



招商局港口控股有限公司

CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

Stock Code : 00144

2025
ANNUAL REPORT

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	2025 HK\$'million	2024 HK\$'million	Year-on-year changes
Consolidated statement of profit or loss highlights			
Revenue	13,354	11,842	12.8%
Profit attributable to equity holders of the Company	6,457	7,919	(18.5%)
Non-recurrent losses/(gains), net of tax ¹	54	(369)	(114.6%)
Recurrent profit	6,511	7,550	(13.8%)
Earnings per share (HK Dollars)			
Basic	1.538	1.886	(18.5%)
Dividend per share (HK Dollars)			
Interim dividend	0.250	0.250	0.0%
Final dividend	0.489	0.636	(23.1%)
	0.739	0.886	(16.6%)
Consolidated statement of financial position highlights			
Total assets	177,534	169,474	4.8%
Capital and reserves attributable to equity holders of the Company	110,403	103,825	6.3%
Net interest-bearing debts and lease liabilities	24,547	23,138	6.1%
Consolidated statement of cash flows highlights			
Net cash generated from operating activities	9,472	8,547	10.8%

	2025 HK\$' million	2024 HK\$' million	Year-on-year changes
Revenue			
Ports operation	12,447	10,992	13.2%
Bonded logistics operation	705	639	10.3%
Other operations	202	211	(4.3%)
Total	13,354	11,842	12.8%
EBITDA			
Ports operation	7,580	6,555	15.6%
Bonded logistics operation	211	363	(41.9%)
Other operations	118	125	(5.6%)
Total	7,909	7,043	12.3%
Share of profits less losses of associates and joint ventures	4,970	6,513	(23.7%)
Non-recurrent (losses)/gains	(69)	457	(115.1%)
Corporation function	(279)	(271)	3.0%
Finance costs, net	(1,171)	(1,319)	(11.2%)
Taxation	(1,387)	(1,197)	15.9%
Depreciation and amortisation	(2,285)	(2,145)	6.5%
Non-controlling interests and holders of perpetual capital securities	(1,231)	(1,162)	5.9%
Profit attributable to equity holders of the Company	6,457	7,919	(18.5%)

- 1 For 2025, include gain on deemed disposal of an associate, net of tax of HK\$3 million, net change in fair value of investment properties, net of tax of HK\$7 million, and net change in fair value of financial assets (equity investments) at FVTPL, net of tax of HK\$50 million. For 2024, include deemed gain from share repurchases of an associate, net of tax of HK\$14 million, impairment loss of interest in a joint venture, net of tax of HK\$9 million, net change in fair value of investment properties, net of tax of HK\$17 million, net change in fair value of financial assets (equity investments) at FVTPL, net of tax of HK\$381 million.



46 Ports *in*


26 Countries
and Regions

on **6** Continents

CORPORATE PROFILE

China Merchants Port Holdings Company Limited's core business includes port investment, port operations, port logistics and smart technology, with a comprehensive ports network at the hub locations along coastal China, as well as Asia, Africa, Europe, Oceania, South America and North America, amongst others.



An aerial photograph of a large port facility, likely a container terminal. The foreground shows a large container ship with "CHINA SHIPPING LINE" written on its side, docked at a pier. The pier is filled with numerous red gantry cranes and stacks of colorful shipping containers. In the background, another container ship is docked, and the port extends into the water. The sky is clear and blue, with some light trails in the upper left corner.

The Company strives to, as a gateway to China's foreign trade and with its expanding global ports portfolio, provide its customers with timely and efficient port logistics services by pursuing its management style that emphasises determination, discipline and efficiency. The Group's investment strategy focuses on hub ports in regions that attract foreign investments and are economically vibrant with strong growth of import and export trade. In addition, the Group also invests in bonded logistics operation to extend the port's value chain and effectively leverage the synergies of the existing ports network.

The Group has earned itself a reputation across the industry with the professional management experience accumulated for years, its self-developed global leading ports operating system and integrated logistics management platform for import and export, its extensive maritime logistics support system, the modern and all-rounded integrated logistics solutions, its quality engineering management, and the outstanding and reliable services it provides.

The Company's strategic vision is to be a "world-leading port service provider", and takes "Global Presence", "Lean Management", "Innovative Transformation" as the drivers. The Group strives to achieve world-class level on various fronts, including global container throughput, market share, comprehensive port development, operation and management capabilities, asset utilisation, labour productivity and brand reputation, etc. in order to create return to its Shareholders, bring economic benefits to the regions and enhance the value creation for all stakeholders.

MAJOR MILESTONES IN 2025

FEBRUARY

The Company entered into the share purchase agreement with Prumo and planned to acquire 70% shareholding of Vast, which is the crude oil terminal in Brazil. Further to the Company's acquisition of TCP in 2017, the acquisition of Vast will allow the Group to continue its expansion in the Latin America region and further consolidate its position globally.

MARCH

The Company completed its issue of the first tranche of medium-term notes for the year 2025 with an aggregate principal amount of RMB2 billion at a coupon rate of 1.98% per annum for a term of three years.

APRIL

LCT in Togo increased its efficiency to successfully handled the world's largest 24,000 TEU vessel. It continuously improved its core customer's satisfaction and achieved economic growth.



CHAIRMAN'S STATEMENT





It is with great delight that I present the 2025 annual report of China Merchants Port Holdings Company Limited and its subsidiaries and their audited annual financial information as of 31 December 2025.

Based on the new development stage, the Group implemented the new development concept with the construction of a new development pattern to drive high-quality development, with the aim of becoming a "world-leading port service provider". While accelerating the transition towards intelligent and green operations, the Group has established a modern integrated port service system characterised by "smart empowerment, green and low-carbon practices, chain-based services, and ecological synergy", continuously enhancing the service depth and value creation capabilities of the global port network, driving dynamic alignment between resource allocation and corporate strategic positioning, market demand, and profitability to achieve lean resource allocation. The Group persistently focused on strategic port acquisition opportunities at key nodes, advancing the global network layout of ports, strengthening external and internal linked interaction with efforts to provide customers with more economical, high-quality and efficient service solutions as well as deeper strategic cooperation. More value and returns were brought to the Group and its Shareholders coupled with material contribution to ensuring safety, steadiness and smoothness of the supply chain.

During the "14th Five-Year" Plan period, under the background of a complex external environment characterized by the profound adjustment of the global trade landscape, the Group committed to its goal of achieving "world-class", unwaveringly promoted the three major drivers of "Global Presence", "Lean Management", and "Innovative Transformation" to coordinate development and security, and deepen reform and innovation. Various key tasks were progressed steadily and rapidly with operating results repeatedly reaching new highs, and comprehensive strength achieving a leapfrog enhancement. Looking back at the past 5 years of hard work, the Group has delivered a high-quality development performance characterized by "synergy

between scale and efficiency, balance between quality and speed, and simultaneous progress in domestic and overseas markets". Firstly, the scale of core business has reached a new level. The Group's total container throughput surged from 120.52 million TEUs to 151.29 million TEUs at a compound annual growth rate (CAGR) of 4.7%. With the resource aggregation and hub capacity significantly enhancing, and global competitiveness continuously leaping, the Group was ranked among the global leading public port operators. Secondly, the overseas layout has been expanded in depth. The Group successfully invested in the NPH in Indonesia, entered into a share purchase agreement for the Vast project in Brazil. HIPG in Sri Lanka commenced container business and achieved a capacity of one million TEUs. The quality and efficiency of the operation of existing projects were improved and the implementation of new projects was accelerated. The proportion of overseas revenue steadily increased to more than half, and global operational capabilities continued to strengthen. Thirdly, lean management has yielded significant results. The Group has deepened the construction of the COE system, synergistically promoted the PMO and cost leadership strategies, and achieved outstanding results in cost reduction and efficiency enhancement across the entire chain. Fourthly, the capital operation achieved remarkable results, with the Group increasing its shareholding interests in SIPG at appropriate time, and successively disposing of all equity interests in Yide Port and Ningbo Daxie. Fifthly, the technological innovation demonstrated strong momentum. The Group successfully completed the pilot scheme of building a strong transportation network in China and the inspection and acceptance of the self-developed TOS system. Mawan Smart Port was rated as the first batch of "Five-Star China's Smart Ports". The "CMCore" digital solutions were successfully implemented in overseas markets such as Africa and Europe, materializing the goal of "technology going global". Sixthly, the sustainable development and system have been optimized continuously. The Group's ESG rating has improved significantly, with the rating assigned by MSCI, an international ESG rating agency, gradually upgraded from CCC to BBB, which is the highest rating among the port companies listed in Hong Kong.

REVIEW FOR THE YEAR

In 2025, global economic development has demonstrated significant resilience. Driven by the accumulation of inventories of traded goods, increased risk appetite, expansion of artificial intelligence-related investments, and supply chain optimization and adjustments, coupled with the strong support of steady consumer spending and the continuous easing of inflationary pressures, the global economy exhibited better-than-expected resistance to external shocks, particularly the substantial tariff hikes by the US. In addition, the continued sluggishness of investment activities and limited fiscal space have exerted persistent pressure on economic momentum, and the global economy may enter a more prolonged period of low-speed growth. According to the "World Economic Outlook" report published by the IMF in January 2026, the global economy was expected to increase by 3.3% year-on-year in 2025, representing a flat year-on-year growth. Among which, the developed economies were expected to grow by 1.7%, down by 0.1 percentage point year-on-year, while emerging and developing economies were expected to grow by 4.4%, down by 0.1 percentage point year-on-year. In terms of trade, IMF forecasted that global trade volume grew by 4.1% year-on-year in 2025. Despite various challenges, global trade remained strong as the rapid expansion of technology-related exports offset the slowing momentum in exports of other product categories.

Facing the profound changes in the external environment, China has unswervingly implemented the new development philosophy, promoted high-quality development, coordinated development and security, implemented more proactive macro policies, and further advanced the construction of a

unified national market. The national economy has moved forward under pressure, making progress and moving for the better, with new achievements made in high-quality development and the successful fulfillment of major economic and social development goals and tasks. According to data from the National Bureau of Statistics of China, China's GDP grew by 5.0% year-on-year in 2025. According to statistics from the General Administration of Customs of China, the total value of China's export and import amounted to RMB45.47 trillion in 2025, representing a year-on-year increase of 3.8%, marking another record high in terms of scale and achieving growth for nine consecutive years. Among which, the value of total exports grew by 6.1% year-on-year to RMB26.99 trillion, while the value of total imports grew by 0.5% year-on-year to RMB18.48 trillion. All in all, the total value of China's export and import for the full year hit a record high, and it will continue to maintain its position as the world's largest trading nation in commodities.

In 2025, both the domestic and overseas port container business of the Group exhibited a steady growth. The Group's global ports investment achieved a full-year container throughput of 151.29 million TEUs, representing an increase of 3.8% over 2024, and a bulk cargo volume of 530 million tonnes, representing a decrease of 5.3% over the previous year. Looking into the regional performance, Mainland China, Hong Kong and Taiwan contributed an aggregate container throughput of 112.35 million TEUs, representing an increase of 3.2% year-on-year; and overseas operations delivered a container throughput of 38.94 million TEUs, up by 5.7% year-on-year. Among the major ports in the Group's portfolio, the container throughput handled by the West Shenzhen Port Zone was 15.17 million TEUs, up by 3.3% year-on-year.

In 2025, the Group focused on the following major aspects: Firstly, the construction of homebase ports was accelerated in an all-round way. The capacity enhancement of the West Shenzhen Port Zone has achieved phased results, with container throughput exceeding 15 million TEUs, continuing to reach new highs and maintaining a leading market share of foreign trade containers in Shenzhen. The overseas homebase port in Sri Lanka deepened integrated operations, with CICT being awarded the title of "Best Container Terminal in Asia" for the ninth consecutive year. HIPG achieved capacity building for one million TEUs, with container throughput reaching 428 thousand TEUs during the year and RORO business volume hitting a record high. Secondly, overseas operations were improved in quality and efficiency. Container throughput of TCP in Brazil, LCT in Togo, and Kumport in Turkey all reached record high, demonstrating excellent international operation capabilities. The Group entered into the share purchase agreement for the Vast project in Brazil to continue its global presence to deepen. Thirdly, the performance of lean management was remarkable. Utilizing business coordination, the COE mechanism, financial control, and synergistic empowerment as key levers to enhance profitability and management quality, the Group established an innovative and integrated working mechanism to realize value empowerment. Fourthly, empowerment was driven through innovation and upgrading. The Group established the "Piercept" artificial intelligence brand, leading the construction of artificial intelligence in ports. Mawan Smart Port was awarded the "Five-Star China's Smart Port" accreditation. The total solution of CMCore CTOS + "CM ePort" was implemented at Kumport in Turkey. Fifthly, the green and low-carbon transformation accelerated. The West Shenzhen Port Zone completed the first ship-to-ship LNG bunkering operation, added new distributed photovoltaic and electrification equipment, constructed intelligent battery swap stations and charging piles, and deepened the application

of green and low-carbon technologies. Sixthly, as for the ESG construction, outstanding achievements were made again. The Group continued to improve its ESG management system and promoted the implementation of new regulatory measures. Its ESG ratings maintained good results, with MSCI, the international ESG rating agency, maintaining the Group's rating at BBB and according to the latest rating update announced in March 2026, further upgraded to an A rating, and WIND, a domestic ESG rating agency, upgrading the Group's rating to AA.

OPERATING RESULTS

In 2025, the Group's revenue reached HK\$13,354 million, a year-on-year increase of 12.8%, primarily driven by business volume growth. Due to the impact from the share of profits of associates and joint ventures, profit and recurrent profit attributable to the equity holders of the Company were HK\$6,457 million and HK\$6,511 million, representing a year-on-year decrease of 18.5% and 13.8%, respectively.

DIVIDENDS

The Board of the Company has resolved to propose at the forthcoming annual general meeting the payment of a final dividend of HK\$0.489 per ordinary share. Together with the interim dividend of HK\$0.25 per share, the total dividend for the year amounted to HK\$0.739 per ordinary share, representing a full-year payout ratio of 48.1%. Subject to the approval by the Shareholders at the forthcoming annual general meeting, the final dividend for ordinary shares will be payable on or around 10 July 2026 to the Shareholders whose names appear on the register of members on 5 June 2026.

FUTURE PROSPECTS

Looking ahead to 2026, the global economy is expected to maintain a moderate growth trend. Although the easing of certain trade tensions constitutes a positive factor, the cumulative effect of tariff hike and intensified macroeconomic uncertainties is expected to become more pronounced. 2026 marks the commencement of the “15th Five-Year” Plan. With the deepened implementation of a new round of high-level opening-up measures, the effectiveness of regional and bilateral economic and trade cooperation mechanisms is increasingly becoming apparent, and the accelerated implementation of digital economy and green trade rules will further promote the efficient connectivity of cross-border logistics, capital flows, and information flows, stimulate the import and export vitality of high value-added products and emerging business formats, thus promoting the effective improvement in the quality of economy and trade through structural optimization, while driving the steady development of the port industry.

Building on solid achievements to compose a new chapter, the Group will forge ahead to embark on a new journey. Looking forward to the “15th Five-Year” Plan, the Group will accelerate, strengthen and intensify the strategic drivers of “Global Presence”, “Lean Management”, “Innovative Transformation”, respectively, taking the deepening of reform and innovation as the fundamental path, actively cultivating and developing new quality productivity, and making every effort to promote high-quality development to a new level. Firstly, while capturing new opportunities for enhancing core competitiveness comprehensively, the Group shall steadfastly promote the overseas development strategy with global deployment strengthened so as to optimize and enhance its controlled terminals, consolidate and upgrade the core hub functions, as well as steadily extend the comprehensive port services chain. Secondly, the Group will stimulate new efficiency and fully tap into endogenous driving forces. Deepening the lean management mechanism, the Group will systematically tap into internal potential, and improve resource allocation efficiency and operation quality.

The Group strives to build a professional, lean, and efficient headquarters with strong operation and management system and continuously optimize the construction of the talent pool. Thirdly, to cultivate new growth drivers and comprehensively enhance the radiation driving force, the Group will accelerate the promotion of digital and intelligent transformation as well as green and low-carbon transformation and upgrading, and build a lasting competitive advantage. By promoting efficient synergy among various business segments, the Group gives full play to the advantages of integrated resources and platforms. With pragmatism and perseverance as the cornerstone, the Group boldly pioneers new ground and steadily advances toward the goal of building a world-class enterprise.

APPRECIATION

In 2025, the Group focused on its primary responsibility and core business, achieving phased results in expanding its “Global Presence”, reaching new heights in “Lean Management”, and making progress in “Innovative Transformation”, successfully concluding the “14th Five-Year” Plan with high-quality development. All could not be accomplished without the dedication of all employees of the Group and the support from the Shareholders and investors, business partners, and those in the society who have taken to heart the Company’s interest. For this, I would like to express my sincere gratitude and high respect to all employees who have devoted their hearts and efforts to the development of the Group, as well as to the Shareholders and investors, business partners, and those in society who have supported us for a long term.

Chairman

Feng Boming

Hong Kong, 31 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS



Management Discussion and Analysis

GENERAL OVERVIEW

In 2025, the global economy continued to show adaptability and resilience, exhibiting unexpectedly strong resistance to external shocks despite multiple headwinds including volatile trade policies, geopolitical tensions, and fiscal pressures. Economies and businesses worldwide have gradually adjusted to the somewhat relaxed US tariffs, while the surge in artificial intelligence investments has boosted asset wealth and fueled rising productivity expectations. According to the “World Economic Outlook” report published by the IMF in January 2026, the global economy was expected to increase by 3.3% year-on-year in 2025, representing a flat year-on-year growth. Among them, the developed economies were expected to grow by 1.7%, down by 0.1 percentage point year-on-year. Of which, the US was projected to grow by 2.1%, down by 0.7 percentage point year-on-year, and the European Union was expected to grow by 1.5%, up by 0.3 percentage point year-on-year. The emerging and developing economies were expected to grow by 4.4%, up by 0.1 percentage point year-on-year. Of which, the Southeast Asian markets showed particularly strong growth, with Vietnam, Indonesia, and Malaysia projected to grow by 8.0%, 5.2%, and 4.9%, respectively. In terms of trade, the IMF forecasted that global trade volume grew by 4.1% year-on-year in 2025, the developed economies’ trade volume grew by 3.0% year-on-year, and the emerging and developing economies’ trade volume grew by 5.7% year-on-year.

2025 was the concluding year of the “14th Five-year” Plan. According to data from the National Bureau of Statistics of China, China’s GDP grew by 5.0% year-on-year, and the main development goals and tasks were successfully achieved and successfully completed. Facing the complex internal and external situations, China has taken the promotion of high-quality development as its theme, adhered to the principle of seeking progress while maintaining stability and improving quality and efficiency, and implemented more proactive and promising macro policies to stabilize employment, businesses, the market, and expectations, thereby stabilizing the economic fundamentals. By adopting multiple measures to stabilize foreign trade and commencing new progress in opening up, the economy has consistently operated within a reasonable range. China’s economy has demonstrated a commendable certainty of high-quality development,

continuing to be a major contributor and a stabilizing anchor for world economic growth. According to the statistics of the General Administration of Customs of China, the total value of import and export trade for 2025 amounted to RMB45.47 trillion, up by 3.8% year-on-year, marking another record high in terms of scale. Among which, the value of total exports grew by 6.1% year-on-year to RMB26.99 trillion, while the value of total imports grew by 0.5% year-on-year to RMB18.48 trillion. In the same year, China’s total value of import and export volume with “Belt and Road Initiative” partner countries reached RMB23.60 trillion, representing a year-on-year increase of 6.3%, which was 2.5 percentage points higher than the overall growth rate of China’s foreign trade. The proportion of “Belt and Road Initiative” partner countries accounted for more than half of China’s overall foreign trade, with the proportion reaching 51.9% in 2025.

Global industrial chains were characterized by friendshoring, regionalization, and nearshoring, with strategic deployment shifting from a singular “efficiency-first” principle to the principle of “emphasis on both efficiency and safety”. China’s proactive development of regional economic cooperation has yielded significant results. Since its entry into force four years ago, the Regional Comprehensive Economic Partnership (RCEP) has effectively invigorated regional collaboration, injecting sustained development momentum into Asia-Pacific economic recovery and global free trade. According to the data of the General Administration of Customs of China, import and export trade value in RMB denominated between China and member countries including Singapore, Thailand, Indonesia recorded an increase of 8.1%, 15.1% and 14.0% year-on-year in 2025 respectively. Technological innovation and industrial integration have been driving industrial restructuring and upgrading. Technologies such as the internet, big data, cloud computing, artificial intelligence, and blockchain were accelerating innovation. The digital economy was developing at an unprecedented pace, with an unparalleled scope of influence and impact. It was emerging as a key force in restructuring global resources, reshaping the global economic landscape, and altering the global competitive environment. The gradual advancement and improvement of the platform-based trade ecosystem would further improve the utilization rate of production factors and trade operation efficiency.

Management Discussion and Analysis

The international maritime market environment underwent significant new changes due to multi-interwoven factors. Firstly, under the impact of the global economy and international trade, trade frictions and geopolitical conflicts continuously exposed the vulnerability of the global industrial chain and supply chain, prompting the developed countries to intervene strongly with the aim of transforming towards friendshoring, regionalization and nearshoring. Secondly, due to changes in the situation at key maritime transport nodes, the Red Sea route's detour around Africa's Cape of Good Hope has become routine, with most vessels continuing to choose this route while only a few shipping companies conduct tentative resumption of direct voyages. This detour has driven adjustments to the global maritime network, causing congestion at key hubs in certain regions. Thirdly, under the influence of the shipping alliance pattern, the restructuring of shipping alliances has significantly altered port calling patterns. Differentiated strategies among alliances have compelled ports to adjust their facilities, triggering localized short-term fluctuations in freight rates. Competition

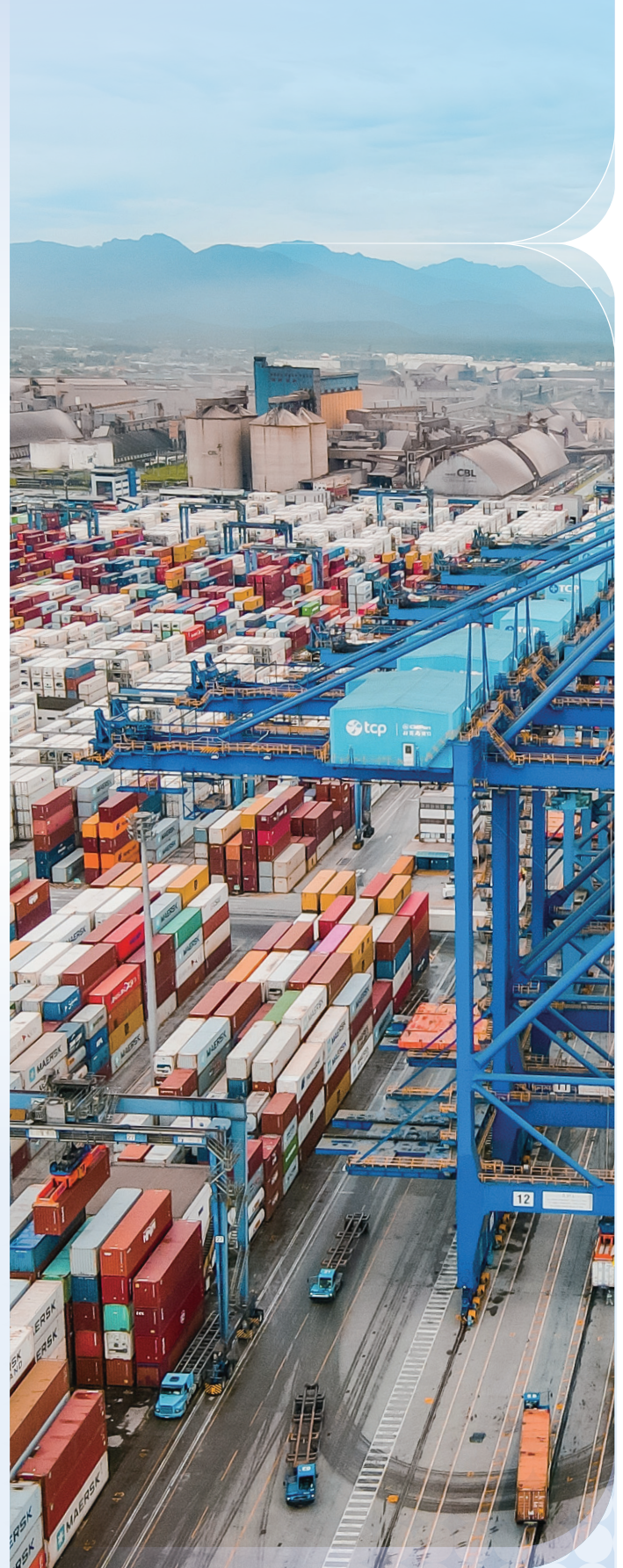
along global trade routes has intensified, increasing instability in global shipping and supply chain.

In 2025, due to fluctuations in supply and demand, freight rates in the global container shipping market exhibited an overall "W-shaped" volatility. This volatility was driven by the overlapping resonance of four major factors: the pace of US tariff policies, the global supply and demand landscape, seasonal demand, and shipping companies' capacity regulation, among which tariff expectations and the pace of implementation were particularly critical, significantly amplifying the magnitude of market fluctuations. On the demand side, the container shipping market continued its high-speed growth. According to the forecast of Drewry, global container throughput would grow by 5.5% in 2025. On the supply side, the data from Alphaliner, a shipping agency, showed that the global container fleet capacity grew by 7.2% in 2025 with additional shipping capacity of 2.19 million TEUs, bringing the total global capacity to 33.69 million TEUs as of 2025. Based on the structure of supply and demand, the shipping capacity continued to expand, while



the supply continued to exceed demand. However, due to the re-routing around the Suez Canal and congestion at major ports in Asia and Europe, effective capacity has tightened in the short term, driving an upward trend in container freight rates. Shipping companies have accelerated the integration and transformation of greening and intelligence. Leading shipping companies have intensively placed orders for new energy vessels such as LNG dual-fueled vessels, and have laid out technical reserves for ammonia/methanol fuels to adapt to new global environmental protection regulations. The application of technologies such as artificial intelligence and blockchain were deepened to bridge the intelligent interconnection between ships and shore, optimizing capacity deployment and operational processes, as well as enhancing the operation efficiency of the entire chain through digitalization and intelligence.

Driven by the recovery of the global economy and trade, as well as the upward trend in the international maritime market, throughput at major hub ports increased to varying degrees. According to the forecast of Drewry, ports across regions showed varying degrees of growth in container throughput in 2025. Among which, the ports in Asia handled a container throughput of 548 million TEUs, representing an increase of 5.5% year-on-year; the ports in South Asia handled a container throughput of 42.10 million TEUs, representing an increase of 8.6% year-on-year; the ports in Europe and North America handled a container throughput of 151 million TEUs and 79.40 million TEUs respectively, representing increases of 6.3% and 2.5% year-on-year; the ports in Africa and Latin America handled a container throughput of 43.10 million TEUs and 62.30 million TEUs respectively, representing increases of 6.2% and 5.7% year-on-year; and the ports in the Middle East handled a container throughput of 46.10 million TEUs, representing an increase of 6.6% year-on-year. Thanks to the overall upturn in China's economic performance and the continuous economy-driven trade effect, foreign trade imports and exports was steadily improved and the port business in Mainland China maintained its leading position in global growth. According to the data published by the Ministry of Transport of China, the accumulated container throughput handled by ports in Mainland China achieved 355 million TEUs, representing an increase of 6.8% year-on-year. Of which, the accumulated container throughput handled by coastal ports achieved 312 million TEUs, representing a year-on-year increase of 7.0%.



BUSINESS STRATEGY DEPLOYMENT

During the year, the Group adhered to the general principle of seeking progress while maintaining stability. Aiming at the goal of becoming a “world-leading port service provider”, the Group made every effort to grasp reform, foster innovation, and promote development. The overall operational performance demonstrated a robust momentum characterized by progressing while maintaining stability, improving quality while advancing.

Consolidated the homebase port infrastructure and focused on strengthening core advantages. The annual container throughput of the West Shenzhen Port Zone exceeded 15 million TEUs, hitting a record high again, and its foreign trade market share continued to lead in the Guangdong-Hong Kong-Macao Greater Bay Area. CICT in Sri Lanka persistently strengthened its local market position, achieving steady improvement in profitability. HIPG’s container business capabilities were significantly enhanced as its throughput has experienced leapfrog growth and its RORO business volume achieved record high. With steady improvement in operational indicators, the Group achieved milestone results in the progress of building world-leading port.



Overseas expansion progressed steadily, and the performance of existing projects was outstanding.

The Group signed the share purchase agreement for the Vast project in Brazil to expand its presence in the Latin America. Container throughput of several overseas projects reached record high, among which TCP in Brazil improved efficiency to break through capacity bottlenecks, with container throughput exceeding 1.66 million TEUs. LCT in Togo became the first terminal in Africa to normalize the handling of 24,000 TEU container vessels, further consolidating its position as a transshipment hub in West Africa, with container throughput increasing by 17.9% year-on-year. Kumport in Turkey successfully secured long-term service contracts, with container throughput increasing by 22.8% year-on-year, fully demonstrating the synergistic advantages of the Group's global layout and its high-level international operation and management capabilities.

Lean management continued to deepen, with significant results achieved in enhancing quality and efficiency.

The Group systematically promoted lean management, enhancing resource efficiency and operating effectiveness through mechanism optimization and process control. By deepening the COE mechanism and promoting optimization experience, the engineering management system is improved to save costs and drive project progress. Commercial coordination and centralized procurement were strengthened to enhance value creation capabilities, and the refined cost control system was continuously improved. The said initiatives have achieved solid results in areas such as process optimization, cost control, and asset returns, laying a solid foundation for the improvement of overall operational quality and efficiency.



Management Discussion and Analysis

The construction of digital and intelligent ports has accelerated, empowering the core business to improve quality and efficiency. The “CMCore” CTOS terminal operating system was successfully implemented in key overseas projects in countries such as Brazil, Italy, and Turkey. The West Shenzhen Port Zone steadily promoted the pilot application of SMP, achieving data-driven empowerment for lean cost analysis and supporting refined operational decision-making. The operational service model of the “CM ePort” service platform was reconstructed to develop value-added services for the logistics supply chain. The Group officially launched the “Piercept” artificial intelligence brand and rolled out intelligent agents for six high-value scenarios, including equipment operation and maintenance, promoting the deep application of artificial intelligence technology in core production stages.

The green and low-carbon transition has accelerated, and carbon efficiency levels have improved significantly. The Group achieved a breakthrough in its clean energy bunkering service capacity, with the first ship-to-ship LNG bunkering operation completed in the West Shenzhen Port Zone. The Group has consolidated its green energy supply foundation by adding distributed photovoltaic and electrified equipment to reduce fuel consumption and exhaust emissions; improved green infrastructure supporting facilities by constructing intelligent battery swapping stations and charging piles and initially establishing an integrated “swapping + charging” energy replenishment network; and deepened the application of green and low-carbon technologies by researching, developing, and promoting hoisting potential energy recovery and permanent magnet motor technologies, among others.



The system unleashed the effectiveness of reforms and promoted the implementation of new ESG regulations.

The Group continued to consolidate its modern corporate governance system, with the functions of the Board in setting strategies, making decisions, and preventing risks being comprehensively strengthened, and the authorization mechanism with clear powers and responsibilities and standardized processes, as well as the whole-process closed-loop supervision, operating efficiently. The Group's adoption of core mechanisms, such as market-oriented recruitment and selection as well as differentiated remuneration incentives, has permeated to the grassroots level, resulting in a comprehensive enhancement of organizational vitality and operational efficiency. The Group closely integrated the new ESG regulations with the daily operation and management. During the year, the Group focused on promoting the implementation and deepening of material issues such as climate change, biodiversity and supply chain management, and continued to develop ESG information systems to ensure information security and maintain the highest international ESG rating in the port industry.

BUSINESS REVIEW

Ports operation

In 2025, the Group's container business saw a stable growth as a whole and performed well. The Group's ports handled a total container throughput of 151.29 million TEUs, up by 3.8% year-on-year. Among them, the Group's ports in Mainland China, Hong Kong and Taiwan contributed an aggregate container throughput of 112.35 million TEUs, representing an increase of 3.2% year-on-year, which was mainly benefitted from the growth of container throughput of the West Shenzhen Port Zone, the Yangtze River Delta region and the Bohai Rim region in Mainland China. The total container throughput handled by the Group's overseas ports grew by 5.7% year-on-year to 38.94 million TEUs, which was mainly benefitted from the growth of container throughput of TCP in Brazil, LCT in Togo, Kumport in Turkey, NPH in Indonesia as well as TICT in Nigeria and Terminal Link. Bulk cargo volume handled by the Group's ports decreased by 5.3% year-on-year to 530 million tonnes, among which the Group's ports in Mainland China handled a total bulk cargo volume of 520 million tonnes, representing a decrease of 5.6% year-on-year.



Management Discussion and Analysis

The gross throughput volume handled by the Group's container terminals for the year ended 31 December 2025 is as below:

Container Terminals	2025 thousand TEUs	2024 thousand TEUs	Year-on-year Changes
Mainland China, Hong Kong and Taiwan	112,351	108,910	3.2%
Pearl River Delta region	19,920	19,782	0.7%
West Shenzhen Port Zone	15,174	14,685	3.3%
CMCS and MTL	3,943	4,289	(8.1%)
CKRTT	803	808	(0.6%)
Yangtze River Delta region	55,063	51,506	6.9%
SIPG	55,063	51,506	6.9%
Bohai Rim region	32,682	32,470	0.7%
Liaoning Port	11,264	12,315	(8.5%)
QQCTU	12,859	11,713	9.8%
Tianjin Port Container Terminal	8,559	8,442	1.4%
Others	4,686	5,152	(9.0%)
Shantou Port	1,702	1,679	1.4%
Zhangzhou Port	459	419	9.5%
Zhanjiang Port	1,223	1,320	(7.3%)
KMCT	1,302	1,734	(24.9%)
Other locations	38,938	36,835	5.7%
CICT	3,293	3,394	(3.0%)
HIPG	428	53	707.5%
NPH	788	417	89.0%
LCT	1,961	1,663	17.9%
TCP	1,662	1,558	6.7%
Kumport	1,547	1,260	22.8%
PDSA	1,134	1,312	(13.6%)
TICT	367	285	28.8%
Terminal Link	27,758	26,893	3.2%
Total	151,289	145,745	3.8%



Pearl River Delta region

The West Shenzhen Port Zone handled a container throughput of 15.17 million TEUs, up by 3.3% year-on-year, which was mainly benefitted from the increase in cargo volume in emerging markets such as Southeast Asia; and handled a bulk cargo volume of 7.55 million tonnes, down by 12.4% year-on-year, which was mainly caused by market factors. CMCS and MTL in Hong Kong delivered an aggregate container throughput of 3.94 million TEUs, decreased by 8.1% year-on-year, which was mainly caused by market factors. CKRTT handled a total container throughput of 0.80 million TEUs, down by 0.6% year-on-year; and handled a bulk cargo volume of 4.57 million tonnes, down by 3.2% year-on-year.

Yangtze River Delta region

SIPG handled a container throughput of 55.06 million TEUs, up by 6.9% year-on-year; and handled a bulk cargo volume of 80.51 million tonnes, down by 5.9% year-on-year.

Bohai Rim region

Liaoning Port handled a container throughput of 11.26 million TEUs, down by 8.5% year-on-year; and handled a bulk cargo volume of 234 million tonnes, down by 7.1% year-on-year. Owing to the addition of new foreign trade routes and

the growth of laden containers business, QQCTU handled a container throughput of 12.86 million TEUs, representing an increase of 9.8% year-on-year. QQTU handled a bulk cargo volume of 13.04 million tonnes, representing a decrease of 13.1% year-on-year, which was mainly caused by market factors. Qingdao Dongjiakou handled a bulk cargo volume of 82.77 million tonnes, up by 6.7% year-on-year, which was mainly benefitted from market expansion. Tianjin Port Container Terminal handled a container throughput of 8.56 million TEUs, representing an increase of 1.4% year-on-year.

South-East region of Mainland China

Shantou Port handled a container throughput of 1.70 million TEUs, representing an increase of 1.4% year-on-year; and handled a bulk cargo volume of 4.17 million tonnes, up by 2.7% year-on-year. Zhangzhou Port located in the Xiamen Bay Economic Zone handled a container throughput of 0.46 million TEUs, increased by 9.5% year-on-year, which was mainly benefitted from the additional shipping routes; its bulk cargo volume increased by 28.0% year-on-year to 12.06 million tonnes, which was mainly attributable to the market expansion and the optimization of cargo category structure. Xia Men Bay Terminals handled a bulk cargo volume of 4.97 million tonnes, down by 8.9% year-on-year, mainly due to the decline in the cargo volume of sandstone.

Management Discussion and Analysis

South-West region of Mainland China

Zhanjiang Port handled a container throughput of 1.22 million TEUs, representing a decrease of 7.3% year-on-year; and handled a bulk cargo volume of 76.30 million tonnes, representing a decrease of 13.6% year-on-year, mainly due to the decline in local cargoes sources.

Taiwan

KMCT in Kaohsiung handled a total container throughput of 1.30 million TEUs, down by 24.9% year-on-year, which was mainly caused by market factors.

Overseas operation

In 2025, overseas port businesses saw a rapid growth as a whole. A total container throughput handled by the Group's overseas projects increased by 5.7% year-on-year to 38.94 million TEUs. CICT in Sri Lanka handled a container throughput of 3.29 million TEUs, down by 3.0% year-on-year. HIPG in Sri Lanka launched the container business in the first half of 2024 and handled a container throughput of 0.43 million TEUs in 2025, representing an increase of 707.5% year-on-year; its bulk cargo volume increased by 22.2% year-on-year to 2.81 million tonnes, which was mainly benefitted from the volume increase in RORO business. Upon the completion of the transaction in the first half of 2024, NPH in Indonesia handled a container throughput of 0.79 million TEUs in 2025, representing an increase of 89.0% year-on-year. LCT in Togo handled a container throughput of 1.96 million TEUs, up 17.9% year-on-year, which was mainly benefitted from the enhancement of port capacity and the increase of transshipment volumes. TCP in Brazil handled a container throughput of 1.66 million TEUs, up by 6.7% year-on-year, which was mainly benefitted from the increase in reefer container business volume. Kumport in Turkey handled a container throughput of 1.55 million TEUs, up by 22.8% year-on-year, which was mainly benefitted from successfully entering into the long-term service contracts with shipping companies; and the bulk cargo volume handled was 0.15 million tonnes, down by 68.6% year-on-year, which was mainly due to actively pursuing business transformation.

PDSA in Djibouti handled a container throughput of 1.13 million TEUs, down by 13.6% year-on-year, which was mainly due to the decline in international transshipment cargoes; and the bulk cargo volume handled was 5.41 million tonnes, up by 18.2% year-on-year, which was mainly due to the increase in import demand in economic hinterland. TICT in Nigeria handled a container throughput of 0.37 million TEUs, representing an increase of 28.8% year-on-year, which was mainly benefitted from the local economic recovery. Terminal Link, a portfolio of ports investment, handled a container throughput of 27.76 million TEUs, up by 3.2% year-on-year; and the bulk cargo volume handled remained flat year-on-year, amounting to 1.90 million TEUs.

Bonded logistics operation

In 2025, the Group's bonded logistics operation continued to focus on building a platform for harborside logistics supply chain, striving to improve the comprehensive service capabilities while further optimizing the utilization rate of existing warehouses, yards, and other resources. CMBL in Shenzhen has been actively extending its port logistics service chain, achieving comprehensive coverage of key logistics nodes. Through innovative and diversified services, it satisfied the demand of customers and for port value-added services, with an average utilization rate of the warehouses up to 99%. CMITQ improved the comprehensive service standard by emphasizing a working mindset of improving cargo quality, capabilities and services, and its average utilization rate of the warehouses reached 97%. Tianjin Haitian, which is an associate of the Group, recorded an average utilization rate of 93% of its warehouses. In the DIFTZ, the average utilization rate of the bonded warehouse wholly-owned by the Group was 89%.

In 2025, the total cargo volume handled at the three major air cargo terminals in Hong Kong amounted to 4.25 million tonnes, up by 4.9% year-on-year. AAT, which is a joint venture of the Group, handled a total cargo volume of 0.87 million tonnes, up by 10.1% year-on-year, capturing 19.5% of market share, remained flat year-on-year.

FINANCIAL REVIEW

The Group's revenue for the year ended 31 December 2025 amounted to HK\$13,354 million, a year-on-year increase of 12.8%, primarily driven by business volume growth. However, such revenue growth was offset by a year-on-year decrease of HK\$1,445 million in the share of profit of associates, a year-on-year decrease of HK\$531 million in net change in fair value of financial assets at FVTPL and a year-on-year increase of HK\$605 million in the net allowance for expected credit losses. As a result, profit and Recurrent Profit attributable to equity holders of the Company amounted to HK\$6,457 million and HK\$6,511 million, representing year-on-year decreases of 18.5% and 13.8%, respectively.

Total assets of the Group amounted to HK\$177,534 million as at 31 December 2025, up by 4.8% from this year earlier. The Group's total liabilities increased by 5.1% from HK\$48,042 million as at 31 December 2024 to HK\$50,496 million as at 31 December 2025. As at 31 December 2025, net assets attributable to equity holders of the Company was HK\$110,403 million, up by 6.3% from this year earlier.

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

In general, the Group's port operations remained yielding a stable cash inflow. For the year ended 31 December 2025, the Group's net cash inflow from operating activities amounted to HK\$9,472 million, representing a year-on-year increase of 10.8%, of which dividend received from associates and joint ventures amounted to HK\$2,730 million, remaining flattish. The Group's net cash inflow from investing activities decreased from HK\$345 million for last year to net cash outflow amounted to HK\$2,503 million for the year, of which the cash outflow for purchase of non-current

assets and equity investment amounted to HK\$887 million, representing a year-on-year decrease in 47.7%. Meanwhile, as net outflows from new loans and loan repayments decreased compared with the same period last year, the Group's net cash outflow from financing activities decreased from HK\$9,637 million for last year to HK\$6,891 million for the year.

LIQUIDITY AND TREASURY POLICIES

As at 31 December 2025, the Group had approximately HK\$11,743 million in cash and bank balances, 5.6% of which was denominated in HK Dollars, 23.4% in USD, 62.2% in RMB, 0.9% in BRL and 7.9% in other currencies.

The Group mainly derived its funding sources from its operating activities related to ports operation, bonded logistics operation and property investment, and investment returns received from associates and joint ventures, which amounted to HK\$9,472 million in total.

The Group adopted a prudent financial policy and maintained a sound financial position. In addition, as a significant portion of the Group's bank loans were medium-term to long-term loans, the Group, supported by adequate undrawn bilateral bank facilities of HK\$27,628 million, does not anticipate any difficulty in refinancing its short-term loans while the pressure for repaying the short-term loans is limited.

SHARE CAPITAL AND FINANCIAL RESOURCES

As at 31 December 2025, the Company had 4,198,009,186 shares in issue.

As at 31 December 2025, the Group's Net Gearing Ratio was approximately 19.3%.

The Group had aggregate bank loans and notes payable of HK\$22,302 million as at 31 December 2025 that contain customary cross default provisions.

Management Discussion and Analysis

As at 31 December 2025, the Group's outstanding bank and other borrowings amounted to HK\$34,775 million (2024: HK\$32,948 million). The analysis is as below:

	2025 HK\$'million	2024 HK\$'million
Floating-rate bank loans which are repayable as follows (Note):		
Within 1 year	20,330	14,041
Between 1 and 2 years	392	364
Between 2 and 5 years	555	1,718
More than 5 years	1,020	1,123
	22,297	17,246
Fixed-rate bank loans which are repayable as follows:		
Within 1 year	1,329	1,612
Between 1 and 2 years	—	725
Between 2 and 5 years	—	826
	1,329	3,163
Notes payable which are repayable:		
In 2025	—	3,879
In 2027	3,887	3,874
In 2028	6,863	4,631
	10,750	12,384
Loans from fellow subsidiaries which are repayable as follows (Note):		
Within 1 year	57	10
Between 1 and 2 years	108	—
Between 2 and 5 years	162	—
More than 5 years	72	145
	399	155

Note: All loans are unsecured except for the secured loans from banks and a fellow subsidiary of HK\$1,367 million (2024: HK\$1,342 million).

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

	Bank loans HK\$'million	Notes payable HK\$'million	Loans from fellow subsidiaries HK\$'million	Total HK\$'million
As at 31 December 2025				
HK Dollars & USD	19,980	8,536	142	28,658
RMB	3,646	2,214	257	6,117
	23,626	10,750	399	34,775
As at 31 December 2024				
HK Dollars & USD	10,470	12,384	—	22,854
RMB	9,878	—	155	10,033
IDR	61	—	—	61
	20,409	12,384	155	32,948

ASSETS CHARGE

As at 31 December 2025, banking facilities granted to subsidiaries of the Company which were utilised to the extent of HK\$1,225 million (2024: HK\$1,342 million) and a loan from a fellow subsidiary of HK\$142 million (2024: Nil) were secured by right-of-use assets with carrying value of HK\$167 million (2024: HK\$173 million) and property, plant and equipment with carrying value of HK\$220 million (2024: HK\$167 million).

CONTINGENT LIABILITIES

Save as disclosed in note 38(d) to the consolidated financial statements, the Group did not have any other significant contingent liabilities as at 31 December 2025.

SIGNIFICANT INVESTMENTS

As at 31 December 2025, the Group did not hold any significant investments which constitute 5% or more of its total assets.

MATERIAL ACQUISITIONS OR DISPOSALS

Save as disclosed in this Annual Report, the Company did not have any other material acquisitions or disposals of subsidiaries, associates and joint ventures during the period of review.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITION OF CAPITAL ASSETS AND EXPECTED SOURCE OF FUNDING

Save as disclosed in this Annual Report, the Group did not have any other plans for material investments or acquisition of capital assets as at 31 December 2025.

Management Discussion and Analysis

EMPLOYEES AND REMUNERATION

As at 31 December 2025, the Group employed 8,683 full time staff, of which 151 worked in Hong Kong, 4,404 worked in Mainland China, and the remaining 4,128 worked overseas. The remuneration paid by the Group during the year amounted to HK\$2,315 million, representing 28.3% of the total operating expenses of the Group.

The Group has always regarded talent as the core driving force for sustainable development, systematically constructing a “Mangrove” talent ecosystem characterized by “openness and inclusiveness, dynamic balance, collaborative symbiosis, and continuous prosperity”, and striving to build a world-class talent team with first-class quality, reasonable structure, and continuous supply, so as to solidify the talent foundation for the high-quality development of the Group. The Group deepened talent cultivation and exchange, vigorously promoted the “Hundred Seedlings Plan” (百苗計劃), increased the recruitment of outstanding university graduates, strengthened the reserve of high-quality young backup talents, and improved the closed-loop mechanism for the cultivation and recruitment of high-potential talents. The “Living Water Plan” (活水計劃) was deeply implemented to carry out two-way talent exchange between the headquarters and subsidiaries as well as internal recruitment on a normalized basis, accelerate the iteration of talent capabilities and echelon growth, and match the strategic needs for the high-quality development of the Group’s business. The Group has comprehensively enhanced the level of international talent pool construction, focusing on the core needs of overseas business development. The Group innovatively launched the “International Talent Recruitment Program” (國際精英人才招聘計劃) to broaden talent acquisition channels both within and outside the Group, and precisely attract outstanding overseas talents with international vision and professional advantages; innovatively rolled out the “Sea Goose Plan” (海雁計劃), organizing specialized training for outstanding backbone staff in overseas localities, enhancing the professional capabilities and business literacy of talents, and building a professional talent echelon adapted to international development.

Focusing on the strategic goal of high-quality development, the Group adhered to the basic principles of “value creation, priority on efficiency, equal emphasis on incentives and restraints, and sharing of benefits and risks”, constructing and implementing an internationalized and diversified remuneration incentive system that combines short, medium, and long-term elements. The Group has fully implemented dual benchmarking of performance and remuneration, and improved the remuneration incentive and restraint mechanism that is integrated with the market, consistent with the industry, linked to efficiency, and matched with performance; explored and promoted medium-to-long-term incentive systems such as deferred bonuses and tenure incentives for management personnel, guiding management personnel to focus on the long-term development of the Group and achieving a deep alignment of personal interests with the long-term value of the Group. The Group highlighted a remuneration incentive orientation that favors technical and skilled talents, frontline grassroots employees, and core business backbones, continuously enhancing the value creation vitality of key groups. The Group has optimized its remuneration and incentive system for overseas expatriate talents to align with the needs of its global presence, providing concrete measures for the construction of being a “world-leading port service provider”.

SUSTAINABLE DEVELOPMENT

The Group has always adhered to the concept of sustainable development, fully integrating sustainable development into its investment, operation, and management, and continuously creating positive economic, social, and environmental value for stakeholders. Centering on the four core objectives of green and low-carbon, innovative development, safety and reliability, and humanistic care, the Group strengthened compliance management and operations, and continuously promoted the construction of its sustainable development management system. The Group increased its efforts in areas such as energy conservation and environmental protection, technological innovation, service quality, talent development, community contribution, and scientific governance, persistently enhancing its sustainable development performance and working hand-in-hand with all parties to build a sustainable development ecosystem.

The Group strengthened environmental management in accordance with the laws and regulations of the places where its business are located, deepened the construction of environmental protection mechanisms, carried out annual environmental risk and hidden danger investigation and rectification work, steadily implemented pollution prevention and control actions, continuously promoted emission reduction and waste reduction work, organized environmental emergency drills and energy-saving and environmental protection training, and effectively prevented and resolved major environmental risks. The Group actively responded to the "Paris Agreement" and China's carbon peak and carbon neutrality goals, consolidated clean energy supply, accelerated the electrification replacement of equipment, improved green infrastructure, promoted the application of green technologies, strengthened port-shipping synergistic carbon reduction, and solidly advanced the greenhouse gas emission reduction work. The first LNG bunkering service for container vessels was completed in the West Shenzhen Port Zone, marking a new breakthrough in the green port construction of the West Shenzhen Port Zone.

The Group committed to the protection of ecosystems and biodiversity. While conducting responsible business operations to prevent the occurrence of environmental pollution incidents, the Group also adopted measures such as avoidance, mitigation, compensation, and protection to avoid, reduce, or even eliminate the interference of its business activities on the marine ecology and surrounding communities, and strove to build green ports and ecological ports. HIPG has completed the research results on the gradual formation of coral reefs from artificial reefs on the port breakwater, providing a scientific basis for the port to formulate biodiversity conservation and ecotourism plans. TCP implemented environmental monitoring progress, with a focus on protecting endangered species such as the Irrawaddy dolphin and green sea turtle, while simultaneously monitoring physical environmental indicators including water quality, noise, and air quality. LCT, in order to mitigate the environmental impact of terminal construction projects, carried out a mangrove restoration plan and committed to implementing double-area replanting for the mangrove areas removed within the site.

Upholding the philosophy of "People-oriented, Safe Development", the Group persistently carried out safety production according to high standards. The Group has strengthened its safety organizational assurance, improved the occupational health and safety management system, implemented the division of safety responsibilities and

target management at all levels, enhanced safety risk control, promoted the management of occupational disease prevention and control, and organized disaster emergency drills and safety training to ensure the occupational health and safety of employees and other stakeholders.

Making every effort to create an equal, inclusive, and culturally diverse working environment, the Group adhered to the principles of openness, fairness, and impartiality in making various positions available to all employees and providing career development space, developing a "Mangrove" talent ecosystem, and continuously promoting employee diversity, talent localization, and cultural integration, so that every employee could create value and achieve growth during the development process of the Group. The Group protected the legitimate rights and interests of its employees in accordance with the law, adhered to lawful and compliant employment practices, continuously improved the employee benefit system, maintained open communication and grievance channels, listened to employee concerns in a timely manner, actively resolved employee issues, and fostered a warm and harmonious workplace environment with caring and support.

The Group has actively fulfilled its social responsibilities and promoted the integration and development of the ports and neighboring communities. The Group continued to strengthen communication with the communities in which it operates to fully understand the expectations and feedback of the communities, establish friendly and mutually-trusting partnerships with the communities, and create positive economic, environmental, and social benefits for local communities. Relying on the "Global Philanthropic Mission" public welfare program, the Group supported the development of local communities in areas such as employment promotion, environmental protection, assistance for vulnerable groups, children's education, women's empowerment, and cultural integration. HIPG and CICT have launched a series of distinctive overseas public welfare projects in Sri Lanka, such as the "China Merchants Silk Road Hope Village", the Wheelchair Tennis, the Human-Elephant Peace Project, the Save the Elephants, as well as other community support programs. NPH launched the community reading center charity initiative, providing local children with learning spaces beyond school settings to foster their interest in learning and creativity.

The Group will continue to take "becoming a world-leading green and smart comprehensive port service provider" as its sustainable development initiative, vigorously promote technological innovation, accelerate green and low-carbon transformation, facilitate the construction of safe ports and strengthen humanistic care, firmly fulfill corporate social responsibilities, and make positive contributions to sustainable development.

Management Discussion and Analysis

INVESTOR RELATIONS

In 2025, the Group held regular results briefings, conducted multiple domestic and international roadshows, organized investor site visits to terminal facilities, and participated in numerous investor summits. These engagements facilitated in-depth discussions with investors from China, Singapore, Australia, the United Kingdom, Europe, and North America regarding operation performance, financial results, and strategic planning. The Group received nearly 440 investor visits cumulatively. The Group consistently reported key investor concerns and feedback from domestic and international capital markets to the Board and management, effectively serving as a bridge for investor relations.

RATINGS

In 2025, international credit rating agencies Standard and Poor's maintained the rating of BBB+ on the Group and the "Stable" outlook, while Moody's maintained the Baa1 rating on the Group and the "Stable" outlook.

During the year, MSCI, an international ESG rating agency, assigned a BBB rating (2024: BBB) to the Group and according to the latest rating update announced in March 2026, further upgraded to an A rating. And also the Group received an A grade (2024: A) in the sustainability performance assessment undertaken by Hong Kong Quality Assurance Agency. WIND, a domestic ESG rating agency in China assigned an AA rating (2024: A) to the Group.

FUTURE PROSPECTS

Looking ahead to 2026, the global economy is expected to maintain its moderate growth trend. Even though the easing of certain trade tensions constitutes a positive factor, macroeconomic uncertainties and tariff hike trigger certain negative factors. IMF expects the global economy to grow by 3.3% in 2026, remaining flat with 2025. As the front-loading effect of trade weakens, global trade in goods and services is expected to grow by 2.6%, down by 1.5 percentage points compared with 2025. Global inflationary pressure continues to decline, with the global Consumer Price Index (CPI) expected to be approximately 3.8% in 2026, down by 0.3 percentage points compared with 2025.

In 2026, the profound changes in the external environment will continue to bring impacts and opportunities. Adhering to the principle of seeking progress while maintaining stability, improving quality and enhancing efficiency, China will further expand high-level opening-up to the outside world, deepen cooperation with various countries in trade, investment, finance and other areas, implement more proactive and effective macro policies, continuously expand domestic demand and optimize supply, improve incremental quality and revitalize existing stock, develop new quality productive forces according to local conditions, and further advance the construction of a unified national market, in a bid to allow both qualitative improvements and reasonable quantitative growth for its economy.

In 2026, the Group will accelerate, strengthen and intensify the three-drivers model of "Global Presence", "Lean Management", and "Innovative Transformation", respectively, and spares no effort to further strengthen strategic confidence, maintain strategic focus, and tackle key challenges to achieve breakthroughs in deepening reforms. The Group continues to exert efforts in innovation-driven development, and implement precise measures in high-quality development to coordinately promote various tasks including expanding space, stabilizing growth, adjusting structure, improving driving forces, and consolidating foundations, so as to realize a good start of the "15th Five-Year" Plan. The tactics of "Five Insistences" will be firmly implemented.

Insistence on Long-termism to Explore Room for Development. The Group will strengthen its strategic leadership and control capabilities and firm up its global deployment to align with the overall national development, and comprehensively enhance its sustainable development capabilities. Firstly, it will systematically promote the construction of the strategic management system, fully implement the "15th Five-Year" Plan, formulate strategic management regulations, and define the corporate strategic positioning, development objectives, and key initiatives through a clear hierarchical classification. Secondly, the Group will deepen the overseas strategic presence, accelerate the pace of internationalization, and proceed with the closing of the Vast project in Brazil in an orderly manner.

Insistence on the Main Responsibility and Core Business to Improve the Quality of Development.

The Group will focus on its core business of ports, optimize and strengthen the controlled terminals, promote the quality development through quality and efficiency enhancement, and steadily extend the comprehensive port service chain to build an integrated port ecosystem. Firstly, the Group will undertake the integration of container business resources and the optimization of deployment in the West Shenzhen Port Zone, and push forward the construction of the Dachan Bay Phase II project in an orderly manner. Secondly, the strategic synergy of CICT and HIPG in Sri Lanka will be deepened to enhance regional synergy levels and customer service capabilities, and actively expand the market. Meanwhile, TCP in Brazil will keep on upgrading its handling capacity to consolidate competitive advantages, and maintain market share. Thirdly, the Group will improve the quality and capacity of the bonded logistics business, strengthening the collaboration with port operators so as to increase the value creation capabilities.

Insistence on Lean Management to Drive Endogenous Growth.

The Group will continue to deepen lean management at a high standard, strengthen synergies and cooperation at a high grade, and promote ESG construction at a high level, so as to add impetus to its endogenous growth. Firstly, the Group will strengthen penetrating control and comprehensively enhance the capabilities of its operational management, asset management, financial control, engineering construction management, and commercial marketing coordination. Secondly, the Group will deepen the collaboration with business partners, expand the depth and breadth of cooperation, intensify the efforts to market development and precision marketing, deepen the strategic cooperation with key shipping company customers, and enhance market share and service stickiness. Thirdly, the Group will continue to optimize the ESG management system, implement the ESG information disclosure at a high-quality manner, strengthen the sustainable development and brand building, and enhance the Group's social image and brand influence.

Insistence on Reform and Innovation to Create Growth Advantages.

The Group will adhere to reform-led and innovation-driven development, continue to optimize reform mechanisms and systems, and accelerate the promotion of synergy between technological innovation and green and low-carbon transformation. Firstly, the Group will continuously

enhance corporate governance standards and promote the establishment of boards of directors of the Company and its subsidiaries. Secondly, the Group will promote the application of artificial intelligence technology across the entire system, facilitate the deepening and concrete implementation of digital and intelligent transformation, accelerate the construction of a new generation of fully automated terminal solutions, and promote the evolution towards intelligence and unmanned operations. Thirdly, the Group will systematically undertake the transformation of green and low-carbon development, strengthen the green energy supply capacity, promote the construction of photovoltaic power generation, optimize the use of clean energy, and accelerate the process of equipment electrification so as to build a low-carbon and efficient green port ecosystem.

Insistence on Foundation Reinforcement to Forestall Safety Risks.

The Group focuses on the effective implementation of its talent strategy and systematically promotes the construction of the "Mangrove" talent ecosystem, centering on the development of four core talent teams in business management, overseas operations, practical skills, and scientific and technological innovation, so as to consolidate the talent foundation for the sustainable development. Embracing the "Efficiency Enhancement Year" mission of its three-year campaign to tackle the root causes of production safety, the Group anchors its efforts on proactive risk prevention and control, as well as achieving zero hidden dangers through closed-loop management. It deepens the specialized investigation and rectification of major accident hazards, intensifies the full-chain "single-issue" rectification in key industries, continuously strengthens resilience in major safety risk prevention and control, and elevates intrinsic safety levels so as to build a solid foundation for safety development.

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



FIVE-YEAR FINANCIAL SUMMARY

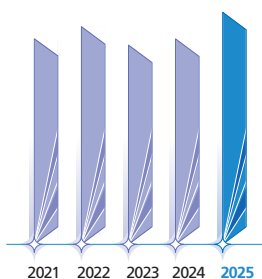
Five-year Financial Summary

	2025 HK\$'million	2024 HK\$'million	2023 HK\$'million	2022 HK\$'million	2021 HK\$'million
RESULTS					
Revenue	13,354	11,842	11,482	12,545	11,850
Profit before taxation	9,075	10,278	8,559	10,075	10,626
Profit for the year	7,688	9,081	7,385	9,029	9,385
Non-controlling interests	1,184	1,101	961	1,019	1,014
Profit attributable to equity holders of the Company	6,457	7,919	6,233	7,781	8,144
ASSETS AND LIABILITIES					
Non-current assets	158,659	152,909	154,603	157,626	162,974
Net current liabilities	(7,403)	(7,496)	(2,658)	(6,473)	(5,473)
Total assets less current liabilities	151,256	145,413	151,945	151,153	157,501
Non-current liabilities	24,218	23,981	31,100	28,577	32,703
Non-controlling interests	16,635	16,084	17,168	19,361	20,295
Capital and reserves attributable to equity holders of the Company	110,403	103,825	102,155	96,969	98,262
RETURN TO SHAREHOLDERS					
Earnings per share					
– Basic (HK Dollars)	1.538	1.886	1.532	2.015	2.199
Dividend per share (HK Dollars)	0.739	0.886	0.700	0.820	0.940

Revenue

HK\$' million

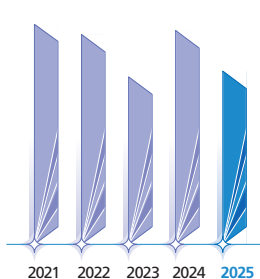
11,850 12,545 11,482 11,842 **13,354**



Profit attributable to equity holders of the Company

HK\$' million

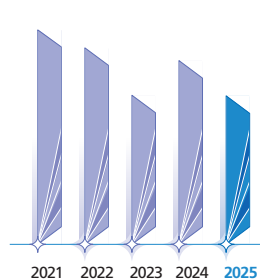
8,144 7,781 6,233 7,919 **6,457**



Earnings per share

HK Dollars

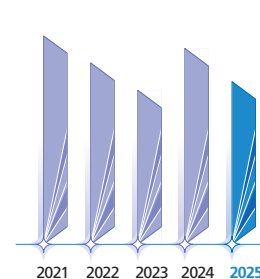
2.199 2.015 1.532 1.886 **1.538**



Dividend per share

HK Dollars

0.940 0.820 0.700 0.886 **0.739**



CORPORATE GOVERNANCE REPORT



Corporate Governance Report

The Board is pleased to present this Corporate Governance Report in the Annual Report for the year ended 31 December 2025.

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

During the year, the Board has reviewed and discussed the corporate governance policies of the Group and was satisfied with the effectiveness of such policies.

CORPORATE GOVERNANCE

In the opinion of the Board, the Company has complied with the requirements under the Companies Ordinance, the SFO for, among other things, the disclosure of information, and the code provisions set out in Part 2 of the CG Code which sets out the corporate governance principles and the code provisions with which the listed issuers are expected to follow and comply throughout the year ended 31 December 2025.

In order to ensure effective communication with the Shareholders, Mr. Feng Boming, the chairman of the Board, the chairman and/or members of each of the Audit Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee, and other members of the Board and the external auditor attended the 2025 AGM to answer the Shareholders' questions, in compliance with code provision F.1.3 under the CG Code.

OBJECTIVE, VALUE, STRATEGY AND CULTURE

The core objective of the Company is to seek more returns for its Shareholders and strive to become a "world-leading port service provider". Staying committed to its mission of leading the development of the industry, the Company adheres to the customer-centric and market-oriented principle to serve as an industry role model. In this regard, the Company actively assumed its responsibilities to the employees, customers, the Shareholders, the society and the environment. Such objective and value also determined the Company's strategy to pursue the goal of becoming a "world-leading port service provider", so as to create value for the Shareholders.

The objective, value and strategy of the Company are the foundation of the Company's corporate culture. Centering on high ethical standards and practices, balancing the needs of customers, employees, the society and the environment, the Company's corporate culture aims to achieve sustainable development and strives to create greater value for the Group, at the same time seeking more returns for the Shareholders.

BOARD OF DIRECTORS

The Board comprises:

Non-executive Directors	Gender	Ethnicity	Age	Length of service (years)
Feng Boming (Chairman)	Male	Chinese	56	2.69
Yim Kong (Vice Chairman)	Male	Chinese	53	4.41

Executive Directors	Gender	Ethnicity	Age	Length of service (years)
Xu Song (Vice Chairman and Chief Executive Officer)	Male	Chinese	54	3.78
Lu Yongxin (Managing Director)	Male	Chinese	56	3.31
Huang Qiang Zhong (appointed on 14 January 2026)	Male	Chinese	56	0.21
Tu Xiaoping (resigned on 24 October 2025)	Male	Chinese	60	2.88

Independent Non-executive Directors	Gender	Ethnicity	Age	Length of service (years)
Chan Hiu Fung Nicholas	Male	Chinese	52	3.31
Chan Yuen Sau Kelly	Female	Chinese	55	3.03
Wong Chi Wing	Male	Chinese	62	2.69
Wong Pui Wah	Female	Chinese	50	3.58
Li Ka Fai David (resigned on 1 July 2025)	Male	Chinese	70	18.10

During the year, all Independent Non-executive Directors were persons of high calibre, with academic and professional qualifications in the fields of accounting, law, technology, electronic commerce, business management, risk management and information security. With their experience gained from senior positions held in other companies and organizations, they provide strong support towards the effective discharge of the duties and responsibilities of the Board. Each Independent Non-executive Director has given an annual confirmation of his/her independence to the Company, and the Company considers these Directors to be independent under Rule 3.13 of the Listing Rules.

During the year, 15 full board meetings were held by the Company and the attendance of each Director is set out as follows:

Name of Directors	Number of board meetings attended during the Director's term of office in 2025	Attendance rate
Feng Boming	15/15	100%
Xu Song	15/15	100%
Yim Kong	15/15	100%
Lu Yongxin	14/15	93.33%
Huang Qiang Zhong *1	N/A	N/A
Chan Hiu Fung Nicholas	15/15	100%
Chan Yuen Sau Kelly	15/15	100%
Wong Chi Wing	15/15	100%
Wong Pui Wah	15/15	100%
Tu Xiaoping *2	9/11	81.82%
Li Ka Fai David*3	7/7	100%

*1 Mr. Huang Qiang Zhong has been appointed as an Executive Director of the Company on 14 January 2026.

*2 Mr. Tu Xiaoping resigned as an Executive Director of the Company on 24 October 2025.

*3 Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company on 1 July 2025.

There was no financial, business, family or other material/ relevant relationship among members of the Board.

To ensure independent views and inputs available to the Board, the Nomination Committee and the Board have assessed the Directors' independence annually with reference to the following factors:

- (i) required character, integrity, expertise, experience to fulfill their roles;
- (ii) time commitment and attention to the Company's affairs;
- (iii) declaration of conflict of interest in their roles as Independent Non-executive Directors;
- (iv) no involvement in the daily management of the Company nor in any relationship or circumstances which would affect the exercise of their independent judgement; and
- (v) commitment to their independent roles.

In addition, subject to approval by the Chairman of the Board, Directors may seek independent legal, financial or other professional advice from advisors independent of the Company as and when necessary in appropriate circumstances to enable them to discharge their responsibilities effectively at the Company's expenses. The Board will review the effectiveness of the implementation of such mechanism on an annual basis. The Board is of the view that the above mechanism is effective in ensuring that independent views and opinions are provided to the Board.

The Independent Non-executive Directors meet with the Chairman of the Board at least once annually without the presence of other Directors and they can interact with management and other Directors including the Chairman of the Board through formal and informal means.

For every meeting of the Board and the Board Committee, each Director is required to declare whether he/she has any conflict of interests in the matters to be considered. If a substantial Shareholder or a Director has a conflict of interests which is considered by the Board as material, the matters should be dealt with by a physical board meeting rather than a written resolution.

The Board formulates the overall strategy of the Group, monitors its financial performance and maintains effective supervision over the management. The members of the Board are fully committed to their roles and have acted in good faith to maximise the Shareholders' value in the long run, and have aligned the Group's goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management.

At least fourteen days' notice of all regular board meetings is given to all Directors and they can include matters for discussion in the agenda if necessary. The Company Secretary or his assistant assists the Chairman in preparing the agenda for meetings and ensures that all relevant rules and regulations are followed. The agenda and the accompanying board papers are sent to all Directors at least three days before the date of every board meeting so that the Directors have the time to review the documents. Minutes of every board meeting are circulated to all Directors for their perusal prior to confirmation of the minutes at or before the following board meeting.

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

The Chairman of the Board is responsible for the leadership and effective running of the Board and the Chief Executive Officer is delegated with the authority to manage the business of the Group in all aspects effectively, and delegated powers to the Managing Director to manage the operation of the Group. The Chairman of the Board is Mr. Feng Boming while the Chief Executive Officer and the Managing Director of the Company are Mr. Xu Song and Mr. Lu Yongxin respectively.

DIRECTORS' SECURITIES TRANSACTIONS

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

APPOINTMENT AND RE-ELECTION OF DIRECTORS

According to Article 97 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

The Company has fixed the term of appointment for Independent Non-executive Directors to a specific term of three years. They are also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with Article 97 of the Articles of Association.

According to Article 103 of the Articles of Association, the Board has the power to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. In considering the appointment of a Director, the Board will take into account the professional qualifications, experience in relevant industries, management expertise and the potential contribution of such Director to advance the overseas expansion plan and diversity of the Board of the Company.

During the year and up to the date of this report, the appointment made by the Board is as follow:

At a board meeting held by the Company on 14 January 2026, the Board resolved to appoint Mr. Huang Qiang Zhong as an Executive Director of the Company.

In respect of the appointment of Mr. Huang Qiang Zhong, the Board has taken into consideration, inter alia, his qualifications, management expertise and experience in relevant industries in order to promote diversity of the Board.

TRAINING AND SUPPORT FOR DIRECTORS

Every member of the Board is entitled to access board papers and related materials and has unrestricted access to the advice and services of the Company Secretary or his assistant, and has the liberty to seek external professional advice if so

required. The Company Secretary or his assistant continuously updates all Directors on the latest development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Furthermore, all Directors participated in continuous professional development to develop and refresh their knowledge and skills and to ensure that their contribution to the Board remains informed and relevant.

During the year, the Directors participated in the following trainings:



Name of Directors	Type of training
Feng Boming	A,B,C
Xu Song	A,B,C
Yim Kong	A,B,C
Lu Yongxin	A,B,C
Huang Qiang Zhong* ¹	N/A
Chan Hiu Fung Nicholas	A,C
Chan Yuen Sau Kelly	A,C
Wong Chi Wing	A,C
Wong Pui Wah	A,C
Tu Xiaoping * ²	N/A
Li Ka Fai David* ³	N/A

A: attended seminars and/or conferences and/or forums

B: gave talks at seminars and/or conferences and/or forums

C: read journals and updates relating to the economy, general business or director's duties and responsibilities etc.

*1 Mr. Huang Qiang Zhong has been appointed as an Executive Director of the Company on 14 January 2026.

*2 Mr. Tu Xiaoping resigned as an Executive Director of the Company on 24 October 2025.

*3 Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company on 1 July 2025.

NOMINATION COMMITTEE

The Nomination Committee comprises one Executive Director and three Independent Non-executive Directors. Two meetings were held in 2025. The attendance of each member is set out as follows:

Name of members	Number of meetings attended in 2025	Attendance rate
Wong Pui Wah* ¹ (Chairman of the Nomination Committee) (appointed on 1 July 2025)	2/2	100%
Xu Song	2/2	100%
Chan Hiu Fung Nicholas	2/2	100%
Chan Yuen Sau Kelly* ² (ex-Chairman of the Nomination Committee) (ceased as the Chairman on 1 July 2025)	2/2	100%

*1 Ms. Wong Pui Wah was appointed as the chairman of the Nomination Committee on 1 July 2025.

*2 Ms. Chan Yuen Sau Kelly ceased to be the chairman of the Nomination Committee on 1 July 2025 and she is now a member of the Nomination Committee.

During the year, the Nomination Committee reviewed the structure, size and composition of the Board, assessed the independence of the Independent Non-executive Directors according to the independence requirements set out in Rule 3.13 of the Listing Rules and made recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors after considering their qualifications, management expertise and experience in relevant industries. In addition, the Nomination Committee made recommendation to the Board on the following change to the Director:

- (i) Appointment of Mr. Huang Qiang Zhong as an Executive Director of the Company on 14 January 2026.

In light of the amendments made by the HKSE to the CG Code which has come into effect on 1 July 2025, the Board has updated the Terms of Reference of the Nomination Committee on 31 March 2025.

The major roles and functions of the Nomination Committee are as follows:

1. to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a Board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
2. to review the Board Diversity Policy and Workforce (including senior management) Diversity Policy and to review any measurable objectives and the implementation of such policies;
3. to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;
4. to assess each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his or her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships of issuers listed on the HKSE and other significant external time commitments of such Director and other factors or circumstances relevant to the Director's character, integrity, independence and experience;
5. to assess the independence of Independent Non-executive Directors, including length of tenure and any overboarding;
6. to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive; and to make recommendations to the Board on the appointment of an Independent Non-executive Director as the lead Independent Non-executive Director (if any);
7. to support the Company's regular evaluation of the Board's performance, including but not limited to the continuous professional development and training to be received by the Directors; and
8. to consider other topics as defined by the Board.

Board Diversity

The Board Diversity Policy was adopted in August 2013. In light of the amendments made by the HKSE to the CG Code, with the recommendation of the Nomination Committee, the Board approved and adopted the revised Board Diversity Policy on 29 August 2025. In designing the Board's composition, board diversity has been considered from a number of aspects, 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.

The Nomination Committee developed measurable objectives to implement the Board Diversity Policy, where selection of candidates will be based on a range of diversity perspectives as set out above, and the ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

To promote diversity at the Board level, the Board will:

1. subject to the suitability of candidates and the needs of the Company, and where practicable, the Board will seek opportunities to increase the proportion of female Directors over time and target to maintain, at any time, no less than 20% of its Directors being female members;
2. regularly review the composition of its key committees and strive to achieve diversity in each of these committees. The Board will ensure at least one female Director in the Nomination Committee; and
3. from time to time establish any other measurable objectives, taking into account various relevant factors as appropriate.

In light of the previous amendments made by the HKSE to the CG Code which has come into effect on 1 January 2019, the Board has further adopted the Nomination Policy on 17 December 2018.

Nomination Criteria

The Nomination Committee shall consider the following criteria in evaluating and selecting candidates for directorship:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Willingness to devote adequate time to discharge duties as a member of the Board;
- Board Diversity Policy and any measurable objectives adopted for achieving diversity on the Board;
- Requirement for the Board to have Independent Directors in accordance with the Listing Rules applicable to the Company and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules; and
- Such other perspectives appropriate to the Company's business or as suggested by the Board.

Nomination Process

The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board periodically and makes recommendation on any proposed changes to the Board to complement the Company's corporate strategy. When it is necessary to fill a casual vacancy or appoint an additional director, the Nomination Committee identifies or selects candidates as recommended to the committee, with or without assistance from external agencies or the Company. If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable). The Nomination Committee makes recommendation to the Board, including the terms and conditions of the appointment. The Board deliberates and decides on the appointment based upon the recommendation of the Nomination Committee.

Pursuant to the Articles of Association, Mr. Xu Song , Mr. Huang Qiang Zhong, Mr. Chan Hiu Fung Nicholas and Ms. Wong Pui Wah shall retire from office by rotation at the forthcoming annual general meeting and shall be eligible and offer themselves for re-election. The Nomination Committee, in considering the re-election of these Directors, has considered and taken into account the objectives set out in the Board Diversity Policy and the Nomination Policy.

As at the date of this report, the Board comprises nine Directors. Two of the Directors are Non-executive Directors and four of the Directors are Independent Non-executive Directors and they are independent of management and thereby promoting critical review and control of the management process. The Board believes that gender diversity is a representation of board diversity, among all other measurable objectives. During the year and up to the date of this report, the Board has two female Directors in compliance with the gender diversity requirement under Rule 13.92 of the Listing Rules. The Board is also characterised by significant diversity, whether considered in terms of professional background and skills. The Board values gender diversity and will continue to take steps to promote gender diversity at all levels, in particular when recruiting staff at mid to senior level in order to develop a pipeline of potential female successors to the Board.

Workforce Diversity

To reflect the amendments to the CG Code, with the recommendation of the Nomination Committee, the Board approved and adopted the Workforce Diversity Policy on 29 August 2025. As at 31 December 2025, the Group employed 8,683 number of employees, including 1,294 female and 7,389 male employees, of which 5 were male senior management, with no female senior management, representing a female employee-to-male employee (excluding senior management) ratio of 1:6. Gender is neutral in the Group's recruitment process as no position requires any particular capability or skill that is regarded as better performed by one gender than another.

This policy is committed to fostering a diverse and inclusive workplace where all employees are valued, respected, and empowered to contribute their unique skills, experiences, and perspectives. The Company believes that diversity and inclusion are fundamental to its sustainable growth, innovation, and operational success. To promote diversity and inclusion, the Company is dedicated to:

1. embracing workforce diversity, including but not limited to gender, age, race, ethnicity, religion, sexual orientation, gender identity, disability, family status, marital status, and any other characteristics protected by applicable laws;
2. ensuring all employment-related decisions, including recruitment, promotion, compensation, training, and dismissal, are made based on merit, qualifications, experience, skills, and performance, free from any form of discrimination or bias;
3. providing equal opportunities for all employees and creating an inclusive and supportive work environment where everyone can reach their full potential;
4. promoting awareness of diversity and inclusion through regular training and communication; and
5. maintaining a workplace free from discrimination, harassment, vilification, and victimisation, and taking appropriate action in response to any such conduct.

REMUNERATION COMMITTEE

The Remuneration Committee comprises four Independent Non-executive Directors. One meeting was held in 2025. The attendance of each member is set out as follows:

Name of members	Number of meetings attended in 2025	Attendance rate
Chan Hiu Fung Nicholas (Chairman of the Remuneration Committee)	1/1	100%
Chan Yuen Sau Kelly	1/1	100%
Wong Chi Wing	1/1	100%
Wong Pui Wah	1/1	100%
Li Ka Fai David* (ceased on 1 July 2025)	N/A	N/A

* Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company and ceased to be a member of the Remuneration Committee on 1 July 2025.

During the year, the Remuneration Committee has assessed the performance of the Executive Directors, and also reviewed and recommended for approval by the Board the remuneration of the Directors and senior management with reference to the nature of their work, complexity of the responsibilities and performance. No Director took part in any discussion about his own remuneration.

According to the Directors' Remuneration Policy, the emolument payable to Directors will depend on their respective contractual terms under employment contracts, if any, with reference to their duties and responsibilities within the Company, experience and the prevailing market conditions, and as recommended by the Remuneration Committee. Details of the Directors' remuneration are set out in note 9 to the consolidated financial statements.

The major roles and functions of the Remuneration Committee are as follows:

1. to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

2. either (i) to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. Factors which should be taken into consideration include but not limited to salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
3. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
4. to review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
5. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
6. to make recommendations to the Board on the remuneration of Non-executive Directors and Independent Non-executive Directors;
7. to ensure that no Director or any of his associates is involved in deciding that director's own remuneration;
8. to consult the Chairman and/or the chief executive about their remuneration proposals for other Executive Directors. The Committee should have access to independent professional advice if necessary;
9. to review and/or approve matters relating to share schemes under chapter 17 of the Listing Rules; and
10. to consider other topics as defined by the Board.

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the members of senior management (excluding Directors) by band for the year ended 31 December 2025 is set out in note 10 to the consolidated financial statements.

ESG COMMITTEE

The ESG Committee comprises two Non-executive Directors, three Executive Directors and one Independent Non-executive Director. Two meetings were held in 2025. The attendance of each member is set out as follows:

Name of members	Number of meetings attended in 2025	Attendance rate
Feng Boming (Chairman of the ESG Committee)	2/2	100%
Xu Song	1/2	50%
Yim Kong	2/2	100%
Lu Yongxin	2/2	100%
Huang Qiang Zhong* ¹ (appointed on 14 January 2026)	N/A	N/A
Wong Chi Wing	2/2	100%
Tu Xiaoping* ² (ceased on 24 October 2025)	1/2	50%

*1 Mr. Huang Qiang Zhong has been appointed as an Executive Director of the Company and a member of the ESG Committee on 14 January 2026.

*2 Mr. Tu Xiaoping resigned as an Executive Director of the Company and ceased to be a member of the ESG Committee on 24 October 2025.

During the year, the ESG Committee has reviewed the Group's ESG performance to ensure compliance with relevant ESG policies and procedures, as well as applicable laws and regulations and international or national standards and to report to the Board. ESG Committee has also reviewed and recommended the ESG Report for the year ended 31 December 2024 for approval by the Board.

The major roles and functions of the ESG Committee are as follows:

- To formulate and review the objectives, strategies and management policies of the Group's ESG matters, review the progress made against related goals and target annually and make recommendations to the Board for approval (if necessary);
- To review and assess the adequacy and effectiveness of the management framework for ESG matters of the Company and make recommendations to the Board for approval (if necessary);
- To adopt and update the Group's policies on ESG matters to ensure its compliance with applicable legal and regulatory requirements;
- To identify, determine and assess ESG risks, issues and opportunities of the Group, advise on those issues that will significantly affect the operation of the Company or the interest of other stakeholders and provide anticipatory and mitigation plans;
- To review the Group's ESG performance (e.g. KPIs) to ensure compliance with relevant ESG policies and procedures, as well as applicable laws and regulations and international or national standards and to report to the Board;
- To engage with appropriate internal and external stakeholders in conducting annual materiality assessment procedures and to ensure that effective communications and relationships are in place with such stakeholders;
- To review and monitor annual "ESG Report" of the Company and recommend to the Board for approval;
- To ensure that the annual "ESG Report" of the Company is compliant with, and prepared in accordance with the "ESG Reporting Code"; and
- To consider other topics as defined by the Board.

AUDIT COMMITTEE

The Audit Committee comprises all of the four Independent Non-executive Directors. The Audit Committee meets at least twice a year. Three meetings were held in 2025. The minutes of the Audit Committee meetings were tabled at next Audit Committee meetings for committee members to take note and for action where appropriate. The attendance of each member is set out as follows:

Name of members	Number of meetings attended in 2025	Attendance rate
Chan Yuen Sau Kelly* ¹ (Chairman of the Audit Committee) (appointed on 1 July 2025)	3/3	100%
Chan Hiu Fung Nicholas	3/3	100%
Wong Chi Wing	3/3	100%
Wong Pui Wah	3/3	100%
Li Ka Fai David* ² (ex-Chairman of the Audit Committee) (ceased on 1 July 2025)	1/1	100%

*1 Ms. Chan Yuen Sau Kelly was appointed as the chairman of the Audit Committee on 1 July 2025.

*2 Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company and ceased to be the chairman of the Audit Committee on 1 July 2025.

During the meetings held in 2025, the Audit Committee had performed the following work:

- (i) reviewed the financial reports for the year ended 31 December 2024 and for the six months ended 30 June 2025;
- (ii) reviewed the connected transactions entered into by the Group for the year ended 31 December 2024;
- (iii) reviewed the management letter from the external auditor in relation to the audit of the Group for the year ended 31 December 2024;
- (iv) reviewed the effectiveness of risk management and internal control systems;
- (v) recommended for approval by the Board the re-appointment of external auditor at the annual general meeting;
- (vi) reviewed and recommended for approval by the Board the 2025 audit scope and fees; and
- (vii) reviewed the external auditor's audit plan and engagement letter.

The major roles and functions of the Audit Committee are as follows:

1. to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
2. to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences and ensure co-ordination where more than one audit firm is involved;

3. to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;
4. to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;
5. regarding to item (4) above:
 - (i) members of the Audit Committee must liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditor; and
 - (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, and should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditor;
6. to review the Company's financial controls and risk management and internal control systems;
7. to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
8. to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
9. to discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of management where necessary);
10. to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of controls and management's response;
11. to review the Company's statement on risk management and internal control systems (which is included in the annual report) prior to endorsement by the Board;
12. where an internal audit function exists, to review the internal audit programme, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
13. to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

Corporate Governance Report

14. to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and to ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;
15. to act as the key representative body for overseeing the Company's relationship with the external auditor;
16. to report to the Board on the matters of the terms of reference of the Audit Committee;
17. to review the Group's financial and accounting policies and practices;
18. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
19. to review and monitor the training and continuous professional development of Directors and senior management;
20. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements, and to review and evaluate the effectiveness of the Company's compliance management policies which enable the Company to achieve its goal in compliance management;
21. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
22. to review the Company's compliance with the CG Code and disclosure in the "Corporate Governance Report" set out in Appendix C1 to the Listing Rules; and
23. to consider other topics, as defined by the Board.

ACCOUNTABILITY AND AUDIT

The Directors are responsible for overseeing the preparation of accounts of each financial period, which should give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the year ended 31 December 2025, the Directors have selected suitable accounting policies and have applied them consistently, adopted appropriate HKFRS Accounting Standards and HKAS which are pertinent to its operations and relevant to the financial statements, made judgements and estimates that are prudent and reasonable, and have prepared the financial statements on the going concern basis.

The statement of the auditor of the Company about the reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report" on pages 79 to 84.

AUDITOR'S REMUNERATION

During the year under review, the remuneration to the Company's auditor, KPMG, is set out as follows:

Services rendered	Fees paid/payable HK\$'million
Audit and audit related services	9
Non-audit services (Tax, compliance and advisory services)	—
Total	9

RISK MANAGEMENT AND INTERNAL CONTROL

It is the responsibility of the Board to ensure that the Group maintains sound and effective risk management and internal control systems to safeguard the Shareholders' investment and the Group's assets and to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to achieve business objectives.

The internal control system of the Group comprises a well-established organisational structure and comprehensive policies and standards. Areas of responsibilities of each business and operational unit are clearly defined to ensure effective checks and balances.

The key procedures that the Board established to provide effective internal controls are as follows:

- A distinct organisation structure exists with defined lines of authority and control responsibilities;
 - A unified and comprehensive auditing and management accounting system for the Group is in place to prepare financial and operational performance indicators to the management and the relevant financial information for reporting and disclosure purpose; for maintaining proper accounting records; and for ensuring the reliability of financial information used within the business or for publication;
 - A centralised management system in respect of external investment, equity transfer and assets disposal is in place. Investment Assessment Committee together with Operations Department and Business Development Department are responsible for the Group's investment exposure analysis at home and abroad, and for monitoring the level of investment exposures faced by the Group. A set of processing procedures for examination and approval is implemented by our headquarter on the acquisitions and disposals of assets by the operating units under the Group;
- Systems and procedures are also in place to identify, measure, manage and control risks including reputation, legal, strategic, financing, guarantee, taxation, market, operational and project construction risks. Exposure to risks of implementation and development of strategies, changes in policies and legal proceedings is monitored by the Group's officer in charge of strategic research together with Strategy and Innovation Department/Technology and Innovation Development Institute, Operations Department and Risk Management and Internal Audit Department/Legal and Compliance Department. Exposure to risks of the Group's financing, guarantee, taxation and use of funds is monitored by the Group's officer in charge of financial management together with the Finance Department/Capital Management Department and other risks management units. Exposure to risks of market, operation and change of operation environment relating to the Group's business is monitored by the Group's officer in charge of business and operation management together with Operations Department, Marketing and Commercial Department, Safety Supervision Management Department and the operating units. Exposure to risks of the Group's project construction, equipment and bulk materials procurement is monitored by the Group's officer in charge of project management together with Safety Supervision Management Department, Operations Department and Risk Management and Internal Audit Department/Legal and Compliance Department. In addition, procedures are designed to ensure compliance with applicable laws, rules and regulations;

- Basic risk management and control system is set up while internal control system and self-assessment system are established according to the Group's actual circumstances;
- Policies and procedures are designed for safeguarding assets against unauthorised use or disposition. The procedures provide reasonable but not absolute assurance against material errors, losses or fraud;
- A Policy on Handling and Dissemination of Inside Information is established, setting out the guiding principles, procedures and internal controls for the handling and dissemination of inside information in a timely manner in such a way that it does not place any person in a privileged dealing position and allows time for the market to price the shares of the Company to reflect the latest available information; and
- The Audit Committee reviews the annual audit report, including the management letter, submitted by the external auditor to the management of the Group, and the internal audit report, the risk management assessment report, the internal control assessment report submitted by the officer(s) in charge of internal control and audit. The scope of functions of Risk Management and Internal Audit Department / Legal and Compliance Department encompasses monitoring the authenticity and compliance of economic activities (e.g. finance, operation and investment), leading and organizing risk management and self-assessment of internal control, and ensuring all operational management activities are under control by assessing, tracking and preventing material risks, as well as establishing risk management and Internal control systems that is scientific and effective.

The Board, the Audit Committee and the ESG Committee assess the effectiveness of the Group's risk management and internal control systems which covers all material controls, including financial, investing, marketing, operation, project construction and regulations compliance and risk management functions and consider the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, as well as those related to the Company's ESG performance and reporting, and their training programmes and budget on an annual basis. The Risk Management and Internal Audit Department / Legal and Compliance Department conducts independent reviews of risks associated with and controls over various operations and activities. Significant findings on internal controls, assessment on risk management and self-assessment on internal control system are reported regularly to the Audit Committee each year.

The Board conducted a review and assessment of the effectiveness of the Group's risk management and internal control systems during the year by way of discussion with members of the Audit Committee, the external independent auditor and the Risk Management and Internal Audit Department/Legal and Compliance Department. The Board considers that the Group's risk management and Internal control systems are effective and adequate.

COMPLIANCE WITH LAWS AND REGULATIONS

Numerous businesses within the Group function in environments with stringent regulations. These regulatory frameworks are thoroughly examined and continuously monitored, leading to the preparation and regular update of internal policies. Throughout the year, the Group has not identified any instances of non-compliance with laws and regulations that could significantly affect the Group in areas such as employment, occupational health and safety, anti-corruption measures, or environmental issues.

WHISTLEBLOWING POLICY

The Group has established an extensive and open whistleblowing channel to clearly specify the scope of acceptance and handling procedures, encouraging whistleblowers to report on any organisations' and individuals' illegal and undisciplined misconduct. Upon receipt of the report, the Supervision Department verifies the problem clues, conducts examinations and investigations for reports that fulfil the case initiation requirements and transfers the suspected non-compliance case to the procuratorate.

ANTI-CORRUPTION POLICY

The Board attaches great importance to business conducts and anti-corruption work. The Group is committed to achieving the highest standards of integrity and ethical behavior in conducting business. The Group has formulated various practical and comprehensive anti-corruption measures which set out an accountability mechanism for non-compliance acts, compliance management policies, and specific behavioural guidelines for the Group's personnel and business partners to follow to combat corruption.

DIVIDEND POLICY

The Board has approved and adopted the Dividend Policy on 17 December 2018. Under the Dividend Policy, the Company may declare and pay dividends to the Shareholders. Subject to compliance with applicable laws, rules, regulations and the Articles of Association, in deciding whether to propose any dividend payout, the Board will take into account, among other things, the financial results, the earnings, losses and distributable reserves, the operations and liquidity requirements, the debt ratio and possible effects on the credit lines, and the current and future development plans of the Company. There can be no assurance that dividends will be paid in any particular amount for any given period.

The Company attaches great importance to Shareholder returns and seeks to provide stable and sustainable returns to the Shareholders. Under the dividend policy of the Company, in deciding whether to propose any dividend payout, the Board will take into account, among other things, the financial position and development plans of the Company. Subject to approval by the Shareholders in general meeting, the Company's targets dividend payout ratio is not less than 45% in the coming year. The Board will review the Dividend Policy as appropriate from time to time.

CONSTITUTIONAL DOCUMENTS

During the year, in order to (i) be in line with the Listing Rules amendments in relation to the further expansion of the paperless listing regime; (ii) be in line with the amended Companies Ordinance in relation to the implementation of the treasury share regime for Hong Kong incorporated listed companies and the promotion of paperless corporate communications; and (iii) incorporate other housekeeping amendments to enable the Company to conduct general meetings (including holding hybrid/virtual general meetings) and handle other corporate affairs more efficiently, the Board has proposed to amend its existing Articles of Association and adopt a new Articles of Association. The relevant amendments to the New Articles of Association were approved by the Shareholders at the 2025 AGM, details of which are set out in the circular of the Company dated 28 April 2025 and the announcement of the Company dated 3 June 2025. Save as the aforementioned amendments, there was no material change to the Articles of Association during the year. Pursuant to Rule 13.90 of the Listing Rules, the latest version of the Articles of Association is available on the respective websites of the Company and the HKSE.

COMPANY SECRETARY

The Company Secretary, Mr. Leung Chong Shun, is a practicing solicitor in Hong Kong. Although he is not a full-time employee of the Company, he reports to the Board and is responsible for advising the Board on governance matters. The primary contact person of the Company with the Company Secretary is Ms. Carol Cheng Pui Wai, General Manager of Office of Board of Directors of the Company. The Company Secretary has confirmed that he has taken no less than fifteen hours of relevant professional training during the year.

COMMUNICATIONS WITH SHAREHOLDERS

The Company has established a range of communication channels between itself and its Shareholders and other stakeholders to ensure that the Shareholders' views and concerns are appropriately addressed. These include general meetings, annual and interim reports, notices, announcements and circulars, the Company's website at www.cmport.com.hk and communication through corporate email. The Board reviews and confirms the implementation and effectiveness of these channels annually.

General Meetings with Shareholders

The Board recognises the importance of good communications with all Shareholders. The Company's annual general meeting is a valuable forum for the Board to communicate directly with the Shareholders. The Chairman of the Board as well as Chairmen of the respective Board Committees (or their duly appointed delegates) together with the external auditor are present to answer the Shareholders' questions. Circulars which set out relevant information of the proposed resolutions are distributed to all Shareholders at least fourteen days before the extraordinary general meeting and at least twenty one days before the annual general meeting pursuant to the Articles of Association.

At the 2025 AGM, the Chairman of the AGM demanded that all resolutions proposed to be voted by poll. The procedures for conducting a poll were explained at the AGM. The results of the poll were published on the websites of the Company and the HKSE.

The attendance of each Director at the general meeting held in 2025 is set out as follows:

Name of Directors	Number of general meeting attended in 2025
Feng Boming	1/1
Xu Song	0/1
Yim Kong	1/1
Lu Yongxin	1/1
Huang Qiang Zhong* ¹	N/A
Chan Hiu Fung Nicholas	1/1
Chan Yuen Sau Kelly	0/1
Wong Chi Wing	0/1
Wong Pui Wah	1/1
Tu Xiaoping * ²	0/1
Li Ka Fai David* ³	1/1

*1 Mr. Huang Qiang Zhong has been appointed as an Executive Director of the Company on 14 January 2026.

*2 Mr. Tu Xiaoping resigned as an Executive Director of the Company on 24 October 2025.

*3 Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company on 1 July 2025.

The 2026 annual general meeting of the Company will be held at 9:30 a.m. on Tuesday, 2 June 2026 at Hennessy Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong.

SHAREHOLDERS' RIGHTS

Pursuant to sections 566 to 568 of the Companies Ordinance, Shareholder(s) representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings can make a requisition to convene a general meeting. Such requisition must state the general nature of the business to be dealt with at the general meeting, and must be authenticated by the person or persons making it and sent to the Company either in hard copy form or in electronic form. Besides, pursuant to sections 615 to 616 of the Companies Ordinance, Shareholder(s) can request the Company to give notice of a resolution and move such resolution at an annual general meeting, provided that such a request is made by (i) Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders who have a right to vote on the resolution at the annual general meeting to which the request relates or (ii) at least 50 Shareholders who have a right to vote on the resolution at the annual general meeting to which the request relates. Such a request must identify the resolution of which notice is to be given, be either in hard copy form or in electronic form and authenticated by the person or persons making it, and be received by the Company not later than six weeks before the annual general meeting to which the request relates or, if received by the Company later than the time as stated above, the time at which notice is given of that meeting. Procedures for the Shareholders to propose a person for election as a director have been uploaded to the Company's website.

COMMUNICATION WITH INVESTORS

The Company considers that a key element of effective communication with investors is the prompt and timely dissemination of information in relation to the Group. In addition, the management personnel responsible for investor relations of the Company hold regular meetings and roadshow with equity research analysts, fund managers and institutional investors so as to update the latest operational situation of the Company. The investor activities conducted by the Group during the year are set out on page 28 of the Annual Report.

Investors may at any time send their enquiries and concerns to the Company by addressing them to the Investor Relations Representative of the Company. The contact details are as follows:

Investor Relations Representative of
China Merchants Port Holdings Company Limited
38th Floor, China Merchants Tower
Shun Tak Centre, 168-200 Connaught Road Central
Hong Kong
Email: relation@cmhk.com
Tel No.: 2102 8888
Fax No.: 2851 2173



DIRECTORS AND SENIOR MANAGEMENT

Directors and Senior Management

DIRECTORS

Mr. Feng Boming

aged 56, is currently the Chairman of the Board and a Non-executive Director of the Company. He is also the Chairman of the ESG Committee. He was appointed as a member of the Board in July 2023, the length of service is 2.69 years.

He holds a Master of Business Administration degree from The University of Hong Kong. He currently serves as the Chairman of the Board of Directors, the Convenor of the Strategy and Sustainable Development Committee and a member of the Nomination, Remuneration and Evaluation Committee of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange. He also serves as the Deputy General Manager of China Merchants Group Limited, the Chairman of Liaoning Port Group Limited, the Chairman of China Merchants Energy Shipping Co., Ltd., shares of which are listed on the Shanghai Stock Exchange and a member of the Strategy Committee, the Chairman of Sinotrans & CSC Holdings Co., Ltd., the Chairman of China Yangtze Shipping Group Co., Ltd..

He previously held various positions including the General Manager of COSCO International Freight (Wuhan) Co., Ltd. and COSCO Logistics (Wuhan) Co., Ltd., the Supervisor of Strategic Management Implementation Office of China Ocean Shipping (Group) Company, the General Manager of Strategic and Corporate Management Department of China COSCO SHIPPING Corporation Limited, an Executive Director and the Chairman of the Board of Directors of COSCO SHIPPING Ports Limited, shares of which are listed on the HKSE, an Executive Director of each of COSCO SHIPPING Holdings Co., Ltd., shares of which are listed on the Shanghai Stock Exchange and the HKSE and Orient Overseas (International) Limited, shares of which are listed on the HKSE, a Non-executive Director of each of COSCO SHIPPING Energy Transportation Co., Ltd., shares of which are listed on the Shanghai Stock Exchange and the HKSE, Qingdao Port International Co., Ltd., shares of which are listed on the Shanghai Stock Exchange and the HKSE and Piraeus Port Authority S.A., shares of which are listed on the Athens Stock Exchange, a Director of each of Hainan Harbour & Shipping Holding Co., Ltd., and COSCO SHIPPING Bulk Co., Ltd., and the Chairman and a Non-executive Director of Sinotrans Limited, shares of which are listed on the Shanghai Stock Exchange and the HKSE.

Mr. Xu Song

aged 54, is currently the Vice Chairman of the Board, the Chief Executive Officer and an Executive Director of the Company. He is also a member of each of the Nomination Committee and the ESG Committee. He was appointed as a member of the Board in June 2022, the length of service is 3.78 years.

He is the Vice Chairman of the Board of Directors, the Chief Executive Officer and a member of the Strategy and Sustainable Development Committee of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange, and the Vice Chairman of the Board of Directors and a member of the Strategy Committee of Shanghai International Port (Group) Co., Ltd., shares of which are listed on the Shanghai Stock Exchange. He also serves as a director of various subsidiaries of the Company. He is a Senior Economist, graduated from Huazhong University of Science and Technology majoring in Material Management, and obtained a Bachelor's Degree. He then obtained a Master's Degree from Dongbei University of Finance and Economics majoring in Business Administration, a Master's Degree from Coventry University majoring in International Business, and a PhD from Dalian Maritime University majoring in the Transportation Planning and Management.

He successively served as the Deputy General Manager of Dalian Portnet Co., Ltd., the Deputy General Manager and the General Manager of Dalian Jifa Logistics Co., Ltd., the General Manager of Dalian Port Container Co., Ltd., the General Manager of Dalian Port North Yellow Sea Port Cooperation Management Company, the General Manager and a Non-executive Director of Liaoning Port Co., Ltd. (formerly known as Dalian Port (PDA) Company Limited, shares of which are listed on the Shanghai Stock Exchange and the HKSE), a Director, the Deputy General Manager and the General Manager of Dalian Port Corporation Limited, the Deputy General Manager of Liaoning Port Group Co., Ltd., the Deputy General Manager, the General Manager and the Chief Operating Officer of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange, and other positions.

Directors and Senior Management

Mr. Yim Kong

aged 53, is currently the Vice Chairman of the Board and a Non-executive Director of the Company. He is also a member of the ESG Committee. He was appointed as a member of the Board in November 2021, the length of service is 4.41 years.

He currently serves as the Vice Chairman and a member of the Strategy and Sustainable Development Committee of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange. Having graduated from International Trade at Xiamen University with a Bachelor's Degree in Economics, he went on to complete an MBA program cocreated by the Maastricht School of Management (Maastricht, the Netherlands) and Shanghai Maritime University. He currently serves as a Functional Constituency — Commercial (Third) member of the Legislative Council of the Hong Kong Special Administrative Region, the Chairman of the Panel on Economic Development of the Legislative Council of the Hong Kong Special Administrative Region, a member of the Election Committee of the Hong Kong Special Administrative Region, a member of the Maritime and Port Development Committee of Hong Kong Maritime and Port Board, a member of the Board of Directors of the Hong Kong Chinese Enterprises Association, a member of the Board of Directors of the Chinese General Chamber of Commerce, Hong Kong, and a member of the Board of Governors of Hong Kong Chu Hai College. He was a member of the Pilotage Advisory Committee (PAC) of the Marine Department of the Hong Kong Special Administrative Region and a member of the Logistics Services Advisory Committee of the Hong Kong Trade Development Council.

Mr. Yim has rich managerial experience in the port and logistics industries. He served as the Chief Representative of the representative office of China Merchants Group Limited in Central Asia and the Baltic Sea and the General Manager of China-Belarus Industrial Park. He also served as the Chief Operational Officer, the General Manager and the Deputy General Manager of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange and the Chief Commercial Officer, the Deputy General Manager and the Managing Director of the Company as well as the Commercial Director, the Deputy General Manager, the Standing Deputy General Manager and the General Manager of Shekou Container Terminals Limited, a subsidiary of the Company, and worked for senior logistics management positions in Neptune Orient Lines (NOL) of Singapore and Swire Group of Hong Kong.

Mr. Lu Yongxin

aged 56, is currently an Executive Director and the Managing Director of the Company. He is also a member of the ESG Committee. He was appointed as a member of the Board in December 2022, the length of service is 3.31 years.

He joined the Company in 2007 and currently serves as the Director, the Chief Operating Officer, the General Manager and a member of the Strategy and Sustainable Development Committee of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange. He also serves as a director of various subsidiaries of the Company. Having graduated from Dalian University of Technology with a Bachelor's Degree in English for science and technology, he obtained a Master's degree in Project Management from the Curtin University of Technology in Australia.

Mr. Lu has extensive managerial experience in the international portfolio expansion activities of port companies. Prior to joining the Company, he served as Assistant General Manager of Zhen Hua Engineering Co., Ltd. and the Deputy General Manager (in charge) of the General Manager's Office at China Harbor Engineering Co. Ltd.. Before his current role in the Company, he was the Deputy General Manager of the Research & Development Division, the General Manager of the International Division, the Assistant General Manager and the Deputy General Manager of the Company and the Deputy General Manager of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange. Between May 2014 and January 2016, Mr. Lu was seconded to France as the Chief Financial Officer and the Senior Vice President of Terminal Link SAS, an associate of the Company.

Mr. Huang Qiang Zhong

aged 56, is currently an Executive Director of the Company. He is also a member of the ESG Committee. He was appointed as a member of the Board in January 2026, the length of service is 0.21 year.

He currently serves as the head of the International Exchange and Cooperation Institute of China Merchants Port Group Co., Ltd., the shares of which are listed on the Shenzhen Stock Exchange. He is an Intermediate Engineer, graduated from Dalian Maritime University with a Bachelor's degree in Automatic Control, and subsequently obtained a Master's degree in Management Science and Engineering from Zhejiang University.

Mr. Huang previously served as the Deputy General Manager and the General Legal Counsel of China Merchants Industry Holdings Co., Ltd., the Deputy Minister of the Human Resources Department of China Merchants Group Limited, the Chairman and the General Manager of China Merchants Zhangzhou Development Zone Co., Ltd., the Supervisor of the Management Committee of the Zhangzhou China Merchants Economic and Technological Development Zone, and other positions.

Mr. Chan Hiu Fung Nicholas

aged 52, BBS, MH, JP, is currently an Independent Non-executive Director of the Company. He is also the Chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee. He was appointed as a member of the Board in December 2022, the length of service is 3.31 years.

He is currently a partner of Squire Patton Boggs. Mr. Chan graduated from the University of Melbourne with a degree of Bachelor of Science (Computer Science) and a degree of Bachelor of Laws in March 1997, and he was admitted as a solicitor in the High Court of Hong Kong in May 1999. Mr. Chan has been elected to serve as a member of the Legislative Council of the Hong Kong Special Administrative Region from January 2026. He was also awarded with the Medal of Bronze Bauhinia Star (BBS) from the Government of the Hong Kong Special Administrative Region on 1 July 2024. Mr. Chan was awarded with the Medal of Honour (MH) from the Government of the Hong Kong Special Administrative Region in 2016 and was appointed as a Justice of the Peace in July 2021. Mr. Chan has been re-appointed to serve as a council member of The Chinese University of Hong Kong for a period of three years from 1 June 2025. Since May 2022, he has been appointed to serve as the director of AALCO Hong Kong Regional Arbitration Centre, a regional arbitration centre established by an international intergovernmental legal consultative organisation. He is also the Hong Kong Deputy to the 13th and 14th National People's Congress of the People's Republic of China. From 30 December 2014 to 30 May 2019, Mr. Chan was a council member of the Law Society of Hong Kong, and for six years from 1 April 2016, he served as a council member of the Hong Kong University of Science and Technology.

Directors and Senior Management

Mr. Chan was also appointed as the Vice Chairman of the China Committee of the Hong Kong General Chamber of Commerce for a period of one year from 11 July 2025. He was also re-elected as the Vice Chairman of Fu Hong Society for a term of one year from October 2025. He was also re-elected as a non-club-linked director of the board of the Football Association of Hong Kong, China Limited for a term of 4 years from July 2025 to June 2029. Also, since 16 June 2025, he was re-appointed as the Chairman of the Advisory Committee of the Innovation and Technology Venture Fund for a period of two years. Mr. Chan was re-appointed as a member of the Social Development Expert Group of the Chief Executive's Policy Unit Expert Group for a period of one year from 30 May 2025. He was also re-appointed as a member of each of the Broadcast Complaints Committee and Telecommunications Affairs Committee of the Communications Authority respectively, each for a period of two years from 1 April 2025. He was also appointed by the Secretary for Justice to serve as a member of the Expert Advisory Group on Legal and Dispute Resolution Services for a term of three years from 4 October 2024. He was also appointed as a member of the Competition Commission for a term of two years from 1 May 2024.

Since 17 May 2024, Mr. Chan was appointed as the Chairman of the Risk Management Subcommittee of The Chinese University of Hong Kong. Since 1 April 2026, Mr. Chan was re-appointed as the director to the Board of Directors of the Hong Kong Cyberport Management Company Limited and the Chairman of the Knowledge Transfer Committee, a member of the Executive Committee of the Council and a member of the Audit and Risk Management Committee of The Chinese University of Hong Kong respectively, each for a period of two years. Mr. Chan was appointed as a member of the Communications Authority since 1 April 2023. Mr. Chan is currently an honorary legal advisor of Hong Kong Information Technology Federation, an honorary legal advisor of Hong Kong Internet Service Providers Association, an honorary legal advisor of International Federation of Creativity and Technology and an honorary legal advisor of BEAM Society. Mr. Chan was previously a member of the Hospital Governing Committee of Castle Peak Hospital and Siu Lam Hospital, and a member of Committee on Innovation, Technology and Industry Development of The Government of the Hong Kong Special Administrative Region.

Since 15 October 2025, Mr. Chan was appointed as an Independent Non-executive Director and a member of each of the Related Party Transaction Control and Consumer Rights Protection Committee and the Strategy and Investment Committee of Ping An Insurance (Group) Company of China, Ltd.. Mr. Chan is also an Independent Non-executive Director and a member of each of the Audit Committee and the Remuneration Committee of Sa Sa International Holdings Limited, an Independent Non-executive Director, the Chairman of the Remuneration Committee, and a member of each of the Audit Committee, Nomination Committee and Risk Management Committee of Q P Group Holdings Limited and an Independent Non-executive Director and a member of the Nomination Committee of Genertec Universal Medical Group Company Limited. Shares of the above four companies are listed on the HKSE.

Mr. Chan was an Independent Non-executive Director of Million Cities Holdings Limited and Pangaea Connectivity Technology Limited. Shares of the above two companies are listed on the HKSE.

Ms. Chan Yuen Sau Kelly

aged 55, JP, is currently an Independent Non-executive Director of the Company. She is also the Chairman of the Audit Committee, and a member of each of the Nomination Committee and the Remuneration Committee. She was appointed as a member of the Board in March 2023; the length of service is 3.03 years.

She is currently an Independent Non-executive Director of Aluminum Corporation of China Limited, the H shares of which are listed on the HKSE and the A shares of which are listed on the Shanghai Stock Exchange, the Chairman of the Audit Committee, and a member of the Nomination Committee, an Independent Non-executive Director of Morimatsu International Holdings Company Limited, the shares of which are listed on the HKSE, and the Chairman of the Audit Committee, and a member of the Nomination Committee, and an Independent Non-executive Director of Best Mart 360 Holdings Limited, the shares of which are listed on the HKSE, the Chairman of the Audit Committee, and a member of the Nomination Committee.

In October 2020, Ms. Chan was appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region in recognition of her remarkable public services and contribution to the community. In March 2022, Ms. Chan was awarded with ACCA's Advocacy Award for the China region in recognition of her relentless support for the accountancy profession. Ms. Chan was the president and the council member of ACCA Hong Kong from 2008 to 2009 and 2000 to 2010 respectively and was the president of the Association of Women Accountants (Hong Kong) from 2020 to 2021. She is currently the council member of the Association of Women Accountants (Hong Kong) and the Vice Chairman of GBA Women Directors Association (previously known as Shenzhen Hong Kong Macau Women Directors Alliance).

Ms. Chan obtained a Bachelor's Degree in accountancy from the City Polytechnic of Hong Kong (currently known as City University of Hong Kong) in 1992. She is a fellow member of HKICPA and ACCA and the Hong Kong Institute of Directors. She has over 30 years of experience in financial and business management. Ms. Chan was previously responsible for management at various multinational corporations including LVMH Moët Hennessy Louis Vuitton and Heineken Group. Ms. Chan has also served at offices of Deloitte Touche Tohmatsu in Hong Kong and the United States.

Ms. Chan is currently a member of various advisory boards, including the Hong Kong Housing Authority, the Town Planning Board, the Environment & Conservation Fund Committee, the Hong Kong Academy for Performing Arts and the United College Trustees of The Chinese University of Hong Kong. Ms. Chan was previously the chairperson of the Employees' Compensation Insurance Levies Management Board. She also served on the boards of the Air Transport Licensing Authority, the Council of the Chinese University of Hong Kong, Education Commission, Quality Education Fund Steering Committee, Harbourfront Commission, Advisory Committee on Arts Development of Hong Kong, the board of the Inland Revenue Department, the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of Hong Kong, Hospital Governing Committee of the Buddhist Hospital, Hospital Governing Committee of the Rehabaid Centre, the Kowloon Regional Advisory Committee of the Hospital Authority, Occupational Safety and Health Council, the board of directors of Ocean Park Hong Kong and the council of Hong Kong Repertory Theatre.

Directors and Senior Management

Mr. Wong Chi Wing

aged 62, is currently an Independent Non-executive Director of the Company. He is also a member of each of the Audit Committee, the Remuneration Committee and the ESG Committee. He was appointed as a member of the Board in July 2023, the length of service is 2.69 years.

He is currently serving as a Senior Vice Chairman in Belt and Road Global Development Alliance (BARGDA) since December 2025 and a Deputy President and the Chairman of New Economy Committee of The Hong Kong Independent Non-Executive Director Association Limited since October 2019. Mr. Wong is a fellow member of HKICPA since 2000. Mr. Wong obtained a Bachelor's Degree in Science from The Chinese University of Hong Kong in December 1986, a Master's Degree in Business Administration from The City University of Hong Kong in November 1995, a Master's Degree of Science in Electronic Commerce from The City University of Hong Kong in November 2003 and a Doctorate Degree in Business Administration from The City University of Hong Kong in February 2011.

Mr. Wong served as an Assistant Vice President and a Vice President and various positions at PCCW Solutions (formerly known as Unihub Limited). He has also served in Accenture Consulting for Greater China as a Managing Director, Big Data Elite Asia Limited and GCE Consulting Limited as the Managing Partner, and Autotoll Limited as an Independent Non-executive Director.

Mr. Wong was an Independent Non-executive Director of Veson Holdings Limited (formerly known as SCUD Group Limited), Cirtek Holdings Limited and Landsea Green Life Service Company Limited. Shares of the above three companies are listed on the HKSE, and the Financial Information Department Head of Hutchison Telecommunications Hong Kong Holdings Limited.

Ms. Wong Pui Wah

aged 50, is currently an Independent Non-executive Director of the Company. She is also the Chairman of the Nomination Committee, and a member of each of the Audit Committee and the Remuneration Committee. She was appointed as a member of the Board in September 2022, the length of service is 3.58 years.

She is the Chief Financial Officer and Company Secretary and serves as director of certain subsidiaries of YTO International Express and Supply Chain Technology Limited (formerly known as YTO Express (International) Holdings Limited), shares of which are listed on the HKSE. She was an executive Director of On Time Logistics Holdings Limited (currently known as YTO International Express and Supply Chain Technology Limited) from 20 December 2013 to 1 December 2017. Prior to joining YTO International Express and Supply Chain Technology Limited, Ms. Wong had acquired auditing and accounting experiences by working in various accountancy firms from June 1998 to March 2006. She has over 20 years of experience in auditing, accounting and financial management. Ms. Wong graduated from Lingnan University (formerly known as Lingnan College) with a Bachelor's Degree in Business Administration in November 1998. She also obtained a Master's Degree in Professional Accounting from The Hong Kong Polytechnic University in November 2010. She is a non-practising member of HKICPA and a fellow of ACCA.

SENIOR MANAGEMENT

Mr. Huang Zhenzhou

aged 48, was appointed as the Chief Financial Officer of the Company in October 2024, the length of service is 1.46 years.

He is also the Chief Financial Officer of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange, and the Director of Liaoning Port Co., Ltd., shares of which are listed on the Shanghai Stock Exchange and the HKSE and a member of the Strategy and Sustainable Development Committee. He is a Senior Accountant, graduated from Accounting at Xiamen University with a Bachelor's Degree in Management, and subsequently obtained a Master's Degree in Engineering of Transportation Engineering from the School of Transportation of Wuhan University of Technology. Mr. Huang has over 20 years of working experiences in financial management. He previously served as the Senior Manager of the Finance Department of the Company (formerly known as China Merchants Holdings (International) Company Limited), the Chief Financial Officer of Zhanjiang Port (Group) Co., Ltd., the Assistant Minister of the Capital Operation Department of China Merchants Group Limited, the Chief Financial Officer of Liaoning Port Group Limited and the Chief Financial Officer of China Merchants Shipbuilding Industry Holdings Co., Ltd. (formerly known as China Merchants Industry Holdings Co., Ltd.).

Mr. Li Wenbo

aged 46, was appointed as the Deputy General Manager of the Company in August 2023, the length of service is 2.62 years.

He is also the Deputy General Manager of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange, the Director of Tianjin Port Container Terminal Co., Ltd. and the Director of Ningbo Zhoushan Port Company Limited, shares of which are listed on the Shanghai Stock Exchange. He is an Intermediate Economist and Engineer, graduated from the School of Mechanical and Automotive Engineering, Hefei University of Technology, with a Bachelor's Degree in mechanical design

and manufacturing. He has served as the Assistant General Manager and Assistant Minister of the Human Resources Department of Sinotrans Group Co., Ltd., the Deputy Director, the Director of the Personnel Division, the Assistant Minister and concurrently the Director of the Personnel and Cadre Supervision Division, the Assistant Minister and concurrently Director of the Cadre Division, the Deputy minister and concurrently the Director of the Cadre Division of the Human Resources Department of China Merchants Group Limited.

Mr. Qi Yue

aged 54, was appointed as the Deputy General Manager of the Company in August 2025, the length of service is 0.63 year.

He joined the Company in 2002 and currently serves as the Deputy General Manager of China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange, the Director of Qingdao Qianwan United Container Terminal Co., Ltd., the Director of Qingdao Qianwan New United Container Terminal Co., Ltd. and the Chairman of Zhanjiang China Merchants Port City Investment Co., Ltd. He is a Senior Engineer, holds a Bachelor of Port and Waterway Engineering degree from the Department of Civil Engineering of Dalian University of Technology. He previously served as the Assistant General Manager and the General Manager of the Investment and Development Department of China Merchants Port Group Co., Ltd., the Manager of the Engineering Management Department, the Manager of the Administration Department, the Senior Manager of the Administration Department, the Deputy General Manager of the Engineering Management Department, the Deputy General Manager of the Investment and Development Department and the General Manager of the Investment and Development Department of the Company (formerly known as China Merchants Holdings (International) Company Limited), the Assistant General Manager and the Deputy General Manager of Shenzhen Haiqin Engineering Management Co., Ltd., the Supervisor, the Deputy General Manager, the Executive Director and the Vice Chairman of Liaoning Port Co., Ltd., and the Director of Modern Terminals Limited.

REPORT OF THE DIRECTORS



 **MAERSK**

Report of the Directors

The Board is pleased to present the Company's annual report together with the audited financial statements for the year ended 31 December 2025. All references in this section "Report of the Directors" to other sections in the Annual Report form part of this section.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. The principal activities of its subsidiaries, associates and joint ventures are set out in notes 40 to 42 to the consolidated financial statements, respectively.

An analysis of the Group's performance for the current year by operating segments is set out in note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 85.

The Board had declared an interim dividend of HK\$0.25 per share, totaling HK\$1,050 million, which was paid on 19 November 2025.

The Board have resolved to recommend the payment of a final dividend of HK\$0.489 per share, totalling HK\$2,053 million for the year ended 31 December 2025 to the Shareholders whose names appear on the Register of Members on 5 June 2026 (2024: a final dividend of HK\$0.636 per share payable in cash in HK Dollars), payable on or around 10 July 2026. The final dividend, if approved, is to be payable in cash in HK Dollars.

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's prospects are provided in the "Chairman's Statement" and the "Management Discussion and Analysis" on pages 6 to 11 and pages 12 to 29 of the Annual Report respectively. Description of key risk factors and uncertainties that the Group is facing is provided in the "Management Discussion and Analysis" on pages 12 to 29 of the Annual Report while the financial risk management of the Group can be found in note 35 to the consolidated financial statements. An analysis of the Group's performance during the year using financial key performance indicators is provided in Financial Highlights on inside front cover of the Annual Report. In addition, discussions on the Group's compliance with relevant laws and regulations which have a significant impact on the Group, relationships with its key stakeholders including the Shareholders, employees, customers and suppliers etc are contained in the "Management Discussion and Analysis", "Corporate Governance Report" on pages 12 to 29 and pages 32 to 49 of the Annual Report and the "ESG Report" respectively. Furthermore, the Group recognises environmental protection is of vital importance to the long term development of the Group. The "ESG Report" which also contains discussion and review on the environmental policies and performance of the Group will be separately published on the same day of the publication of the Annual Report. For details, please refer to the Company's website.

Report of the Directors

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out from pages 30 to 31 of the Annual Report.

PRINCIPAL SUBSIDIARIES

The particulars of the principal subsidiaries of the Company are set out from pages 199 to 202 of the Annual Report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and the Company are set out in note 16 to the consolidated financial statements.

SHARES ISSUED

Details of the movements in the issued shares of the Company are set out in note 27 to the consolidated financial statements.

RESERVES

Details of the movements in reserves of the Group and the Company during the year are set out in notes 29 and 43 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2025 amounted to HK\$3,042 million (2024: HK\$2,739 million).

DONATIONS

Donation of HK\$15 million was made by the Group during the year (2024: HK\$11 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

Save as disclosed in the "Management Discussion and Analysis" section on pages 12 to 29 of the Annual Report, the Company and its subsidiaries have not purchased, sold or redeemed any of the Company's listed securities during the year.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the Annual Report, no equity-linked agreements were entered into during the year or subsisted at the end of the year.

EMPLOYEES

The Group's key relationships with its employees are set out in the Management Discussion and Analysis on pages 12 to 29 of the Annual Report.

PENSION SCHEME

Details of the pension scheme, maintained by the Group, contributions made and forfeiture utilised during the year are set out on pages 119 to 121 of the Annual Report.

DIRECTORS

The Directors during the year ended 31 December 2025 and up to the date of this report were:

Non-executive Directors:

Mr. Feng Boming (*Chairman*)
Mr. Yim Kong (*Vice Chairman*)

Executive Directors:

Mr. Xu Song (*Vice Chairman and Chief Executive Officer*)
Mr. Lu Yongxin (*Managing Director*)
Mr. Huang Qiang Zhong
(appointed on 14 January 2026)
Mr. Tu Xiaoping
(resigned on 24 October 2025)

Independent Non-executive Directors:

Mr. Chan Hiu Fung Nicholas
Ms. Chan Yuen Sau Kelly
Mr. Wong Chi Wing
Ms. Wong Pui Wah
Mr. Li Ka Fai David
(resigned on 1 July 2025)

Biographical details of each Director and member of senior management of the Company are set out in the "Directors and Senior Management" on pages 50 to 57 of the Annual Report.

Mr. Li Ka Fai David resigned as an Independent Non-executive Director of the Company with effect from 1 July 2025 to comply with Rule 3.12A of the Listing Rules which became effective on 1 July 2025.

Mr. Tu Xiaoping resigned as an Executive Director of the Company with effect from 24 October 2025 due to retirement.

Mr. Huang Qiang Zhong has been appointed as an Executive Director of the Company on 14 January 2026. Pursuant to Rule 3.09D of the Listing Rules, Mr. Huang had obtained legal advice from a law firm qualified to advise on Hong Kong law on 5 January 2026 and has confirmed that he understood his obligations as a Director of the Company.

In accordance with Article 97 of the Articles of Association, Mr. Xu Song, Mr. Chan Hiu Fung Nicholas and Ms. Wong Pui Wah will retire from office by rotation at the forthcoming annual general meeting but, being eligible, will offer themselves for re-election.

In accordance with Article 103 of the Articles of Association, Mr. Huang Qiang Zhong will retire from office at the forthcoming annual general meeting and shall be eligible and offer himself for re-election.

Each of the Directors has entered into an appointment letter with the Company for a term of three years. The appointment date of each of Directors are as follows:

One Executive Director's appointment commenced on 14 January 2026;

One Executive Director's appointment commenced on 22 June 2025;

One Independent Non-executive Director's appointment commenced on 2 September 2025;

One Executive Director's and one Independent Non-executive Director's appointments commenced on 8 December 2025;

One Independent Non-executive Director's appointment commenced on 21 March 2026;

One Non-executive Director's and one Independent Non-executive Director's appointments commenced on 24 July 2023; and

One non-executive Director's appointment commenced on 3 November 2024.

The appointment of each of the Directors is subject to retirement by rotation in accordance with the Articles of Association.

The Company has received annual confirmations from each of the Independent Non-executive Directors in relation to their independence to the Company and considers that each of the Independent Non-executive Directors is independent of the Company.

Report of the Directors

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2025, the interests of the Directors in the securities of the Company and its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register maintained by the Company under Section 352 of the SFO were as follows:

Shares and Share Options in the Company

Name of Director	Capacity	Nature of interest	Number of shares held in the Company	Number of share options granted	Percentage of aggregate long position in shares held to the issued shares as at 31 December 2025
Mr. Yim Kong	Beneficial owner	Personal interest	7,227	—	0.0002%
Mr. Lu Yongxin	Beneficial owner	Personal interest	13,896	—	0.0003%

Shares and Share Options in the Company's associated corporation - CMPG

Name of Director	Capacity	Nature of interest	Number of shares held in the Company's associated corporation	Number of share options outstanding	Total	Percentage of long position in A Class shares held to the issued shares of the Company's associated corporation as at 31 December 2025
Mr. Xu Song	Beneficial owner	Personal Interest	22,200	120,000 ⁽¹⁾	142,200	0.0057%
Mr. Yim Kong	Beneficial owner	Personal interest	—	51,000 ⁽¹⁾	51,000	0.0021%
Mr. Lu Yongxin	Beneficial owner	Personal Interest	—	72,000 ⁽¹⁾	72,000	0.0029%

Notes:

- (1) As at 31 December 2025, the Company is a subsidiary of CMPG and accordingly, CMPG is an associated corporation of the Company. The interests in CMPG held by each Director are share options granted on 3 February 2020 under the Employee Incentive Scheme of CMPG, which are subject to the terms and conditions of the Employee Incentive Scheme. In accordance with the exercise schedule under the Employee Incentive Scheme, the share options of Mr. Yim Kong and Mr. Lu Yongxin may be exercised in batches from 3 February 2022 to 3 February 2027 while the share options of Mr. Xu Song may be exercised in batches from 29 January 2023 to 29 January 2027. Such share options are conditional upon the satisfaction of certain performance targets specified thereunder. Details of the Employee Incentive Scheme were published on the information website of the Shenzhen Stock Exchange (<http://www.szse.cn/>). The 120,000 share options granted to Mr. Xu Song, the 51,000 share options granted to Mr. Yim Kong and the 72,000 share options granted to Mr. Lu Yongxin have been cancelled on 7 February 2023. None of these share options were exercised, lapsed or cancelled during the reporting period.

Save as disclosed above and based on the register maintained by the Company under section 352 of the SFO, as at 31 December 2025, none of the Directors or chief executive of the Company or any of their associates had any interests and 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 are required, pursuant to section 352 of the SFO, to be entered in the register or which are required, pursuant to the Model Code, to be notified to the Company and the HKSE.

DIRECTORS OF SUBSIDIARIES

The Director of the Company who has also served as directors of the subsidiaries of the Company during the year ended 31 December 2025 and up to the date of this report are Mr. Xu Song and Mr. Lu Yongxin.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

Details of the remuneration for Directors are set out in note 9 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance in relation to the Group's business to which the Company, its holding companies, its fellow subsidiaries or its subsidiaries was a party and in which a Director of the Company or his connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the Annual Report, at no time during the year was the Company, its parent company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY PROVISION

The Articles of Association provides that subject to the provisions of the Companies Ordinance, but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done by him as Director and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission.

The Company has taken out insurance against the liabilities and costs associated with defending any proceedings which may be brought against the Directors.

Report of the Directors

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the following persons, other than a Director or chief executive of the Company, had interest or short position in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO or as notified to the Company and the HKSE pursuant to Divisions 2 and 3 of Part XV of the SFO:

Long Positions

Name of substantial shareholder	Capacity	Shares/underlying Shares held	%
CMG	Interest of Controlled Corporation	3,029,009,132 ^(1,2,3,4)	72.15%
CMSN	Interest of Controlled Corporation	3,002,405,132 ⁽²⁾	71.52%
CMHK	Interest of Controlled Corporation	3,002,405,132 ⁽²⁾	71.52%
Rainbow	Interest of Controlled Corporation	2,085,300,146 ⁽²⁾	49.67%
CMPID	Interest of Controlled Corporation	2,085,300,146 ⁽²⁾	49.67%
CMPG	Beneficial Owner	15,780,583 ⁽²⁾	0.37%
CMPG	Interest of Controlled Corporation	2,069,519,563 ⁽²⁾	49.30%
Port Development	Beneficial Owner	2,069,519,563 ⁽²⁾	49.30%
CMU	Beneficial Owner	917,104,986 ⁽²⁾	21.85%
CMSIZ	Interest of Controlled Corporation	3,000,000 ⁽³⁾	0.07%
Top Chief	Interest of Controlled Corporation	3,000,000 ⁽³⁾	0.07%
Orienteur	Beneficial Owner	3,000,000 ⁽³⁾	0.07%
CMITG	Interest of Controlled Corporation	23,604,000 ⁽⁴⁾	0.56%
CMID	Interest of Controlled Corporation	23,604,000 ⁽⁴⁾	0.56%
Sinomarine	Interest of Controlled Corporation	23,604,000 ⁽⁴⁾	0.56%
SSHL	Interest of Controlled Corporation	23,604,000 ⁽⁴⁾	0.56%
CMITHK	Beneficial Owner	23,604,000 ⁽⁴⁾	0.56%
Pagoda Tree	Interest of Controlled Corporation	801,294,878 ⁽⁵⁾	19.09%
Compass Investment	Interest of Controlled Corporation	801,294,878 ⁽⁵⁾	19.09%
CNIC Corporation	Interest of Controlled Corporation	801,294,878 ⁽⁵⁾	19.09%
Verise Holdings	Interest of Controlled Corporation	801,294,878 ⁽⁵⁾	19.09%

Notes:

- Each of CMSN, CMSIZ and CMITG is a subsidiary of CMG. CMG is deemed to be interested in 3,029,009,132 shares, which represents the aggregate of 3,002,405,132 shares deemed to be interested by CMSN (see Note 2 below), 3,000,000 shares deemed to be interested by CMSIZ (see Note 3 below) and 23,604,000 shares deemed to be interested by CMITG (see Note 4 below).

- CMHK is wholly-owned by CMSN, Rainbow is 74.66%-owned by CMHK and 25.34%-owned by CMU, which is in turn 50%-owned by CMHK. CMPID is in turn wholly-owned by Rainbow. CMPG is 46.28%-owned by CMPID.

CMSN is deemed to be interested in 3,002,405,132 shares which are deemed to be interested by CMHK. Such shares represent the aggregate of 917,104,986 shares beneficially held by CMU, 15,780,583 shares beneficially held by CMPG and 2,069,519,563 shares deemed to be interested by CMPG.

Port Development is a wholly-owned subsidiary of CMPG. CMPG is deemed to be interested in 2,085,300,146 shares. Such shares represent the aggregate of 2,069,519,563 shares beneficially held by Port Development and 15,780,583 shares beneficially held by CMPG.

- Top Chief is wholly-owned by CMSIZ and Orienture is in turn wholly-owned by Top Chief. CMSIZ is deemed to be interested in the 3,000,000 shares which are deemed to be interested by Top Chief. Such shares represent the 3,000,000 shares beneficially held by Orienture.
- CMITHK is 100%-owned by SSSL, which is wholly-owned by Sinomarine. Sinomarine is in turn wholly-owned by CMID, which is in turn wholly-owned by CMITG. Therefore, each of SSSL, Sinomarine, CMID and CMITG is deemed to be interested in 23,604,000 shares beneficially held by CMITHK.
- According to the disclosure of interests form submitted by Pagoda Tree on 3 August 2020, CMU is 50%-owned by Verise Holdings, which is in turn wholly-owned by CNIC Corporation. CNIC Corporation is in turn 90%-owned by Compass Investment, which is in turn wholly-owned by Pagoda Tree. Therefore, each of Verise Holdings, CNIC Corporation, Compass Investment and Pagoda Tree is deemed to be interested in the shares beneficially held by CMU.

Short Positions

Nil

Save as disclosed above, there was no person, other than a Director or chief executive of the Company, who has an interest or short position in the shares and underlying shares of the Company as recorded in the register of the Company kept under section 336 of the SFO.

As at 31 December 2025, save as disclosed in the Annual Report, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Company has complied with the applicable public float requirements of not less than 25% of the Company's issued shares under Rules 13.32B of the Listing Rules throughout the year ended 31 December 2025. The percentage of the Company's public float as at 31 December 2025 is set out as follows:

	As at 31 December 2025
Issued shares of the Company	4,198,009,186
Shares of the Company held by the public	1,168,978,931
Public float percentage	27.85%

The share capital structure of the Company as at 31 December 2025 consists of 4,198,009,186 ordinary shares, ranking pari passu in all respects with each other.

Report of the Directors

As at 31 December 2025, the composition of ownership of the shares of the Company listed on the HKSE is as follows⁽¹⁾:

Name of Shareholder	Capacity/Nature of disclosure	Number of shares held in the Company	%
Shareholders who are not members of the public			
Substantial shareholders and their close associates:			
CMPG	Beneficial owner	15,780,583 ⁽²⁾	0.37%
Port Development	Beneficial owner	2,069,519,563 ⁽²⁾	49.30%
CMU	Beneficial owner	917,104,986 ⁽²⁾	21.85%
Orienture	Beneficial owner	3,000,000 ⁽²⁾	0.07%
CMITHK	Beneficial owner	23,604,000 ⁽²⁾	0.56%
Directors, supervisors and chief executives and their close associates:			
Mr. Yim Kong	Non-executive Director	7,227	0.0002%
Mr. Lu Yongxin	Executive Director	13,896	0.0003%
Other persons excluded from the definition of the public		N/A	N/A
Total number of shares held by Shareholders who are not members of the public		3,029,030,255	72.15%
Shareholders who are members of the public			
Members of the public	Aggregate shareholdings	1,168,978,931	27.85 %
Total number of shares held by Shareholders who are members of the public		1,168,978,931	27.85 %
Total issued shares of the Company		4,198,009,186	100%

Notes:

- The above disclosure is made based on information that is publicly available to the Company (including filings made under Part XV of the SFO) and information otherwise within the knowledge of the Directors as at 31 December 2025.
- For the avoidance of doubt, the shareholdings set out in this table are presented based on beneficial ownership of the shares of the Company as at 31 December 2025. For further particulars of the interest or short position in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO or as notified to the Company and the HKSE pursuant to Divisions 2 and 3 of Part XV of the SFO, please refer to the section headed "Substantial Shareholders" in the Annual Report.

CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Group entered into the following transactions, which constituted connected transactions under the Listing Rules, and are required to be disclosed in accordance with Chapter 14A of the Listing Rules:

- (a) Details of connected transactions are set out below:
- (i) Reference is made to the announcement of the Company dated 11 April 2025. On 11 April 2025, HIPG, an indirect subsidiary of the Company, entered into a structured lease agreement (the “**Structured Lease Agreement**”) with Ocean Offshore. Pursuant to the Structured Lease Agreement, HIPG agreed to transfer all legal and beneficial right, title and interest in and to certain equipment to Ocean Offshore, and Ocean Offshore agreed to accept the same with the intention that Ocean Offshore shall immediately lease the equipment back to HIPG for the lease period. As security for the performance of HIPG’s obligations, the Company will provide a letter of comfort in favour of Ocean Offshore. The equipment comprises 3 quay cranes and 3 rubber gantry cranes with an aggregate book value of USD25.67 million (equivalent to approximately HK\$200 million) and original cost of USD34.13 million (equivalent to approximately HK\$266 million), respectively. The consideration payable

by Ocean Offshore is 85% of the net book value or the market value of the equipment as determined by a valuation report issued by an approved broker, whichever is lower, subject to a maximum cap of USD20.00 million (equivalent to approximately HK\$156 million); subject to Ocean Offshore’s election, its payment obligation may be set off against HIPG’s obligation to pay a deposit equal to 5% of the consideration, such that Ocean Offshore would pay the net consideration. Interest accrues on the rent principal balance at a rate equal to the aggregate of applicable 3-month Term SOFR plus a margin of 2.8% per annum, and rent is payable at six-monthly intervals after the remittance date. The lease period commences on the remittance date and ends on the fifth anniversary thereof, unless terminated earlier in accordance with the Structured Lease Agreement. At the end of the lease period, subject to payment of all amounts due, HIPG shall repurchase all of the equipment from Ocean Offshore for USD1.00 (equivalent to approximately HK\$7.80). Ocean Offshore is an indirect wholly-owned subsidiary of CMG, the ultimate holding company of the Company. Accordingly, Ocean Offshore is a connected person of the Company and the transaction contemplated under the Structured Lease Agreement constitutes connected transaction of the Company under Chapter 14A of the Listing Rules.

Report of the Directors

- (ii) Reference is made to the announcements of the Company dated 27 September 2024 and 19 June 2025. On 27 September 2024, CICT, an indirect subsidiary of the Company, entered into an equipment modification agreement (the “**Equipment Modification (Terminal Tractors) Agreement**”) with Hoi Tung. Pursuant to which Hoi Tung shall be responsible for the production, supply and installation of equipment for the modification of 54 diesel driven terminal tractors to fully electric driven terminal tractors at the Colombo International Container Terminal, and the provision of on-site guidance and quality monitoring of the disassembly, installation, commissioning and testing of the relevant equipment. The Equipment Modification (Terminal Tractors) Agreement shall be valid for a period of 24 months with effect from 1 October 2024 and could be extended mutually in writing by the parties, and the total consideration of RMB27.94 million (equivalent to approximately HK\$31.04 million) to Hoi Tung. On 19 June 2025, CICT entered into an addendum to the Equipment Modification (Terminal Tractors) Agreement (the “**Addendum**”) with Hoi Tung to amend certain terms of the Equipment Modification (Terminal Tractors) Agreement.

Pursuant to the Addendum, the specifications of certain equipment to be provided and shipped by Hoi Tung were amended, and as a result of the modifications to such specifications, the total contract price payable by CICT to Hoi Tung increased from RMB27.94 million (equivalent to approximately HK\$31.04 million) to RMB28.48 million (equivalent to approximately HK\$31.64 million). The Addendum took effect from 1 July 2025 and the additional consideration of RMB0.54 million (equivalent to approximately HK\$0.60 million) shall be paid within thirty days upon delivery of the equipment in accordance with the modified specifications and submission of the relevant invoice. Save as disclosed above and related changes to reflect the revised specifications, contract price and payment terms, all other principal terms of the Equipment Modification (Terminal Tractors) Agreement remain substantially unchanged. Hoi Tung is an indirect subsidiary of CMG, the ultimate holding company of the Company. Accordingly, Hoi Tung is a connected person of the Company and the transactions contemplated under the Equipment Modification (Terminal Tractors) Agreement and the Addendum constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

(b) Details of the continuing connected transactions of the Group for the year ended 31 December 2025 that are subject to the reporting and annual review requirements under the Listing Rules are set out below:

Name of party	Nature of transaction	Note	Total	Annual Caps
			Consideration for the year ended 31 December 2025 (HK\$' million)	for the year ended 31 December 2025 (HK\$' million)
Shenzhen Nanyou	Provision of warehouse services charged to the Group	(i)	(30.15)	(44.87)*
China Merchants Finance	Placing of deposits	(ii)	2,475.08**	2,500.00**
China Merchants Finance	Interest income arising from the depositing of money	(ii)	29.04	81.00
CMIT Group	Provision of technology consulting services, system maintenance, software development and information systems integration services charged to the Group	(iii)	(127.15)	(333.00)*
Yiu Lian Shekou, CM Property Management, Shenzhen West Security, CMPG, Chiwan Container Terminal, Chiwan Port, CMBL, CMIT, CM Chuangrong, Shenzhen Gangteng, Shenzhen Chiwan, Haixing, and Shenzhen Mawan	Rental income from the leasing of residential housing and transit/storage site received by the Group	(iv)	10.68	22.43*

Report of the Directors

Name of party	Nature of transaction	Note	Total	
			Consideration for the year ended 31 December 2025 (HK\$' million)	Annual Caps for the year ended 31 December 2025 (HK\$' million)
Sinotrans & CSC Group	Provision of port-related services charged by the Group	(v)	79.18	86.67*
Sinotrans & CSC Group	Provision of cargo transportation and related agency services charged to the Group	(v)	(5.77)	(18.89)*
CMPG Group	Provision of port and port-related comprehensive services charged by the Group	(vi)	32.54	39.11*
CMPG Group	Provision of port and port-related comprehensive services charged to the Group	(vi)	(17.19)	(20.78)*
Chiwan Port, Chiwan Container Terminal, Shenzhen Mawan, and Shenzhen Chiwan	Rental income from the leasing of office units received by the Group	(vii)	11.59	15.43*
Shenzhen Gangteng	Provision of transportation, warehouse and comprehensive logistics services charged to the Group	(viii)	(0.81)	(16.67)*
Euroasia	Rental fee from the lease of land charged to the Group	(ix)	(16.16)	(16.50)

Name of party	Nature of transaction	Note	Total	Annual Caps
			Consideration for the year ended 31 December 2025 (HK\$' million)	for the year ended 31 December 2025 (HK\$' million)
China Merchants Finance, Haitong Shenzhen, Haitong Haihui, China Merchants Food, China Communications, CMS, Zhaoliang Shenzhen, and CMIT	Rental income from the leasing of office units received by the Group	(x)	18.56	19.91*
CIAO International	Provisions of customs clearance, warehousing and related logistics services charged by the Group	(xi)	19.01	22.53*
CIAO International	Provision of Shenzhen-Hong Kong land transportation services and other related ancillary services charged by the Group	(xii)	7.49	7.58*
Shenzhen West Security	Provision of security services charged to the Group	(xiii)	(6.28)	(9.72)*

* The respective annual caps for these transactions are denominated in other currencies and are converted to HK\$ using the exchange rates prevailing on the dates of the announcements on which the annual caps were disclosed.

** These figures represent the maximum amount of deposit actually placed by the Group and the cap in respect of the aggregate amount of deposit that may be placed by the Group at any end-of-day basis during the year ended 31 December 2025 respectively. The cap applied at HK\$2,100.00 million on an at-any-time basis from 1 January 2025 to 22 December 2025 and at HK\$2,500.00 million on an end-of-day basis from 23 December 2025 to 31 December 2025. Please refer to note(ii) for details.

Report of the Directors

Notes:

(i) Reference is made to the announcements of the Company dated 29 September 2022 and 25 September 2025. On 29 September 2022, CMBL, a 60%-owned subsidiary of the Company, and Shenzhen Nanyou entered into a warehouse service agreement in relation to the warehouse services to be provided by Shenzhen Nanyou to CMBL in Qianhai, Shenzhen for a term of three years commencing on the closing date which was within 10 business days after Shenzhen Nanyou had obtained the project completion acceptance report and the written completion records from the fire protection department (the “**2022 Warehouse Service Agreement**”). The fees payable to Shenzhen Nanyou consist of service fees and management fees, and CMBL shall also provide security deposits to Shenzhen Nanyou in cash and bank guarantee. The Directors resolved to set the annual caps in respect of the total fees payable to Shenzhen Nanyou under the 2022 Warehouse Service Agreement for each of the years ended 31 December 2022, 2023, 2024 and 2025 at RMB11.00 million (equivalent to approximately HK\$12.22 million), RMB45.00 million (equivalent to approximately HK\$50.00 million), RMB46.00 million (equivalent to approximately HK\$51.11 million) and RMB36.00 million (equivalent to approximately HK\$40.00 million). On 25 September 2025, in view of the expiry of the 2022 Warehouse Service Agreement, CMBL entered into a series of warehouse service agreements with Shenzhen Nanyou (the “**2025 Warehouse Service Agreements**”) in relation to the renewal of the provision of warehouse services for a term between 3 months to 3 years, commencing on 26 September 2025 and ending between 1 January 2026 to 25 September 2028. The Directors resolved to set the annual caps in respect of the total fees payable to Shenzhen Nanyou under the 2025 Warehouse Service Agreements for each of the years ended/ending 31 December 2025, 2026, 2027 and 2028 at RMB4.38 million (equivalent to approximately HK\$4.87 million), RMB13.89 million (equivalent to approximately HK\$15.43 million), RMB12.74 million (equivalent to approximately HK\$14.16 million) and RMB9.40 million (equivalent to approximately HK\$10.44 million), respectively. The aggregate fees payable by CMBL to Shenzhen Nanyou in the year ended 31 December 2025 under the 2022 Warehouse Service Agreement and 2025 Warehouse Service Agreements were approximately RMB27.63 million (equivalent to approximately HK\$30.15 million). Shenzhen Nanyou is a subsidiary of CMG, the ultimate holding company of the Company, and accordingly, a connected person of the Company.

(ii) Reference is made to the announcements of the Company dated 29 September 2022 and 22 December 2025. On 29 September 2022, the Company and China Merchants Finance entered into a financial services agreement to set out the framework for future transactions in relation to (i) the depositing of money by the Group with China Merchants Finance; (ii) the provision of clearing and settlement services by China Merchants Finance; (iii) the provision of loans and other credit services by China Merchants Finance; (iv) the provision of foreign exchange clearance and settlement services; and (v) the provision of other financial services (including wealth management, securities underwriting and financial consultancy services), for a term of three years commencing on 23 December 2022 and ending on 22 December 2025 (the “**2023 Financial Services Agreement**”). With respect to (i) the depositing of money by the Group with China Merchants Finance, the Directors had resolved to set the maximum amount of deposit at HK\$2,100.00 million at any point of time during the term of the 2023 Financial Services Agreement. With respect to (ii) the fees payable by the Group for the provision of clearing and settlement services; (iii) the fees payable by the Group for the provision of foreign exchange clearance and settlement services; (iv) the fees payable by the Group for the provision of other financial services; and (v) the interest income arising from the depositing of money by the Group under the 2023 Financial Services

Agreement, the Directors resolved to set the annual caps at HK\$10.00 million, HK\$10.00 million, HK\$10.00 million and HK\$81.00 million, for each of the years ended 31 December 2023, 2024 and 2025. The annual caps for the fees payable for the (i) provision of clearing and settlement services; (ii) provision of foreign exchange clearance and settlement services; and (iii) provision of other financial services are less than 0.1% of the applicable percentage ratios and are therefore de minimis continuing connected transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from the shareholders’ approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules. On 22 December 2025, in view of the expiry of the 2023 Financial Services Agreement on 22 December 2025, the Company and China Merchants Finance entered into a new financial services agreement for a term of three years commencing on 23 December 2025 and ending on 22 December 2028 (the “**2026 Financial Services Agreement**”). With respect to (i) the depositing of money by the Group with China Merchants Finance, the Directors had resolved to set the maximum amount of deposit at HK\$2,500.00 million at the end of day deposit balance during the term of the 2026 Financial Services Agreement. With respect to (ii) the fees payable by the Group for the provision of clearing and settlement services; (iii) the fees payable by the Group for the provision of foreign exchange clearance and settlement services; (iv) the fees payable by the Group for the provision of other financial services and (v) the interest income arising from the depositing of money by the Group under the 2026 Financial Services Agreement, the Directors resolved to set the annual caps at HK\$10.00 million, HK\$10.00 million, HK\$10.00 million and HK\$81.00 million, respectively, for each of the years ending 31 December 2026, 2027 and 2028. With respect to the depositing of money by the Group with China Merchants Finance, during the year ended 31 December 2025, the Group’s deposits with China Merchants Finance did not exceed HK\$2,100.00 million at any point in time during the period from 1 January 2025 to 22 December 2025 under the 2023 Financial Services Agreement and did not exceed HK\$2,500.00 million on any end-of-day basis during the period from 23 December 2025 to 31 December 2025 under the 2026 Financial Services Agreement. The maximum amount of deposit placed by the Group during the year ended 31 December 2025 under the 2023 Financial Services Agreement and 2026 Financial Services Agreement was HK\$2,093.69 million and HK\$2,475.08 million respectively. The total interest income received and receivable by the Company under the 2023 Financial Services Agreement and the 2026 Financial Services Agreement in the year ended 31 December 2025 was HK\$29.04 million. China Merchants Finance is a subsidiary of CMG, the ultimate holding company of the Company, and accordingly, a connected person of the Company.

(iii) Reference is made to the announcement of the Company dated 23 December 2024. On 23 December 2024, in view of the expiry of the previous comprehensive services framework agreement, the Company and CMIT entered into a comprehensive services framework agreement to set out the framework for future transactions in relation to the provision of technology consulting services, system maintenance, software development and information systems integration services by CMIT Group to members of the Group for a term of three years commencing on 1 January 2025 and ending on 31 December 2027 (the “**2025 CMIT Comprehensive Services Framework Agreement**”). The Directors resolved to set the annual cap in respect of the aggregate service fees payable by the Group under the 2025 CMIT Comprehensive Services Framework Agreement for each of the three years ended/ending 31 December 2025, 2026 and 2027 at RMB300.00 million (equivalent to approximately HK\$333.00 million). The aggregate service fees paid and payable by the Group to CMIT Group under the comprehensive services framework agreement in connection with the service period in the year ended 31 December 2025 were RMB116.49 million (equivalent to approximately HK\$127.15 million). CMIT is a subsidiary of CMPG, a substantial shareholder of the Company, and accordingly, a connected person of the Company.

- (iv) Reference is made to the announcements of the Company dated 22 March 2024, 27 September 2024 and 4 September 2025. On 22 March 2024, Qianhai Bay Property, an indirect wholly-owned subsidiary of the Company, renewed a lease agreement (hereinafter referred to as each the “**Qianhai Bay Garden Lease Agreement**”, together, the “**Qianhai Bay Garden Lease Agreements**”) with Yiu Lian Shekou (the “**Existing Qianhai Bay Garden Lease Agreement with Yiu Lian Shekou**”), in view of its expiry, to lease several residential units located at Qianhai Bay Garden (前海灣花園), residential properties located in Shenzhen, PRC (the “**Qianhai Bay Garden**”) as staff quarters for Yiu Lian Shekou’s employees for the period between 1 May 2024 to 31 October 2025. On 27 September 2024, in view of the expiry of some of the existing Qianhai Bay Garden Lease Agreements and the need to cater for additional needs for employee housing, Qianhai Bay Property entered into a series of lease agreements (together with the Existing Qianhai Bay Garden Lease Agreement with Yiu Lian Shekou, the “**2024 Qianhai Bay Garden Lease Agreements**”) with (i) CM Property Management, (ii) Chiwan Container Terminal, (iii) CMPG, (iv) Chiwan Port, (v) CMBL, (vi) CMIT, (vii) CM Chuangrong and (viii) Shenzhen Gangteng (together with Yiu Lian Shekou, the “**2024 Lessees**”) respectively to lease numerous residential units located at Qianhai Bay Garden as staff quarters for their respective employees for the period commencing on dates between 1 November 2024 to 1 December 2024 and ending on dates between 31 May 2025 to 31 December 2025. Between 25 March 2025 to 4 September 2025, in view of the expiry of some of the existing Qianhai Bay Garden Lease Agreements and the need to cater for additional needs for employee housing and storage, Qianhai Bay Property entered into a series of lease agreements (together, the “**2025 Qianhai Bay Garden Lease Agreements**”) with (i) Shenzhen West Security, (ii) CM Property Management, (iii) Chiwan Container Terminal, (iv) Shenzhen Chiwan, (v) Haixing, (vi) Shenzhen Mawan and (vii) Yiu Lian Shekou (together, the “**2025 Lessees**”) respectively to lease numerous units located at Qianhai Bay Garden for the period commencing on dates between 1 April 2025 to 1 November 2025 and ending on dates between 30 September 2025 to 31 December 2026. The Directors resolved to revise the aggregate annual cap in respect of the rental income receivable by the Group under the 2024 Qianhai Bay Garden Lease Agreements and the 2025 Qianhai Bay Garden Lease Agreements upwards to RMB20.19 million (equivalent to approximately HK\$22.43 million) for the year ended 31 December 2025. The aggregate rental income received and receivable by the Group under the 2024 Qianhai Bay Garden Lease Agreements and 2025 Qianhai Bay Garden Lease Agreements in the year ended 31 December 2025 was RMB9.79 million (equivalent to approximately HK\$10.68 million). Each of the 2024 Lessees and 2025 Lessees is a subsidiary of CMG or CMPG. CMG is the ultimate holding company of the Company, CMPG is a substantial shareholder of the Company. Accordingly each of them is a connected person of the Company.
- (v) Reference is made to the announcement of the Company dated 23 December 2024. On 23 December 2024, in view of the expiry of the previous comprehensive services framework agreement on 31 December 2024, the Company and Sinotrans & CSC entered into a comprehensive services framework agreement which sets out the framework for the provision of port-related services by members of the Group to members of the Sinotrans & CSC Group and the provision of cargo transportation and related agency services by members of the Sinotrans & CSC Group to members of the Group for a term of three years commencing on 1 January 2025 and ending on 31 December 2027 (the “**2025 Sinotrans Services Framework Agreement**”). The Directors resolved to set the annual caps in respect of the service fees for port-related services receivable by the Group from the Sinotrans & CSC Group for each of the three years ended/ending 31 December 2025, 2026 and 2027 at RMB78.00 million (equivalent to approximately HK\$86.67 million), RMB101 million (equivalent to approximately HK\$112 million) and RMB131 million (equivalent to approximately HK\$146 million) respectively, and the annual caps in respect of the service fees for cargo transportation and related agency services payable by the Group to Sinotrans & CSC Group for each of the three years ended/ending 31 December 2025, 2026 and 2027 at RMB17.00 million (equivalent to approximately HK\$18.89 million), RMB22.00 million (equivalent to approximately HK\$24.44 million) and RMB29.00 million (equivalent to approximately HK\$32.22 million) respectively. The aggregate service fees received and receivable by the Group for port-related services, in the year ended 31 December 2025 were RMB72.54 million (equivalent to approximately HK\$79.18 million), and the aggregate service fees paid and payable by the Group for cargo transportation and related agency services in the year ended 31 December 2025 were RMB5.29 million (equivalent to approximately HK\$5.77 million). Sinotrans & CSC is a wholly-owned subsidiary of CMG, the ultimate holding company of the Company, and accordingly, a connected person of the Company.
- (vi) Reference is made to the announcement of the Company dated 18 December 2023. On 18 December 2023, CMPG and the Company entered into a service framework agreement (the “**2024 CMPG Services Framework Agreement**”) which sets out the framework for future transactions in relation to (i) the provision of port and port-related comprehensive services by members of the Group to members of CMPG Group and (ii) the provision of port and port-related comprehensive services by members of CMPG Group to members of the Group for a term of three years commencing on 1 January 2024 and ending on 31 December 2026. Pursuant to the 2024 CMPG Services Framework Agreement, the prices for the provision of port and port-related comprehensive services by members of the Group to members of the CMPG Group and the provision of port and port-related comprehensive services by members of the CMPG Group to members of the Group should be fair and reasonable and shall be at terms not less than those provided to independent third parties. The Directors resolved to set the annual caps in respect of the service fees for port and port-related comprehensive services receivable by the Group from CMPG Group at RMB32.00 million (equivalent to approximately HK\$35.56 million), RMB35.20 million (equivalent to approximately HK\$39.11 million) and RMB38.72 million (equivalent to approximately HK\$43.02 million) for the three years ended/ending 31 December 2024, 2025 and 2026, respectively, and the annual caps in respect of the service fees for the port and port-related comprehensive services payable by the Group to CMPG Group at RMB17.00 million (equivalent to approximately HK\$18.89 million), RMB18.70 million (equivalent to approximately HK\$20.78 million) and RMB20.57 million (equivalent to approximately HK\$22.86 million) for the three years ended/ending 31 December 2024, 2025 and 2026, respectively. The aggregate service fees for the provision of port and port-related comprehensive services received and receivable by the Group from CMPG Group and the service fees for port and port-related comprehensive services paid and payable by the Group to CMPG Group in the year ended 31 December 2025 were RMB29.81 million (equivalent to approximately HK\$32.54 million) and RMB15.75 million (equivalent to approximately HK\$17.19 million), respectively. CMPG is a substantial shareholder of the Company, and accordingly, CMPG is a connected person of the Company.

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- (vii) Reference is made to the announcement of the Company dated 18 December 2023. On 18 December 2023, Shenzhen Malai Storage Company Limited (now renamed as 招商局港口現代物流科技(深圳)有限公司), a wholly-owned subsidiary of the Company, entered into a series of lease agreements (together, the “**Maritime Center Lease Agreements**”) with (i) Chiwan Port, (ii) Chiwan Container Terminal, (iii) Shenzhen Mawan and (iv) Shenzhen Chiwan to lease numerous office units located at Maritime Center Port Building, a commercial property located at 59 Linhai Avenue, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, PRC (深圳市前海深港合作區臨海大道 59號海運中心口岸樓) for the lessees’ commercial use for a period commencing on 1 January 2024 and ending on 31 December 2026. The Directors resolved to set aggregate annual caps in respect of the annual aggregate maximum amount of rental income receivable by the Group under the Maritime Center Lease Agreements at RMB13.52 million (equivalent to approximately HK\$15.02 million), RMB13.89 million (equivalent to approximately HK\$15.43 million) and RMB13.89 million (equivalent to approximately HK\$15.43 million) for the three years ended/ending 31 December 2024, 2025 and 2026 respectively. The aggregate rental income received and receivable by the Group under the Maritime Center Lease Agreements in the year ended 31 December 2025 was RMB10.62 million (equivalent to approximately HK\$11.59 million). Each of the lessees is a subsidiary of CMPG, a substantial shareholder of the Company. Accordingly, each of the lessees is a connected person of the Company.
- (viii) Reference is made to the announcement of the Company dated 18 December 2023. On 18 December 2023, CMQHW, a 60%-owned subsidiary of the Company, and Shenzhen Gangteng entered into a framework agreement in relation to the provision of transportation, warehouse and comprehensive logistics services by Shenzhen Gangteng to CMQHW for a term from 10 January 2024 to 30 September 2026 (the “**Logistics Supply Chain Framework Agreement**”). The Directors resolved to set annual caps in respect of the service fees payable by the Group under the Logistics Supply Chain Framework Agreement at RMB15.00 million (equivalent to approximately HK\$16.67 million), RMB15.00 million (equivalent to approximately HK\$16.67 million) and RMB11.25 million (equivalent to approximately HK\$12.50 million) for the year ended 31 December 2024, the year ended 31 December 2025 and the nine months ending 30 September 2026, respectively. The aggregate service fees for the provision of transportation, warehouse and comprehensive logistics services paid and payable by the Group to Shenzhen Gangteng in the year ended 31 December 2025 under the Logistics Supply Chain Framework Agreement were RMB0.74 million (equivalent to approximately HK\$0.81 million). Shenzhen Gangteng is a 40%-owned joint venture of CMPG, a substantial shareholder of the Company. Accordingly, Shenzhen Gangteng is a connected person of the Company.
- (ix) Reference is made to the announcement of the Company dated 23 December 2024. On 23 December 2024, in view of the expiry of the previous cooperation agreement on 31 December 2024, CMCS, a wholly-owned subsidiary of the Company, entered into a cooperation agreement with Euroasia to lease a piece of land in Tsing Yi from Euroasia with a total area of 679,704 square metres to be used for its container business for a term of one year commencing on 1 January 2025 and ending on 31 December 2025 (the “**2025 Euroasia Cooperation Agreement**”). The Directors resolved to set the annual cap in respect of the rental fees to be paid by CMCS to Euroasia under the 2025 Euroasia Cooperation Agreement at HK\$16.50 million for the year ended 31 December 2025. The rent paid and payable by CMCS to Euroasia in the year ended 31 December 2025 under the 2025 Euroasia Cooperation Agreement was HK\$16.16 million. Euroasia is an indirect wholly-owned subsidiary of CMG, the ultimate holding company of the Company. Accordingly, Euroasia is a connected person of the Company.
- (x) Reference is made to the announcements of the Company dated 18 December 2023, 22 March 2024, 23 December 2024 and 25 March 2025. Between 10 July 2023 and 18 December 2023, JYRT, a wholly-owned subsidiary of the Company (as lessor), entered into a series of lease agreements (hereinafter referred to as each the “**CMPort Building Lease Agreement**”, together, the “**CMPort Building Lease Agreements**”).
- On 10 July 2023, JYRT (as lessor) entered into the CMPort Building Lease Agreement with China Merchants Finance (as lessee) to lease numerous office units located at CMPort Building (former name: Nanhai Yiku Dream Factory Building), a commercial property located at Gongye Third Road, Nanshan District, Shenzhen, PRC (深圳市南山區工業三路招商局港口大廈(前稱:南海意庫夢工廠大廈)) (the “**CMPort Building**”) for the lessee’s commercial use for a period that commenced on 25 July 2023 and ending on 24 July 2026. Between 22 March 2024 and 23 December 2024, JYRT (as lessor) entered into a series of lease agreements (hereinafter referred to as each the “**2024 CMPort Building Lease Agreement**”, together, the “**2024 CMPort Building Lease Agreements**”). On 22 March 2024, JYRT (as lessor) entered into the 2024 CMPort Building Lease Agreement with CMS to lease numerous office units located at CMPort Building for the lessee’s commercial use for a period from 1 April 2024 to 31 March 2027. On 1 October 2024, JYRT (as lessor) also entered into the 2024 CMPort Building Lease Agreement with China Merchants Food (as lessee) to lease a portion of the basement located at CMPort Building for the lessee’s commercial use for a period from 1 October 2024 to 30 September 2027. On 23 December 2024, in view of the expiry of some of the existing CMPort Building Lease Agreements and to cater for additional commercial needs, JYRT (as lessor) entered into the 2025 CMPort Building Lease Agreements with (i) CMIT, (ii) Zhaoliang Shenzhen, (iii) China Communications, (iv) China Merchants Food, (v) Haitong Shenzhen and (vi) Haitong Haihui (as lessees) (hereinafter referred to as each the “**2025 CMPort Building Lease Agreement**”, together, the “**2025 CMPort Building Lease Agreements**”) to lease numerous office units located at CMPort Building for the lessees’ commercial use for a period from 1 January 2025 and ending on dates between 31 December 2025 and 31 December 2027. On 25 March 2025, JYRT (as lessor) entered into a 2025 CMPort Building Lease Agreement with CMIT (the “**2025 CMIT CMPort Building Lease Agreement**”) to lease numerous office units located at CMPort Building for the lessee’s commercial use for a period that commenced on 1 April 2025 and ending on 31 March 2026. The Directors resolved to revise the aggregate annual cap in respect of the rental income receivable by the Group under the 2024 CMPort Building Lease Agreements, 2025 CMPort Building Lease Agreements and 2025 CMIT CMPort Building Lease Agreement upwards to RMB17.92 million (equivalent to approximately HK\$19.91 million) for the year ended 31 December 2025. The aggregate rental income received and receivable by the Group under the 2024 CMPort Building Lease Agreements, 2025 CMPort Building Lease Agreements and 2025 CMIT CMPort Building Lease Agreement in the year ended 31 December 2025 was RMB17.00 million (equivalent to approximately HK\$18.56 million). China Merchants Finance, CMS, CMIT, Zhaoliang Shenzhen, China Communications, China Merchants Food, Haitong Shenzhen and Haitong Haihui are subsidiaries of CMG or CMPG, CMG is the ultimate holding company of the Company, CMPG is a substantial shareholder of the Company. Accordingly each of them is a connected person of the Company.
- (xi) Reference is made to the announcement of the Company dated 12 April 2024. On 12 April 2024, CMBL, a 60%-owned subsidiary of the Company, and CIAO International entered into a logistics services framework agreement in relation to the provisions of customs clearance, warehousing and related logistics services by CMBL to CIAO International for its goods for a term commencing on 12 April 2024 and ending on 31 December 2026 (the “**CMBL Logistics Services Framework Agreement**”). The Directors resolved to set the annual cap in respect of the CMBL Logistics Services Framework Agreement for the nine months ended 31 December 2024 at RMB11.79 million (equivalent to approximately HK\$12.96 million) and the two years ended/ending 31 December of 2025 and 2026 at RMB20.50 million (equivalent to approximately HK\$22.53 million) and RMB20.50 million (equivalent to approximately HK\$22.53 million), respectively. The aggregate service fees for the provision of customs clearance, warehousing and related logistics services received and receivable by CMBL from CIAO International in the year ended 31 December 2025 under the CMBL Logistics Services Framework Agreement were RMB17.42 million (equivalent to approximately HK\$19.01 million). CIAO International is an indirect wholly-owned subsidiary of Best Mart 360, which is indirectly owned as to 49% by CMG, the ultimate holding company of the Company. Accordingly, both CIAO International and Best Mart 360 are connected persons of the Company.

- (xii) Reference is made to the announcement of the Company dated 12 April 2024. On 12 April 2024, CMQHW, a 60%-owned subsidiary of the Company, and CIAO International entered into a transportation framework agreement in relation to the provision of Shenzhen-Hong Kong land transportation services and other related ancillary services by CMQHW to CIAO International for a term commencing on 12 April 2024 and ending on 31 December 2026 (the “**CMQHW Transportation Framework Agreement**”). The Directors resolved to set the annual cap in respect of the CMQHW Transportation Framework Agreement for the nine months ended 31 December 2024 at RMB5.18 million (equivalent to approximately HK\$5.69 million) and the two years ended/ending 31 December of 2025 and 2026 at RMB6.90 million (equivalent to approximately HK\$7.58 million) and RMB6.90 million (equivalent to approximately HK\$7.58 million), respectively. The aggregate service fees for the provision of Shenzhen-Hong Kong land transportation services and other related ancillary services received and receivable by CMQHW from CIAO International in the year ended 31 December 2025 under the CMQHW Transportation Framework Agreement were RMB6.86 million (equivalent to approximately HK\$7.49 million). CIAO International is an indirect wholly-owned subsidiary of Best Mart 360, which is indirectly owned as to 49% by CMG, the ultimate holding company of the Company. Accordingly, both CIAO International and Best Mart 360 are connected persons of the Company.
- (xiii) Reference is made to the announcement of the Company dated 25 September 2025. On 25 September 2025, each of (i) Shekou Container Terminals, (ii) Shenzhen Mawan, (iii) Haixing, (iv) Ansuji, (v) CMPS (together, the subsidiaries of the Company), (vi) Chiwan Container Terminal and (vii) Shenzhen Chiwan (together, the subsidiaries of CMPG) entered into an on-site security management service agreement and a perimeter security service agreement with Shenzhen West Security in relation to the provision of on-site security management and perimeter security services across the Shenzhen western port area for a fixed service period from 25 September 2025 to 30 June 2027 (collectively, the “**Security Service Agreements**”). The Directors resolved to set the annual caps in respect of the total fees payable to Shenzhen West Security under the Security Service Agreements for each of the years ended/ending 31 December 2025, 2026, 2027 and 2028 at RMB8.75 million (equivalent to approximately HK\$9.72 million), RMB30.00 million (equivalent to approximately HK\$33.33 million), RMB30.00 million (equivalent to approximately HK\$33.33 million) and RMB15.00 million (equivalent to approximately HK\$16.67 million), respectively. The aggregate service fees payable by the Group to Shenzhen West Security in the year ended 31 December 2025 under the Security Service Agreements were approximately RMB5.75 million (equivalent to approximately HK\$6.28 million). Shenzhen West Security is an indirect subsidiary of CMG, the ultimate holding company of the Company, and accordingly Shenzhen West Security is a connected person of the Company.
- (c) The Independent Non-executive Directors have reviewed the continuing connected transactions set out in paragraph (b) of this section above. In their opinion, these transactions were:
- (i) in the ordinary and usual course of business of the Group;
 - (ii) on normal commercial terms; and
 - (iii) in accordance with the relevant agreements governing such transactions and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Independent Non-executive Directors further opined that:

- (i) in respect of the provision of warehouse services by Shenzhen Nanyou to CMBL, details of which are set out in note (i) to paragraph (b) of this section, the aggregate service fees have not exceeded RMB40.38 million, the aggregate annual cap for the year ended 31 December 2025;
- (ii) in respect of the placing of deposits with China Merchants Finance and interest income arising from the depositing of money, details of which are set out in note (ii) to paragraph (b) of this section, the amount of deposit that was made by the Group with China Merchants Finance during the period up to and including 22 December 2025 has not exceeded HK\$2,100.00 million under the 2023 Financial Services Agreement, and during the period from 23 December 2025 to 31 December 2025 has not exceeded HK\$2,500.00 million under the 2026 Financial Services Agreement, the annual cap for the year ended 31 December 2025 and the amount of interest income from the depositing of money during the year ended 31 December 2025 has not exceeded HK\$81.00 million, the annual cap for the year ended 31 December 2025;
- (iii) in respect of the provision of technology consulting services, system maintenance, software development and information systems integration services by CMIT Group to members of the Group, details of which are set out in note (iii) to paragraph (b) of this section, the aggregate service fees paid have not exceeded RMB300 million, the annual cap for the year ended 31 December 2025;

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- (iv) in respect of the leasing of the numerous units under the 2024 Qianhai Bay Garden Lease Agreements and the 2025 Qianhai Bay Garden Lease Agreements, details of which are set out in note (iv) to paragraph (b) of this section, the aggregate amount of rental income received by the Group for the year ended 31 December 2025 has not exceeded RMB20.19 million, the annual cap for the aggregate rental income for the year ended 31 December 2025;
- (v) in respect of the provision of port-related services by members of the Group to members of the Sinotrans & CSC Group and the provision of cargo transportation and related agency services by members of the Sinotrans & CSC Group to members of the Group, details of which are set out in note (v) to paragraph (b) of this section, the aggregate service fees for port-related services received by the Group for the year ended 31 December 2025 have not exceeded RMB78.00 million, the annual cap for the service fees for port-related services for the year ended 31 December 2025, and the aggregate service fees paid by the Group for cargo transportation and related agency services in the year ended 31 December 2025 have not exceeded RMB17.00 million, the annual cap for the service fees for cargo transportation and related agency services for the year ended 31 December 2025;
- (vi) in respect of the provision of port and port-related comprehensive services to, and the receipt of port and port-related comprehensive services from, the CMPG Group, details of which are set out in note (vi) to paragraph (b) of this section, the aggregate service fees received by the Group from CMPG Group and paid by the Group to CMPG Group for the year ended 31 December 2025 have not exceeded RMB35.20 million and RMB18.70 million, the aggregate annual caps for the year ended 31 December 2025, respectively;
- (vii) in respect of the lease of numerous office units under the Maritime Center Lease Agreements, details of which are set out in note (vii) to paragraph (b) of this section, the aggregate amount of rental income received by the Group for the year ended 31 December 2025 has not exceeded RMB13.89 million, the annual cap for the aggregate rental income for the year ended 31 December 2025;
- (viii) in respect of the provision of transportation, warehouse and comprehensive logistics services to CMQHW under the Logistics Supply Chain Framework Agreement, details of which are set out in note (viii) to paragraph (b) of this section, the aggregate service fees paid by the Group for the year ended 31 December 2025 have not exceeded RMB15.00 million, the annual cap for the year ended 31 December 2025;
- (ix) in respect of the lease of a piece of land in Tsing Yi from Euroasia under the 2025 Euroasia Cooperation Agreement, details of which are set out in note (ix) to paragraph (b) of this section, the aggregate amount of rent paid by the Group for the year ended 31 December 2025 has not exceeded HK\$16.50 million, the annual cap for the aggregate rental income for the year ended 31 December 2025;
- (x) in respect of the lease of numerous office units under the 2024 CMPort Building Lease Agreements, 2025 CMPort Building Lease Agreements and 2025 CMIT CMPort Building Lease Agreement, details of which are set out in note (x) to paragraph (b) of this section, the aggregate amount of rental income received by the Group for the year ended 31 December 2025 has not exceeded RMB17.92 million, the annual cap for the aggregate rental income for the year ended 31 December 2025;

- (xi) in respect of the provisions of customs clearance, warehousing and related logistics services by CMBL to CIAO International under the CMBL Logistics Services Framework Agreement, details of which are set out in note (xi) to paragraph (b) of this section, the aggregate service fees received by the Group for the year ended 31 December 2025 have not exceeded RMB20.50 million, the annual cap for year ended 31 December 2025;
- (xii) in respect of the provision of Shenzhen-Hong Kong land transportation services and other related ancillary services by CMQHW to CIAO International under the CMQHW Transportation Framework Agreement, details of which are set out in note (xii) to paragraph (b) of this section, the aggregate service fees received by the Group for the year ended 31 December 2025 have not exceeded RMB6.90 million, the annual cap for the year ended 31 December 2025; and
- (xiii) in respect of the provision of security services by Shenzhen West Security to Shekou Container Terminals, Shenzhen Mawan, Haixing, Ansuji, CMPS, Chiwan Container Terminal and Shenzhen Chiwan, details of which are set out in note (xiii) to paragraph (b) of this section, the aggregate service fees charged to the Group for the year ended 31 December 2025 have not exceeded RMB8.75 million, the annual cap for the year ended 31 December 2025.

The Company has followed the pricing terms and policies set out in the respective announcements for each of the continuing connected transactions listed in paragraph (b) of this section.

In particular, the Company has adequate internal controls in place to ensure that the respective pricing bases are complied with and that individual transactions are indeed conducted within the framework of the relevant agreements, for example:

- (i) the finance department of the Company performs half-yearly reporting of the actual transaction amounts;
- (ii) the Company specifically designates personnel from the relevant departments to monitor the actual transaction amounts and report to the management team on a quarterly basis to ensure that the respective annual caps are not exceeded; and
- (iii) the Company conducts internal control reviews on a continuous basis, including of its financial, operational and compliance controls.

Save as disclosed above and in the section headed “Related Party Transactions” in note 39 to the consolidated financial statements, there are no other contracts of significance between the Company or any of its subsidiaries, and its controlling shareholders or any of its subsidiaries, at the end of the year or at any time during the year.

The Company confirms that save and except for those connected transactions or continuing connected transactions under the Listing Rules set out in this section headed “Connected Transactions” of the Report of the Directors, the other transactions were not regarded as connected transactions or continuing connected transactions under the Listing Rules or were exempt from reporting, announcement and shareholders’ approval requirements under the Listing Rules. The connected transactions and continuing connected transactions as disclosed in this section headed “Connected Transactions” of the Report of the Directors have complied with the requirements of Chapter 14A of the Listing Rules.

The Company’s auditor was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 (Revised) “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by HKICPA. The auditor has issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Group in paragraph (b) of this section in pages 69 to 75 of the Annual Report in accordance with Rule 14A.56 of the Listing Rules.

Report of the Directors

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company had been entered into or existed during the year.

MAJOR CUSTOMERS AND SUPPLIERS

The revenue from sales attributable to the Group's largest customer represented 18.1% of the Group's total revenue in 2025.

The aggregate amount of revenue from sales attributable to the Group's five largest customers combined represented 39.9% of the Group's total revenue in 2025.

The aggregate amount of purchases attributable to the Group's five largest suppliers represented less than 30% of the Group's total purchases in 2025.

At no time during the year had the Directors, their close associates or any shareholder (whom to the knowledge of the Directors own(s) more than 5% of the Company's issued shares) had any interest in these major customers and suppliers.

AUDITOR

The financial statements have been audited by KPMG who would retire and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

Deloitte retired as the auditor of the Company with effect from the conclusion of the 2024 AGM and KPMG was appointed as the auditor of the Company at the 2024 AGM and the 2025 AGM after the Shareholders' approval. Save as disclosed above, there have been no changes in the Company's auditor in any of the preceding three years.

On behalf of the Board

Feng Boming

Chairman

Hong Kong, 31 March 2026

Independent Auditor's Report



TO THE MEMBERS OF

CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

招商局港口控股有限公司

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Merchants Port Holdings Company Limited (“the Company”) and its subsidiaries (“the Group”) set out on pages 85 to 206, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory 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 as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) as 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.

KEY AUDIT MATTERS (CONTINUED)

Accounting for the Group's interests in associates

The Key Audit Matter	How the matter was addressed in our audit
<p>The Group invested in a number of associates of which principal activities include ports and other relevant operations.</p> <p>The Group's share of profits of associates for the year ended 31 December 2025 was HK\$4,687 million, representing approximately 61% of the profit for the year of the Group, and the Group's interests in associates was HK\$86,205 million as at 31 December 2025, representing approximately 68% of the net assets of the Group.</p> <p>We identified the accounting for Group's interests in associates as a key audit matter because of the material impact that these entities have on the consolidated financial statements.</p>	<p>Our audit procedures to assess the accounting for the Group's interests in associates included:</p> <ul style="list-style-type: none">• evaluating the independence and competence of the auditors of the components that further procedures to be performed ("component auditors");• participating in the risk assessment process undertaken by component auditors in respect of their audits of components that further procedures to be performed, and assessing their responses to address those identified risks;• understanding and discussing with component auditors on their procedures performed to address the risks identified and their conclusions reached; and assessing the appropriateness of the procedures performed for the purpose of the audit of the consolidated financial statements;• discussing with component auditors matters of significance in their audits which could impact the consolidated financial statements, the procedures they performed thereon and their conclusions reached;• evaluating management's consolidation adjustments made in respect of associates outside Hong Kong to convert their financial information into HKFRS Accounting Standards by comparing the adjustments to underlying supporting documents or by re-performing the calculations on which the adjustments were based; and• assessing whether the financial information of associates after the adjustments made by management was prepared in accordance with the Group's accounting policies and HKFRS Accounting Standards.

KEY AUDIT MATTERS (CONTINUED)

Impairment assessment of goodwill attributable to ports operation in Mega Shekou Container Terminals Limited (“MSCT”) and TCP Participações S.A. (“TCP”)

The Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2025, the Group had goodwill with carrying amount of HK\$4,955 million attributable to the ports operation in MSCT and TCP, which accounted for 93% of the total goodwill of the Group’s consolidated financial statements.</p> <p>Management performed annual goodwill impairment test by comparing the recoverable amounts of the respective cash generating units (“CGU”) against the carrying amount. Management determines the recoverable amounts of the CGU determined based on value in use (“VIU”), which is the present value of the discounted cash flow forecasts expected to be derived from the Group’s respective CGU.</p> <p>Significant management’s judgements and assumptions is involved in the preparation of the discounted cash flow forecasts. The key assumptions adopted by management included the revenue growth rates and discount rates.</p> <p>We identified the impairment assessment of goodwill attributable to ports operation in MSCT and TCP as a key audit matter as the goodwill impairment assessments prepared by management involve significant judgement and assumptions which could be subject to management bias.</p>	<p>Our audit procedures to assess the impairment assessment of goodwill of the Group’s ports operation in MSCT and TCP included:</p> <ul style="list-style-type: none">• understanding and assessing the design and implementation of key controls of the goodwill impairment assessment, including the identification of CGU, the preparation of discounted cash flow forecasts, and assumptions used in the calculation of VIU;• assessing the historical reliability of management’s forecasting process by comparing the actual results for the current year with management’s forecast prepared in the previous year;• evaluating the reasonableness of the key assumptions used in the cash flow forecasts, such as revenue growth rates, taking into consideration the industry forecasts and market developments, the Group’s management approved budgets, plans and the historical performance;• with assistance from our internal valuation specialists, assessing the methodology applied by management in its discounted cash flow forecasts with reference to the requirements of the prevailing accounting standards, and assessing whether the discount rates adopted in the discounted cash flow forecasts were comparable with those of companies in the same industry;

KEY AUDIT MATTERS (CONTINUED)

Impairment assessment of goodwill attributable to ports operation in Mega Shekou Container Terminals Limited ("MSCT") and TCP Participações S.A. ("TCP") (continued)

The Key Audit Matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"><li data-bbox="804 562 1430 814">• performing sensitivity analyses on the key assumptions, including revenue growth rates and the discount rates adopted by management to assess the impact of changes on the conclusion reached in management's impairment assessments and considering whether there were any indicators of management bias in the key assumptions adopted; and<li data-bbox="804 853 1430 993">• assessing the reasonableness of the disclosures on the impairment assessment of goodwill attributable to ports operation in MSCT and TCP with reference to the requirements of the prevailing accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provided a separate assurance practitioner's conclusion thereon that is included in other information.

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.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and 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 assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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 section 405 of the Hong Kong Companies Ordinance, 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 scepticism 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.
- 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.

Independent Auditor's Report

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

- 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for 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 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 Audit Committee, 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.

The engagement partner on the audit resulting in this independent auditor's report is Lee Ling Tak, Maggie (practising certificate number: P04545).

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

31 March 2026

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

	Note	2025 HK\$' million	2024 HK\$' million
Revenue	4	13,354	11,842
Cost of sales		(6,849)	(6,346)
Gross profit		6,505	5,496
Other income and other gains, net	7	105	1,045
Administrative expenses		(1,334)	(1,457)
Finance income	11	335	399
Finance costs	11	(1,506)	(1,718)
Finance costs, net	11	(1,171)	(1,319)
Share of profits less losses of			
Associates		4,687	6,132
Joint ventures		283	381
		4,970	6,513
Profit before taxation		9,075	10,278
Taxation	12	(1,387)	(1,197)
Profit for the year	6	7,688	9,081
Attributable to:			
Equity holders of the Company		6,457	7,919
Holders of perpetual capital securities		47	61
Non-controlling interests		1,184	1,101
Profit for the year		7,688	9,081
Earnings per share for profit attributable to equity holders of the Company	14		
Basic (HK Dollars)		1.538	1.886

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	2025 HK\$'million	2024 HK\$'million
Profit for the year	7,688	9,081
Other comprehensive income/(expense)		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures	4,423	(3,997)
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Change in fair value of financial assets	2	—
Net actuarial gain/(loss) on defined benefit plans of subsidiaries	31	(62)
Share of other reserves of associates	7	242
Share of net actuarial gain/(loss) on defined benefit plans of associates and a joint venture	8	(5)
Total other comprehensive income/(expense) for the year, net of tax	4,471	(3,822)
Total comprehensive income for the year	12,159	5,259
Total comprehensive income attributable to:		
Equity holders of the Company	10,295	4,772
Holders of perpetual capital securities	47	61
Non-controlling interests	1,817	426
	12,159	5,259

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 HK\$' million	2024 HK\$' million
ASSETS			
Non-current assets			
Goodwill	15	5,305	4,908
Intangible assets	15	8,438	7,964
Property, plant and equipment	16	22,573	22,467
Right-of-use assets	17	15,148	15,464
Investment properties	18	5,947	5,818
Interests in associates	20	86,205	81,527
Interests in joint ventures	21	8,664	8,514
Other financial assets	22	5,942	5,785
Other non-current assets	23	139	147
Deferred tax assets	33	298	315
		158,659	152,909
Current assets			
Inventories	24	273	234
Other financial assets	22	4,700	2,772
Debtors, deposits and prepayments	25	2,136	2,142
Taxation recoverable		23	7
Cash and bank balances	26	11,743	11,410
		18,875	16,565
Total assets		177,534	169,474

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 HK\$'million	2024 HK\$'million
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	27	48,731	48,731
Reserves		59,619	52,424
Proposed dividend	13	2,053	2,670
		110,403	103,825
Perpetual capital securities	28	—	1,523
Non-controlling interests	19(b)	16,635	16,084
Total equity		127,038	121,432
LIABILITIES			
Non-current liabilities			
Bank and other borrowings	30	13,059	13,406
Lease liabilities	31	1,417	1,494
Other non-current liabilities	32	4,923	4,471
Deferred tax liabilities	33	4,819	4,610
		24,218	23,981
Current liabilities			
Creditors and accruals	34	3,678	3,826
Bank and other borrowings	30	21,716	19,542
Lease liabilities	31	98	106
Taxation payable		786	587
		26,278	24,061
Total liabilities		50,496	48,042
Total equity and liabilities		177,534	169,474
Net current liabilities		(7,403)	(7,496)
Total assets less current liabilities		151,256	145,413

The consolidated financial statements on pages 85 to 206 were approved and authorised for issue by the Board on 31 March 2026 and are signed on its behalf by:

Mr. Feng Boming
DIRECTOR

Mr. Xu Song
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

Note	Attributable to equity holders of the Company				Perpetual capital securities	Non-controlling interests	Total
	Share capital	Other reserves	Retained earnings	Total			
	HK\$'million	HK\$'million (note 29)	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
As at 1 January 2025	48,731	(2,320)	57,414	103,825	1,523	16,084	121,432
Comprehensive income							
Profit for the year	—	—	6,457	6,457	47	1,184	7,688
Other comprehensive income							
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures	—	3,806	—	3,806	—	617	4,423
Change in fair value of financial assets	—	1	—	1	—	1	2
Net actuarial gain on defined benefit plans of subsidiaries	—	—	16	16	—	15	31
Share of other reserves of associates	—	7	—	7	—	—	7
Share of net actuarial gain on defined benefit plans of associates and a joint venture	—	—	8	8	—	—	8
Total other comprehensive income for the year, net of tax	—	3,814	24	3,838	—	633	4,471
Total comprehensive income for the year	—	3,814	6,481	10,295	47	1,817	12,159
Transactions with owners							
Transfer to statutory reserve	—	96	(96)	—	—	—	—
Acquisition of a subsidiary	—	2	1	3	—	2	5
Share of other changes in equity attributable to equity holders of associates and joint ventures	—	(1)	—	(1)	—	—	(1)
Distribution to holders of perpetual capital securities	28	—	—	—	(60)	—	(60)
Redemption of perpetual capital securities	28	—	—	—	(1,510)	—	(1,510)
Dividends	—	—	(3,719)	(3,719)	—	(1,268)	(4,987)
Total transactions with owners for the year	—	97	(3,814)	(3,717)	(1,570)	(1,266)	(6,553)
As at 31 December 2025	48,731	1,591	60,081	110,403	—	16,635	127,038

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Note	Attributable to equity holders of the Company				Perpetual	Non-	Total
		Share	Other	Retained	Total	capital	controlling	
		capital	reserves	earnings		securities	interests	
		HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	
			(note 29)					
As at 1 January 2024		48,731	695	52,729	102,155	1,522	17,168	120,845
Comprehensive income								
Profit for the year		—	—	7,919	7,919	61	1,101	9,081
Other comprehensive (expense)/income								
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures		—	(3,347)	—	(3,347)	—	(650)	(3,997)
Net actuarial loss on defined benefit plans of subsidiaries		—	—	(37)	(37)	—	(25)	(62)
Share of other reserves of associates		—	242	—	242	—	—	242
Share of net actuarial loss on defined benefit plans of associates and joint venture		—	—	(5)	(5)	—	—	(5)
Total other comprehensive expense for the year, net of tax		—	(3,105)	(42)	(3,147)	—	(675)	(3,822)
Total comprehensive (expense)/income for the year		—	(3,105)	7,877	4,772	61	426	5,259
Transactions with owners								
Transfer to statutory reserve		—	127	(127)	—	—	—	—
Acquisition of subsidiaries		—	—	—	—	—	418	418
Share of other changes in equity attributable to equity holders of associates and joint ventures		—	(37)	—	(37)	—	—	(37)
Distribution to holders of perpetual capital securities	28	—	—	—	—	(60)	—	(60)
Dividends		—	—	(3,065)	(3,065)	—	(1,928)	(4,993)
Total transactions with owners for the year		—	90	(3,192)	(3,102)	(60)	(1,510)	(4,672)
As at 31 December 2024		48,731	(2,320)	57,414	103,825	1,523	16,084	121,432

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 HK\$' million	2024 HK\$' million
Cash flows from operating activities			
Net cash inflow from operations	36(a)	7,854	6,759
Hong Kong Profits Tax paid		(4)	(2)
PRC corporate income tax paid		(474)	(407)
Overseas profits tax paid		(443)	(358)
Withholding tax paid on dividends received		(191)	(161)
Dividends received from associates and joint ventures		2,730	2,716
Net cash generated from operating activities		9,472	8,547
Cash flows from investing activities			
Proceeds from withdrawal of other deposits and structured deposits		28,505	16,892
Repayment from associates		6	18
Interest income received		234	252
Payment for acquisition of subsidiaries (net of cash and cash equivalents acquired) completed during the year ended 31 December 2024	37(b)	(14)	(321)
Proceeds from disposal of property, plant and equipment		8	62
Proceeds from disposal of a financial asset at FVTPL		—	1,219
Placement of other deposits and structured deposits		(30,376)	(16,160)
Purchase of property, plant and equipment, investment properties, intangible assets and right-of-use assets		(873)	(1,199)
Investments in a joint venture		—	(176)
Tax payments relating to resumption of land parcels in previous years		—	(246)
Proceeds from disposal of interests of an associate		—	4
Cash and bank balances acquired through merger and acquisition		7	—
Net cash (used in)/generated from investing activities		(2,503)	345
Net cash inflow before financing activities carried forward		6,969	8,892

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 HK\$'million	2024 HK\$'million
Net cash inflow before financing activities brought forward		6,969	8,892
Cash flows from financing activities			
Proceeds from bank loans		22,740	11,523
Proceeds on issue of notes payable		2,191	—
Loans from fellow subsidiaries		255	—
Proceeds from amount due to associates		23	68
Repayment of bank loans		(19,788)	(14,341)
Repayment of notes payable		(3,884)	—
Redemption of perpetual capital securities		(1,563)	—
Interests paid		(1,193)	(1,431)
Dividends paid to ordinary shareholders		(3,719)	(3,065)
Dividends paid to non-controlling equity holders of subsidiaries		(1,216)	(1,884)
Repayment of loans from a fellow subsidiary		(10)	(264)
Proceeds from a non-controlling equity holder of a subsidiary		122	—
Distribution paid to holders of perpetual capital securities		(60)	(60)
Repayment of lease liabilities, concession liabilities and royalty provision		(466)	(150)
Repayment of amount due to an associate		(323)	(33)
Net cash used in financing activities		(6,891)	(9,637)
Increase/(decrease) in cash and cash equivalents		78	(745)
Cash and cash equivalents at 1 January	26	11,363	12,283
Effect of foreign exchange rate changes		254	(175)
Cash and cash equivalents at 31 December, represented by cash and bank balances	26	11,695	11,363



Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1. GENERAL INFORMATION

The Group are principally engaged in ports operation, bonded logistics operation and property investment.

The Company is a limited liability company incorporated in Hong Kong and has its shares listed on the HKSE.

As at 31 December 2025, CMPG is a company established in the PRC and whose shares are listed on the Shenzhen Stock Exchange. CMPG Group directly and indirectly held 49.67% of the total issued share capital of the Company. Pursuant to an entrustment agreement with CMHK, a company incorporated in Hong Kong and an indirect subsidiary of CMG (the "Acting in Concert Agreement"), CMPG has the power to direct the voting right over approximately 21.85% of the total issued share capital of the Company held by CMU, a company incorporated in the British Virgin Islands held as to 50% by CMG, and accordingly, has the power to direct the voting right over 71.52% of the total issued share capital of the Company. The Directors regard therefore CMPG as immediate holding company.

CMG, directly and indirectly, including through CMPG Group as described above, and its other subsidiaries held an effective interest of approximately 38.21% of the issued share capital of the Company. CMG therefore, directly and indirectly, including through CMPG and its subsidiaries, and CMU, has the power to direct voting right over approximately 72.15% of the total issued share capital of the Company. Accordingly, the Directors regard CMG as being the ultimate holding company.

CMG is a state-owned enterprise registered in the PRC and regulated and directly managed by the State-owned Assets Supervision and Administration Commission of the State Council, the PRC government.

The address of the Company's registered office is 38/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

The consolidated financial statements are presented in HK\$ which is the Company's functional currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards which collective term includes all applicable individual Hong Kong Financial Reporting Standards, HKAS and Interpretations issued by HKICPA and the requirements of the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules.

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties, financial assets at FVTPL and equity instruments at FVTOCI, which are carried at fair value at the end of each reporting period, as explained in the accounting policies set out below.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (continued)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment" ("HKFRS 2"), leasing transactions that are accounted for in accordance with HKFRS 16 "Leases" ("HKFRS 16"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of Assets" ("HKAS 36").

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the result of the valuation technique equals the transaction price.

In addition, for financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

(i) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements.

The application of 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.1 Basis of preparation (continued)

- (ii) *New and amendments to HKFRS Accounting Standards in issue but are not yet effective for the financial year beginning on 1 January 2025 and have not been early adopted by the Group*

		Effective for annual periods beginning on or after
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Note
Amendments to HKFRS 9 and HKFRS 7	Financial instruments and Financial instruments: disclosures – Contracts referencing nature dependent electricity	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Financial instruments and Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and disclosure in financial statements	1 January 2027
HKFRS 19	Subsidiaries without public accountability: disclosures	1 January 2027

Note: Effective for annual periods beginning on or after a date to be determined.

The Directors anticipate that the application of the new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future except for the following:

HKFRS 18, Presentation and disclosure in financial statements

HKFRS 18 will replace HKAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries as at 31 December.

(i) *Subsidiaries*

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its investment with the investee; and
- has the ability to use its power to affect the returns of the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it the power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(i) *Subsidiaries (continued)*

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated in full on consolidation.

Non-controlling interests represent the portion of the net assets of the relevant subsidiaries attributable to interests that are not owned by the Company upon liquidation, whether directly or indirectly and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity holders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity holders of the Company.

(a) *Business combinations*

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The Group applies the acquisition method of account for business combinations, other than business combination under common control. The consideration transferred for the acquisition of a subsidiary is the aggregate fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" or ("HK(IFRIC)-Int 21 "Levies"), in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(i) Subsidiaries (continued)

(a) Business combinations (continued)

At the acquisition date, the identifiable assets acquired and the liabilities and contingent liabilities assumed are initially recognised at their fair values, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” (“HKAS 12”) and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which the lease term ends within 12 months of the acquisition date. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in the consolidated statement of profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(i) Subsidiaries (continued)

(a) Business combinations (continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Acquisition-related costs are expensed as incurred.

When a business combination is achieved in stages, the acquirer's previously held interest in the acquiree is remeasured to fair value at the latest acquisition date and the resulting gain or loss, if any, is recognised in the profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 "Financial Instruments" ("HKFRS 9") would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of net assets attributable to non-controlling interests over the net identifiable assets acquired and liabilities assumed as at acquisition date. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the consolidated statement of profit or loss as a bargain purchase gain after reassessment of all identifiable assets and liabilities.

(b) Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(i) *Subsidiaries (continued)*

(c) *Optional concentration test*

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

(d) *Changes in ownership interests in existing subsidiaries without change of control*

Transactions with non-controlling interests that do not result in change of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interest's proportional interests. Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(e) *Disposal of subsidiaries or cash-generating units ("CGU")*

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, a joint venture or a financial asset. Difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary attributable to the owners of the Company is recognised in the consolidated statement of profit or loss. In addition, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss, or transferred to another category of equity as specified/ permitted by applicable HKFRS Accounting Standards.

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(ii) *Associates and joint ventures*

Associates are all entities over which the Group has significant influence but not control, generally accompanying a holding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control and none of the participating party has unilateral control over the economic activity.

The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. For associates and joint ventures using accounting policies that differ from those of the Group for like transactions and events in similar circumstances, appropriate adjustments have been made to conform the accounting policies of the associates and/or the joint ventures to those of the Group. Under the equity method, an investment is initially recognised at cost from the date on which the investee becomes an associate or a joint venture, and the carrying amount is increased or decreased to adjust for the post-acquisition changes in the investor's share of the net assets of the investee after the date of acquisition. The Group's interests in associates and joint ventures include goodwill identified on acquisition.

The Group's share of profits or losses of associates and joint ventures is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate or joint venture equals or exceeds its interest in that associate or joint venture, including any long-term interests that in substance, form part of the Group's net investment in the associate or joint venture, the Group discontinues recognising its shares of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Consolidation (continued)

(ii) Associates and joint ventures (continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associates or joint ventures are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates or joint ventures. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retain an interest of the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the previous carrying amount of the associate or joint venture attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to the consolidated statement of profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

If the ownership interest in an associate or a joint venture is reduced but the Group continues to use the equity method, the difference between the carrying amount of the underlying assets and liabilities attributable to the interests disposed of and the consideration received, if any, is credited or charged to the profit or loss as gain/loss on disposal of interest in associates and/or joint ventures. In addition, the proportionate share of the amounts relating to that reduction in ownership interest previously recognised in other comprehensive income is reclassified to profit or loss if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Acquisition of additional interests in associates or joint ventures

When the Group increases its ownership interest in an associate or a joint venture but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the key management team of the Company that makes strategic decisions.

2.4 Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in consolidated statement of profit or loss, except for exchange differences on foreign currency borrowing relating to assets under construction for future productive use, which are included in the cost of those assets and are regarded as an adjustment to interest costs on those foreign currency borrowings.

All foreign exchange gains and losses are presented in the consolidated statement of profit or loss within "other income and other gains, net".

Translation differences on non-monetary financial assets, such as equity investments classified as FVTOCI, are included in other comprehensive income.

(iii) *Group companies*

The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the year end exchange rate;
- income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the year end exchange rate. Exchange differences arising therefrom are recognised in other comprehensive income.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Foreign currency translation (continued)

(iv) Disposal and partial disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are reclassified to consolidated statement of profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the consolidated statement of profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to consolidated statement of profit or loss.

2.5 Property, plant and equipment

Property, plant and equipment comprise mainly leasehold land and buildings, harbour works, buildings and dockyard, plant, machinery, furniture and equipment, vessels and ships, motor vehicles and leasehold improvements. All property, plant and equipment other than assets under construction are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the period in which they are incurred.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "right-of-use assets" in the consolidated statement of financial position except for those that are classified and accounted for as investment properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.5 Property, plant and equipment (continued)

Leasehold land commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land and depreciation of other assets is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Leasehold land	Shorter of the lease term or 50 years
Buildings	Shorter of the lease term or 30 years
Harbour works, buildings and dockyard	8 to 50 years
Plant and machinery	3 to 20 years
Furniture and equipment	3 to 20 years
Vessels and ships	10 to 25 years
Motor vehicles	5 to 10 years
Leasehold improvements	Shorter of the lease term or 5 to 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.8).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other income and other gains, net" in the consolidated statement of profit or loss.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in equity. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained earnings.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes). Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose. Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recognised in the consolidated statement of profit or loss as part of a valuation gain or loss in "other income and other gains, net".

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its 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.

An investment property is transferred to property, plant and equipment at the fair value when there is a change of use, as evidenced by commencement of owner-occupation of the relevant properties.

2.7 Goodwill and intangible assets

(i) Goodwill

Goodwill arising on the acquisition of a business represents the excess of the aggregate of the consideration transferred and the fair value of net assets attributable to non-controlling interest (note 2.2) over the net identifiable assets acquired and, liabilities and contingent liabilities assumed as at acquisition date.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Goodwill and intangible assets (continued)

(ii) Port operating rights

Port operating right primarily resulted from the entering of agreement for the right to construct, operate, manage and develop container terminals. Operating right is carried at cost less accumulated amortisation and impairment. Amortisation is calculated using an economic usage basis which is based on the ratio of minimum guaranteed output volume compared to the total minimum guaranteed output volume over the periods which the Group is granted the operating rights on the relevant container terminals. When the pattern of consumption of future economic benefits of the asset cannot be determined reliably, the straight-line method over the period in which the Group operates the relevant terminals is used. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(iii) Other intangible assets

Other intangible assets acquired are recognised at fair value at the acquisition date. For those items having finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method over the expected life of 5 to 50 years. Those with indefinite useful lives that are acquired in a business combination are carried at cost less any subsequent accumulated impairment losses.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss in the period when the asset is derecognised.

2.8 Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

Property, plant and equipment, right-of-use assets and intangible assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the recoverable amount of tangible and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs. In addition, corporate assets are allocated to individual CGUs when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, the recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill (continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss. Property, plant and equipment, right-of-use assets and intangible assets other than goodwill that suffered from an impairment are reviewed for possible reversal of the impairment at each reporting date.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so 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 (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.9 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15"). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial assets

(i) Classification

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” (“HKFRS 3”) applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial assets (continued)

(ii) Recognition and measurement

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Equity instruments designated as at FVTOCI

At the date of initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained earnings.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income and other gains, net" line item in the consolidated statement of profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend earned on the financial asset and is included in the "other income and other gains, net" line item in the consolidated statement of profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.10 Financial assets (continued)

(iii) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2.11 Impairment of financial assets and financial guarantee contracts

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets and financial guarantee contracts which are subject to impairment assessment under HKFRS 9 (including trade debtors, other debtors and other financial assets). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group's historical credit loss experience, adjusted for factors that are specific to the trade debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade debtors. The ECL on these assets are assessed individually for trade debtors with significant balances and collectively for others based on internal credit rating with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Impairment of financial assets and financial guarantee contracts (continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when the instrument 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Impairment of financial assets and financial guarantee contracts (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For financial guarantee contracts, the Group is required to make payments only in the event of a default by the debtors in accordance with the terms of the instruments that are guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holders for a credit loss that it incurs less any amounts that the Group expects to receive from the holders, the debtors or any other parties.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.11 Impairment of financial assets and financial guarantee contracts (continued)

Measurement and recognition of ECL (continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade debtors and other debtors are assessed as a separate group. Amounts due from/advances to immediate holding company/fellow subsidiaries/associates/joint ventures, compensation receivable from SLRC and dividend receivables are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade debtors where the corresponding adjustment is recognised through a loss allowance account.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

2.13 Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection from debtors are expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.14 Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

2.15 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Financial liabilities including bank and other borrowings and creditors and accruals are subsequently measured at amortised cost, using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.15 financial liabilities and equity (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition/modification of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10%.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

2.16 Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer), is held primarily for trading, or the Group has no unconditional right to defer the settlement for at least 12 months after the end of the reporting period. If not, they are presented as non-current liabilities.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

2.18 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(i) *Current income tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before taxation” as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Current and deferred income tax (continued)

(ii) *Deferred tax*

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred tax assets and liabilities are determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. 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 investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties are measured in accordance with the above general principles set out in HKAS 12 (i.e. based on the expected manner as to how the economic benefits embodied in the properties will be recovered).

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.18 Current and deferred income tax (continued)

(ii) *Deferred tax (continued)*

Deferred tax is provided on temporary differences arising on interests in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

(iii) *Offsetting*

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied to the same taxable entity by the same taxation authority.

2.19 Employee benefits

(i) *Pension obligations*

Group companies operate various pension schemes contribution. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined contribution and defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group contributes to defined contribution provident funds, including the scheme set up under the MPF Scheme, which are available to all employees in Hong Kong. In accordance with the terms of the provident funds, contributions to the schemes by the Group and the employees are calculated as a percentage of the employees' basic salaries. For the MPF Scheme, both the employees and the employer are required to contribute 5% of the employees' monthly salaries up to a specified maximum amount ("mandatory contribution") and employees can choose to make additional contributions. The employees are entitled to 100% of the employer's mandatory contributions upon their retirement age of 65 years old, death or total incapacity. For the schemes other than the MPF Scheme, the unvested benefits of employees forfeited upon termination of employment can be utilised by the Group to reduce future levels of contributions.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.19 Employee benefits (continued)

(i) Pension obligations (continued)

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. In determining the present value of the Group's defined benefit obligations and the related current service cost and, where applicable, past service cost, the Group attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than earlier years, the Group attributes the benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service), until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment or curtailment and a gain or loss on settlement is recognised when settlement occurs. When determining past service cost, or a gain or loss on settlement, an entity shall remeasure the net defined benefit liability or asset using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan and the plan assets before and after the plan amendment, curtailment or settlement, without considering the effect of asset ceiling (i.e. the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan).

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. However, if the Group remeasures the net defined benefit liability or asset before plan amendment, curtailment or settlement, the Group determines net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement and the discount rate used to remeasure such net defined benefit liability or asset, taking into account any changes in the net defined benefit liability or asset during the period resulting from contributions or benefit payments.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.19 Employee benefits (continued)

(i) Pension obligations (continued)

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Group presents the first two components of defined benefit costs in profit or loss. Curtailment gains and losses are accounted for as past service costs.

(ii) Other post-employment obligations

The Group also participates in the employee retirement benefits plan of the respective governments in various jurisdiction where the Group operates. The Group is required to make monthly contributions calculated as a percentage of the monthly payroll costs and the respective municipal government undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group.

The Group's contributions to the schemes are expensed as incurred.

(iii) Termination obligations

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs. Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(iv) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset. A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise provision for assets relocation and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering all similar obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the best estimate of the consideration required to settle the present obligation at the end of the reporting period using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.21 Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as contingent liability of the Group and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

2.22 Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.22 Revenue from contracts with customers (continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Leases

(i) *Definition of a lease*

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

(ii) *The Group as a lessee*

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

Short-term leases

The Group applies the short-term lease recognition exemption to leases of plant, machinery, furniture and equipment, that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Leases (continued)

(ii) *The Group as a lessee (continued)*

Right-of-use assets (continued)

Except for those that are classified as investment properties and measured under fair value model, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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 is 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 their estimated useful lives and the lease terms.

When the Group obtains ownership of the underlying leased assets at the end of the lease term, upon exercising purchase option, the cost of the relevant right-of-use assets and the related accumulated depreciation and impairment loss are transferred to property, plant and equipment.

The Group presents right-of-use assets that do not meet the definition of investment property as a separate line item on the consolidated statement of financial position. Right-of-use assets that meet the definition of investment property are presented within "investment properties".

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

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

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Leases (continued)

(ii) *The Group as a lessee (continued)*

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- 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.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(iii) *The Group as a lessor*

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.23 Leases (continued)

(iii) *The Group as a lessor (continued)*

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals. The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

For rent concession under which the Group legally releases the lessee from its obligation to make specifically identified lease payment, of which some of these lease payments are contractually due but not paid and some of them are not yet contractually due, the Group accounts for the portions which have been recognised as operating lease receivables (i.e. the lease payments which are contractually due but not paid) by applying the ECL and derecognition requirements under HKFRS 9 and applies lease modification requirements for the forgiven lease payments that the Group has not recognised (i.e. the lease payments which are not yet contractually due) as at the effective date of modification.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the consolidated financial statements of the Company in the period in which the dividends are authorised by the Company's shareholders.

Dividends proposed before the consolidated financial statements were authorised for issue but not yet authorised by the Company's shareholders during the period is presented separately as proposed dividend under equity.

2.25 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income 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. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under "other income and other gains, net".

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an on-going 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.

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Control over investees accounted for as subsidiaries

Certain entities are considered to be subsidiaries of the Company despite the interests therein are not more than 50% of the issued share capital/registered capital of the relevant entities. Based on the contractual power pursuant to the relevant shareholders' agreements between the Group and the other shareholders, the Group has voting rights in the respective investees sufficient to give it the practical ability to direct the relevant activities of each of these investees unilaterally, and hence has control over these investees. Accordingly, those entities are accounted for as subsidiaries of the Company. Further details are set out in note 40.

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill

The Group tests, at least annually, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.7. The recoverable amounts of CGUs (or group of CGUs) have been determined based on value in use calculations, where the key input parameters include future growth rates and discount rates which are determined based on the valuation performed by independent professional valuer. These calculations require the use of estimates. Where the actual future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, an impairment loss may arise. Details of the impairment assessment are set out in note 15(b).

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.2 Key sources of estimation uncertainty (continued)

Deferred tax asset

As at 31 December 2025, a deferred tax asset of HK\$18 million (2024: HK\$6 million) in relation to unused tax losses has been recognised in the consolidated statement of financial position. No deferred tax asset has been recognised on the unused tax losses of HK\$297 million (2024: HK\$682 million) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

Useful lives of property, plant and equipment

The management of the Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and expected actions by competitors or potential competitors in response to changes in market demands. The management will increase the depreciation charge where useful lives are less than previously estimated lives, or will write down or write off technically obsolete or non-strategic assets that have been abandoned or sold.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

4. REVENUE

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

	2025 HK\$'million	2024 HK\$'million
Terminal handling charge, representing loading of cargos and containers on and off vessels at the Group's port terminals, stevedoring and the auxiliary services	12,447	10,992
Warehousing services income, representing temporary storage of cargos and containers, customs clearance services and the auxiliary services	705	639
Revenue from contracts with customers	13,152	11,631
Gross rental income from investment properties (Note)	202	211
	13,354	11,842

Note: Direct operating expenses incurred for gross rental income from investment properties amounted to HK\$71 million (2024: HK\$66 million) during the year ended 31 December 2025.

Performance obligations for contracts with customers and revenue recognition policies

Terminal handling services

The Group provides terminal handling services as described above. Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised for these services based on the contract prices, net of discounts, if any. Refund liabilities are recognised at the end of each reporting period for expected discounts payable to customers in relation to sales.

Warehousing services

The Group provides warehousing services as described above. Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. Revenue is recognised for these services based on the contract prices.

5. SEGMENT INFORMATION

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

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

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

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

The Group's ports operation are presented as follows:

- (a) Mainland China, Hong Kong and Taiwan
 - Pearl River Delta
 - Yangtze River Delta
 - Bohai Rim
 - Others
 - (b) Other locations outside of Mainland China, Hong Kong and Taiwan
- (ii) Bonded logistics operation includes logistic park operation, ports transportation and airport cargo handling operated by the Group and its associates and joint ventures.
 - (iii) Other operations mainly include property development and investment and logistics operation operated by the Group's associates, property investment operated by the Group and corporate function.

Notes to the Consolidated Financial Statements

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5. SEGMENT INFORMATION (CONTINUED)

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

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

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

During the current year, one (2024: one) customer has accounted for over 10% of the Group's total revenue amounting to HK\$2,411 million (2024: HK\$2,028 million).

The Group's revenue by geographical areas of operations and information about its non-current assets other than other financial assets set out in note 22 and deferred tax assets presented based on the geographical areas in which the assets are located are as follows:

	Revenue		Non-current assets	
	2025 HK\$'million	2024 HK\$'million	2025 HK\$'million	2024 HK\$'million
Mainland China, Hong Kong and Taiwan	6,474	6,004	107,586	102,995
Brazil	2,465	2,237	8,202	7,351
Other locations	4,415	3,601	36,631	36,463
	13,354	11,842	152,419	146,809

5. SEGMENT INFORMATION (CONTINUED)

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

	For the year ended 31 December 2025									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million	HKS'million
Revenue	4,495	—	31	1,108	6,813	12,447	705	202	—	13,354
Earnings/(losses) before finance costs, net, taxation and share of profits less losses of associates and joint ventures	1,751	17	4	89	3,526	5,387	108	100	(319)	5,276
Share of profits less losses of										
– Associates	107	3,627	181	(37)	623	4,501	13	173	—	4,687
– Joint ventures	1	—	36	(2)	186	221	49	13	—	283
	1,859	3,644	221	50	4,335	10,109	170	286	(319)	10,246
Finance costs, net	(5)	—	—	(14)	(165)	(184)	(26)	(7)	(954)	(1,171)
Taxation	(348)	(188)	(26)	(17)	(745)	(1,324)	(36)	(27)	—	(1,387)
Profit/(loss) for the year	1,506	3,456	195	19	3,425	8,601	108	252	(1,273)	7,688
Holders of perpetual capital securities	—	—	—	—	—	—	—	—	(47)	(47)
Non-controlling interests	(351)	—	—	(33)	(762)	(1,146)	(38)	—	—	(1,184)
Profit/(loss) attributable to equity holders of the Company	1,155	3,456	195	(14)	2,663	7,455	70	252	(1,320)	6,457
Other information:										
Depreciation and amortisation	668	—	1	427	1,023	2,119	103	23	40	2,285
Capital expenditure	230	—	—	330	536	1,096	38	7	—	1,141

Notes to the Consolidated Financial Statements

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5. SEGMENT INFORMATION (CONTINUED)

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

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

5. SEGMENT INFORMATION (CONTINUED)

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

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

	As at 31 December 2025									
	Ports operation						Bonded logistics operation	Other investments	Corporate function	Total
	Mainland China, Hong Kong and Taiwan				Other locations	Sub-total				
	Pearl River Delta	Yangtze River Delta	Bohai Rim	Others						
	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million
ASSETS										
Segment assets (excluding interests in associates and joint ventures)	18,803	2,209	146	10,067	32,481	63,706	3,162	6,834	8,642	82,344
Interests in associates	4,310	47,639	5,081	2,722	9,332	69,084	600	16,521	—	86,205
Interests in joint ventures	8	—	2,792	300	4,882	7,982	303	379	—	8,664
Total segment assets	23,121	49,848	8,019	13,089	46,695	140,772	4,065	23,734	8,642	177,213
Tax recoverable										23
Deferred tax assets										298
Total assets										177,534
LIABILITIES										
Segment liabilities	2,749	—	19	1,644	6,091	10,503	550	273	33,565	44,891
Taxation payable										786
Deferred tax liabilities										4,819
Total liabilities										50,496

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For the year ended 31 December 2025

5. SEGMENT INFORMATION (CONTINUED)

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

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

6. PROFIT FOR THE YEAR

	2025 HK\$'million	2024 HK\$'million
Profit for the year has been arrived at after charging:		
Staff costs (including directors' emoluments) (note 8)	2,315	2,288
Depreciation of property, plant and equipment	1,442	1,336
Depreciation of right-of-use assets	508	496
Amortisation of intangible assets	335	313
Auditor's remuneration		
– Audit and audit related services	9	11
– Non-audit services	—	2

7. OTHER INCOME AND OTHER GAINS, NET

	2025 HK\$'million	2024 HK\$'million
Net loss on disposal of property, plant and equipment and right-of-use assets	(9)	(13)
Net change in fair value of financial assets at FVTPL		
– equity investments	(56)	475
– structured deposits	36	36
Net change in fair value of investment properties (note 18)	(17)	(25)
Net (allowance)/reversal for expected credit losses	(202)	403
Net exchange gains/(losses)	69	(135)
Dividend income from equity investments	61	80
Government grants (Note)	108	135
Impairment loss of interest in a joint venture	—	(9)
Deemed gain from share repurchases of an associate	—	16
Impairment loss on property, plant and equipment	(6)	(1)
Gain on deemed disposal of an associate	4	—
Others	117	83
	105	1,045

Note: Government grants were granted during the year ended 31 December. There are no unfulfilled conditions and other contingencies attached to the receipts of those grants. There is no assurance that the Group will continue to receive such grants in the future.

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8. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	2025 HK\$'million	2024 HK\$'million
Wages, salaries and bonus	1,983	1,993
Retirement benefit scheme contributions	332	295
	2,315	2,288

9. DIRECTORS' EMOLUMENTS

Directors' emoluments comprise payments to the following directors by the Group in connection with their service to and management of the affairs of the Group. The amount paid to each director was as follows:

Name of Director	Fees HK\$'million	Salary HK\$'million	Discretionary bonus HK\$'million (Note (i))	Employer's contribution to pension scheme HK\$'million	2025	2024
					Total HK\$'million	Total HK\$'million
<i>Executive Directors:</i>						
Xu Song	—	1.20	1.78	0.36	3.34	2.81
Lu Yongxin	—	1.20	1.78	0.34	3.32	2.59
Tu Xiaoping (Note (ii))	—	0.87	1.49	0.23	2.59	2.62
<i>Non-executive Directors:</i>						
Feng Boming	—	—	—	—	—	—
Yim Kong	—	1.11	1.69	0.02	2.82	2.38
Yang Guolin (Note (iii))	N/A	N/A	N/A	N/A	N/A	2.17
<i>Independent non-executive Directors:</i>						
Chan Hiu Fung Nicholas	0.30	—	—	—	0.30	0.30
Chan Yuen Sau Kelly	0.30	—	—	—	0.30	0.30
Li Ka Fai David (Note (iv))	0.15	—	—	—	0.15	0.30
Wong Chi Wing	0.30	—	—	—	0.30	0.30
Wong Pui Wah	0.30	—	—	—	0.30	0.30
Total for the year ended 31 December 2025	1.35	4.38	6.74	0.95	13.42	
Total for the year ended 31 December 2024	1.50	5.98	5.13	1.46		14.07

9. DIRECTORS' EMOLUMENTS (CONTINUED)

The executive directors' emoluments shown above were paid for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were paid for their services as directors of the Company.

Notes:

- (i) Bonus is recommended by the Remuneration Committee and is approved by the Board of Directors, having regard to the Group's operating results, individual performance and comparable market statistics.
- (ii) Mr. Tu Xiaoping resigned as an executive director of the Company on 24 October 2025.
- (iii) Mr. Yang Guolin has resigned as a non-executive director of the Company on 13 December 2024.
- (iv) Mr. Li Ka Fai David has resigned as an independent non-executive director of the Company on 1 July 2025.
- (v) There was no arrangement under which a director agreed to waive any remuneration during the year. No remuneration or director's fee from the Company were paid to the executive directors who had not entered into employment contract with the Company.

10. EMPLOYEES' EMOLUMENTS

(a) Emoluments of key management

Of the ten (2024: ten) key management of the Company for the year ended 31 December 2025, four (2024: five) of them are directors of the Company and their remuneration has been disclosed in note 9. The total emoluments of the remaining six (2024: five) key management is as follows:

	2025 HK\$'million	2024 HK\$'million
Salaries, other allowances and benefit-in-kinds	5	4
Performance related incentive payments	5	3
	10	7

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10. EMPLOYEES' EMOLUMENTS (CONTINUED)

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, four are directors and one is key management (2024: five are directors) of the Company whose emoluments are included in notes 9 and 10(a).

The emoluments fell within the following bands:

	Number of individuals	
	2025	2024
HK\$2,000,001 - HK\$2,500,000	1	2
HK\$2,500,001 - HK\$3,000,000	2	3
HK\$3,000,001 - HK\$3,500,000	2	—
	5	5

During the years ended 31 December 2025 and 2024, no emoluments were paid by the Group to any of the Directors or the chief executive of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors or the chief executive of the Group waived any emoluments during the years ended 31 December 2025 and 2024.

11. FINANCE INCOME AND COSTS

	2025 HK\$'million	2024 HK\$'million
Finance income from:		
Interest income from bank and other deposits	228	302
Interest income from advance to a joint venture	89	82
Interest income from advances to associates	18	15
	335	399
Interest expense on:		
Bank loans	(569)	(792)
Notes payable	(545)	(588)
Loans from fellow subsidiaries	(10)	(6)
Lease liabilities	(109)	(72)
Others	(273)	(260)
Finance costs	(1,506)	(1,718)
Finance costs, net	(1,171)	(1,319)

12. TAXATION

Hong Kong Profits Tax has been provided for at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the year.

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

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

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

	2025 HK\$'million	2024 HK\$'million
Current taxation		
Hong Kong Profits Tax	5	5
PRC corporate income tax	399	443
Overseas profits tax	488	395
Withholding income tax	233	129
Pillar Two income taxes (Note (a))	210	—
Deferred taxation		
Origination and reversal of temporary differences	52	225
	1,387	1,197

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12. TAXATION (CONTINUED)

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the group entities as follows:

	2025 HK\$'million	2024 HK\$'million
Profit before taxation (excluding share of profits less losses of associates and joint ventures)	4,105	3,765
Expected tax calculated at the weighted average applicable tax rate	1,252	1,193
Income not subject to tax	(638)	(712)
Expenses not deductible for tax purposes	248	238
Tax losses and other temporary differences not recognised	15	24
Utilisation of previously unrecognised tax losses	(29)	(7)
Withholding tax on earnings of subsidiaries, associates and joint ventures	329	461
Current income tax impact arising from Pillar Two model rules (Note (a))	210	—
Tax charge	1,387	1,197

The weighted average applicable tax rate was 30.5% (2024: 31.7%).

Notes:

(a) Pillar Two income taxes

The Group is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules. Under the Organisation for Economic Co-operation and Development Pillar Two model rules, a top-up tax liability arises when the effective tax rate of the Group's operations in a jurisdiction, calculated using principles set out in the Pillar Two legislation, is below 15%. As at 31 December 2025, Pillar Two legislation has been enacted and in effect in certain jurisdictions in which the subsidiaries of the Company are incorporated.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred. During the year ended 31 December 2025, the Group has recognised HK\$210 million for the current tax relating to the Pillar Two model rules (2024: Nil).

(b) In November 2025, Brazil enacted a law, under which dividend to non-resident investors shall be generally subject to withholding tax of 10% starting from 1 January 2026. Accordingly, withholding tax was provided for the Group's portion of the undistributed profits of subsidiaries in Brazil, to the extent they are expected to be distributed in the foreseeable future, at tax rate of 10%.

13. DIVIDENDS

	2025 HK\$'million	2024 HK\$'million
Interim, paid, of HK\$0.25 (2024: HK\$0.25) per ordinary share	1,050	1,050
Final, proposed, of HK\$0.489 (2024: HK\$0.636) per ordinary share	2,053	2,670
	3,103	3,720

At a meeting held on 31 March 2026, the Board proposed a final cash dividend of HK\$0.489 per ordinary share (2024: HK\$0.636). This proposed dividend is not reflected as a dividend payable in the consolidated financial statements.

The amount of proposed final dividend for 2025 was based on 4,198,009,186 (2024: 4,198,009,186) shares in issue as at 31 March 2026.

14. EARNINGS PER SHARE

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

	2025	2024
Basic		
Profit attributable to equity holders of the Company (HK\$'million)	6,457	7,919
Weighted average number of ordinary shares in issue	4,198,009,186	4,198,009,186

No diluted earnings per share for both 2025 and 2024 were presented as there were no potential dilutive ordinary shares in issue for both years.

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15. GOODWILL AND INTANGIBLE ASSETS

	Goodwill		Intangible assets	
	HK\$'million (Note (b))	Port operating rights HK\$'million (Note (c))	Others HK\$'million (Note (d))	Total HK\$'million
Year ended 31 December 2025				
As at 1 January 2025	4,908	7,519	445	7,964
Exchange adjustments	390	749	36	785
Additions	—	24	—	24
Acquisition of a subsidiary (note 37(a))	7	—	—	—
Amortisation (Note (a))	—	(333)	(2)	(335)
As at 31 December 2025	5,305	7,959	479	8,438
As at 31 December 2025				
Cost	5,916	11,104	491	11,595
Accumulated amortisation and impairment	(611)	(3,145)	(12)	(3,157)
Net book value	5,305	7,959	479	8,438
Year ended 31 December 2024				
As at 1 January 2024	5,627	8,193	525	8,718
Exchange adjustments	(780)	(968)	(78)	(1,046)
Additions	—	113	—	113
Acquisition of subsidiaries (note 37(b))	61	492	—	492
Amortisation (Note (a))	—	(311)	(2)	(313)
As at 31 December 2024	4,908	7,519	445	7,964
As at 31 December 2024				
Cost	5,504	10,064	455	10,519
Accumulated amortisation and impairment	(596)	(2,545)	(10)	(2,555)
Net book value	4,908	7,519	445	7,964

15. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Notes:

- (a) Amortisation expenses charged for the year are included in cost of sales in the consolidated statement of profit or loss.
- (b) Goodwill is allocated to 8 (2024: 7) groups of CGUs identified according to location of operation and business segment. The goodwill analysed by operating segment is as follows:

	2025 HK\$' million	2024 HK\$' million
Ports operation		
– Mainland China, Hong Kong and Taiwan		
– Pearl River Delta (comprising 4 groups of CGUs)	2,328	2,277
– Others (comprising 2 (2024: 1) groups of CGUs)	17	10
	<u>2,345</u>	<u>2,287</u>
– Brazil	2,899	2,560
– Indonesia	61	61
	<u>5,305</u>	<u>4,908</u>

Included in the ports operation in Pearl River Delta and Brazil as at 31 December 2025 are the goodwill attributable to Mega SCT and TCP amounting to HK\$2,056 million (2024: HK\$2,005 million) and HK\$2,899 million (2024: HK\$2,560 million), respectively.

In addition to goodwill and intangible assets above, property, plant and equipment and right-of-use assets (including allocation of corporate assets) that generate cash flows together with the related goodwill and intangible assets are also included in the respective CGU for the purpose of impairment assessment.

The recoverable amount of a CGU is determined based on the higher of fair value less costs of disposal and value in use calculations. The value in use calculations use pre-tax cash flow projections based on financial forecasts approved by management covering periods ranging from 5 years (2024: 5 years) for ports operation in Mainland China, Hong Kong and Taiwan and Indonesia and 23 years (2024: 24 years) for ports operation in Brazil, and discounted by rates specific to the relevant CGUs taking into consideration of the operating period of concession right and development plans. Management determines the financial forecasts based on past performance and its expectations for market development, including the expected economic growth in developed and emerging economies in the short-term and medium-term, prospective GDP growth rates of respective regions, future developments of the ports, among others. The cash flow projections, terminal growth rates, discount rates and revenue growth rates have been reassessed as at 31 December 2025 taking into consideration higher degree of estimation uncertainties in the current year due to volatility in financial markets. Cash flows beyond the forecasted period are extrapolated using the estimated terminal growth rates stated below except for Brazil.

The Group engages an independent qualified valuer, Greater China Appraisal Limited, to determine the terminal growth rates and discount rates used in the value in use calculations prepared by the management of the Group.

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15. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Notes: (continued)

(b) (continued)

The key assumptions used for value in use calculations are as follows:

	Terminal growth rate (Note (i))		Pre-tax discount rate (Note (ii))		Weighted average revenue growth rate (Note (iii))	
	2025	2024	2025	2024	2025	2024
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
Ports operation						
– Mainland China, Hong Kong and Taiwan						
– Pearl River Delta	1.89% - 2.47%	2.00% - 2.50%	8.96% - 10.29%	9.61% - 10.48%	0.01% - 3.54%	0.15% - 12.46%
– Others	1.89%	2.00%	9.22% - 10.13%	9.93%	0.97% - 6.13%	4.96%
– Brazil	N/A	N/A	23.25%	23.55%	5.01%	5.00%
– Indonesia	2.52%	2.52%	13.29%	15.11%	2.95%	2.21%

Notes:

- (i) Terminal growth rates are used to extrapolate cash flows beyond the forecasted period which do not exceed the historical trend of the respective CGUs nor the industry terminal growth rate.
- (ii) Pre-tax discount rate has been applied to the cash flow projections. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.
- (iii) Weighted average revenue growth rates are used to extrapolate cash flows for the forecasted period which do not exceed the historical trend of the respective CGUs nor the industry revenue growth rate.

In addition to impairment testing using the base case assumption, separate sensitivity analyses were performed. The sensitivity analysis using a higher/lower discount rate of 0.3% (2024: 0.3%) indicated that the recoverable amount of ports operation in Mainland China, Hong Kong and Taiwan, Brazil and Indonesia would have been decreased/increased by approximately HK\$513 million (2024: HK\$479 million), HK\$194 million (2024: HK\$128 million) and HK\$35 million (2024: HK\$18 million) respectively.

The sensitivity analysis using a higher/lower terminal growth rate of 0.1% (2024: 0.1%) indicated that the recoverable amount of ports operation in Mainland China, Hong Kong and Taiwan and Indonesia would have been increased/decreased by approximately HK\$137 million (2024: HK\$131 million) and HK\$8 million (2024: HK\$5 million) respectively.

The sensitivity analysis using a higher/lower revenue growth rate of 0.1% (2024: 0.1%) indicated that the recoverable amount of ports operation in Mainland China, Hong Kong and Taiwan, Brazil and Indonesia would have been increased/decreased by approximately HK\$44 million (2024: HK\$41 million), HK\$19 million (2024: HK\$14 million) and HK\$4 million (2024: HK\$3 million) respectively.

15. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Notes: (continued)

- (c) Included in port operating rights as at 31 December 2025 is an amount of HK\$3,846 million (2024: HK\$3,560 million) related to the concession for operation of a terminal in the Port of Lomé in Togo for a concession period of 35 years commencing from 2011 granted by the government of Togolese Republic. The carrying amount of the concession represents the aggregate of the fair value as at the date of the business combination under which the Group acquired the concession and the fair value of the construction services carried out to-date less their accumulated amortisation. Amortisation is provided for over the period in which the Group operates the relevant terminals on a straight-line basis.

Included in port operating rights as at 31 December 2025 is also an amount of HK\$2,811 million (2024: HK\$2,587 million) related to the concession for operation of a terminal in Brazil for a concession period of 50 years commencing from 1998 granted by the Brazilian Federal Government. The carrying amount of the concession represents the fair value as at the date of the business combination under which the Group acquired the concession less its accumulated amortisation. Amortisation is provided for over the period in which the Group operates the relevant terminals on an economic usage basis.

Included in port operating rights as at 31 December 2025 is also an amount of HK\$440 million (2024: HK\$474 million) related to the concession for operation of two terminals in Indonesia for concession periods of 20 years and 25 years commencing from 2015 and 2024 granted by the government of Indonesia. The carrying amount of the concession represents the fair value as at the date of the business combination under which the Group acquired the concession less its accumulated amortisation. Amortisation is provided for over the period in which the Group operates the relevant terminals on an economic usage basis.

The remaining amount of port operating rights amounting to HK\$862 million (2024: HK\$898 million) relates to the concession for operation of a terminal built in Colombo of Sri Lanka for a concession period of 35 years commencing from 2011 granted by the government of the Republic of Sri Lanka. The carrying amount of the concession represents the fair value as at the date of the entering into a BOT agreement by the Group less its accumulated amortisation, which is calculated using the economic usage basis.

- (d) Included in others as at 31 December 2025 is an amount of HK\$105 million (2024: HK\$107 million) relates to the concession for development and operation of a logistics centre in the Port of Colombo for a concession period of 50 years commencing from 2023 granted by the government of the Republic of Sri Lanka. The carrying amount of the concession represents the fair value as at the date of the entering into a BOT agreement by the Group acquired the concession less its accumulated amortisation, which is calculated using the economic usage basis.

The remaining amount of others mainly represents trademark used in Brazil port operation having an indefinite useful life.

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16. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings HK\$'million	Harbour works, buildings and dockyard HK\$'million	Plant machinery, furniture and equipment, HK\$'million	Others HK\$'million (Note (a))	Assets under construction HK\$'million	Total HK\$'million
Year ended 31 December 2025						
As at 1 January 2025	3,156	12,348	4,393	879	1,691	22,467
Exchange adjustments	74	453	167	14	14	722
Additions	—	272	237	37	303	849
Disposals	—	(4)	(13)	—	—	(17)
Transfer	—	215	424	5	(644)	—
Depreciation (Note (b))	(129)	(650)	(587)	(76)	—	(1,442)
Impairment	—	—	—	—	(6)	(6)
As at 31 December 2025	3,101	12,634	4,621	859	1,358	22,573
As at 31 December 2025						
Cost	3,785	20,727	12,847	1,744	1,365	40,468
Accumulated depreciation and impairment	(684)	(8,093)	(8,226)	(885)	(7)	(17,895)
Net book value	3,101	12,634	4,621	859	1,358	22,573
Year ended 31 December 2024						
As at 1 January 2024	1,015	13,180	4,522	940	1,488	21,145
Exchange adjustments	(51)	(627)	(173)	(23)	(49)	(923)
Additions	—	96	135	26	808	1,065
Acquisition of subsidiaries (note 37(b))	4	—	294	5	—	303
Disposals	—	(4)	(14)	(1)	—	(19)
Transfer	—	321	223	11	(555)	—
Transfer from investment properties	2,233	—	—	—	—	2,233
Depreciation (Note (b))	(45)	(618)	(594)	(79)	—	(1,336)
Impairment	—	—	—	—	(1)	(1)
As at 31 December 2024	3,156	12,348	4,393	879	1,691	22,467
As at 31 December 2024						
Cost	3,711	19,791	12,032	1,688	1,692	38,914
Accumulated depreciation and impairment	(555)	(7,443)	(7,639)	(809)	(1)	(16,447)
Net book value	3,156	12,348	4,393	879	1,691	22,467

16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Notes:

- (a) Others comprise vessels and ships, motor vehicles and leasehold improvements with net book values of HK\$578 million (2024: HK\$622 million), HK\$89 million (2024: HK\$72 million) and HK\$192 million (2024: HK\$185 million) respectively as at 31 December 2025.
- (b) Depreciation charged for the year are included in the consolidated statement of profit or loss as follows:

	2025 HK\$'million	2024 HK\$'million
Cost of sales	1,390	1,289
Administrative expenses	52	47
	1,442	1,336

- (c) As at 31 December 2025, property, plant and equipment with a net book value of HK\$23 million (2024: HK\$167 million) and HK\$197 million (2024: Nil) were pledged as security for the Group's bank facilities and loans from a fellow subsidiary respectively.

17. RIGHT-OF-USE ASSETS

	Land use rights HK\$'million	Leasehold land and buildings HK\$'million	Harbour works, buildings and dockyard HK\$'million	Others HK\$'million	Total HK\$'million
As at 31 December 2025					
Carrying amount	7,979	110	5,857	1,202	15,148
As at 31 December 2024					
Carrying amount	8,069	123	6,011	1,261	15,464
For the year ended 31 December 2025					
Depreciation charge	243	15	193	57	508
For the year ended 31 December 2024					
Depreciation charge	219	18	198	61	496

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17. RIGHT-OF-USE ASSETS (CONTINUED)

	2025 HK\$'million	2024 HK\$'million
Expenses relating to short-term leases	51	37
Additions to right-of-use assets	33	283
Capital element of lease rentals paid	166	150
Interest element of lease rentals paid	109	72
Short-term leases paid	51	37
Total cash outflow for the leases	326	259

Lease terms are negotiated by the Group on an individual basis and contain a wide range of different terms and conditions. The terms are fixed with various period, from 12 months to 99 years. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases mainly for plant, machinery, furniture and equipment. As at 31 December 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

As at 31 December 2025, right-of-use assets with a net book value of HK\$167 million (2024: HK\$173 million) were pledged as security for the Group's bank borrowings (note 30(a)).

18. INVESTMENT PROPERTIES

The Group leases out various offices, residential and other commercial properties under operating leases with rentals payable monthly. Lease contracts run for an initial period of 1 month to 15 years.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

	2025 HK\$'million	2024 HK\$'million
As at 1 January	5,818	8,229
Exchange adjustments	146	(143)
Decrease in fair value (note 7)	(17)	(25)
Additions	—	1
Disposals	—	(11)
Transfer to property, plant and equipment	—	(2,233)
As at 31 December	5,947	5,818

The investment properties were revalued at the end of each reporting period by independent and professional qualified valuers not connected to the Group. In determining the fair value of the relevant properties, the management of the Company determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique or level of fair value hierarchy during the year.

The fair value measurements for all of the Group's investment properties are categorised as level 3 (see note 2.1). The valuation techniques and inputs used of the Group's significant investment properties are set out below.

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18. INVESTMENT PROPERTIES (CONTINUED)

Description	Valuation techniques	Significant unobservable inputs	Relationship of non-observable inputs to fair value
Commercial and residential complex in Shenzhen, the PRC 2025: HK\$1,358 million 2024: HK\$1,323 million	Income approach	Monthly market rent, taking into account the growth rate and rent of comparables, at a weighted average of RMB77 (2024: RMB79) per square metre per month Capitalisation rate, at an average of 6.5% (2024: 6.5%).	A significant increase in the monthly market rent would result in a significant increase in the fair value, and vice versa. A significant increase in the capitalisation rate would result in a significant decrease in the fair value, and vice versa.
Commercial properties in Shenzhen, the PRC 2025: HK\$4,425 million 2024: HK\$4,313 million	Market comparison approach	Market unit rate, taking into account the transaction dates, floor areas, locations and conditions of the property, which ranged from RMB63,339 to RMB75,943 (2024: RMB66,055 to RMB67,431) per square metre.	A significant increase in the market unit rate used would result in a significant increase in the fair value, and vice versa.

19. INTERESTS IN SUBSIDIARIES

(a) Composition of the Group

Particulars of the Company's principal subsidiaries at 31 December 2025 are set out in note 40.

(b) Non-wholly-owned subsidiaries of the Company that have material non-controlling interests

The table below shows non-wholly-owned subsidiaries of the Company that have material non-controlling interests:

Name of subsidiaries	Proportion of effective ownership interests held by non-controlling interests		Proportion of effective voting rights held by non-controlling interests		Accumulated non-controlling interests	
	2025	2024	2025	2024	2025 HK\$ million	2024 HK\$ million
Shantou Port	40.00%	40.00%	40.00%	40.00%	3,445	3,501
Gainpro	35.00%	35.00%	35.00%	35.00%	4,707	4,701
Individually immaterial subsidiaries with non-controlling interests					8,483	7,882
					16,635	16,084

The summarised financial information of the Shantou Port Group and the Gainpro Group is prepared in accordance with the significant accounting policies of the Group.

19. INTERESTS IN SUBSIDIARIES (CONTINUED)

(b) Non-wholly-owned subsidiaries of the Company that have material non-controlling interests (continued)

Summarised financial information of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows in respect of the Shantou Group and the Gainpro Group is set out below:

	2025	
	Shantou Port Group HK\$'million	Gainpro Group HK\$'million
<i>Financial information of the consolidated statement of profit or loss and other comprehensive income</i>		
Revenue	493	560
Other income and other gains	20	5
Expenses and taxation	(523)	(553)
(Loss)/profit and other comprehensive expense for the year	(10)	12
(Loss)/profit and other comprehensive expense for the year, attributable to:		
Equity holders of the Company	(7)	19
Non-controlling interests	(3)	(7)
	(10)	12
Dividends paid to non-controlling interests	(3)	—
<i>Financial information of the consolidated statement of cash flows</i>		
Net cash inflow from operating activities	83	398
Net cash outflow from investing activities	(33)	(180)
Net cash inflow from financing activities	115	127
Net cash inflow	165	345

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19. INTERESTS IN SUBSIDIARIES (CONTINUED)

(b) Non-wholly-owned subsidiaries of the Company that have material non-controlling interests (continued)

	2024	
	Shantou Port Group HK\$'million	Gainpro Group HK\$'million
<i>Financial information of the consolidated statement of profit or loss and other comprehensive income</i>		
Revenue	460	304
Other income and other gains	535	8
Expenses and taxation	(565)	(393)
Profit/(loss) and other comprehensive income/(expense) for the year	430	(81)
Profit/(loss) and other comprehensive income/(expense) for the year, attributable to:		
Equity holders of the Company	258	(37)
Non-controlling interests	172	(44)
	430	(81)
Dividends paid to non-controlling interests	(787)	—
<i>Financial information of the consolidated statement of cash flows</i>		
Net cash inflow from operating activities	58	114
Net cash inflow/(outflow) from investing activities	1,953	(252)
Net cash outflow from financing activities	(1,967)	—
Net cash inflow/(outflow)	44	(138)

19. INTERESTS IN SUBSIDIARIES (CONTINUED)

- (b) Non-wholly-owned subsidiaries of the Company that have material non-controlling interests (continued)

Summarised financial information of the consolidated statement of financial position of the Shantou Port Group and the Gainpro Group is set out below:

	2025		2024	
	Shantou Port Group HK\$'million	Gainpro Group HK\$'million	Shantou Port Group HK\$'million	Gainpro Group HK\$'million
Non-current assets	7,069	10,057	7,443	10,203
Current assets	2,788	524	2,737	161
Current liabilities	(720)	(355)	(581)	(293)
Non-current liabilities	(668)	(117)	(938)	(2)
	8,469	10,109	8,661	10,069
Equity attributable to:				
Equity holders of the Company	5,024	5,402	5,160	5,368
Non-controlling interests	3,445	4,707	3,501	4,701
	8,469	10,109	8,661	10,069

- (c) At no time had there been any significant restriction imposed on the Group on its ability to access or use the assets or settle the liabilities of any entities of the Group.

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20. INTERESTS IN ASSOCIATES

	2025 HK\$'million	2024 HK\$'million
Share of net assets of associates, net of impairment:		
Listed associates	49,616	48,396
Unlisted associates	31,387	28,001
	81,003	76,397
Goodwill:		
Listed associates	2,760	2,693
Unlisted associates	2,442	2,437
	5,202	5,130
Total	86,205	81,527
Fair value of the listed associates owned by the Group (Note)	41,365	45,119

Note: The fair value of the listed associates is determined based on the quoted market bid price multiplied by the quantity of shares held by the Group.

The management of the Group carried out an assessment as at 31 December 2025 and 2024 for whether there is any impairment required or any indication that the impairment loss recognised in prior years for the listed associates may no longer exist or may be decreased. Based on the assessment performed for these listed associates, no impairment/reversal of impairment recognised during both years. The cumulative impairment loss recognised as at 31 December 2025 is HK\$362 million (31 December 2024: HK\$351 million).

Particulars of the Group's principal associates at 31 December 2025 are set out in note 41.

All of the Group's associates are accounted for using equity method in the consolidated financial statements.

The Group's material associate at the end of the reporting period is SIPG. Summarised financial information in respect of SIPG Group is set out below. Other associates invested by the Group are not individually material. The summarised financial information below represents the financial information of the SIPG Group prepared in accordance with the significant accounting policies of the Group.

20. INTERESTS IN ASSOCIATES (CONTINUED)

(a) Material associate

	SIPG Group	
	2025 HK\$'million	2024 HK\$'million
<i>Financial information of the consolidated statement of profit or loss and other comprehensive income</i>		
Revenue	43,236	41,761
Profit for the year, attributable to equity holders of the associate	12,932	16,623
Other comprehensive expense for the year, attributable to equity holders of the associate	(17)	(77)
Total comprehensive income for the year, attributable to equity holders of the associate	12,915	16,546
Dividends received from the associate by the Group	1,026	1,238
<i>Financial information of consolidated statement of financial position</i>		
Non-current assets	197,036	181,300
Current assets	52,411	52,557
Current liabilities	(30,812)	(24,915)
Non-current liabilities	(42,057)	(45,621)
Net assets of the associate	176,578	163,321
<i>Reconciliation to the carrying amounts of interests in the associate:</i>		
Net assets of the associate	176,578	163,321
Less: non-controlling interests	(16,605)	(15,237)
Net assets attributable to equity holders of the associate	159,973	148,084
Proportion of the Group's interests in the associate	28.06%	28.05%
Net assets attributable to the Group's interests in the associate	44,880	41,537
Goodwill	2,758	2,690
Carrying amount of the Group's interests in the associate	47,638	44,227
Market value of the listed associate, valued based on the quoted prices in active market for the identical asset directly, and categorised as level 1 of the fair value hierarchy of the Group's interests in the associate	39,193	43,164

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20. INTERESTS IN ASSOCIATES (CONTINUED)

(b) Aggregate of other associates that are not individually material

	2025 HK\$'million	2024 HK\$'million
The Group's share of:		
Profit for the year	1,060	1,470
Other comprehensive income/(expense)	520	(244)
Total comprehensive income	1,580	1,226
Aggregate carrying amount of the Group's interests in these associates	38,567	37,300

21. INTERESTS IN JOINT VENTURES

	2025 HK\$'million	2024 HK\$'million
Share of net assets of joint ventures	8,664	8,514

Particulars of the Group's principal joint ventures at 31 December 2025 are set out in note 42.

As at 31 December 2025 and 2024, in the opinion of the Directors, the Group has no individually material joint venture and no financial information of individually material joint venture is disclosed. All of the Group's joint ventures are accounted for using equity method in the consolidated financial statements.

Summarised financial information in respect of the aggregate of the Group's joint ventures, each of which is not individually material, is set out below:

	2025 HK\$'million	2024 HK\$'million
The Group's share of:		
Profit for the year	283	381
Other comprehensive income	66	202
Total comprehensive income	349	583

22. OTHER FINANCIAL ASSETS

	2025 HK\$'million	2024 HK\$'million
Financial assets at FVTPL (Note (a))	6,339	4,431
Equity instruments at FVTOCI (Note (b))	13	10
Advances to associates (Note (c))	302	269
Advance to a joint venture (Note (d))	1,144	994
Compensation receivable from SLRC (Note (e))	2,844	2,853
	10,642	8,557
Analysed as:		
Non-current	5,942	5,785
Current	4,700	2,772
	10,642	8,557

Notes:

(a) Financial assets at FVTPL

	2025 HK\$'million	2024 HK\$'million
Listed equity investments in Mainland China	1,638	1,695
Structured deposits	4,700	2,735
Other unlisted equity investments	1	1
	6,339	4,431

(b) Equity instruments at FVTOCI

	2025 HK\$'million	2024 HK\$'million
Unlisted equity investments in Mainland China	13	10

(c) Included in the amount of an advance to an associate of EURO 26 million (equivalent to approximately HK\$235 million) (2024: EURO 26 million (equivalent to approximately HK\$211 million)) for the year ended 31 December 2025 is interest-bearing at a rate of 6.15% per annum and repayable in 2028.

Included in the amount of an advance to another associate of RMB34 million (equivalent to approximately HK\$38 million) (2024: RMB34 million (equivalent to approximately HK\$37 million)) for the year ended 31 December 2025 is interest-bearing at 1-year loan prime rate (adjust annually) of 3.00% (2024: 3.65%) per annum and repayable in 2028 (2024: repayable in 2025).

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22. OTHER FINANCIAL ASSETS (CONTINUED)

Notes: (continued)

- (d) The amount is denominated in Australian dollar, unsecured, interest-bearing at a rate of 0.5% plus the weighted average of the interest rates applicable under certain facilities provided to the joint venture per annum and repayable in 2034.
- (e) On 5 November 2019 and 22 December 2020, Shantou Port entered into the contract for the Acquisition of State-Owned Land Use Rights in Shantou with SLRC. Pursuant to the contract, land and attached buildings located in Zhuchi Deepwater Port on the south of Zhongshan East Road of Shantou should be returned to SLRC by Shantou Port at the price of RMB1,558 million (equivalent to approximately HK\$1,725 million) and at the price of RMB1,344 million (equivalent to approximately HK\$1,488 million) respectively. As at 31 December 2025, the land compensation of RMB2,432 million (equivalent to approximately HK\$2,692 million) had not been recovered.

On 21 August 2020, Shantou Port entered into the contract for the Acquisition of State-Owned Land Use Rights in Shantou with Land Reserve Centre of Shantou Haojiang District. Pursuant to the contract, the land and attached buildings located in Yutianwen, Qeshi, Haojiang District, Shantou, should be returned to Land Reserve Center of Shantou Haojiang District by Shantou Port at the price of RMB250 million (equivalent to approximately HK\$277 million). As at 31 December 2025, the land compensation of RMB200 million (equivalent to approximately HK\$221 million) had not been recovered.

Taking into account historical repayment patterns and future outlook, the Group has estimated the difference between the present value of expected cash inflows and the carrying amount on an overall basis and recognised an allowance for credit losses accordingly. As at 31 December 2025, the Group had recognised an allowance for credit losses of HK\$69 million.

23. OTHER NON-CURRENT ASSETS

	2025 HK\$'million	2024 HK\$'million
Prepayments and deposits for purchase of other non-current assets	101	109
Others	38	38
	139	147

24. INVENTORIES

	2025 HK\$'million	2024 HK\$'million
Raw materials	273	234

25. DEBTORS, DEPOSITS AND PREPAYMENTS

	2025 HK\$'million	2024 HK\$'million
Trade debtors from contracts with customers	1,086	953
Less: allowance for credit losses (Note (a))	(67)	(89)
Trade debtors, net (Notes (b), (c) and (d))	1,019	864
Amounts due from fellow subsidiaries (Notes (c) and (e))	22	74
Amount due from immediate holding company (Notes (c) and (e))	2	6
Amounts due from associates (Notes (c) and (e))	75	76
Amount due from an intermediate holding company (Notes (c) and (e))	—	2
Dividend receivables (Note (c))	600	540
	1,718	1,562
Other debtors, deposits and prepayments	418	580
	2,136	2,142

Notes:

- (a) Movements in the allowance for credit losses of trade debtors are as follows:

	2025 HK\$'million	2024 HK\$'million
As at 1 January	89	90
Allowance for credit losses	16	8
Reversal of allowance	(8)	(2)
Written-off	(36)	—
Exchange adjustments	6	(7)
As at 31 December	67	89

The allowance for credit losses have been included in other income and other gains, net in the consolidated statement of profit or loss.

- (b) The Group has a credit policy of allowing an average credit period of 90 days (2024: 90 days) to its trade debtors. The ageing analysis of trade debtors, based on the invoice date, net of allowance for credit losses of trade debtors, is as follows:

	2025 HK\$'million	2024 HK\$'million
0 - 90 days	968	816
91 - 180 days	25	27
181 - 365 days	17	11
Over 365 days	9	10
	1,019	864

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25. DEBTORS, DEPOSITS AND PREPAYMENTS (CONTINUED)

Notes: (continued)

- (c) As at 31 December 2025, trade debtors of HK\$878 million (2024: HK\$722 million) and other financial assets of HK\$699 million (2024: HK\$698 million) are neither past due nor impaired.
- (d) As at 31 December 2025, included in the Group's trade debtors balance are debtors with aggregate carrying amount (before any allowance for credit losses) of HK\$208 million (2024: HK\$231 million) which are past due as at the reporting date. Out of the past due balances, HK\$46 million (2024: HK\$39 million) has been past due 90 days or more and is not considered as in default as these are related to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered.
- (e) The balances are unsecured, interest-free and recoverable in accordance with the credit term.

26. CASH AND BANK BALANCES

	2025 HK\$'million	2024 HK\$'million
Cash at bank and in hand	6,133	6,377
Short-term time and other deposits (Note (a))	5,562	4,986
Cash and cash equivalents	11,695	11,363
Other deposits (Note (b))	48	47
	11,743	11,410

Notes:

- (a) The weighted average effective interest rate on the balances as at 31 December 2025 was approximately 2.50% (2024: 3.30%) per annum. These deposits can be readily convertible to cash before maturity.
- (b) The weighted average effective interest rate on the balances as at 31 December 2025 was approximately 2.30% (2024: 2.30%) per annum. These deposits cannot be readily convertible to cash before maturity.

27. SHARE CAPITAL

	The Company			
	Number of shares		Share capital	
	2025	2024	2025 HK\$'million	2024 HK\$'million
Issued and fully paid:				
As at 1 January and 31 December	4,198,009,186	4,198,009,186	48,731	48,731

28. PERPETUAL CAPITAL SECURITIES

In October 2020, CMFBVI, a wholly-owned subsidiary of the Company, issued US\$600 million 3.5% and US\$200 million 3.875% guaranteed perpetual capital securities ("2020 Perpetual Capital Securities"). Any amount payable arising from distribution or redemption were unconditionally and irrevocably guaranteed by the Company. Distribution on 2020 Perpetual Capital Securities are payable semi-annually in arrears on April and October each year ("Distributions Payment Date") and can be deferred at the discretion of CMFBVI and is not subject to any limit as to the number of times distributions. The 2020 Perpetual Capital Securities have no fixed maturity. US\$600 million 3.5% guaranteed perpetual capital securities are redeemable at CMFBVI's option on 9 October 2023 or any Distributions Payment Date at their principal amounts, and US\$200 million 3.875% guaranteed perpetual capital securities are redeemable at CMFBVI's option on 9 October 2025 or any Distributions Payment Date at their principal amounts. While any distributions are unpaid or deferred, the Company and CMFBVI cannot declare or, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank, which includes the ordinary shares of the Company and CMFBVI.

The 2020 Perpetual Capital Securities are classified as equity instrument. Any distributions made by CMFBVI to the holders are recognised in equity in the consolidated financial statements of the Company. During the year ended 31 December 2020, a net proceeds amounted to US\$799 million (equivalent to approximately HK\$6,185 million) was received.

During the year, distributions amounted to HK\$60 million (2024: HK\$60 million), representing 3.875% (2024: 3.875%) of the perpetual capital securities issued, was paid to the holders of the perpetual capital securities. The Group has redeemed US\$600 million and US\$200 million of the 2020 Perpetual Capital Securities in October 2023 and October 2025 respectively.

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29. OTHER RESERVES

	Capital reserve HK\$'million	Investment revaluation reserve HK\$'million	Translation reserve HK\$'million	Statutory reserve HK\$'million (Note)	Total HK\$'million
As at 1 January 2025	1,237	1,962	(9,182)	3,663	(2,320)
OTHER COMPREHENSIVE INCOME					
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures	—	—	3,806	—	3,806
Change in fair value of financial assets	—	1	—	—	1
Share of other reserves of associates	—	7	—	—	7
Other comprehensive income for the year, net of tax	—	8	3,806	—	3,814
TRANSACTIONS WITH OWNERS					
Transfer from retained earnings	—	—	—	96	96
Acquisition of a subsidiary	2	—	—	—	2
Share of other changes in equity attributable to equity holders of associates and joint ventures	(1)	—	—	—	(1)
Total transactions with owners for the year	1	—	—	96	97
As at 31 December 2025	1,238	1,970	(5,376)	3,759	1,591

29. OTHER RESERVES (CONTINUED)

	Capital reserve HK\$'million	Investment revaluation reserve HK\$'million	Translation reserve HK\$'million	Statutory reserve HK\$'million (Note)	Total HK\$'million
As at 1 January 2024	1,274	1,720	(5,835)	3,536	695
OTHER COMPREHENSIVE INCOME/(EXPENSE)					
Exchange differences from retranslation of investments in subsidiaries, associates and joint ventures	—	—	(3,347)	—	(3,347)
Share of other reserves of associates	—	242	—	—	242
Other comprehensive income/(expense) for the year, net of tax	—	242	(3,347)	—	(3,105)
TRANSACTIONS WITH OWNERS					
Transfer from retained earnings	—	—	—	127	127
Share of other changes in equity attributable to equity holders of associates and joint ventures	(37)	—	—	—	(37)
Total transactions with owners for the year	(37)	—	—	127	90
As at 31 December 2024	1,237	1,962	(9,182)	3,663	(2,320)

Note: Amount mainly represents statutory reserve of the Group's subsidiaries in the PRC. According to the relevant laws in the PRC, the Group's subsidiaries established in the PRC are required to transfer at least 10% of their net profit after taxation, as determined under the PRC accounting regulations, to a non-distributable reserve fund until the reserve balance reaches 50% of their registered capital. The transfer to this reserve must be made before the distribution of a dividend to equity owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.

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30. BANK AND OTHER BORROWINGS

	2025 HK\$'million	2024 HK\$'million
Bank loans		
Unsecured short-term bank loans		
– variable rate	20,024	11,540
– fixed rate	1,329	1,609
Unsecured long-term fixed rate bank loans	—	1,554
Long-term variable rate bank loans		
– unsecured	1,048	4,364
– secured (Note (a))	1,225	1,342
	23,626	20,409
Loans from fellow subsidiaries (Note (b))	399	155
Notes payable (Note (c))		
– US\$500 million, 4.75% guaranteed listed notes maturing in 2025	—	3,879
– US\$500 million, 4% guaranteed listed notes maturing in 2027	3,887	3,874
– US\$600 million, 5% guaranteed listed notes maturing in 2028	4,649	4,631
– RMB2,000 million, 1.98% unlisted notes maturing in 2028	2,214	—
	10,750	12,384
Total	34,775	32,948
Less: amounts due within one year included under current liabilities	(21,716)	(19,542)
Non-current portion	13,059	13,406

Notes:

- (a) As at 31 December 2025 and 2024, the following assets are pledged against the Group's secured bank loans:

	2025 HK\$'million	2024 HK\$'million
Property, plant and equipment	—	167
Right-of-use assets (note 17)	167	173
	167	340

30. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (continued)

- (b) Included in the amount of loans from fellow subsidiaries of HK\$257 million (2024: HK\$155 million) is from a financial institution approved and regulated by the People's Bank of China and the China Banking Regulatory Commission. This amount is unsecured, interest-bearing at 2.24% to 2.25% (2024: 2.35%) per annum.

Included in the amount of loans from fellow subsidiaries of HK\$142 million (2024: Nil) relates to sales-and-leaseback financing arrangement without asset transfer at the end of contract term. This amount is secured with property, plant and equipment of HK\$197 million and interest-bearing at 2.8% plus the Secured Overnight Financing Rate (2024: Nil) per annum (note 16(c)).

- (c) Listed notes issued by subsidiaries of the Company amounting to HK\$8,536 million (2024: HK\$12,384 million) are secured by corporate guarantees provided by the Company.

Unlisted notes issued during the year by the Company of HK\$2,214 million (2024: Nil) are unsecured.

The effective interest rates of the Group's notes payable are as follows:

	2025	2024
US\$500 million, 4.75% guaranteed listed notes maturing in 2025	N/A	4.83%
US\$500 million, 4% guaranteed listed notes maturing in 2027	4.10%	4.09%
US\$600 million, 5% guaranteed listed notes maturing in 2028	5.20%	5.18%
RMB2,000 million, 1.98% unlisted notes maturing in 2028	2.03%	N/A

The fair value of the listed notes payable as at 31 December 2025 was HK\$8,651 million (2024: HK\$12,360 million). The fair value of the listed notes payable was determined with reference to quoted market price. Other than the listed notes payable, the carrying amounts of the bank and other borrowings approximate their fair values as at 31 December 2025 and 2024.

- (d) The Group is required to comply with certain financial covenants and non-financial covenants for all bank loans throughout the continuance of the relevant loans. The Group complied with these covenants throughout the reporting period.
- (e) As at 31 December 2025, the Group has undrawn facilities of bank loan and other debt financing instruments amounting to HK\$27,628 million (2024: HK\$13,744 million), of which HK\$11,903 million (2024: HK\$3,392 million) and HK\$15,725 million (2024: HK\$10,352 million) are committed and uncommitted credit facilities respectively.
- (f) The bank and other borrowings as at 31 December 2025 and 2024 are repayable as follows:

	Bank loans		Loans from fellow subsidiaries		Notes payable		Total	
	2025 HK\$'million	2024 HK\$'million	2025 HK\$'million	2024 HK\$'million	2025 HK\$'million	2024 HK\$'million	2025 HK\$'million	2024 HK\$'million
Within 1 year	21,659	15,653	57	10	—	3,879	21,716	19,542
Between 1 and 2 years	392	1,089	108	—	3,887	—	4,387	1,089
Between 2 and 5 years	555	2,544	162	—	6,863	8,505	7,580	11,049
Within 5 years	22,606	19,286	327	10	10,750	12,384	33,683	31,680
More than 5 years	1,020	1,123	72	145	—	—	1,092	1,268
Total	23,626	20,409	399	155	10,750	12,384	34,775	32,948

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30. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (continued)

(g) The effective interest rates of bank loans at the end of the reporting period are as follows:

	2025	2024
HK Dollars	3.03% - 3.60%	4.63% - 4.90%
RMB	1.53% - 2.65%	1.90% - 3.00%
IDR	N/A	8.50%

31. LEASE LIABILITIES

	2025 HK\$'million	2024 HK\$'million
Lease liabilities payable:		
Within 1 year	98	106
Between 1 and 2 years	51	88
Between 2 and 5 years	154	165
More than 5 years	1,212	1,241
Total	1,515	1,600
Less: Amount due for settlement within one year included shown under current liabilities	(98)	(106)
Non-current portion	1,417	1,494

The lease liabilities ranged from 1 to 50 years, depending on the classes of assets rented. The Group does not have a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

The Group's weighted average incremental borrowing rate for lease liabilities as at 31 December 2025 is 6.35% (2024: 6.32%).

Lease liabilities of HK\$1,515 million (2024: HK\$1,600 million) are recognised with related right-of-use assets of HK\$1,250 million (2024: HK\$1,380 million) as at 31 December 2025. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

Details of the lease maturity analysis of the Group's lease liabilities are set out in note 35.1 (iii).

32. OTHER NON-CURRENT LIABILITIES

	2025 HK\$'million	2024 HK\$'million
Concession liabilities (Note (a))	2,865	2,561
Royalty provision (Note (b))	974	858
Long-term employee compensation (Note (c))	501	586
Deferred income	351	361
Others (Note (d))	232	105
	4,923	4,471

Notes:

- (a) Amount represents the liabilities arising from the concession arrangements for a port located in Brazil with the local port authority due by TCP Group (the "TCP Concession Liabilities"). The relevant concession arrangement allows for operations in the relevant port for up to 2048. Pursuant to the said concession arrangements including the amendments thereto, with the relevant authority, concession payment is payable on a monthly basis and is adjusted from time to time, among other conditions, with reference to an official inflation index in Brazil.

The current portion of the TCP Concession Liabilities amounting to HK\$96 million (2024: HK\$85 million) is included in creditors and accruals under current liabilities.

- (b) Amount represents the Royalty Provision under a BOT Agreement with Sri Lanka Ports Authority due by a non-wholly-owned subsidiary, CICT, to Sri Lanka Ports Authority.

The BOT Agreement was entered into in 2011 for the right to construct, operate, manage and develop Colombo South Container Terminal for 35 years.

The current portion of the Royalty Provision amounting to HK\$95 million (2024: HK\$94 million) is included in creditors and accruals under current liabilities. The initial recognition of the Royalty Provision is determined by discounting the future annual guaranteed cash flows.

- (c) Long-term employee compensation

	2025 HK\$'million	2024 HK\$'million
Net deferred benefit obligations (Note)	464	541
Termination benefit	19	25
Other	59	62
Total	542	628
Less: Amount included in current liabilities	(41)	(42)
	501	586

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32. OTHER NON-CURRENT LIABILITIES (CONTINUED)

Notes: (continued)

(c) Long-term employee compensation (continued)

Note: A subsidiary of the Company, Shantou Port Group, operates an unfunded SPG Retirement Scheme for those employees who are eligible to participate in the SPG Retirement Scheme.

The present value of the SPG Retirement Scheme liabilities is calculated by reference to the best estimate of the mortality rate of plan participants both during and after their employment and future salaries of plan participants. An increase in the life expectancy and future salaries of the plan participants will both increase the plan's liability.

The most recent actuarial valuations of the present value of the defined benefit obligations as at 31 December 2025 and 2024 were carried out by qualified staff of Towers Watson Management Consulting (Shenzhen) Company Limited, who are the member of Chartered Enterprise Risk Actuary. The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(i) The principal actuarial assumptions used at the end of the reporting period are as follows:

	2025	2024
Discount rate – post-employment benefits	2.25%	2.00%
Discount rate – termination benefits	1.50%	1.75%

(ii) A quantitative sensitivity analysis for significant assumptions at the end of the reporting period is shown below:

	Increase in rate %	(Decrease)/ increase in net defined benefit obligations HK\$'million	Decrease in rate %	Increase/ (decrease) in net defined benefit obligations HK\$'million
As at 31 December 2025				
Discount rate – post-employment benefits	0.25	(14)	0.25	15
Discount rate – termination benefits	0.25	—	0.25	—
As at 31 December 2024				
Discount rate – post-employment benefits	0.25	(21)	0.25	23
Discount rate – termination benefits	0.25	—	0.25	—

32. OTHER NON-CURRENT LIABILITIES (CONTINUED)

Notes: (continued)

(c) Long-term employee compensation (continued)

(ii) A quantitative sensitivity analysis for significant assumptions at the end of the reporting period is shown below: (continued)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

(iii) The movements in the present value of the defined benefit obligations are as follows:

	2025 HK\$ million	2024 HK\$ million
At the beginning of the year	541	477
Benefit cost recognised in profit or loss:		
– Current service cost	39	11
– Post service cost	(91)	—
– Interest cost	11	13
Benefit cost recognised in other comprehensive income:		
– Actuarial (gains)/losses	(31)	62
Other changes:		
– Benefit paid	(28)	(25)
– Changes in the scope of consolidation	5	18
– Exchange adjustments	19	(15)
At the end of the year	<u>465</u>	<u>541</u>

The above amount of the Group's net pension scheme cost was included in "Administrative expenses" on the face of the consolidated statement of profit or loss.

(d) Amount mainly represents the allowances for credit losses of financial guarantee for a related party of the Group amounted to US\$15 million (equivalent to approximately HK\$117 million). See note 38(d)(ii) for details.

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33. DEFERRED TAXATION

The movement in the net deferred tax liabilities is as follows:

	2025 HK\$'million	2024 HK\$'million
As at 1 January	4,295	4,165
Exchange adjustments	174	(99)
Acquisition of subsidiaries (note 37(b))	—	102
Disposal of financial assets	—	(98)
Charged to consolidated statement of profit or loss (note 12)	52	225
As at 31 December	4,521	4,295

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of HK\$297 million (2024: HK\$682 million) to be carried forward against future taxable income. These amounts expire in the following years:

	2025 HK\$'million	2024 HK\$'million
2025	—	306
2026	83	84
2027	176	207
2028	19	48
2029	11	37
2030	8	—
	297	682

33. DEFERRED TAXATION (CONTINUED)

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax liabilities

	Withholding tax relating to unremitted earnings		Accelerated tax depreciation allowance		Fair value gains and others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
As at 1 January	(2,881)	(2,573)	(1,188)	(1,304)	(541)	(652)	(4,610)	(4,529)
Exchange adjustments	(106)	(36)	(61)	138	(14)	12	(181)	114
(Charged)/credited to profit or loss	(96)	(272)	39	87	29	1	(28)	(184)
Acquisition of subsidiaries (note 37(b))	—	—	—	(109)	—	—	—	(109)
Disposal of financial assets	—	—	—	—	—	98	—	98
As at 31 December	(3,083)	(2,881)	(1,210)	(1,188)	(526)	(541)	(4,819)	(4,610)

Deferred tax assets

	Provision and tax loss		Others		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
As at 1 January	27	35	288	329	315	364
Exchange adjustments	2	(2)	5	(13)	7	(15)
Charged to profit or loss	(1)	(13)	(23)	(28)	(24)	(41)
Acquisition of subsidiaries (note 37(b))	—	7	—	—	—	7
As at 31 December	28	27	270	288	298	315

As at 31 December 2025, the Group has unrecognised deductible temporary difference of HK\$580 million (2024: HK\$652 million). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

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34. CREDITORS AND ACCRUALS

	2025 HK\$'million	2024 HK\$'million
Trade creditors (Note (a))	518	370
Contract liabilities (Note (b))	421	226
Staff cost payables	972	813
Amounts due to fellow subsidiaries (Note (c))	15	48
Amounts due to immediate holding company (Note (c))	13	—
Amounts due to associates (Note (c))	136	401
Amount due to a related party (Note (c))	—	5
Amount due to a non-controlling equity holder of a subsidiary (Note (c))	125	—
Other payables and accruals	1,478	1,963
	3,678	3,826

Notes:

(a) The ageing analysis of the trade creditors, based on invoice date, is as follows:

	2025 HK\$'million	2024 HK\$'million
0 - 90 days	465	308
91 - 180 days	34	33
181 - 365 days	8	6
Over 365 days	11	23
	518	370

(b) Movements in contract liabilities

	2025 HK\$'million	2024 HK\$'million
As at 1 January	226	100
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	(226)	(100)
Increase in contract liabilities as a result of advances received for the provision of ports operation services	421	226
As at 31 December	421	226

(c) The balances are unsecured, interest-free and repayable in accordance with the credit term.

35. FINANCIAL RISK MANAGEMENT

35.1 Financial risk factors

The Group's principal activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, fair value interest rate risk and cash flow interest rate risk), credit risk, and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise any potential adverse effects on the Group's financial performance. Risk management is carried out by senior management of the Group under policies approved by the Directors.

(i) *Market risk*

(a) *Foreign exchange risk*

Majority of the subsidiaries of the Company operate in Mainland China and most of their transactions are denominated in RMB, Hong Kong dollar or USD. The Group is exposed to foreign exchange risk primarily through sales and purchases, capital expenditure and expenses transactions that are denominated in currencies other than the functional currency of the subsidiaries.

The Group considers its foreign currency exposure is mainly arising from the exposure of Hong Kong dollar against RMB, USD, EURO and BRL.

The Group manages its exposures to foreign currency transactions by monitoring the level of foreign currency receipts and payments. The Group ensures that the net exposure to foreign exchange risk is kept to an acceptable level from time to time. The Group is presently not using forward exchange contracts to hedge foreign exchange risk arising from sales and purchase, capital expenditure and expenses transactions.

The Group also regularly monitors its portfolio of local and international customers and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign exchange risk.

As at 31 December 2025, 25% (2024: 38%) of the Group's borrowings are denominated in USD, 18% (2024: 30%) are denominated in RMB, and 57% (2024: 32%) are denominated in Hong Kong dollar. Majority of the Group's operating subsidiaries draw loans in their functional currencies to finance their funding requirements and no significant foreign exchange risk is expected to arise from these borrowings. The Group also utilised its USD denominated notes payable to finance its capital investments and working capital.

At 31 December 2025, if RMB had strengthened/weakened against the other currencies by 3% (2024: 3%) with all other variables held constant, profit before taxation would have been approximately HK\$250 million (2024: HK\$175 million) lower/higher mainly as a result of increase/decrease (2024: increase/decrease) in net foreign exchange losses on translation of cash and cash equivalents, debtors, creditors and bank and other borrowings denominated in non-functional currencies of the relevant group companies.

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For the year ended 31 December 2025

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(i) *Market risk (continued)*

(a) *Foreign exchange risk (continued)*

At 31 December 2025, if USD had strengthened/weakened against the other currencies by 0.5% (2024: 0.5%) with all other variables held constant, profit before taxation would have been approximately HK\$51 million (2024: HK\$56 million) lower/higher mainly as a result of increase/decrease (2024: increase/decrease) in net foreign exchange losses on translation of cash and cash equivalents, debtors, creditors and bank and other borrowings denominated in non-functional currencies of the relevant group companies.

(b) *Price risk*

The Group is exposed to equity securities price risk because of investments held by the Group that are classified on the consolidated statement of financial position as financial assets at FVTPL and equity instruments at FVTOCI. At 31 December 2025, if there had been a 10% (2024: 10%) increase/decrease in the prices of the respective equity instruments with all other variables held constant, (i) profit before taxation would increase/decrease by HK\$164 million (2024: HK\$170 million) as a result of the changes in fair value of the financial assets at FVTPL and (ii) other comprehensive income for the year ended 31 December 2025 would increase/decrease by HK\$1 million (2024: HK\$1 million) as a result of the changes in fair value of the equity instruments at FVTOCI. The Group is not exposed to commodity price risks and has not entered into any derivatives to manage exposures of price risk.

(c) *Fair value interest rate risk and cash flow interest rate risk*

The Group's interest rate risk mainly arises from interest-bearing borrowings. Financial assets and financial liabilities issued at variable rates expose the Group to cash flow interest rate risk whilst borrowings issued and lease liabilities at fixed rates expose the Group to fair value interest rate risk.

The Group adopts a policy of maintaining an appropriate mix of fixed and floating rate borrowings which is achieved primarily through the contractual terms of borrowings. The position is regularly monitored and evaluated by reference of anticipated changes in market interest rate. The Group did not use any interest rate swap to hedge its interest rate risk during the year.

Other than advances to associates and a joint venture and bank deposits as at 31 December 2025, the Group has no significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

Accordingly, management does not anticipate any significant impact resulting from changes in interest rates on interest-bearing assets.

At 31 December 2025, if interest rates on borrowings had been 100 basis points (2024: 100 basis points) higher/lower with all other variables held constant, profit before taxation would have been HK\$227 million (2024: HK\$174 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) *Credit risk and impairment assessment*

Credit risk arises if a customer or other counterparty fails to meet its contractual obligations. As at 31 December 2025, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group is disclosed in note 38(d).

Credit risk on trade debtors is managed by the management of the individual business units and monitored by the Group's management on a group basis. The Group's trade debtors are mainly contributed by ports operation where their customers are mainly sizable and renowned international liners or market leaders in their industries with manageable credit risk. Management assesses, reviews and updates credit profile of the Group's trade debtors by considering its financial position, past experience and other relevant factors, in order to identify if any are of higher risks of default. For trade debtors spotted as of higher credit risks, management of the Group also implemented measures such as tightened credit terms and closer monitoring of the settlement patterns. Debtors with overdue balances will be requested to settle their outstanding balance. In addition, the Group performs impairment assessment under ECL model on trade balances individually for trade debtors with significant balances and collectively for others based on appropriate groupings. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Regarding amounts due from fellow subsidiaries, immediate holding company and intermediate holding company, and amounts due from/advance to associates and a joint venture, the management of the Group assesses the recoverability by reviewing the financial position and results of the related parties periodically and considers the credit risk to be insignificant.

The Group accounts for its credit risk on other debtors and compensation receivable from SLRC by performing credit evaluation and appropriately providing expected credit losses on a timely basis. The credit evaluations focus on the historical loss rates and adjusts for information specific to the other debtors and forward looking information.

Regarding financial guarantee contracts, the management of the Group performs impairment assessments by reviewing the financial position and results of the related parties periodically and considers the credit risk to be insignificant.

The Group has policies that limit the amount of credit exposure to any financial institutions. The Group's bank deposits are all deposited in reputable banks or financial institutions. Management considers that the credit risk associated with the deposits with these banks and financial institutions is low.

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) *Credit risk and impairment assessment (continued)*

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade debtors	Financial assets other than trade debtors
A	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL - not credit-impaired	12m ECL
B	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL - not credit-impaired	12m ECL
C	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL - not credit-impaired	Lifetime ECL - not credit-impaired
D	There is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's financial assets and financial guarantee contracts which are subject to ECL assessment:

	Note	External credit rating	Internal credit rating	12m or lifetime ECL	2025		2024	
					Gross carrying amount		Gross carrying amount	
					HK\$'million	HK\$'million	HK\$'million	HK\$'million
Financial assets at amortised cost								
Trade debtors (Note (a))	25	N/A	A	Lifetime ECL (not credit-impaired)	687		572	
			B	Lifetime ECL (not credit-impaired)	251		205	
			C	Lifetime ECL (not credit-impaired)	87		87	
			D	Lifetime ECL (credit-impaired)	61	1,086	89	953
Amounts due from fellow subsidiaries (Note (b))	25	N/A	B	12m ECL	22	22	74	74
Amount due from immediate holding company (Note (b))	25	N/A	B	12m ECL	2	2	6	6
Amounts due from associates (Note (b))	25	N/A	B	12m ECL	75	75	76	76
Amount due from an intermediate holding company (Notes (b))	25	N/A	B	12m ECL	—	—	2	2
Advances to associates (Note (b))	22	N/A	B	12m ECL	302	302*	269	269*
Advance to a joint venture (Note (b))	22	N/A	B	12m ECL	1,144	1,144*	994	994*
Dividend receivables (Note (b))	25	N/A	A	12m ECL	600	600	540	540
Compensation receivable from SLRC (Note (b))	22	N/A	B	12m ECL	2,913	2,913	2,853	2,853
Other debtors (Note (b))	25	N/A	B	12m ECL	222		396	
			D	Lifetime ECL (credit-impaired)	687	909	599	995
Cash and bank balances (Note (b))	26	Aa3 to Ba2	N/A	12m ECL	11,743	11,743	11,410	11,410
Other item								
Financial guarantee contracts (Note (c))	38(d)	N/A	N/A	12m ECL	364	364	412	412

* The gross carrying amounts disclosed above include the relevant interest receivables which are also included in note 22.

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) Credit risk and impairment assessment (continued)

Notes:

- (a) For the trade debtors, the Group applied the simplified approach in HKFRS 9 to measure loss allowance at lifetime ECL. Except for debtors with significant outstanding balances, the Group determines the expected credit losses on these items by internal credit rating with appropriate groupings.
- (b) For the purposes of internal credit risk management, the Group uses past due information and relevant credit information to assess whether credit risk has increased significantly since initial recognition.

	Past due HK\$'million	Not past due/no fixed repayment terms HK\$'million	Total HK\$'million
2025			
Amounts due from fellow subsidiaries	—	22	22
Amount due from immediate holding company	—	2	2
Amounts due from associates	—	75	75
Advances to associates	—	302	302
Advance to a joint venture	—	1,144	1,144
Dividend receivables	—	600	600
Compensation receivable from SLRC	—	2,913	2,913
Other debtors	687	222	909
Cash and bank balances	—	11,743	11,743
2024			
Amounts due from fellow subsidiaries	—	74	74
Amount due from immediate holding company	—	6	6
Amounts due from associates	—	76	76
Amounts due from an intermediate holding company	—	2	2
Advances to associates	—	269	269
Advance to a joint venture	—	994	994
Dividend receivables	—	540	540
Compensation receivable from SLRC	—	2,853	2,853
Other debtors	599	396	995
Cash and bank balances	—	11,410	11,410

- (c) For financial guarantee contracts, the gross carrying amount represents the maximum amount the Group has guaranteed under the respective contracts.

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) Credit risk and impairment assessment (continued)

The following table summarises average loss rates of each internal credit rating of trade debtors:

Internal credit rating	Average loss rate	
	2025	2024
A	0.04%	0.06%
B	0.39%	0.33%
C	5.89%	1.85%
D	97.32%	96.76%

The estimated loss rates are estimated based on historical observed default rates over the expected life of trade debtors and background check results are adjusted for forward-looking information that is available without undue cost or effort. The internal credit rating of trade debtors is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for trade debtors.

	Lifetime ECL (not credit- impaired) HK\$'million	Lifetime ECL (credit- impaired) HK\$'million	Total HK\$'million
As at 1 January 2024	3	87	90
Impairment losses recognised	2	6	8
Impairment losses reversed	(2)	—	(2)
Exchange adjustments	(2)	(5)	(7)
As at 31 December 2024	1	88	89
Impairment losses recognised	4	12	16
Impairment losses reversed	—	(8)	(8)
Written-off	—	(36)	(36)
Exchange adjustments	1	5	6
As at 31 December 2025	6	61	67

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(ii) Credit risk and impairment assessment (continued)

The Group makes full provision for a trade debtor when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table shows reconciliation of loss allowances that has been recognised for other debtors and compensation receivable from SLRC.

	12m ECL HK\$'million	Lifetime ECL (credit- impaired) HK\$'million	Total HK\$'million
As at 1 January 2024	—	1,055	1,055
Impairment losses recognised	—	7	7
Impairment loss reversed	—	(416)	(416)
Exchange adjustments	—	(47)	(47)
As at 31 December 2024	—	599	599
Impairment losses recognised	69	12	81
Impairment loss reversed	—	(4)	(4)
Written-off	—	(2)	(2)
Exchange adjustments	—	69	69
As at 31 December 2025	69	674	743

The Group makes full impairment for other debtors when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, or in dispute whichever occurs earlier.

For financial guarantee contracts, the maximum amount that the Group has guaranteed under the respective contracts was HK\$364 million as at 31 December 2025 (2024: HK\$412 million). As at 31 December 2025 and 2024, the Directors have performed impairment assessment, and recognised an expected credit loss for a financial guarantee contract, amounting to HK\$117 million (2024: Nil). See note 38(d)(ii) for details.

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.1 Financial risk factors (continued)

(iii) Liquidity risk

Cash flow forecasts are prepared by management. Management monitors rolling forecasts on the Group's liquidity requirements to ensure the Group maintains sufficient liquidity reserve to support sustainability and growth of the Group's business. Currently, the Group and the Company finance the working capital requirements through a combination of funds generated from operations and borrowings.

The rolling forecasts of the Group's liquidity reserve comprise undrawn facilities of bank loans and other debt financing instruments (note 30(e)) and cash and bank balances (note 26) on the basis of expected cash flow. The Group aims to maintain flexibility in funding while minimising its overall costs by keeping a mix of committed and uncommitted credit lines available.

In preparing the consolidated financial statements of the Group, the Directors have given careful consideration to the future liquidity of the Group in light of the fact that the Group's current liabilities exceeded its current assets by HK\$7,403 million as at 31 December 2025. In the opinion of the Directors, the Group will be able to continue as a going concern at least in the coming twelve months taking into consideration the working capital estimated to be generated from operating activities and the undrawn facilities of bank loans and other debt financing instruments. Based on this, the Directors are satisfied that the Group will have sufficient financial resources to meet in full its financial obligations as and when they fall due for the foreseeable future. Accordingly, the Directors consider that it is appropriate to prepare these consolidated financial statements on a going concern basis.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management also monitors the utilisation of bank borrowings, ensures compliance with loan covenants and renews bank borrowings, if necessary.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including both interest and principal.

	Within 1 year		Between 1 and 2 years		Between 2 and 5 years		More than 5 years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million	HK\$'million
Interest-bearing debts	22,767	20,722	4,660	1,583	7,824	11,647	1,081	1,382	36,332	35,334
Other financial liabilities	3,350	3,601	205	183	636	578	4,961	4,927	9,152	9,289
Lease liabilities	180	192	127	170	357	454	2,785	2,837	3,449	3,653
Financial guarantee contracts (Note)	—	—	—	—	126	—	238	412	364	412

Note: The maturity is based on the term of financial guarantee contracts.

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the overall cost of capital.

The Group prepares a five-year rolling forecast on its capital requirement in anticipation of funding requirement of new capital investments, capital expenditures of existing projects and repayment of borrowings. In order to maintain or adjust the capital structure, the Group may raise additional short-term or long-term borrowings, issue new shares or sell assets of non-core operations to reduce debts.

The Group monitors capital with reference to, inter alia, the net gearing ratios. These ratios are calculated as the aggregate of net interest-bearing debts and lease liabilities divided by equity attributable to the Company's equity holders and total equity.

During the year, the Group's strategy was to maintain desired levels of net gearing ratios and based on which the Group's credit ratings had, inter alia, been reaffirmed at Baa1 by Moody's Asia Pacific Limited and BBB+ by Standard and Poor's. The net gearing ratios at 31 December 2025 and 2024 were as follows:

	2025 HK\$'million	2024 HK\$'million
Total interest-bearing debts and lease liabilities (notes 30 and 31)	36,290	34,548
Less: cash and bank balances (note 26)	(11,743)	(11,410)
Net interest-bearing debts and lease liabilities	24,547	23,138
Net gearing ratio:		
Net interest-bearing debts and lease liabilities divided by total equity	19.3%	19.1%

35.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value on a recurring basis by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.3 Fair value estimation (continued)

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 management engaged qualified external valuers to establish the appropriate valuation techniques and inputs to the models. Information about the valuation techniques and inputs used in determining the fair value of various assets is disclosed below.

(i) *Fair value of financial instruments that are measured at fair value on a recurring basis*

The following table presents the Group's financial instruments that are measured at fair value at 31 December 2025 and 2024:

	Level 1 HK\$'million	Level 2 HK\$'million	Level 3 HK\$'million	Total HK\$'million
Financial assets				
At 31 December 2025				
Financial assets at FVTPL	1,638	4,700	1	6,339
Equity instruments at FVTOCI	—	—	13	13
	<u>1,638</u>	<u>4,700</u>	<u>14</u>	<u>6,352</u>
At 31 December 2024				
Financial assets at FVTPL	1,695	2,735	1	4,431
Equity instruments at FVTOCI	—	—	10	10
	<u>1,695</u>	<u>2,735</u>	<u>11</u>	<u>4,441</u>

Set out below is the information about how the fair values of the above financial instruments are determined, including the valuation techniques and inputs used:

The fair value of the freely traded listed equity instruments that are accounted for as financial assets at FVTPL is valued based on the quoted prices in active markets for the identical assets directly.

The fair value of the structured deposits that are accounted for as financial assets at FVTPL is valued based on the foreign exchange rate and gold price. As at 31 December 2025, if the foreign exchange rate was 5% (2024: 5%) higher/lower while all the other variables were held constant, the changes in fair value of the structured deposit would be insignificant (2024: insignificant). As at 31 December 2025, if the gold price was 5% (2024: 5%) higher/lower while all the other variables were held constant, the changes in fair value of the structured deposit would be insignificant (2024: insignificant).

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35. FINANCIAL RISK MANAGEMENT (CONTINUED)

35.3 Fair value estimation (continued)

(i) *Fair value of financial instruments that are measured at fair value on a recurring basis (continued)*

The fair value of other unlisted equity instruments that are accounted for as financial assets at FVTPL or equity instruments at FVTOCI is valued based on Guideline Publicly Traded Company method whereas the key inputs to the valuation models include the market multiples, share prices, volatilities and dividend yields of similar companies that are traded in a public market, discount of lack of marketability with reference to the share prices of listed enterprises in similar industries. As at 31 December 2025, if any of the significant unobservable inputs above was 5% (2024: 5%) higher/lower while all the other variables were held constant, the changes in fair value of these unlisted equity instruments would be insignificant (2024: insignificant).

There were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets or any reclassification of financial assets in the year.

The following table presents the changes in level 3 instruments for the years ended 31 December 2025 and 2024:

	Financial assets at FVTPL HK\$'million	Equity instruments at FVTOCI HK\$'million
Year ended 31 December 2025		
As at 1 January 2025	1	10
Exchange adjustments	—	1
Unrealised gain recognised in other comprehensive income during the year	—	2
As at 31 December 2025	1	13
Year ended 31 December 2024		
As at 1 January and 31 December 2024	1	10

(ii) *Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).*

Except for notes payable stated in note 30, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

36. INFORMATION OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of operating profit to net cash inflow from operations:

	2025 HK\$'million	2024 HK\$'million
Earnings before finance costs, net, taxation and share of profits less losses of associates and joint ventures	5,276	5,084
<i>Adjustments for:</i>		
Depreciation and amortisation	2,285	2,145
Net change in fair value of investment properties	17	25
Impairment loss of interest in a joint venture	—	9
Deemed gain from share repurchases of an associate	—	(16)
Net change in fair value of financial assets at FVTPL	20	(511)
Net allowance/(reversal) for expected credit losses	202	(403)
Net exchange (gains)/losses	(69)	135
Gain on deemed disposal of an associate	(4)	—
Impairment loss on property, plant and equipment	6	1
Net loss on disposal of property, plant and equipment and right-of-use assets	9	13
Operating profit before working capital changes	7,742	6,482
Increase in inventories	(22)	(10)
Decrease in debtors, deposits and prepayments	35	472
Increase/(decrease) in creditors and accruals	99	(185)
Net cash inflow from operations	7,854	6,759

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36. INFORMATION OF THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows used in financing activities.

	Bank and other borrowings				Creditors and accruals						Total
	Bank loans	Loans from fellow subsidiaries	Notes payable	Lease liabilities, concession liabilities and royalty provision	Interest payable	Amounts due to associates	Amount due to a non-controlling equity holder of a subsidiary	Dividend payable to non-controlling equity holders of subsidiaries	Dividend payable to equity holders of the Company	Distribution payable to holders of perpetual capital securities	
	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million
	(note 30)	(note 30)	(note 30)	(note 31 and 32)	(note 34)	(note 34)	(note 34)	(note 34)	(note 34)	(note 34)	(note 34)
At 1 January 2025	20,409	155	12,384	5,195	205	401	—	86	—	—	38,835
Financing cash flows	2,952	235	(1,693)	(575)	(1,074)	(300)	122	(1,216)	(3,719)	(60)	(5,328)
<i>Non-cash change</i>											
Exchange adjustments	265	(1)	59	464	(111)	35	3	12	—	—	726
Interest expense	—	10	—	354	1,142	—	—	—	—	—	1,506
New leases entered/ lease modified	—	—	—	12	—	—	—	—	—	—	12
Declaration of distribution	—	—	—	—	—	—	—	—	—	60	60
Declaration of dividend	—	—	—	—	—	—	—	1,268	3,719	—	4,987
At 31 December 2025	23,626	399	10,750	5,450	162	136	125	150	—	—	40,798

36. INFORMATION OF THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities (continued)

	Bank and other borrowings				Creditors and accruals					Total
	Bank loans	Loans from fellow subsidiaries	Notes payable	Lease liabilities	Interest payable	Amounts due to associates	Dividend payable to non-controlling equity holders of subsidiaries	Dividend payable to equity holders of the Company	Distribution payable to holders of perpetual capital securities	
	HK\$' million (note 30)	HK\$' million (note 30)	HK\$' million (note 30)	HK\$' million (note 31)	HK\$' million	HK\$' million (note 34)	HK\$' million	HK\$' million	HK\$' million	HK\$' million
At 1 January 2024	23,427	425	12,456	1,182	241	357	89	—	—	38,177
Financing cash flows	(2,818)	(264)	—	(222)	(1,359)	35	(1,884)	(3,065)	(60)	(9,637)
<i>Non-cash change</i>										
Acquisition of subsidiaries (note 37(b))	80	—	—	438	—	—	—	—	—	518
Exchange adjustments	(280)	(12)	(72)	34	(317)	9	(47)	—	—	(685)
Interest expense	—	6	—	72	1,640	—	—	—	—	1,718
New leases entered/lease modified	—	—	—	96	—	—	—	—	—	96
Declaration of distribution	—	—	—	—	—	—	—	—	60	60
Declaration of dividend	—	—	—	—	—	—	1,928	3,065	—	4,993
At 31 December 2024	20,409	155	12,384	1,600	205	401	86	—	—	35,240

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37. ACQUISITION OF SUBSIDIARIES

(a) For the year ended 31 December 2025

In January 2025, Shantou Zhonglian, an associate of the Group's subsidiary Shantou Port, absorbed and merged with Shantou Port's subsidiary Shantou Zhongli. After the transaction, Shantou Port holds 62.50% of the shares in Shantou Zhonglian, constituting a business combination not under common control. Shantou Zhonglian was consolidated into the Group after the transaction, and Shantou Zhongli was deregistered on 14 February 2025.

(b) For the year ended 31 December 2024

On 20 November 2023, the Company entered into a share purchase agreement with PT Episenta Utama Investasi (the "Seller") for the acquisition of 1,435,110,412 shares of NPH which represents 51% equity interest in NPH. The cash consideration for the acquisition in the initial sales and purchase agreement is US\$58.4 million (equivalent to approximately HK\$456 million). The additional consideration of US\$1.7 million (equivalent to approximately HK\$14 million) was agreed by the Seller and the Group in finalisation of the acquisition as at 31 December 2024. NPH is listed on Indonesia Stock Exchange, and NPH Group are principally engaged in container terminal services in Indonesia.

The transaction was completed on 28 June 2024. Upon completion of the acquisition, the Company is now the controlling shareholder of NPH Group, leading NPH Group's business operations and management and has the right to appoint the majority of board members to the board of directors of NPH Group. Accordingly, NPH Group is accounted for as a subsidiary of the Company.

37. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) For the year ended 31 December 2024 (continued)

Further details of the NPH Group are set out below:

	2024 HK\$'million
Consideration	
Cash	470
Fair value of identifiable assets acquired and liabilities assumed:	
Intangible assets (note 15)	492
Property, plant and equipment (note 16)	303
Right-of-use assets	475
Deferred tax assets (note 33)	7
Other non-current assets	17
Debtors, deposits and prepayments	69
Inventories	46
Other financial assets	2
Cash and bank balances	135
Bank and other borrowings	(80)
Contract liabilities	(35)
Tax payables	(2)
Creditors and accruals	(38)
Lease liabilities	(438)
Other non-current liabilities	(17)
Deferred tax liabilities (note 33)	(109)
	827
Non-controlling interest	(25)
	802

The fair value of the identifiable assets and liabilities arising from the acquisition of NPH Group as at 28 June 2024. Fair values of the identifiable assets acquired and liabilities assumed are determined by reference to valuations performed by valuation specialist based on asset-based approach. Significant assumptions of the valuations include the growth rates, discount rates and expected future cash inflows/outflows of NPH Group.

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37. ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) For the year ended 31 December 2024 (continued)

	2024 HK\$'million
Net cash outflow arising in the NPH Group:	
Cash consideration	470
Amount included in other payables	(14)
Less: Cash and bank balances acquired	(135)
Net cash outflow during the year ended 31 December 2024	321

The fair value of trade and other receivables at the date of acquisition amounted to HK\$35 million which is also the gross contractual amounts and best estimate contractual cash flows at the date of acquisition.

The non-controlling interests in NPH Group recognised were measured by reference to the fair values of the identifiable assets acquired and liabilities assumed at the acquisition date.

Goodwill arising on the NPH Group:

	2024 HK\$'million
Cash consideration	470
Add: Non-controlling interests	393
Less: Fair values of identifiable net assets acquired	(802)
Goodwill arising on acquisition	61

Goodwill arose in the acquisition of NPH Group because the cost of the acquisition included a control premium. In addition, the consideration paid for the acquisition effectively included amounts in relation to the benefit of expected synergies as a result of the new presence in Indonesia region which will further strengthen the Group's South Asia region port network. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Included in the profit and revenue of the Group for the year ended 31 December 2024 are net profit of HK\$32 million and revenue of HK\$227 million generated by NPH Group.

38. COMMITMENTS AND CONTINGENT LIABILITIES

- (a) Capital commitments for property, plant and equipment and intangible assets that are contracted but not provided for

	2025 HK\$'million	2024 HK\$'million
Group		
Property, plant and equipment and intangible assets	1,630	751
Joint ventures		
Property, plant and equipment	131	75
	1,761	826

- (b) Capital commitments for investments that are contracted but not provided for

	2025 HK\$'million	2024 HK\$'million
Group		
Acquisition of a subsidiary (Note)	2,730	—
Joint ventures		
Land development project	1	1
	2,731	1

Note: On 28 February 2025, the Group entered into a share purchase agreement with Brazil's Prumo and its subsidiary API, an independent third party, to conditionally acquire a 70% stake in Vast, a crude oil terminal located at the Port of Açu in Rio de Janeiro, Brazil. The purchase price payable by the Buyer at the closing of the transaction shall be an amount in BRL equal to US\$448 million (equivalent to approximately HK\$3,494 million), and subject to adjustments based on the actual amounts of the balances of cash, outstanding debt, customary debt-like liabilities and working capital of Vast as at the closing date. On 27 November 2025, The Group entered into a revised share purchase agreement, under which the Group amended the purchase consideration upon closing date to US\$350 million (equivalent to approximately HK\$2,730 million).

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38. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(c) Future operating lease receivables where the Group as lessor

The Group has future aggregate lease receivables under non-cancellable operating leases for investment properties and property, plant and equipment as follows:

	2025 HK\$'million	2024 HK\$'million
Within one year	279	216
In the second year	170	132
In the third year	67	97
In the fourth year	43	57
In the fifth year	8	36
After the fifth year	6	11
	573	549

(d) Contingent liabilities

- (i) As at 31 December 2025, TCP Group has significant contingent liabilities arising from pending legal proceedings in Brazil in respect of disputes with local tax authorities, employees or former employees of TCP Group and other parties, amounting to HK\$976 million (2024: HK\$869 million), which, based on the latest estimates of the management of the Group, is not probable that outflows of resources embodying economic benefits will be required to settle these obligations. Accordingly, no provision for litigation claims in respect of the above cases has been made in the consolidated financial statements. A counter indemnity in favour of the Group is executed by the sellers pursuant to which the latter indemnify to the Group for the above contingent liabilities for and up to predetermined amounts and specified length of time.

38. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

(d) Contingent liabilities (continued)

- (ii) As at 31 December 2025 and 2024, the other shareholder of an associate of which the Group held as to 49% of its issued share capital provided corporate guarantees to the full amount for certain loan facilities granted by banks to and other obligations borne by the relevant associate. A counter indemnity in favour of the other shareholder of the associate is executed pursuant to which the Group undertakes to indemnify the other shareholder 49% of the liabilities in the aggregate amount of HK\$63 million (2024: HK\$63 million) arising from the above loan facilities and other obligations.

The Company and the other shareholder of the above associate also provided guarantees for certain loan facilities granted by banks to and other obligations borne by the relevant associate in proportion to the shareholdings. The total amount guaranteed by the Company is HK\$257 million (2024: HK\$256 million) and the aggregate amount utilised by the relevant related party amounted to HK\$126 million (2024: HK\$125 million).

In addition to above, the Group also provides guarantees for banking facilities granted to and other obligations borne by an associate of CMG. The total amount guaranteed by the Group is HK\$224 million (2024: HK\$224 million) and the aggregate amount utilised by the relevant related party amounted to HK\$175 million (2024: HK\$181 million).

The Directors assessed the risk of default of the associate and the related party in serving the aforesaid loan facilities and other obligations at the end of the reporting period and considered the risk to be insignificant and it is not likely that any guaranteed amount will be claimed, other than the financial guarantee that are recognised expected credit loss. The Group has recognised an allowance for credit losses amounted to US\$15 million (equivalent to approximately HK\$117 million) during the year ended 31 December 2025 due to the risk of default. See note 32(d) for details.

- (iii) As at 31 December 2025 and 2024, the Company has been involved in a legal action involving dispute over the Group's overseas investment. Based on advice of legal counsel and information available to the Group, the Directors are of the opinion that it is pre-mature to assess the possible outcome of the case and the Company is unable to ascertain the likelihood of the claim at the current stage and management of the Group considered that it is not probable that outflow of resources will be required.

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39. RELATED PARTY TRANSACTIONS

The Directors regard CMG, a state-owned enterprise registered in the PRC and is controlled by the PRC government, as being the ultimate holding company of the Company.

Related parties refer to entities in which CMG has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or directors or officers of the Company and its subsidiaries. Other than as disclosed elsewhere in these consolidated financial statements, a summary of significant related party transactions entered into in the normal course of business between the Group and its related parties during the year and balances arising from related transactions as at 31 December 2025 are as follows:

(a) Balances and transactions with associates and joint ventures of the Group and with CMG Group

	Note	2025 HK\$'million	2024 HK\$'million
Rental income from	(i)		
– fellow subsidiaries		54	58
– joint ventures		26	4
– associates		5	—
– related parties		2	—
Interest expenses on lease liabilities	(i)		
– fellow subsidiaries		4	4
Expenses relating to short-term leases	(i)		
– fellow subsidiaries		17	6
Service income from	(ii)		
– fellow subsidiaries		127	124
– associates		26	26
– joint ventures		25	53
– related parties		149	112
Service fees paid to	(iii)		
– fellow subsidiaries		134	129
– associates		158	163
– joint ventures		17	23
– related parties		12	12

39. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Balances and transactions with associates and joint ventures of the Group and with CMG Group (continued)

	Note	2025 HK\$'million	2024 HK\$'million
Interest income from			
– a fellow subsidiary	(iv)	29	23
– associates	(v)	18	15
– a joint venture	(v)	89	82
– a related party	(vi)	15	11
Interest expenses and upfront fees paid to	(vii)		
– fellow subsidiaries		5	6
– a related party		3	2
Bank and other borrowings from			
– fellow subsidiaries	(viii)	399	155
– a related party	(ix)	1,124	2,214

Notes:

- (i) The Group rented certain vessels and properties from and leased office premises and residential units to fellow subsidiaries, and also leased warehouse to joint ventures. Lease payments were received or charged at a fixed amount per month in accordance with respective tenancy agreements.
- During the year ended 31 December 2024, the Group has recognised an addition of right-of-use-assets of HK\$15 million and lease liabilities of HK\$15 million in relation to these leases.
- (ii) The ports, logistics and information technology service fees were charged with reference to market rates.
- (iii) These related parties provided barges to bring cargos into terminals operated by the Group and provided cargo management and information technology services to the Group. The service fees were charged with reference to market rates.
- (iv) As at 31 December 2025, the Group placed deposits of HK\$4,881 million (2024: HK\$5,072 million) with China Merchants Finance, a subsidiary of CMG, which is a financial institution approved and regulated by the People's Bank of China and the National Financial Regulatory Administration. The amounts are included in cash and bank balances.
- Interest income was charged at interest rates ranging from 0.45% to 1.95% (2024: 1.55% to 2.10%) per annum.
- (v) Interest income was charged at interest rates as specified in note 22 on the outstanding advances to associates and a joint venture.
- (vi) As at 31 December 2025, the Group placed deposits of HK\$928 million (2024: HK\$2,042 million) with China Merchants Bank Co., Ltd., an associate of CMG.
- (vii) Interest expenses were charged at interest rates as specified in note 30 on the outstanding loans from fellow subsidiaries.

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39. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Balances and transactions with associates and joint ventures of the Group and with CMG Group (continued)

Notes: (continued)

(viii) As at 31 December 2025, long term other borrowings from China Merchants Finance amounted to HK\$257 million (2024: HK\$155 million) and total unutilised credit facilities amounted to HK\$215 million (2024: HK\$165 million).

As at 31 December 2025, a loan from a fellow subsidiary amounted to HK\$142 million relates to sales-and-leaseback financing arrangement without asset transfer at the end of contract term.

(ix) As at 31 December 2025, short and long term bank loans from China Merchants Bank Co., Ltd. in total amounted to HK\$1,124 million (2024: HK\$2,214 million) and total unutilised credit facilities amounted to HK\$2,438 million (2024: HK\$1,295 million).

(x) In previous years, a subsidiary of the Company entered into a transaction with a related party for leasing of a parcel of land located in Djibouti. At inception of the lease, the Group had recognised a right-of-use asset amounting to HK\$217 million. Lease payment of HK\$217 million had been made by the Group during the previous years. As at 31 December 2025, the corresponding carrying amount of the right-of-use asset was HK\$303 million (2024: HK\$306 million).

(xi) During the year ended 31 December 2025, the Group acquired property, plant and equipment of HK\$46 million (2024: Nil) from fellow subsidiaries and associates.

The balances with entities within CMG Group as at 31 December 2025 and 31 December 2024 are disclosed in notes 22, 25, 30 and 34.

Save and except for those connected transactions or continuing connected transactions under the Listing Rules set out under "Connected Transactions" in the section "Report of the Directors" in this annual report, the other transactions as set out in this note 39(a) were not regarded as connected transactions or continuing connected transactions under the Listing Rules or were exempt from reporting, announcement and shareholders' approval requirements under the Listing Rules.

(b) Transactions with other PRC state-controlled entities

A number of subsidiaries of the Company operate in Mainland China, an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government. These PRC subsidiaries therefore have substantial volumes of transactions with other PRC state-controlled entities during their ordinary course of businesses including but not limited to the purchases of assets, construction of ports and related facilities, bank deposits and borrowings, among others.

(c) Key management compensation

	2025 HK\$'million	2024 HK\$'million
Salaries, other short-term employee benefits	20	17
Post-employment benefits	2	2
	<u>22</u>	<u>19</u>

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The table below lists only those subsidiaries of the Company which, in the opinion of the Directors, principally affect the results for the year or form a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

Particulars of the Company's principal subsidiaries are as follows:

Name of subsidiary	Place of incorporation/ registration and operation	Issued share capital/ registered capital	Proportion of effective ownership interest held by the Company				Principal activities
			Directly		Indirectly		
			2025 %	2024 %	2025 %	2024 %	
CMBL(Note (b))	PRC	RMB700,000,000	—	—	60.00	60.00	Provision of container related logistics services
CMCS	Hong Kong	HK\$500,000	—	—	100.00	100.00	Provision of container terminal services and ports transportation
China Merchants Finance Company Limited (Note (e))	British Virgin Islands	US\$1	100.00	100.00	—	—	Provision of financial services
China Merchants International Container Terminal (Qingdao) Co., Ltd. (Note (a))	PRC	US\$206,300,000	—	—	100.00	100.00	Provision of container terminal services and ports transportation
China Merchants International Ports (Ningbo) Limited	Hong Kong	HK\$1	100.00	100.00	—	—	Investment holding
China Merchants International Terminal (Qingdao) Company Ltd. (Note (b))	PRC	US\$44,000,000	—	—	90.10	90.10	Provision of container related logistics services
China Merchants Port Services (Shenzhen) Company Limited (Note (a))	PRC	RMB550,000,000	—	—	100.00	100.00	Provision of terminal services and ports transportation
CMH International (China) Investment Co., Ltd. (Note (a))	PRC	US\$67,400,000	100.00	100.00	—	—	Investment holding
CMFBVI (Note (f))	British Virgin Islands	US\$1	100.00	100.00	—	—	Provision of financial services
CICT	Republic of Sri Lanka	US\$150,000,088	—	—	85.00	85.00	Provision of container terminal services in Colombo, Sri Lanka
HIPG	Republic of Sri Lanka	US\$1,145,480,000	—	—	65.00	65.00	Port development, management and operation

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration and operation	Issued share capital/ registered capital	Proportion of effective ownership interest held by the Company				Principal activities
			Directly		Indirectly		
			2025 %	2024 %	2025 %	2024 %	
Hambantota International Port Services Company (Private) Limited (Note (d))	Republic of Sri Lanka	US\$606,000,000	—	—	37.70	37.70	Port management
LCT(Note (c))	Togolese Republic	XOF200,000,000	—	—	50.00	50.00	Provision of container terminal services in Lomé, Togo
Mega SCT	British Virgin Islands	US\$120	80.00	80.00	—	—	Investment holding
NPH	Indonesia	IDR281,394,199,000	—	—	51.00	51.00	Investment holding
PT Mustika Alam Lestari	Indonesia	IDR50,000,000,000	—	—	50.99	50.99	Handling and Stevedoring
PT PBM Adipurusa	Indonesia	IDR149,700,000,000	—	—	42.50	42.50	Container Services
PT Parvi Indah Persada	Indonesia	IDR747,500,000,000	—	—	51.00	51.00	Loading and Unloading Goods
Shantou Port	PRC	RMB125,000,000	60.00	—	—	60.00	Trading, Terminal Operation and Repair and Maintenance Service
Shantou Port	PRC	RMB125,000,000	60.00	—	—	60.00	Provision of terminal services in Shantou, Guangdong Province, China
Shekou Container Terminals Ltd. (Note (a))	PRC	HK\$618,201,150	—	—	80.00	80.00	Operation of berths No. 1 & 2 in Shekou, China
Shekou Container Terminals (Phase II) Company Limited (Note (a))	PRC	RMB608,549,000	—	—	80.00	80.00	Operation of berths No. 3 & 4 in Shekou, China
Shekou Container Terminals (Phase III) Company Limited (Note (a))	PRC	RMB1,276,000,000	—	—	80.00	80.00	Operation of berths No. 5 to 9 in Shekou, China
Shenzhen China Merchants Qianhaiwan Property Company Limited	PRC	RMB200,000,000	—	—	100.00	100.00	Property holding
Shenzhen Haiqin Engineering Supervision & Management Co., Ltd. (Note (a))	PRC	RMB10,000,000	100.00	100.00	—	—	Provision of services on ports construction
Shenzhen Haixing Harbour Development Company Ltd. (Note (b))	PRC	RMB530,729,167	—	—	67.00	67.00	Provision of container terminal services in Mawan Port Zone, Shenzhen, China

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration and operation	Issued share capital/ registered capital	Proportion of effective ownership interest held by the Company				Principal activities
			Directly		Indirectly		
			2025 %	2024 %	2025 %	2024 %	
JYRT	PRC	RMB800,000,000	—	—	100.00	100.00	Property holding
Shenzhen Mawan (Note (b))	PRC	RMB335,000,000	—	—	70.00	70.00	Operation of berths No. 5 to 7 in Mawan Port Zone Shenzhen, China
SACL	Republic of Sri Lanka	US\$37,142,858	—	—	70.00	70.00	Provision of port related logistics services in Colombo, Sri Lanka
TCP	Federative Republic of Brazil	BRL68,851,561	—	—	77.45	77.45	Provision for container terminal services in Paranaguá, Brazil
Xia Men Bay Terminals (Notes (b) and (d))	PRC	RMB444,500,000	—	—	31.00	31.00	Provision of terminal services and ports transportation
Zhangzhou Port(Note (b))	PRC	RMB1,167,000,000	—	—	60.00	60.00	Operation of berths No. 3 to 6 in the Zhangzhou Economic Development Zone, Fujian Province, China
Zhangzhou China Merchants Tugboat Company Limited (Note (b))	PRC	RMB15,000,000	—	—	70.00	70.00	Operation of tugboats in the Zhangzhou Economic Development Zone, Fujian Province, China
安運捷碼頭倉儲服務(深圳)有限公司 (Note (a))	PRC	RMB60,600,000	—	—	80.00	80.00	Holding of certain pieces of land in Shekou, China

Notes:

(a) Foreign investment enterprises.

(b) Sino-foreign joint ventures.

(c) This entity is considered to be a subsidiary of the Company despite that the Group holds effective equity interest of 50% therein as the Group has the power to appoint and remove the majority of the executive committee of the entity, which is empowered to direct the relevant activities of control of the investee by virtue of the shareholders' agreement.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Notes: (continued)

- (d) These entities are considered to be subsidiaries of the Company despite that the Group holds less than half of the equity interest therein as the Group has the power to appoint and remove the majority of the Board of Directors of the relevant entities and holds more than half of the voting rights at the relevant Board of Directors' and shareholders' meetings of the respective entities by virtue of agreements with other investors.
- (e) This entity has issued Nil (2024: HK\$3,879 million) of listed notes at the end of the year.
- (f) This entity has issued HK\$8,536 million (2024: HK\$8,505 million) of listed notes and Nil (2024: HK\$1,523 million) of listed perpetual capital securities at the end of the year. The listed perpetual capital securities were redeemed during the year.

41. PARTICULARS OF PRINCIPAL ASSOCIATES

Name of associate	Place of incorporation/ registration and operation	Proportion of effective ownership interest held by the Company		Principal activities
		2025 %	2024 %	
CMIT	PRC	43.74	43.74	Provision of computer network services
China Nanshan Development (Group) Incorporation (Note (a))	PRC	37.01	37.01	Investment holding
Chiwan Container Terminal (Notes (a) and (b))	PRC	14.16	14.16	Ports and container terminal business
CKRTT	British Virgin Islands	20.00	20.00	Provision of shuttle-barge ports services
Liaoning Port (Notes (a) and (b))	PRC	11.52	11.36	Provision of terminal and logistics services
MTL	Hong Kong	27.01	27.01	Provision of container terminal services and warehouse services
PDSA	Republic of Djibouti	23.50	23.50	Operations of seaports and terminals and port related business in Djibouti
SIPG (Note (a))	PRC	28.06	28.05	Ports and container terminal business and related services

41. PARTICULARS OF PRINCIPAL ASSOCIATES (CONTINUED)

Name of associate	Place of incorporation/ registration and operation	Proportion of effective ownership interest held by the Company		Principal activities
		2025 %	2024 %	
Shenzhen China Merchants Qianhai Assets Development Co., Ltd. (Note (b))	PRC	14.00	14.00	Property development and management in Qianhai trade zone
Terminal Link	French Republic	49.00	49.00	Operations of container terminals in Europe, Mediterranean, Africa, Americas and Asia
Tianjin Haitian Bonded Logistics (Note (a))	PRC	49.00	49.00	Provision of container terminal services and warehouse services
Tianjin Port Container Terminal (Note (b))	PRC	7.31	7.31	Ports and container terminal business
TICT	Federal Republic of Nigeria	28.50	28.50	Provision of container terminal services
Zhanjiang Port (Note (a))	PRC	27.58	27.58	Ports and container terminal business

Notes:

- (a) Sino-foreign joint ventures.
- (b) These entities are considered to be associates of the Company despite that the Group holds less than 20% of the equity interest therein, as the Group has significant influence to appoint and remove the executive committee of the relevant entities, which is empowered to direct the relevant activities of influence of the investees by virtue of agreements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

42. PARTICULARS OF PRINCIPAL JOINT VENTURES

Name of joint venture	Place of incorporation/ registration and operation	Proportion of effective ownership interest held by the Company		Principal activities
		2025 %	2024 %	
Asia Airfreight Terminal Company Limited	Hong Kong	34.60	34.60	Airfreight services
Euro-Asia Oceangate S.à r.l.	Luxembourg	40.00	40.00	Ports and container terminal business
Port of Newcastle Investments (Holdings) Trust	Australia	50.00	50.00	Management of port operation and port development
Qingdao Port Dongjiakou (Note)	PRC	25.00	25.00	Ports and bulk cargo terminal business
QQCTU	PRC	50.00	50.00	Ports and container terminal business
QQTU	PRC	49.00	49.00	Ports and bulk cargo terminal business
Red Sea World S.A.	Republic of Djibouti	23.50	23.50	Land development

Note: Sino-foreign joint ventures.

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2025 HK\$'million	2024 HK\$'million
ASSETS		
Non-current assets		
Property, plant and equipment	336	351
Interests in subsidiaries	79,582	77,582
Interests in associates	632	632
	80,550	78,565
Current assets		
Debtors, deposits and prepayments	19	13
Advances to subsidiaries	233	772
Amount due from associates	36	41
Cash and bank balances	4,211	3,139
	4,499	3,965
Total assets	85,049	82,530
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	48,731	48,731
Reserves (Note)	3,335	2,417
Proposed dividend (Note)	2,053	2,670
Total equity	54,119	53,818
LIABILITIES		
Non-current liabilities		
Other non-current liabilities	117	—
Bank and other borrowings	2,214	2,549
	2,331	2,549
Current liabilities		
Advances from subsidiaries	6,816	10,507
Creditors and accruals	430	368
Bank and other borrowings	21,353	15,288
	28,599	26,163
Total liabilities	30,930	28,712
Total equity and liabilities	85,049	82,530
Net current liabilities	(24,100)	(22,198)
Total assets less current liabilities	56,450	56,367

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 31 March 2026 and are signed on its behalf by:

Mr. Feng Boming
DIRECTOR

Mr. Xu Song
DIRECTOR

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

43. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

Note: The reserves of the Company at 31 December 2025 and 2024 are as follows:

	Capital reserve HK\$'million (Note)	Retained earnings HK\$'million	Total HK\$'million
As at 1 January 2025	2,348	2,739	5,087
Profit and total comprehensive income for the year	—	4,022	4,022
Dividends	—	(3,719)	(3,719)
As at 31 December 2025	2,348	3,042	5,390
Retained earnings as at 31 December 2025 representing:			
Reserves		989	
Proposed dividend		2,053	
		3,042	
As at 1 January 2024	2,348	3,234	5,582
Profit and total comprehensive income for the year	—	2,570	2,570
Dividends	—	(3,065)	(3,065)
As at 31 December 2024	2,348	2,739	5,087
Retained earnings as at 31 December 2024 representing:			
Reserves		69	
Proposed dividend		2,670	
		2,739	

Note: The Company's capital reserve, which arose in 1998 upon reduction of share premium as confirmed by the order of the High Court of the Hong Kong Special Administrative Region, is a non-distributable reserve and may be applied by the Company in paying up its unissued shares to be allotted to members of the company as fully paid bonus shares.



BOARD OF DIRECTORS

Mr. Feng Boming² (*Chairman*)
Mr. Xu Song¹ (*Vice Chairman and Chief Executive Officer*)
Mr. Yim Kong² (*Vice Chairman*)
Mr. Lu Yongxin¹ (*Managing Director*)
Mr. Huang Qiang Zhong¹
Mr. Chan Hiu Fung Nicholas³
Ms. Chan Yuen Sau Kelly³
Mr. Wong Chi Wing³
Ms. Wong Pui Wah³

AUDIT COMMITTEE

Ms. Chan Yuen Sau Kelly³ (*Chairman*)
Mr. Chan Hiu Fung Nicholas³
Mr. Wong Chi Wing³
Ms. Wong Pui Wah³

NOMINATION COMMITTEE

Ms. Wong Pui Wah³ (*Chairman*)
Mr. Xu Song¹
Mr. Chan Hiu Fung Nicholas³
Ms. Chan Yuen Sau Kelly³

REMUNERATION COMMITTEE

Mr. Chan Hiu Fung Nicholas³ (*Chairman*)
Ms. Chan Yuen Sau Kelly³
Mr. Wong Chi Wing³
Ms. Wong Pui Wah³

ESG COMMITTEE

Mr. Feng Boming² (*Chairman*)
Mr. Xu Song¹
Mr. Yim Kong²
Mr. Lu Yongxin¹
Mr. Huang Qiang Zhong¹
Mr. Wong Chi Wing³

REGISTERED OFFICE

38th Floor, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

COMPANY SECRETARY

Mr. Leung Chong Shun, Practising Solicitor

PRINCIPAL BANKERS

Bank of China
China Merchants Bank
Industrial and Commercial Bank of China
China Construction Bank
Oversea - Chinese Banking Corporation Limited
DBS Bank Ltd.

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

LEGAL ADVISER

Allen Overy Shearman Sterling

STOCK CODE

00144

REGISTRAR

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

WEBSITE

<http://www.cmport.com.hk>

1. Executive Director
2. Non-executive Director
3. Independent Non-executive Director

Definitions

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

2024 AGM	the annual general meeting of the Company held on 20 June 2024
2025 AGM	the annual general meeting of the Company held on 3 June 2025
AAT	Asia Airfreight Terminal Company Limited
ACCA	the Association of Chartered Certified Accountants
Alphaliner	a shipping consulting agency
Ansuje	Ansuje Port and Warehouse Services (Shenzhen) Company Limited
Annual Report	the annual report of the Company for the year of 2025
Articles of Association	the articles of association of the Company, as amended from time to time, the amended and restated Articles of Association was approved by the Shareholders at the 2025 AGM
Audit Committee	the audit committee of the Company
Best Mart 360	Best Mart 360 Holdings Limited, shares of which are listed on the HKSE (stock code: 2360)
Board	the board of directors of the Company
Board Diversity Policy	the board diversity policy of the Company
BOT agreement	Build-Operate-Transfer agreement
Brazil	Federative Republic of Brazil
BRL	Brazilian Real dollars, the lawful currency of Brazil
China Communications	China Communications Import and Export Company Limited
China Merchants Finance	China Merchants Group Finance Company Limited
China Merchants Food	China Merchants Food (China) Company Limited
Chiwan Container Terminal	Chiwan Container Terminal Co., Ltd.
Chiwan Port	Shenzhen Chiwan Port Development Co., Ltd.
CIAO International	CIAO International Limited
CG Code	the Corporate Governance Code contained in Appendix C1 to the Listing Rules

CICT	Colombo International Container Terminals Limited
CKRTT	Chu Kong River Trade Terminal Co., Limited
CM Chuangrong	China Merchants Chuangrong (Shenzhen) Technology Co., Ltd.
CM Property Management	Shenzhen China Merchants Property Management Co., Ltd.
CMBL	China Merchants Bonded Logistics Co., Ltd.
CMCS	China Merchants Container Services Limited
CMFBVI	CMHI Finance (BVI) Co., Ltd
CMG/CMG Group	China Merchants Group Limited, and its subsidiaries, associates and joint ventures
CMHK	China Merchants Holdings (Hong Kong) Company Limited
CMID	China Merchants Investment Development Company Limited (招商局投資發展有限公司)
CMIT/CMIT Group	China Merchants International Technology Company Limited, and its subsidiaries
CMITG	China Merchants Innovation and Technology (Group) Co., Limited (招商局創新科技(集團)有限公司)
CMITHK	China Merchants Innovation and Technology (Hong Kong) Co., Limited
CMITQ	China Merchants International Terminal (Qingdao) Co., Ltd.
CMPG/CMPG Group	China Merchants Port Group Co., Ltd., shares of which are listed on the Shenzhen Stock Exchange (stock code: 001872/201872), and its subsidiaries
CMPID	China Merchants Port Investment Development Company Limited
CMPS	China Merchants Port Services (Shenzhen) Company Limited
CMS	China Merchants Securities Co., Ltd.
CMSIZ	China Merchants Shekou Industrial Zone Holdings Company Limited
CMSN	China Merchants Steam Navigation Company Limited
CMQHW	China Merchants Qian Hai Wan (Shenzhen) Supply Chain Management Co., Ltd.
CMU	China Merchants Union (BVI) Limited
CNIC Corporation	CNIC Corporation Limited
CODM	chief operating decision-maker

COE	Center of Excellence
Companies Ordinance	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
Compass Investment	Compass Investment Company Limited
CTOS	Container Terminal Operating System
Cyber Chic	Cyber Chic Company Limited
Deloitte	Deloitte Touche Tohmatsu
DIFTZ	Djibouti International Free Trade Zone
Director(s)	the director(s) of the Company
Dividend Policy	the dividend policy of the Company
EBITDA	Earnings of the Company and its subsidiaries before finance costs, net, taxation, depreciation and amortisation, but excluding share of profits less losses of associates and joint ventures, non-recurrent gains, corporate function, profit attributable to non-controlling interests and holders of perpetual capital securities
Employee Incentive Scheme	the employee incentive scheme of CMPG
ESG	the Environmental, Social and Governance
ESG Committee	the ESG committee of the Company
ESG Reporting Code	the ESG Reporting Code contained in Appendix C2 to the Listing Rules
EURO	Euro, the lawful currency of the member states of the European Union
Euroasia	Euroasia Dockyard Enterprise and Development Limited
FVTOCI	fair value through other comprehensive income
FVTPL	fair value through profit or loss
Gainpro/Gainpro Group	Gainpro Resources Limited, and its subsidiaries
GDP	gross domestic product
Haitong Haihui	Haitong Haihui (Shanghai) Technology Co., Ltd.
Haitong Shenzhen	Haitong (Shenzhen) Trading Company Limited
Haixing	Shenzhen Haixing Harbour Development Company Ltd.
HIPG	Hambantota International Port Group (Private) Limited

HK Dollars/HK\$	Hong Kong dollars, the lawful currency of Hong Kong
HKAS	Hong Kong Accounting Standard(s)
HKFRS Accounting Standards	Hong Kong Financial Reporting Standards, HKAS, HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations issued by the HKICPA
HKICPA	Hong Kong Institute of Certified Public Accountants
HKSE	The Stock Exchange of Hong Kong Limited
Hoi Tung	Hoi Tung Innotek (HongKong) Co., Limited
Hong Kong	the Hong Kong Special Administrative Region of the PRC
IDR	Indonesian Rupiah, the lawful currency of Indonesia
IMF	International Monetary Fund
Indonesia	Republic of Indonesia
JYRT	Shenzhen Jinyu Rongtai Investment Development Company Limited
KMCT	Kao Ming Container Terminal Corp.
KPMG	KPMG
Kumport	Kumport Liman Hizmetleri ve Lojistik Sanayi ve Ticaret Anonim Şirketi
LCT	Lomé Container Terminal S.A.
Liaoning Port	Liaoning Port Co., Ltd., shares of which are listed on the Shanghai Stock Exchange (stock code: 601880) and the HKSE (stock code: 2880)
Listing Rules	the Rules Governing the Listing of Securities on the HKSE
LNG	liquefied natural gas
Mawan Smart Port	the automated container port zone at Mawan, Shenzhen
Mega SCT	Mega Shekou Container Terminals Limited
MPF Scheme	Hong Kong Mandatory Provident Fund Schemes Ordinance
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
MTL	Modern Terminals Limited
Net Gearing Ratio	Net interest-bearing debts and lease liabilities divided by total equity

Net interest-bearing debts and lease liabilities	Total interest-bearing debts and lease liabilities less cash and bank balances
Ningbo Daxie	Ningbo Daxie China Merchants International Terminals Co., Ltd.
Ningbo Port	Ningbo Zhoushan Port Company Limited, shares of which are listed on the Shanghai Stock Exchange (stock code: 601018)
Nomination Committee	the nomination committee of the Company
Nomination Policy	the nomination policy of the Company
NPH/NPH Group	PT Nusantara Pelabuhan Handal Tbk, shares of which are listed on the Indonesia Stock Exchange (stock code: PORT), and its subsidiaries
Ocean Offshore	Ocean Offshore 2403 Limited
Orienture	Orienture Holdings Company Limited
OKIL	Oasis King International Limited
Pagoda Tree	Pagoda Tree Investment Company Limited
PDSA	Port de Djibouti S.A.
PMO	Project Management Office
Port Development	Port Development (Hongkong) Company Limited
PRC	the People's Republic of China
Prumo	Prumo Logistica S.A.
Qianhai Bay Property	China Merchants Qianhai Bay Property Co., Ltd.
Qingdao Dongjiakou	Qingdao Port Dongjiakou Ore Terminal Co., Ltd.
QQCTU	Qingdao Qianwan United Container Terminal Co., Ltd.
QQTU	Qingdao Qianwan West Port United Terminal Co., Ltd.
Rainbow	Rainbow Reflection Limited
Recurrent Profit	Profit attributable to equity holders of the Company net of non-recurrent gains after tax. Non-recurrent gains include but not limited to net change in fair value of financial assets (equity investments) at FVTPL, net change in fair value of investment properties, deemed gain from share repurchases of an associate, gain on deemed disposal of an associate, and impairment loss of interest in a joint venture
Register of Members	the register of members of the Company

Remuneration Committee	the remuneration committee of the Company
RMB	Renminbi, the lawful currency of the PRC
RORO	transportation by Roll-on/Roll-off vessel
Royalty Provision	minimum guaranteed royalty and premium provision
SACL	South Asia Commercial and Logistics Hub Limited
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Shantou Port/Shantou Port Group	Shantou China Merchants Port Group Co., Ltd., and its subsidiaries
Shantou Zhongli	Shantou Zhongli Foreign Vessel Cargo Handling Co., Ltd.
Shantou Zhonglian	Shantou Zhonglian Cargo Co., Ltd.
Shareholders	the holder of the ordinary share(s) of the Company
Shekou Container Terminals	Shekou Container Terminals Ltd.
Shenzhen Chiwan	Shenzhen Chiwan Port Container Co., Ltd.
Shenzhen Gangteng	Shenzhen Gangteng Internet Technology Co., Ltd
Shenzhen Mawan	Shenzhen Mawan Terminals Co., Ltd.
Shenzhen Nanyou	Shenzhen Nanyou (Holdings) Ltd.
Shenzhen West Security	Shenzhen West Port Security Service Co., Ltd.
Sinotrans & CSC/Sinotrans & CSC Group	Sinotrans & CSC Holdings Co., Ltd., and its subsidiaries
Sinomarine	Sinomarine Limited
SIPG/SIPG Group	Shanghai International Port (Group) Co., Ltd., shares of which are listed on the Shanghai Stock Exchange (stock code: 600018), and its subsidiaries
SLRC	Shantou Land Reserve Centre
SMP	Smart Management Platform
SOFR	the secured overnight financing rate administered and published by the Federal Reserve Bank of New York
SPG Retirement Scheme	a defined benefit pension scheme operated by Shantou Port Group
SSHL	Sinotrans Shipping (Holdings) Limited

Definitions

subsidiary(ies)	has the meaning ascribed to it under the Listing Rules
TCP/TCP Group	TCP Participações S.A., and its subsidiaries
Terminal Link	Terminal Link SAS
TEU	twenty-foot equivalent unit
the Company	China Merchants Port Holdings Company Limited, shares of which are listed on the HKSE (stock code: 00144)
the Group	the Company and its subsidiaries
Tianjin Haitian	Tianjin Haitian Bonded Logistics Co., Ltd.
Tianjin Port Container Terminal	Tianjin Port Container Terminal Co., Ltd.
TICT	Tin-Can Island Container Terminal Ltd.
Top Chief	Top Chief Company Limited
US	United States of America
USD/US\$	United States dollars, the lawful currency of the US
Vast	Vast Infraestrutura S.A.
Verise Holdings	Verise Holdings Company Limited
West Shenzhen Port Zone	Mega Shekou Container Terminals Limited; Chiwan Container Terminal Co., Ltd.; Shenzhen Mawan Terminals Co., Ltd.; Shenzhen Mawan Wharf Co., Ltd.; Shenzhen Haixing Harbour Development Company Ltd.; and China Merchants Port Services (Shenzhen) Company Limited
Workforce Diversity Policy	the workforce diversity policy of the Company
Xia Men Bay Terminals	Xia Men Bay China Merchants Terminals Co., Ltd.
Yiu Lian Shekou	Yiu Lian Dockyards (Shekou) Limited
Zhangzhou Port	Zhangzhou China Merchants Port Co., Ltd.
Zhanjiang Port	Zhanjiang Port (Group) Co., Ltd.
Zhaoliang Shenzhen	Zhaoliang Shenzhen Digital Supply Chain Management Co., Ltd
%	per cent.



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HOLDINGS COMPANY LIMITED**

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