,024	486,659	552,078	600,907

MAJOR PROPERTIES

The following table summarizes major investment properties of the Group as at 31 December 2025:

Properties	Location	Usage	Lease Term
The Parcel of Land at Jiangkou Terminal Logistics Park Phase 2	Lingang Park Area of Chizhou Economic Development Zone, Chizhou City, Anhui Province (安徽省池州市池州市經濟技術開發區臨港園區)	Port terminal	Long-term lease
Warehouse No. 1 at Jiangkou Terminal Logistics Park Phase 2	Zone A, Northeast of Intersection of Muzhi Road and Yanjiang Road, Chizhou Economic Development Zone, Chizhou City, Anhui Province (安徽省池州市池州經濟技術開發區牧之路與沿江路交口東北角A區)	Warehousing	Long-term lease
Warehouse No. 2 at Jiangkou Terminal Logistics Park Phase 2	Zone A, Northeast of Intersection of Muzhi Road and Yanjiang Road, Chizhou Economic Development Zone, Chizhou City, Anhui Province (安徽省池州市池州經濟技術開發區牧之路與沿江路交口東北角A區)	Warehousing	Long-term lease
Niutoushan Warehouse No. 1	West of Linjiang Road, Qianjiang Park, Chizhou High and New Technology Industrial Development Zone, Chizhou City, Anhui Province (安徽省池州市池州高新技術產業開發區前江園區，臨江路以西)	Warehousing	Long-term lease