



CHU KONG SHIPPING ENTERPRISES (GROUP) COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code : 00560



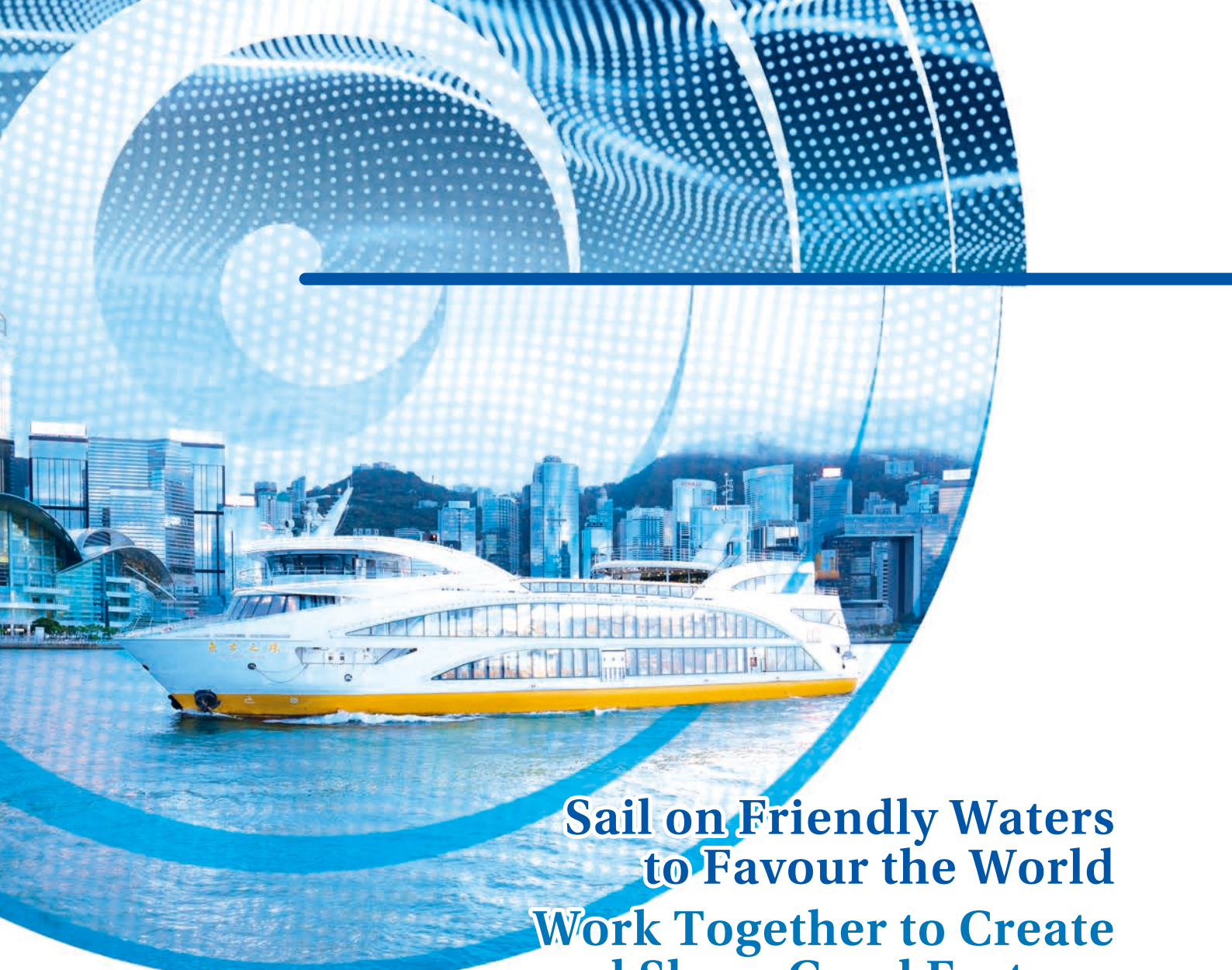
ANNUAL REPORT 2025

Propelling the **Greater Bay Area**
Achieving Leapfrog **Development**



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Sail on Friendly Waters to Favour the World Work Together to Create and Share Good Fortune

By virtue of persistence, grittiness and perception, CKSG is committed to Guangdong-Hong Kong-Macao market, sets sail to new Silk Road and has become one of the largest waterway passenger transportation operators in the world and one of the largest navigation logistics operators in Guangdong-Hong Kong-Macao Greater Bay Area (the “**Greater Bay Area**”). In active response to the national initiatives of “Guangdong-Hong Kong-Macao Greater Bay Area” and “Belt and Road”, the Company seizes opportunities to build its five platforms for cross-border passenger transportation, Hong Kong transportation, terminal logistics, “Belt and Road” investment and capital operation, so as to accelerate business transformation and upgrading and promote innovation and development, with an aim to develop into an exemplary enterprise in implementing national initiatives, a pioneer in developing the Greater Bay Area and a leader of the terminal navigation industry in the Greater Bay Area. CKSG will jointly create rich fortune, jointly enjoy great achievements and grasp the future with its stakeholders.

Financial Highlights

		2025	2024	Change ^{Note}
Results				
Revenue	<i>HK\$Million</i>	2,551.2	2,741.3	-6.9%
Operating profit	<i>HK\$Million</i>	68.8	113.5	-39.4%
Profit attributable to the equity holders of the Company	<i>HK\$Million</i>	52.0	117.0	-55.6%
Operating profit margin	<i>(%)</i>	2.7%	4.1%	-34.1%
Financial Position				
Total assets	<i>HK\$Million</i>	6,095.1	5,505.2	10.7%
Total liabilities	<i>HK\$Million</i>	2,440.7	1,905.5	28.1%
Total equity	<i>HK\$Million</i>	3,654.4	3,599.7	1.5%
Bank deposits, cash and cash equivalents	<i>HK\$Million</i>	963.6	845.5	14.0%
Current ratio		1.3	1.5	-13.3%
Debt ratio	<i>(%)</i>	40.0	34.6	15.6%

Note: Direct calculations may not be the same due to rounding.

Certain figures in 2024 have been reclassified to conform to current year's presentation.



Corporate Information

Executive Directors

Mr. Zhou Jun (*Managing Director*)

Mr. Hu Jun

Non-executive Director

Ms. Zhong Yan

Independent Non-executive Directors

Mr. Chan Kay-cheung

Ms. Yau Lai Man

Hon. Rock Chen Chung-nin

Mr. Tang Yi Hoi

Company Secretary

Ms. Cheung Mei Ki Maggie

Executive Committee

Mr. Zhou Jun (*Chairman*)

Mr. Hu Jun

Audit Committee

Mr. Chan Kay-cheung (*Chairman*)

Ms. Yau Lai Man

Mr. Tang Yi Hoi

Nomination Committee

Mr. Chan Kay-cheung (*Chairman*)

Ms. Yau Lai Man

Hon. Rock Chen Chung-nin

Mr. Tang Yi Hoi

Remuneration Committee

Mr. Tang Yi Hoi (*Chairman*)

Mr. Chan Kay-cheung

Ms. Yau Lai Man

Auditor

KPMG

Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

Principal Banks

Bank of China (Hong Kong)

Nanyang Commercial Bank

Bank of East Asia

HSBC

China Development Bank (Hong Kong Branch)

Bank of Communications

ICBC

Registrar

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

Registered Office

22nd Floor, Chu Kong Shipping Tower

143 Connaught Road Central

Hong Kong

Business Headquarter

24th Floor, Chu Kong Shipping Tower

143 Connaught Road Central

Hong Kong

Tel: (852) 2581 3799

Fax: (852) 2851 0389

Website: www.cksd.com

Business Location



Longtouzhai

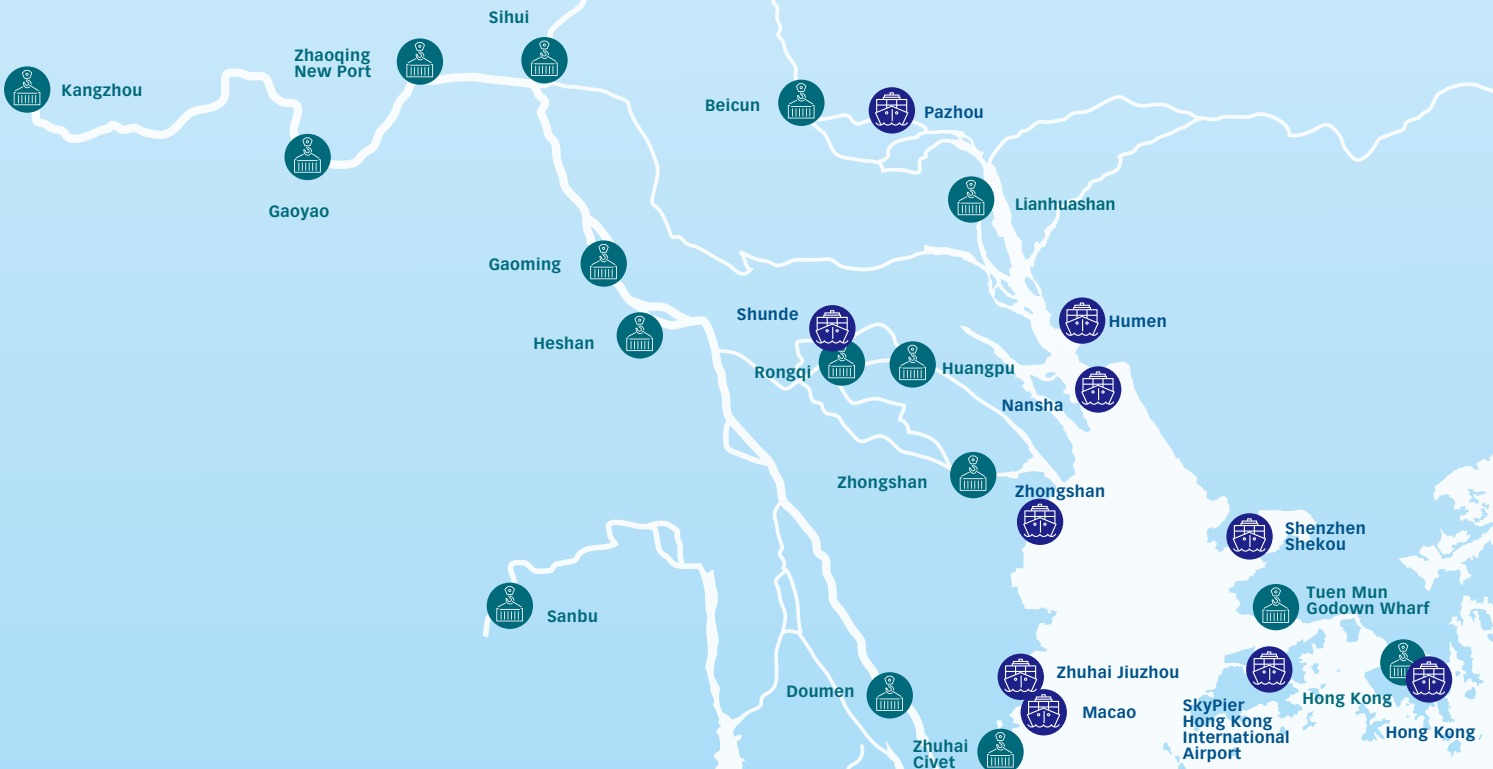


Passenger Terminals
(Including Ticket Agency)



Cargo Terminals
(Including Custody)

Qingyuan





Build Up Five Platforms Promote Five Growth Drivers

Overview and Outlook of the Group





Overview and Outlook of the Group

The Board of Directors of the Company (the “**Board**”) hereby present the annual results of Chu Kong Shipping Enterprises (Group) Company Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 to the shareholders of the Company (the “**Shareholders**”). The Group recorded a consolidated revenue of HK\$2,551,156,000 (2024: HK\$2,741,286,000), representing a decrease of 6.9% as compared with last year, profit attributable to the Shareholders amounted to HK\$51,996,000 (2024: HK\$117,027,000), representing a decrease of 55.6% as compared with last year.

REVIEW

In 2025, frequent geopolitical conflicts and the continued rise in tariff barriers constrained the recovery of global trade. In addition, the structural weakening of Hong Kong as an international maritime centre, together with the continuous enhancement of the integrated transport network in the Greater Bay Area, exerted considerable pressure on the Group’s traditional logistics business and cross-border waterway passenger transportation business. During the year, the Group continued to strengthen resource integration, leverage synergies and explore business development potential in depth, with the aim of creating greater value for investors. In the logistics business, the Group actively enhanced service quality and strengthened strategic cooperation with leading shipping companies. By expanding market development efforts, the Group achieved steady growth in container throughput and continuously enhanced its market competitiveness. In the passenger transportation business, the Group strengthened integrated resource coordination, enhanced service capability and jointly carried out marketing and promotional initiatives to develop high quality products. These efforts effectively improved the market recognition and industry positioning of the Group’s Hong Kong Victoria Harbour cruises, Hong Kong ferry services and Hong Kong International Airport service operations.

Accelerating resource integration to unleash new momentum for the logistics business. By strengthening cooperation with airlines, the Group became a first-tier agent of Hong Kong Airlines, resulting in a substantial 40% growth in its air-freight logistics business. Capitalising on opportunities arising from livelihood-related infrastructure development in Hong Kong and leveraging the port and shipping advantages in the Greater Bay Area, the Group successfully undertook multiple transportation projects for transitional housing, resettlement housing and sand-and-gravel engineering works, enabling the steady development of its engineering logistics business. By leveraging the resources of Tuen Mun Godown Wharf, the Group successfully expanded integrated services for bonded-goods storage and e-commerce live-streaming sales, supporting the stable and orderly growth of the warehousing logistics business. Through the launch of Greater Bay Area combined port routes in collaboration with partners, customs clearance and transshipment efficiency at multiple ports across the Greater Bay Area were effectively enhanced. Leveraging the strengths of its overseas freight network, the Group recorded a substantial 38% increase in cargo volume for its Singapore operations. During the year, the Group also established an associate to invest in the construction of Longtouzhai Port in Shaoguan City, Guangdong Province, while accelerating the construction of the Sanbu New Port to optimise its overall port layout. Chu Kong Logistics (Vietnam) Company Limited officially commenced operations, further strengthening the Group’s Southeast Asian freight network covering Singapore, Thailand, Malaysia and Vietnam.



Overview and Outlook of the Group

Leveraging platform capabilities to unlock new growth opportunities in the integrated passenger transportation business. The Group strengthened joint marketing efforts under an integrated platform approach, with several passenger-transport subsidiaries collaborating with external partners to launch bundled travel products. Through increased promotion on platforms such as TikTok, Xiaohongshu, Ctrip and KLOOK, the Group effectively strengthened the Group's influence in the markets for Hong Kong Victoria Harbour cruises, Hong Kong ferry services and cross-border waterway passenger transportation. The Group further expanded its service presence at Hong Kong International Airport, successfully securing a number of service operation projects, thereby solidifying its position as a high-quality integrated service provider at the airport. In addition, the Group further enhanced service capacity and quality by commissioning multiple new fuel transport vessels and Hong Kong ferries, while accelerating the construction of new Victoria Harbour sightseeing cruises. These efforts continuously improved fuel supply capability and enhanced passengers' ferry travel experience. During the year, the Group also successfully completed multiple waterway service support projects and expanded into new areas of waterway services.

Strengthening technological leadership to drive new digital capabilities. The Group continued to advance its digitalisation initiatives at an accelerated pace, leveraging new technologies to drive development and enhance operational efficiency. DeepSeek functionality was incorporated into the Group's internal systems, enabling the establishment of a proprietary port and shipping knowledge base and the launch of the "Greater Bay Go Customer Service Assistant" intelligent agent, thereby enhancing customer service intelligence while ensuring data security. By applying big data technologies, the Group deeply integrated key logistics nodes, including customs brokers and shipping companies, to develop a one-stop freight platform. The Group also integrated resources across cross-border passenger transportation, Victoria Harbour cruises and Pearl River night cruises to build a "transportation + cultural tourism" ecosystem, and advanced the development of the "New Greater Bay Go Cultural Tourism Platform". In addition, leveraging optical character recognition and algorithmic analysis technologies, the Group developed a container weight data capture and identification system at its terminals, enabling accurate acquisition of container weight data and significantly improving terminal operational efficiency.

As the Group continued to enhance service capability and seize development opportunities to advance high-quality growth, it also strengthened internal management and control, enhanced standardised risk management, deepened cost management and implemented cost-reduction and efficiency-enhancement measures to ensure stable business operations. At the same time, the Group remained committed to the new development philosophy of "innovation, coordination, green, openness and sharing" and continued to deepen its green transformation, striving to achieve an optimal balance between economic benefits and social value. During the year, the Group and its subsidiaries were recognised for their performance in environmental, social and governance ("ESG") practices and received multiple commendations from government departments, industry associations and business partners. These included the "Annual Excellent Partnership Award", the "Good Citizen Award", the "Hong Kong Green Organisation" and the "5-Years Excellence Award", reflecting the industry's strong recognition of the Group's sustainability efforts.



OUTLOOK

In 2026, the Group will remain committed to transformation and innovation, accelerating reform and development under the operational direction of “deepening our presence in Hong Kong and Macao, expanding overseas, strengthening our foundation and enhancing quality and efficiency”. The Group will maintain strong confidence in its development, reinforce strategic synergy and proactively embrace new economic models and emerging opportunities. By consolidating the competitive advantages of its Hong Kong businesses, the Group will strive to build a comprehensive logistics platform, a port terminal platform, an integrated passenger transportation platform and a “Belt and Road” platform, thereby creating new growth engines, establishing new competitive advantages, expanding development space and shaping a new development landscape.

Firstly, enhancing comprehensive logistics platform to drive higher development efficiency. The Group will focus on deepening the development of its duty-free goods warehousing business in Hong Kong, and actively increasing its market share in the bonded-goods warehousing and logistics segment. It will vigorously promote the synergistic development of warehousing logistics and air-freight logistics, with a view to delivering more competitive integrated air-freight logistics services and solutions. The Group will continue to proactively pursue major construction projects at the Northern Metropolis and Hong Kong International Airport, closely monitor development trends relating to the Lantau Tomorrow Vision, and strengthen its engineering logistics capabilities by advancing Modular Integrated Construction (MIC) projects. At the same time, the Group will enhance port and shipping cooperation, leverage its proprietary resources and service strengths to stabilise its core customer base and cargo sources, continuously optimise supporting service processes and quality, and further enhance customer loyalty and satisfaction.

Secondly, focusing on developing port terminal platform to drive high efficiency growth. By tailoring the functional positioning of each terminal within the Greater Bay Area port cluster, the Group aims to develop specialised and differentiated terminal service capabilities and strengthen its port logistics business through a “One Terminal One Strategy” approach. The Group will actively seize development opportunities arising from the launch of the direct shipping route between Yangpu Port in Hainan and Batam, and seek port logistics cooperation opportunities within the Hainan Free Trade Port. In addition, the Group will monitor the construction progress of the Pinglu Canal in Guangxi Province, and actively seize new opportunities in port logistics. The Group will further deepen its port layout along the Beijiang and Xijiang rivers in Guangdong Province to improve its network system. At the same time, it will continue to expand integrated regional port operations and steadily enhance management efficiency.

Thirdly, focusing on developing an integrated passenger transportation service platform to advance high-quality growth. The Group will coordinate high-quality resources such as Hong Kong ferries and the Victoria Harbour cruise, and continue to collaborate with cross-border passenger operators to develop “cross-border transport + tourism” bundled products, achieving mutual traffic flow, resource connectivity and an overall enhancement in service standards. In addition, the Group will further leverage the advantages of passenger traffic flow, actively promote cooperation with external partners, and intensify efforts to tap into the development potential of traffic flow value. The Group will also actively participate in the development of the low-altitude economy in the Greater Bay Area, launching integrated cultural tourism offerings that combine “Maritime Sightseeing + Low-Altitude Performances”. At the same time, the Group will further integrate into the Hong Kong International Airport ecosystem and seek to secure additional high-quality service projects. Through targeted marketing initiatives and the provision of high-quality services, the Group will intensify efforts to expand new fuel supply businesses, establishing a new “water + land” fuel supply model.

Overview and Outlook of the Group

Fourthly, focusing on developing the “Belt and Road” platform to strengthen growth momentum.

By fully leveraging the strengths of its logistics networks in Singapore, Thailand, Malaysia and Vietnam, the Group will actively expand its overseas operations in Southeast Asia and strengthen cooperation with logistics service providers such as airlines and freight forwarders, thereby extending both the breadth and depth of its “Belt and Road” integrated logistics value chain. The Group will continue to intensify business expansion efforts and strive to further enhance the network layout of the “Belt and Road”. The Group will also accelerate its participation in warehousing logistics and terminal operations in major port cities along the “Belt and Road” through investments, leasing arrangements and cooperative operating models. By increasing investment in heavy assets, the Group will further strengthen development momentum and enhance long-term growth capabilities. By leveraging the advantages of mature operational management experience in high-speed waterway passenger transportation business, self-owned ferries and the integrated service system, the Group will actively seek development opportunities in waterway passenger transport along the “Belt and Road”.

APPRECIATION

The Group would like to take this opportunity to express our heartfelt thanks to all of our investors and partners who have shown tremendous support to the Group, as well as to our management and staff who have worked hard to strive toward better results for the Group. We will “**strengthen confidence in development and shape a strategic blueprint**”, strive to create value for Shareholders, and make further contributions to the prosperity of the Greater Bay Area economy.





**Committed to Great Bay Area
Set Sail for New Silk Road**

Report of the Directors

BUSINESS REVIEW

For the year ended 31 December 2025, the Group recorded a consolidated revenue of HK\$2,551,156,000 representing a decrease of 6.9% over the same period last year. Profit for the year amounted to HK\$57,165,000, representing a decrease of 54.5% over the same period last year. Profit attributable to the Shareholders amounted to HK\$51,996,000, representing a decrease of 55.6% over the same period last year.

In 2025, the global trade environment faced considerable pressure as a result of frequent adjustments to international tariff policies and escalating geopolitical tensions. In addition, the weak performance of Hong Kong's navigation market, together with the continued adjustment of Mainland China's real estate sector which led to a contraction in demand for gravel bulk cargo and other break bulk cargoes, exerted a significant impact on the Group's freight transportation business. Meanwhile, with the opening of the Shenzhen-Zhongshan Link in 2024 and the further optimisation of the multidimensional transportation network in the Greater Bay Area, the Group's cross-border passenger transportation and related ancillary businesses also came under more intense competitive pressure.

Regarding the terminal navigation logistics business, the Group's terminal navigation logistics business came under significant pressure during the year, with certain businesses experiencing substantial declines. During the year, container transportation volume reached 1,148,000 TEU, representing a year-on-year decrease of 13.3%. Break bulk cargoes transportation volume amounted to 272,000 tons, representing a year-on-year decrease of 68.4%, mainly due to the sluggish gravel bulk cargo market. In cargo handling business, container handling volume reached 1,098,000 TEU, representing a year-on-year increase of 4.2%, while break bulk cargo handling volume decreased by 9.0% year-on-year to 9,121,000 tons. Container hauling and trucking volume reached 155,000 TEU, representing a year-on-year decrease of 10.9%.



Regarding the passenger transportation sector, the Group's traditional cross-border waterway passenger transportation business recorded a decline in passenger volume during the year, due to the diversion of passenger flows following the opening of the Shenzhen–Zhongshan Link and the relocation of the passenger terminal in Zhongshan. Hong Kong's local ferry business remained relatively stable, as the increase in inbound visitors partially offset the strengthened northbound consumption trend among Hong Kong residents. During the year, the total number of passengers for agency services was 1,693,000, representing a year-on-year decrease of 0.2%. The number of passengers for terminal services was 1,204,000, representing a year-on-year increase of 3.6%. The number of passengers for local ferry service was 11,167,000, representing a year-on-year decrease of 1.8%.

I. Terminal Navigation Logistics Business

1. Cargo Transportation Business

Business Operation Indicators

Performance statistics of our major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	2025	2024	Change
Container transportation volume (TEU)	1,148,000	1,324,000	-13.3%
Break bulk cargoes transportation volume (revenue tons)	272,000	860,000	-68.4%
Volume of container hauling and trucking on land (TEU)	155,000	174,000	-10.9%

Subsidiaries

During the year, the Group's cargo transportation business faced severe challenges amid the slowdown in global trade growth, intensifying industry competition, and the structural weakening of Hong Kong's navigation functions. Chu Kong Transshipment & Logistics Company Limited ("**CKTL**") adopted a dynamic strategy to respond to market transformation, deeply exploring new business opportunities arising from supply chain restructuring. Through cost reduction and efficiency enhancement measures, the company solidified its operational foundation despite market headwinds and achieved substantial breakthroughs in several emerging and high value-added business segments. During the year, the volume of container transportation for the year recorded 1,148,000 TEU, representing a year-on-year decrease of 13.3%. The volume of break bulk cargoes transportation for the year recorded 272,000 tons, representing a year-on-year decrease of 68.4%. The volume of container hauling and trucking on land for the year recorded 155,000 TEU, representing a year-on-year decrease of 10.9%.

CKTL is committed to building a new integrated logistics ecosystem. The company continued to deepen its cooperation with airlines and successfully became a first-tier agent of Hong Kong Airlines, while expanding multiple high-end logistics projects. Meanwhile, it actively developed e-commerce logistics and warehousing logistics businesses by completing the construction of an e-commerce warehouse, the upgrading of a Type 3A bonded warehouse, and the expansion of its temperature-controlled warehouse, successfully attracting a number of high-quality customers. In the engineering logistics segment, CKTL strengthened its development efforts and successively undertook large scale projects such as transitional housing, resettlement housing, and sewage treatment plants. In addition, the company collaborated with roll-on/roll-off vessel operators to provide sea freight booking services, further expanding its integrated international vehicle transportation logistics services. Looking ahead, CKTL will pursue organisational restructuring and efficiency driven development, advance business refinement and regional expansion, deepen efficiency management of barge routes, and strengthen the Pearl River Delta-Hong Kong feeder services and solid waste waterway transportation business. The company will also enhance the coordinated development of engineering logistics, warehousing, and air freight businesses, while actively expanding duty-free warehousing in Hong Kong and exploring overseas markets.

2. Cargo Handling and Storage Business

Business Operation Indicators

Performance statistics of our major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	2025	2024 (Restated) (Note)	Change
Container handling volume (TEU)	1,098,000	1,054,000	4.2%
Break bulk cargoes handling volume (revenue tons)	9,121,000	10,022,000	-9.0%

Note: The restated figures for 2024 include the full year data of Beicun Port.

Subsidiaries

During the year, despite various unfavourable factors, the Group's subsidiaries strengthened collaboration and leveraged the advantages of the Group's integrated internal resources to vigorously expand factory logistics, integrated logistics, and engineering logistics businesses. As a result, the Group recorded an overall year-on-year increase in container handling volume. During the year, the container handling volume was 1,098,000 TEU, representing a year-on-year increase of 4.2%, while the break bulk cargoes handling volume during the year was 9,121,000 tons, representing a year-on-year decrease of 9.0%.



Report of the Directors

Major business operation indicators by region are as follows:

Region	For the year ended 31 December					
	Container handling volume (TEU)			Break bulk cargoes handling volume (revenue tons)		
	2025	2024	Change	2025	2024	Change
Zhaoqing	237,000	199,000	19.1%	7,139,000	7,896,000	-9.6%
Foshan (Restated) (Note)	250,000	254,000	-1.6%	199,000	131,000	51.9%
Qingyuan	113,000	111,000	1.8%	452,000	405,000	11.6%
Zhuhai	171,000	184,000	-7.1%	80,000	101,000	-20.8%
Zhongshan	60,000	63,000	-4.8%	781,000	907,000	-13.9%
Hong Kong	267,000	243,000	9.9%	470,000	582,000	-19.2%

Note: The restated figures for 2024 include the full year data of Beicun Port in Foshan Region.

The Zhaoqing region, guided by the strategy of “each port with one specialty and each port with one policy”, focused on its principal responsibilities and core businesses, proactively identifying quality customers and strengthening upstream and downstream supply chain collaboration. The region vigorously developed factory logistics and integrated logistics businesses. During the year, the container handling volume achieved steady growth, reaching 237,000 TEU, representing a year-on-year increase of 19.1%. The break bulk cargoes handling volume recorded 7,139,000 tons, representing a year-on-year decrease of 9.6% due to market structural adjustments. Kangzhou Port continued to focus on construction material bulk cargo; although volume declined year-on-year, it remained an important bulk cargo terminal in the region. Zhaoqing New Port actively expanded engineering logistics and “bulk to container” conversion businesses, cooperating with logistics enterprises to handle sand, earthwork and other construction materials, further enriching the cargo structure. Sihui Port and Gaoyao Port continued to innovate in specialised cargo categories and business models, jointly enhancing the overall logistics service capability of the region.

The Foshan region achieved a container handling volume of 250,000 TEU, representing a year-on-year decrease of 1.6%, and a break bulk cargoes handling volume of 199,000 tons, representing a year-on-year increase of 51.9% (as Beicun Terminal has become a subsidiary of the Group rather than a joint venture, the relevant data has accordingly been consolidated since January this year and adjusted the figures of 2024). Gaoming Port, building on its existing business foundation, deepened its engagement with key factories and major trading markets within the region. In collaboration with CKTL, the port successfully secured new cargo sources, including the Hong Kong MIC project, with break bulk cargo handling reaching 118,000 tons, representing a year-on-year increase of 168.2%. Beicun Terminal expanded its end-to-end import booking agency services and developed a full supply chain import business covering Thailand, Myanmar and Cambodia. This strengthened its position in the rice import segment and enhanced overall logistics efficiency. The rice import business recorded breakthrough growth, with container handling volume reaching 29,000 TEU, representing a year-on-year increase of 61.1%.

The Qingyuan region recorded container handling volume of 113,000 TEU, representing a year-on-year increase of 1.8%, and break bulk cargo handling volume of 452,000 tons, representing a year-on-year increase of 11.6%. In terms of domestic trade, Qingyuan Port continued to optimise its container business structure, proactively expanding cooperation with other domestic trade shipping companies and logistics enterprises to enrich its route network, effectively supporting the steady growth of domestic trade cargo volume. At the same time, Qingyuan Port worked in close collaboration with CKTL to vigorously develop bulk construction materials and e-commerce related cargo sources. As a result, the region achieved breakthrough growth in foreign trade break bulk cargo, with a year-on-year increase of 63.3%.

The Zhuhai region recorded container handling volume of 171,000 TEU, representing a year-on-year decrease of 7.1%, and break bulk cargo handling volume of 80,000 tons, representing a year-on-year decrease of 20.8%. The decline in business volume was mainly attributable to the subdued overall market environment, the relocation of production capacity by major customers, and intensified competition from neighbouring ports leading to cargo diversion. Facing external market pressures, Doumen Port actively pursued new business opportunities, obtained new operating qualifications, and targeted the Hong Kong and Macao infrastructure markets. The port plans to develop a transshipment platform in the Xijiang estuary area to compensate for the shortfall in traditional bulk cargo sources. Civet Port continued to promote business diversification by expanding into projects such as bonded warehouse operations on top of its traditional business lines, further strengthening its risk resilience capabilities.

The Zhongshan region's Huangpu Port recorded container handling volume of 60,000 TEU, representing a year-on-year decrease of 4.8%, and break bulk cargo handling volume of 781,000 tons, representing a year-on-year decrease of 13.9%. The decline in cargo volume was primarily attributable to external market fluctuations, the absence of certain periodic projects, and intensified regional competition. To address these challenges, Zhongshan Huangpu Port actively advanced the transformation of its business structure. On one hand, it continued to deepen its engagement with major customers and expand combined port services to increase the proportion of laden import and export containers. On the other hand, it vigorously developed integrated logistics and warehousing services, launching high value-added businesses such as steel rail processing and home appliance logistics, gradually transforming into a more diversified and service-oriented port.



Report of the Directors

The Hong Kong region recorded container handling volume of 267,000 TEU, representing a year-on-year increase of 9.9%, and break bulk cargo handling volume of 470,000 tons, representing a year-on-year decrease of 19.2%. During the year, CKTL actively expanded new businesses such as air freight logistics, warehousing and engineering logistics, and undertook multiple large-scale engineering logistics projects, which drove demand for container handling. At the same time, the company expanded its specialised warehousing services, including bonded warehouse and temperature-controlled storage, to attract high-value added cargo types. On the other hand, the rise of cross-border e-commerce in Hong Kong and the impact on traditional supply to Hong Kong business models strengthened the competitiveness of land transportation, leading to the diversion of certain break bulk cargo sources.

Joint Ventures and Associates

Sanbu Port recorded container handling volume of 166,000 TEU, representing a year-on-year increase of 8.5%, and break bulk cargo handling volume of 601,000 tons, representing a year-on-year increase of 26.3%. Sanbu Port actively strengthened customer relationship management, gained deeper insights into customer needs, and introduced new domestic-trade shipping services to enrich its route resources, thereby successfully offsetting the decline in cargo categories such as ceramics and timber. Building on the stable cargo volumes of its existing grain bulk-cargo customers, the port continued to expand into multiple new bulk-cargo sources, including sand and gravel, chemical stone, coal and petroleum by-products. Heshan Port was affected by the overall market environment and weaker foreign trade demand. In addition, the substantial reduction in imported timber containers led the port to record a decrease of container handling volume, and the decline in coil steel cargo also led to a decrease of break bulk handling volume.



II. Passenger Transportation Business

Business Operation Indicators

Performance statistics of the major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	Number of Passengers (in thousands)		
	2025	2024	Change
Number of passengers for agency services	1,693	1,697	-0.2%
Number of passengers for terminal services	1,204	1,162	3.6%
Number of passengers for local ferry transportation	11,167	11,372	-1.8%

Subsidiaries

The Group's cross-border waterway passenger transportation business has gradually recovered, with a slight increase in business volume compared to last year. However, it has yet to return to pre-pandemic levels. During the year, the total number of passengers for agency services of Chu Kong Passenger Transport Company Limited ("CKPT") was 1,693,000, representing a year-on-year decrease of 0.2%, while the number of passengers for terminal services was 1,204,000, representing a year-on-year increase of 3.6%.

Regarding urban routes, CKPT resumed its role as the agent for the round trip Zhuhai-Hong Kong China Ferry Terminal route during the year. There were seven routes in operation during the year: six round-trip routes connecting Zhongshan, Nansha, Shenzhen Airport, Shunde, Pazhou and Zhuhai with the China Ferry Terminal, and one round-trip route connecting Shekou to the Hong Kong-Macau Ferry Terminal. Over the year, these routes transported 978,000 passengers, representing a year-on-year decrease of 4.2%.

Regarding airport routes, there are 6 routes currently in operation, linking Zhongshan, Nansha, Shekou, Shenzhen Airport, Pazhou and Humen. These routes handled 714,000 passengers over the year, representing a year-on-year increase of 5.5%. CKPT actively integrated internal and external resources and strengthened market development efforts. It jointly organised promotional activities with other companies within the Group's passenger transportation segment as well as local enterprises in Hong Kong, effectively enhancing intra-group business synergy and supporting overall market development.

CKPT continued to deepen its presence at Hong Kong International Airport, with its self-service check-in support services expanding steadily. The service coverage has been extended to the AsiaWorld Expo, the MTR Hong Kong Station and Airport 11Skies. During the year, the company successfully secured the airport enquiry counter service project, the transfer car park ancillary service project and the transfer car park operation project. In addition, CKPT successfully completed the logistical support tasks for the visit of the Shandong aircraft carrier formation to Hong Kong during the year. The mission received full recognition from the military authorities and generated strong media publicity outcomes.

Report of the Directors

Regarding local ferry services, the increasing trend of Hong Kong residents travelling to the Mainland for consumption led to changes in local leisure-travel patterns, resulting in reduced demand for outlying island travel. Sun Ferry Services Company Limited (“**Sun Ferry**”) recorded the local ferry passenger volume of 11,167,000 passengers, representing a year-on-year decrease of 1.8%. To respond to market changes, Sun Ferry actively promoted service innovation. It became the first local ferry operator to launch ticketing through a WeChat Mini Program, and collaborated with WeChat Pay to conduct joint marketing initiatives. The company also introduced shared massage chairs and proprietary vending machines, and adopted new food and beverage service models, effectively enhancing non-ticket revenue. In addition, Sun Ferry continued to optimise its fleet structure. The new vessels “Xin Ming Zhu XI” and “Xin Ming Zhu XII” were successfully commissioned during the year, enabling the gradual replacement of ageing vessels, further strengthening navigational safety and reducing operational risks.

Regarding water cultural tourism business, Oriental Pearl Cruise Company Limited (“**Oriental Pearl**”) recorded a total passenger volume of 163,000, representing a year-on-year increase of 40.5%. During the year, Oriental Pearl launched a combined “Cross-Boundary Waterway + Victoria Harbour Cruise” product to enhance customer connectivity, and expanded its online sales channels through platforms such as TikTok. Meanwhile, through cross-sector collaboration and resource integration, the company continued to diversify its service offerings and revenue streams, including partnering with hotels to organise drone and fireworks shows, creating innovative high-end entertainment experiences that received positive market feedback.

Joint Ventures and Associates

Benefiting from the continued recovery of air traffic at Hong Kong International Airport, the number of passengers of SkyPier (operated by Hong Kong International Airport Ferry Terminal Services Limited) amounted to 739,000, representing a year-on-year increase of 9.2%. Affected by the Shenzhen-Zhongshan Link and the relocation of the passenger terminal in Zhongshan, the passenger transportation volume of the urban routes operated by Zhongshan-Hong Kong Passenger Shipping Co-op Co., Ltd. amounted to 505,000, representing a year-on-year decrease of 10.9%, while the passenger transportation volume of the airport ferry routes amounted to 86,000, representing a year-on-year decrease of 7.5%. Foshan Shunde Shungang Passenger Transportation Co-op Co., Ltd. suspended operations for a total of 146 days during the year. Its urban route passenger volume amounted to 66,000 passengers, representing a year-on-year decrease of 54.8%.

During the year, the shuttle bus business volume for the Hong Kong-Zhuhai-Macao Bridge which is jointly operated by Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Co., Ltd., an associate of the Group achieved a passenger volume of 20,416,000 passengers during the year, representing a year-on-year increase of 4.3%.

III. Fuel Supply Business

Regarding the fuel supply business, the overall demand for diesel decreased due to the downturn in the macroeconomic environment and the significant decline in the bunkering volume of the Group's cross-boundary passenger ferries. Sun Kong Petroleum Company Limited ("**Sun Kong Petroleum**") completed diesel sales volume of 84,000 tons, representing a year-on-year decrease of 9.7%. Regarding the engine oil supply business, Sun Kong Petroleum continued to deepen its cooperation with internationally renowned lubricant suppliers, broadened the range of brands under its agency, and recorded a significant increase in engine oil agency transportation volume. To respond to market changes, Sun Kong Petroleum actively expanded its fuel supply business beyond the Group by attracting new customers through targeted marketing efforts, thereby scaling up its operations. At the same time, the company pursued business transformation and upgrading by extending into land-based fuel supply services, gradually realising the shift from "waterborne bunkering" to "land-based fuel supply". In addition, Sun Kong Petroleum strengthened its presence at Hong Kong boundary crossing control points, capitalising on the development opportunities brought about by the "bridge economy". The company prioritised the advancement of land-based fuel supply services for the Hong Kong–Zhuhai–Macao Bridge, with the aim of securing new growth drivers and enhancing its overall competitiveness.

IV. Corporate and Other Businesses

As to the corporate and other businesses, Chu Ou Engineering and Technologies Company Limited ("**Chu Ou Engineering**"), recorded lower revenue during the year compared with the same period last year, primarily due to a year-on-year reduction in the workload of the Sands Group's water supply pipeline project. Looking forward, Chu Ou Engineering will continue to give full play to its technological advantages, on the basis of strengthening its existing business, it will pay close attention to the bidding projects of various government departments and enterprises in Macao, actively explore new long-term and stable projects to enhance its sustainable profitability.

During the year, the businesses of other subsidiaries, joint ventures and associates of the Group progressed well.



CORPORATE STRATEGIES AND PROSPECTS

Focused on the objective of becoming a first-class waterway public transportation service provider and a first-class full-scope logistics services provider in the Greater Bay Area, the Group will strengthen the linkage between cargo terminals and navigation, integrate the advantages of resources, promote innovation and development in terminals. It will extend the industry chain, tap into market potential, optimise strategic layout of integrated logistics; cultivate core routes, establish cultural tourism brands, facilitate the transformation and upgrading of waterway passenger transportation. Moreover, the Group will actively seize opportunities for mergers and acquisitions and carry out core projects with an aim to improve the overall profitability of the Group.

In 2026, the Group will strengthen internal reform and innovation, deepen external cooperation, and seize development opportunities arising from the Greater Bay Area and the “Belt and Road” Initiative, while proactively responding to market changes and challenges. The Group will refine the functional positioning of its internal port operations and develop specialised and differentiated service capabilities tailored to local conditions. It will further enhance the integration of internal resources, strengthen service capabilities across business segments, and vigorously develop modern logistics businesses including air freight logistics, cold chain logistics, multimodal transportation, warehousing logistics and engineering logistics. The Group will coordinate its Hong Kong’s ferry services, Victoria Harbour cruises and outlying island tour resources to create diversified cultural and tourism product offerings. It will also actively reinforce its presence in Southeast Asia and enhance its overseas business network. The Board and the management are optimistic about the future development of the Group in long term, and are committed to preparing for the opportunities and challenges that lie ahead in the coming year.

ENVIRONMENT, SOCIAL AND GOVERNANCE

In accordance with the requirements of “Environmental, Social and Governance Reporting Code” (“**ESG Code**”) set out in Appendix C2 under the Rules Governing the Listing of Securities (the “**Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”), the Group issues ESG Report on an annual basis to disclose our sustainability performance and related information to stakeholders. This section highlights the Group’s policies and performance in relation to ESG for the year ended as at 31 December 2025. For further details, implementation measures and outcomes, please refer to the ESG Report 2025 separately released by the Group.

The Group firmly upholds the concept of sustainable development as a core corporate responsibility. While strictly adhering to the internal compliance framework, the Group continues to implement a range of sustainability initiatives, striving to achieve long-term environmental protection and social welfare. At the same time, the Group actively responds to the national strategy for high-quality development and fully implements the new development philosophy of “innovation, coordination, green, openness, and sharing”, continuing to deepen its green transformation with the aim of achieving an optimal balance between economic benefits and social value.

As one of the leading cross-border waterway passenger transportation and freight transportation operators in the Greater Bay Area, the Group has been committed to promoting sustainable development within the industry. During the year, the Group and its subsidiaries delivered outstanding performance in the ESG domain and received multiple awards and commendations from government departments, industry associations and business partners. These recognitions included the “Annual Excellent Partnership Award”, the “Good Citizen Award”, the “5-Years Excellence Award” and the “Hong Kong Green Organisation” accolade, fully demonstrating the industry’s strong recognition of the Group’s sustainability efforts.

Green Leadership for Long-term Ecological Development

In recent years, the national “dual carbon” strategy has continued to deepen, driving the green and low-carbon transformation of the port industry into a new stage. On one hand, the Group has actively responded to policy directions by systematically advancing the development of green ports around key areas such as optimising the energy mix, electrifying equipment and building smart ports, and has achieved solid progress. During the year, the Group’s subsidiary terminal companies continued to expand the use of electrified equipment such as electric cranes and electric forklifts, gradually replacing traditional fuel-powered machinery. At the same time, most terminals have been equipped with shore power facilities, enabling berthed vessels to connect and utilise electricity. Some subsidiaries have also installed solar photovoltaic panels on the rooftops of office buildings and warehouses to increase the proportion of renewable energy consumption and further steer the Group’s businesses towards low-carbon and sustainable development. On the other hand, the Group has continued to assess and systematically introduce new environmentally friendly vessels, including carbon fibre high-speed ferries, liquefied natural gas-powered multi-purpose vessels, hybrid ferries and electric vessels, thereby steadily advancing the decarbonisation of its shipping operations. During the year, the fully battery-powered carbon fibre high-speed ferry “Xin Ming Zhu 39”, operated by a subsidiary of the Group, successfully commenced official operation. Featuring a lightweight carbon fibre structure, the ferry not only effectively reduces hull weight and energy consumption, but also achieves zero emission and low noise operation, demonstrating significant advantages in the fields of green, low carbon and energy-saving emission reduction.

At managerial level, the Group has established a systematic management framework covering key areas such as air pollutant and greenhouse gas emissions, hazardous and non-hazardous waste management, energy efficiency, and water resource utilisation. During the year, the Group continued to refine its quantitative targets for reducing greenhouse gas emissions (Scope 1 and Scope 2) and sulphur oxide emissions to strengthen the implementation of environmental management measures. At the same time, the Group has commenced the development of a Scope 3 greenhouse gas accounting system, identifying material Scope 3 categories relevant to its business activities, with data collection and consolidation work progressing steadily.



Report of the Directors

In our daily operations, we strictly comply with relevant environmental protection laws and regulations that have a significant impact on the Group. Based on domestic and international environmental laws, regulations and industry standards, we have developed internal environmental compliance policies, such as the “Ecological and Environmental Protection Supervision and Management Measures” (《生態環境保護監督管理辦法》), the “General Emergency Response Plan for Emergencies” (《突發事件總體應急預案》) and the “Emergency Response Plan for Work Safety Accidents” (《生產安全事故應急預案》), to ensure full adherence to environmental requirements. We also regularly conduct environmental protection training and promotional activities for all employees to enhance their understanding and professional capabilities in environmental protection and sustainable development, and to further strengthen a culture of full participation in advancing green development.

Active response towards climate change

At present, the world is facing the far-reaching impacts and severe challenges brought by climate change. The increasing frequency of extreme weather events, mounting pressure on natural ecosystems and rapid shifts in market dynamics driven by national climate policies have all made climate risks a systemic concern that enterprises must address in the pursuit of sustainable development. For the passenger and freight transportation sectors, extreme weather can directly undermine transport safety and service stability, and may also lead to infrastructure damage and significant increases in operating costs, triggering a chain reaction of related impacts. Under the impetus of the “dual carbon” goals, the pressure arising from energy restructuring is accelerating the transition of the transportation industry towards low carbon and intelligent development.

During the year, the Group actively responded to global climate governance initiatives and, with reference to the climate-related disclosure requirements under Part D of the ESG Code, conducted a systematic assessment of climate related risks and opportunities and their financial impacts. Through this process, the Group identified three key risks and opportunities of high importance: 1) the adverse impacts of increasingly frequent extreme weather events; 2) the transition to renewable energy; and 3) the innovation in products and services. In response, the Group has formulated comprehensive strategies and action plans to effectively address these risks and capture the associated opportunities. To further enhance the effectiveness of ESG governance, the Group is also actively optimising its existing governance structure by integrating climate change considerations into its corporate risk management and ESG management systems. This initiative aims to establish a more resilient and forward-looking sustainable management framework to support the Group’s long-term and steady development.

Strengthening Foundations to Deliver Excellence in Service

Robust corporate governance forms the cornerstone of long-term business development, while excellence in operational quality is a key reflection of core competitiveness. Regarding compliance operations, the Group strictly adhered to operating its business in accordance with the requirements of the “Guideline on Internal Control for Listed Companies” (《上市公司內部控制指引》), “Guidelines for Enterprise Internal Control” (《企業內部控制基本規範》), the Listing Rules and the relevant rules, and made continuous efforts to improve and fine-tune its corporate governance structure during the year. Through mechanisms such as the general meetings, the Board, the independent director’s system, procedural rules, the governance group for the ESG Report and the working group for the ESG Report, the Group has integrated climate related considerations into its corporate governance framework, strived to ensure a clearly-defined responsibility system in its daily operation, transparent and open decision-making procedure and sound and effective internal control and feedback system. In terms of internal control, we have also formulated the “Comprehensive Risk Management Measures” (《全面風險管理辦法》), clearly defining risk management responsibilities and requirements at all levels. It builds the Group’s overall risk management framework based on the three lines of defense in risk management. The business management department of the Group is responsible for coordinating relevant work and convenes meetings at least once every two years to organise annual risk identification and assessment at the Group level by various functional departments. In addition, the Group updates the “CKS Risk Assessment Form” (《珠江船務風險評估表》) in a timely manner based on actual operational circumstances and conducts annual risk assessments for its subsidiaries to ensure that risk management measures remain up to date and practical.

In terms of supply chain management, the Group adheres to a rigorous supplier selection mechanism and transparent management processes to ensure the efficient operation of the supply chain and the quality of services. The Group has established the “Procurement Management Measures” (《採購管理辦法》) and the “Management Measures for Tendering and Bidding” (《招標投標管理辦法》) to govern procurement as well as tendering and bidding procedures, ensuring fairness and impartiality. At the same time, in accordance with the standards and procedures of the ISO9001:2015 quality management system, the Group conducts annual comprehensive assessments of suppliers’ quality performance, delivery capability and their environmental and social responsibility performance. The Group also clarifies the responsibilities of business partners in relation to business ethics and occupational safety through the signing of the “Integrity Agreement” (《誠信協議》) and the “Safety Production Management Agreement” (《安全生產管理協議》), ensuring that their products and services consistently meet relevant standards.

As a responsible service provider, the Group remains committed to a customer-centric and quality-first approach, continuously advancing the intelligent upgrade of its service systems to deliver high-quality and efficient service experiences to customers. The Group continued to enhance the digitalisation of its fleet and terminal operations during the year, with the intelligent gate supervision system at Civet Port officially commencing operation. At the same time, the Group continued to optimise the digital management systems already in place. Among these efforts, CKTL has deployed an intelligent gate system and achieved a paperless weighing process through a smart yard management system, thereby enhancing operational efficiency. Gaoyao Port, leveraging the “Port E-Reach” WeChat platform and Electronic Data Interchange (EDI) technology, realised seamless system connectivity and provided customers with real-time cargo tracking services, further improving efficiency and supply chain transparency. To effectively monitor and continuously improve service quality, subsidiaries of the Group conduct regular customer satisfaction surveys. During the year, customer satisfaction for the Group’s terminal, shipping logistics and fuel supply businesses reached 98%, fully demonstrating customers’ strong recognition of the Group’s services and highlighting the Group’s remarkable achievements in service quality management.

People-Oriented Approach to Safeguard Sustainable Development

The Group adheres to a people oriented philosophy and attaches great importance to the critical role that human capital plays in the Group's development. The Group is committed to safeguarding employee rights and supporting their growth and development. In terms of human resources management, the Group strictly complies with all applicable employment and labour laws and regulations in the regions where it operates, and has formulated and implemented the "Human Resources Management Policy" 《人力資源管理辦法》 and the "Employee Handbook" 《員工手冊》. These policies cover standards and procedures relating to remuneration and dismissal, recruitment and promotion, working hours, leave arrangements, equal opportunities, diversity, anti-discrimination, other benefits and welfare, as well as preventing the use of child labour and forced labour, thereby ensuring that the lawful rights and interests of all employees are fully protected and respected. At the same time, the Group continues to enhance its talent management system by conducting regular performance assessments, offering diversified training programmes and maintaining open internal communication channels. These efforts aim to create a fair, inclusive and opportunity rich working environment that enables employees to realise their potential, create value and grow together with the Group.

As for operation, the Group always prioritises safety and is committed to safeguarding employees' occupational health and workplace safety. As such, the Group has established a comprehensive safety management system covering all business segments and strictly adheres to the occupational health and safety laws and regulations applicable in the regions where it operates, ensuring that all business activities are carried out in a safe and compliant manner. The Group has formulated and implemented a series of safety management policies, operating procedures and guidelines, including the "Safety Production Responsibility System" (《安全生產責任制》), the "Implementation Measures for Safety Risk Assessment" (《安全生產風險評估實施辦法》), the "Safety Production Meeting System" (《安全生產會議制度》) and the "Emergency Response Plan for Production Safety Incidents" (《生產安全事故應急預案》). These measures systematically regulate operational processes, identify and mitigate potential risks and effectively protect employees' safety and health. At the same time, the Group actively promotes the development of a strong safety culture by regularly organising safety training, emergency drills and themed promotional activities to continuously strengthen employees' awareness of occupational health and safety. The Group also ensures that employees possess the necessary safety knowledge and operational skills to prevent accidents effectively during daily work, thereby comprehensively enhancing the Group's overall safety management standards.

Commitment to Society with a Strong Sense of Responsibility

The Group has always upheld its original aspiration of being rooted in Hong Kong and serving the community, fully leveraging its professional strengths in water transportation and logistics to actively fulfil its corporate social responsibility. During the year, the Group successfully completed the designated service support tasks for the visit of the Carrier CNS Shandong formation to Hong Kong, and collaborated with relevant authorities to undertake the emergency salvage and debris removal operation following a freighter incident at Hong Kong International Airport, thereby contributing to regional public safety with professional action. At the same time, the Group regards community care and social contribution as key pillars of sustainable development. The Group continued to allocate resources to areas such as youth development, community support and cultural initiatives, actively promoting positive social values.

During the year ended 31 December 2025, the Group was not in breach of any laws or regulations relating to its business and operations (environmental, labour, occupational health and safety, anti-corruption and data privacy, etc.) in Hong Kong, Mainland China and Macao.

FINANCIAL REVIEW

Financial Management and Control

The Group consistently adopted a prudent financial management policy. Fund management, financing and investment activities were all undertaken and monitored by the management of the Company.

Given the industry characteristics of the core business of the Group, the emphasis of routine financial control management was placed on the management of working capital, particularly the timely receipts of trade receivables. As at 31 December 2025, net trade receivables of the Group amounted to HK\$374,200,000, representing an increase of 4.9% as compared with last year, and 66.6% of trade receivables were aged within 3 months. After careful evaluation by the management of the Company, it is considered that the risk of bad debts is controllable.

Review of Financial Results

The Group recorded a profit attributable to equity holders of the Company of HK\$51,996,000, representing a decrease of HK\$65,031,000 or 55.6% as compared with last year, details of which are as follows:

	2025 HK\$'000	2024 HK\$'000	Change HK\$'000
Net operating profit*	33,190	79,712	-46,522
Share of profits less losses of joint ventures and associates	18,806	37,315	-18,509
Profit attributable to equity holders of the Company	51,996	117,027	-65,031

* Net operating profit represents operating profit plus finance income, less finance cost, income tax expense and non-controlling interests (excluding share of profits less losses of joint ventures and associates)

The Group's share of profits less losses of joint ventures and associates for the year decreased by HK\$18,509,000 or 49.6% from last year to profits of HK\$18,806,000. Among these, profit after taxation attributable to terminal navigation logistics business was HK\$14,653,000 (2024: HK\$15,947,000) and profit after taxation of passenger transportation business was HK\$4,153,000 (2024: HK\$21,368,000).



Report of the Directors

Liquidity, Financial Resources and Capital Structure

The capital structure of the Group was constantly monitored by the Company. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

The Group closely monitored its working capital and financial resources to maintain a solid financial position. As at 31 December 2025, the Group secured a total of credit facilities of HK\$1,335,500,000 and RMB537,440,000 (equivalent to approximately HK\$595,040,000) (2024: HK\$1,185,000,000 and RMB109,571,000 (equivalent to approximately HK\$118,327,000)) granted by bona fide banks.

As at 31 December 2025, the current ratio of the Group, calculated by dividing current assets by current liabilities, was 1.3 (2024: 1.5).

As at 31 December 2025, the Group's bank deposits and cash and cash equivalents amounted to HK\$963,550,000 (2024: HK\$845,459,000), which represented 15.8% (2024: 15.4%) of the total assets.

As at 31 December 2025, the gearing ratio of the Group, represented by bank borrowings divided by total equity and bank borrowings, was 14.8% (2024: 8.1%) and the debt ratio, representing total liabilities divided by total assets, was 40.0% (2024: 34.6%).

After considering its current cash and cash flows from operating activities, as well as the credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

During the year, the Group did not use any other financial instruments for hedging purposes.

Bank Loans and Pledge of Assets

	As at 31 December 2025	As at 31 December 2024
Bank Loans		
Banks located in Hong Kong (Note 1)		
– Hong Kong Dollar (Unsecured)	200,000,000	200,000,000
– Renminbi (Unsecured)	150,000,000 (equivalent to approximately HK\$166,080,000)	–
Banks located in Mainland China (Note 2)		
– Renminbi (Unsecured)	5,000,000 (equivalent to approximately HK\$5,536,000)	–
– Renminbi (Secured)	235,954,000 (equivalent to approximately HK\$261,242,000)	109,571,000 (equivalent to approximately HK\$118,327,000)

Note:

- As at 31 December 2025, the Hong Kong dollar bank loans in Hong Kong were bearing floating interest rate and unsecured, while the Renminbi bank loans were bearing fixed interest rate and unsecured.
- As at 31 December 2025, the bank loans in Mainland China were bearing floating interest rate, some of which were secured by certain land use rights, investment properties and property, plant and equipment of the Group; the rest were unsecured.
- Detailed analysis on bank loans is set out in note 23 to the financial statements.

Report of the Directors

Currency Structure

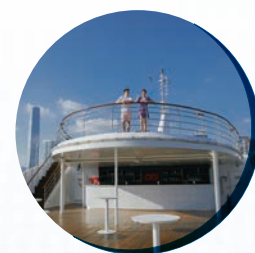
As at 31 December 2025, the Group deposited its cash and cash equivalents with several reputable banks, of which 26.4 %(2024: 35.0%) were denominated in Hong Kong dollar (“**HKD**”), 57.5% (2024: 56.5%) in Renminbi (“**RMB**”), 15.6% (2024: 7.5%) in United States dollar (“**USD**”), 0.3% (2024: 0.8%) in Macao pataca (“**MOP**”) and 0.2% (2024: 0.2%) in Euro (“**EUR**”). Details are as follows:

	Amount HK\$'000	Percentage %
HKD	254,505	26.4%
RMB	553,418	57.5%
USD	150,816	15.6%
MOP	2,724	0.3%
EUR	2,087	0.2%
	963,550	100.0%

Capital Commitments

Details of capital commitments of the Group are set out in note 35 to the financial statements.

The Group has sufficient financial resources, which include cash and cash equivalents, cash from operating activities and available banking facilities, for the payment of capital commitments.



MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

Details of information of subsidiaries, joint ventures and associates of the Group are set out in notes 11, 12 and 13 to the financial statements respectively.

Referring to the announcement dated 3 March 2025, the Company entered into an agreement with Baowu Group Zhongnan Iron and Steel Co., Ltd. ("**Baowu Group**") on the same date in relation to the establishment of Shaoguan Zhongnan Port and Shipping Co., Ltd. ("**Shaoguan Zhongnan**"). Pursuant to the agreement, the registered capital of Shaoguan Zhongnan is RMB340,000,000, of which the Company will contribute RMB166,600,000 and Baowu Group will contribute the remaining RMB173,400,000. Upon its establishment, Shaoguan Zhongnan will be owned as to 49% by the Company and 51% by Baowu Group. The Company completed its capital contribution in June 2025. According to the final version of the Articles of Association of Shaoguan Zhongnan, the company has been recognised as an associate of the Group.

Save as disclosed in this annual report, the Group had no other material acquisition or disposal of any subsidiaries, joint ventures, and associates for the year.

SIGNIFICANT INVESTMENT

Save as disclosed in this annual report, there was no other significant investment held by the Group for the year.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities (2024: HK\$nil).

FIVE YEARS FINANCIAL SUMMARY

A summary of the financial information of the Group for the last five financial years is set out on pages 183 to 184 of this annual report. Such summary does not form part of the audited financial statements.

DIVIDENDS

The Board has approved and adopted a “Dividend Policy” on 1 January 2019 with the objective of sharing results with the Shareholders. For proposing distribution of dividends to the Shareholders’ meeting, the Board will measure the capital needs in future years based on the future capital budget plan of the Company and consider factors such as profitability and financial structure of the Company comprehensively. However, the target dividend to be distributed to the Shareholders in any financial year shall be not less than 30% of the profit attributable to the equity holders of the Company (if any) in that financial year, which is payable wholly in cash or in non-cash benefits or partly in cash and partly in non-cash benefits, subject to: (a) the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); (b) the Listing Rules; and (c) the Articles of Association of the Company (the “**Articles of Association**”). The Board may revise the target dividend payout ratio based on the overall operating conditions.

During the year, the Board has declared an interim dividend of HK1 cent (2024: HK2 cents per ordinary share) per ordinary share for the year ended 31 December 2025, totaling HK\$11,212,000 (2024: HK\$22,423,000) and was paid on 24 October 2025. The Board has proposed a final dividend of HK1.5 cents (2024: HK4 cents per ordinary share) per ordinary share for the year ended 31 December 2025 (the “**Final Dividend**”), totaling approximately HK\$16,818,000 (2024: HK\$44,847,000) to Shareholders whose names appeared on the register of members on 10 June 2026. The final dividend is expected to be paid in cash.

With reference to the current bank deposits and cash and cash equivalents, the dividends declared for 2025 were HK2.5 cents per ordinary share, the percentage of total dividends over the profit attributable to equity holders of the Company (the “**Dividend Payout Ratio**”) decreased as compared with previous year. The Group’s Dividend Payout Ratio in the last five years was as follows:

	Dividends per share	Total dividends	Profit attributable to equity holders of the Company	Dividend Payout Ratio
	HK\$	HK\$'000	HK\$'000	%
2021	0.02	22,423	44,074	50.88
2022	0.06	67,270	93,490	71.95
2023	0.05	56,058	114,069	49.14
2024	0.06	67,270	117,027	57.48
2025*	0.025	28,030	51,996	53.91

* Dividends per share for the year included a proposed final dividend of HK1.5 cents per share.

EMPLOYEES AND REMUNERATION

As at 31 December 2025, the Group employed 2,099 employees (2024: 2,147) and remunerated its employees according to the duties of their positions and the market conditions. The staff costs of the Group for the year amounted to HK\$573,616,000 (2024: HK\$569,656,000), which included basic salaries and employee benefits such as discretionary bonus, medical and insurance plans, pension scheme and share option scheme, etc. The Group will also provide trainings for staff from time to time in addition to the above employee benefits.

In respect of the standards for determining the remuneration of the Directors, please refer to the disclosures in “Remuneration of Executive Directors”, “Remuneration of Non-executive Director” and “Remuneration of Independent Non-executive Directors” under the Corporate Governance Report of this annual report.

SIGNIFICANT RISKS AND UNCERTAINTIES

The operating results, financial position, business and corporate prospects of the Group may be affected by various risks and uncertainties. The following are the significant risks and uncertainties identified by the Group. Save as disclosed below, other risks that may become significant in the future but are unknown to the Group or are currently insignificant may exist.

I. Fluctuating Demand Risk

In 2025, the global economy experienced a moderate recovery; however, overall trade momentum remained weak, and the navigation market continued to exhibit only a fragile rebound. The prolonged Russia – Ukraine conflict, combined with recurring disruptions to key maritime corridors such as the Red Sea and the Black Sea, has forced global supply chains to adopt multi-point rerouting strategies. At the same time, tariff barriers in the United States and Europe continued to intensify, accelerating the shift toward regionalised and near-shoring procurement models and further weakening long chain sourcing demand. On the demand side, growth remained subdued while vessel capacity continued to rise, resulting in lower overall freight rate levels and heightened short-term volatility amid unexpected geopolitical and market events. The implementation of the European Union’s Carbon Border Adjustment Mechanism (CBAM) starting in 2026 is expected to increase both compliance and rerouting costs, exerting additional pressure on profit margins. Meanwhile, neighbouring ports have actively introduced subsidies to attract cargo sources, causing competition on inland waterway routes to intensify further. Cross-border waterway passenger traffic has not yet returned to pre-pandemic levels, and market demand continues to be influenced by seasonal fluctuations, holiday schedules and broader economic conditions. This, coupled with the diversion effect from land-based transportation corridors, has led to significant volatility in passenger load factors. As a result, the Group anticipates ongoing pressure arising from weak cargo demand, low freight rate elasticity, unstable recovery in passenger transportation and intensifying regional competition.



Report of the Directors

The Group will strengthen its front-end market research capabilities to gain deeper insights into market trends and core customer needs. The Group will dynamically optimise route planning, fleet deployment and capacity allocation, while leveraging digitalised operational tools to minimise empty voyage rates and demurrage costs. By enhancing lean management capabilities, the Group aims to improve customer stickiness and sharpen its competitiveness in responding rapidly to market changes. In the passenger transportation business, the Group will coordinate route resources, deepen integrated marketing for passenger transport and cultural tourism, strengthen its new media marketing matrix, and enhance one-stop ticketing services to steadily increase the exposure and conversion rate of its “Cross-border+” product offerings. In the freight transportation business, the Group will upgrade port functional structures, integrate multimodal logistics resources, and provide end to end logistics solutions. By extending trade matching and industrial support services, the Group aims to drive the transformation of port operations from traditional cargo handling nodes to comprehensive logistics integrators. While maintaining existing cargo volumes, the Group will also develop new growth opportunities along key Belt and Road markets to enhance overall operational efficiency and drive sustainable business development.

II. Competitive Risk

In passenger transportation, as the multimodal transportation network in the Greater Bay Area continues to improve and land-based transportation infrastructure such as the Shenzhen – Zhongshan Link enters full operation, competition in the cross-border waterway passenger transportation market has intensified, resulting in a significant decline in business volume. The profitability of traditional ticketing agency services has not met expectations, and their value chain competitive advantages have continued to weaken. In freight transportation, the market remains highly competitive due to the large number of cargo terminals within the Greater Bay Area’s city cluster and surplus capacity. Some large central enterprises and local enterprises have gained stakes or controlling interests in key terminals. Under a group-based operational model, they prioritise the development of upstream and downstream business segments at the expense of terminal profitability, further intensifying competition within the industry. At the same time, trucking and barge operating efficiency has become a critical factor affecting terminal competitiveness, and subsidy measures adopted by some ports have, to a certain extent, further weakened the competitiveness of the Group’s terminal operations.

The Group will focus on “service enhancement, cost optimisation and digital empowerment” to systematically reinforce its core competitiveness. In the passenger transportation business, the Group will focus on improving the full cycle customer experience, continue to enhance the operation model of its integrated passenger transportation platform, roll out a core membership programme and streamline management layers, thereby driving a transformation of its sales model through centralised and intensive operations. In the freight transportation business, the Group will deepen its development of integrated logistics, warehousing logistics and engineering logistics. By integrating warehousing, transportation and information resources, the Group will offer customised end-to-end logistics solutions for major clients, extend its barge network, enhance schedule reliability and improve customer stickiness. These efforts will support the transformation of ports from traditional cargo handling nodes into comprehensive supply chain service providers and consolidate the Group’s competitive position through differentiated products and services.

III. Strategic Planning Risk

The persistent low growth environment of the global economy continues to suppress travel and trade demand. Frequent adjustments to passenger routes, the replacement of ferries, and the underperformance of new investment projects have collectively amplified earnings volatility, exposing the Group to dual risks of missing market opportunities and facing increasing pressure on cash flow.

The Group adheres to an integrated “strategy – investment – operations” management approach, embedding strategic calibration into its annual business cycle. By continuously monitoring market sentiment, policy direction and industry layouts, the Group dynamically refines its development pathway to ensure that capacity deployment, route planning and capital allocation remain aligned with market demand. At the same time, the Group further optimises project management procedures, strengthens full-cycle supervision and risk assessment of new investment projects, and enhances the quality of strategy execution through a flexible and efficient control framework. These initiatives help ensure that new projects progress as planned and achieve expected returns, thereby reinforcing the foundation for the Group’s steady and sustainable development.

IV. Funding Risk

The operating income and expenditure of the Group are currently concentrated in the Guangdong Province, Hong Kong and Macao, mainly denominated in several currencies including HKD, RMB and USD. Although the linked exchange rate system in Hong Kong remains stable in the short term, the increasingly stringent regulatory controls on cross-border capital flows in the Mainland have prolonged approval procedures for fund remittance, increasing the complexity of cash flow deployment. Coupled with fluctuations in the financing environment, the Group may face temporary funding gaps, which could in turn affect day-to-day operations and business development.

The Group will continue to maintain regular communication with its banking partners to promptly understand policy and market developments, enabling forward-looking planning for capital management to ensure proper allocation and efficient utilisation of funds. In the meantime, the Group will further optimise the financing structure, plan capital usage in a prudent manner, strengthen cost control, and enhance capital efficiency. These measures aim to mitigate funding risks and ensure a stable and efficient capital chain to safeguard operational safety.

V. Investment Risk

The Group’s investment focus remains on the Guangdong Province, Hong Kong and Macao, while leveraging the Regional Comprehensive Economic Partnership (RCEP) to further expand into Southeast Asia. As the pace of establishing additional freight nodes accelerates, certain risk exposures have correspondingly increased. New investment projects in Mainland China and Hong Kong are subject to uncertainties arising from macroeconomic trends, regulatory policy considerations and the dynamics of local partners. Any shifts in policy direction, demand volatility, or changes in cooperation terms may compress expected returns and heighten investment uncertainty.



Report of the Directors

To mitigate these risks, the Group will strengthen comprehensive risk assessments of investment projects, and conduct thorough preliminary research and feasibility analyses to ensure the investment decisions are scientifically grounded and compliant. Meanwhile, during the investment process, the Group will reinforce risk control by enhancing its risk management framework, strengthening risk monitoring and early warning mechanisms, and ensuring that projects progress as planned while achieving expected returns. This approach will effectively reduce investment risks and safeguard the Group's investment interests.

VI. Safety Risk

The Group, as a provider of waterway passenger and freight transportation services deeply rooted in the Greater Bay Area, operates in a complex and dynamic environment and faces multiple safety risks. These risks primarily include natural disasters, inadequate regulatory frameworks, employee violations, insufficient emergency response plans, inadequate vessel maintenance, insufficient professional competence of crew members, and improper handling of hazardous materials. Given the complexity of its operations and the diversity of its operating environment, these potential risk factors could severely impact the Group's normal operations and corporate reputation, potentially leading to major safety incidents that may result in significant economic and reputational losses.

The Group will continue to strengthen safety management by improving safety systems and operational procedures, and enforcing them rigorously. Regular safety training for crew members will be carried out to combine theoretical instruction with practical exercises, thereby steadily enhancing professional standards and emergency response capability. The Group will continue to refine its emergency response plans with an emphasis on scientific, practical and operable design, and will incorporate intelligent monitoring technologies to provide real-time alerts at key navigational points, ensuring prompt response and closed-loop handling of emergencies. Strict adherence to vessel maintenance and servicing standards will be maintained, with inspections, upkeep and servicing conducted according to plan to keep equipment in optimal operating condition and prevent safety incidents arising from inadequate maintenance. At the same time, the Group will strictly enforce operational specifications for the full chain of dangerous goods transportation, strengthening control over loading, unloading, storage and segregation processes to reduce systemic risks and uphold the bottom line of safe production.

VII. Interest and Exchange Rate Risk

The Group's passenger and freight transportation businesses involve cross-border operations, and as such, are to a certain extent affected by fluctuations in both interest rates and exchange rates. In 2025, global monetary policies diverged: high US interest rates directly increased the coupon cost of Hong Kong dollar-denominated debt; volatile movements in the Renminbi against the Hong Kong dollar and the US dollar resulted in quarter-to-quarter fluctuations in the translated value of export route revenue, compressing profit margins; and Southeast Asian currencies with limited liquidity lacked effective hedging tools during periods of unilateral depreciation, further widening cash flow gaps. These three layers of volatility, compounded by elevated financing costs, have amplified the uncertainty surrounding the Group's finance expenses and operating capital, thereby exerting sustained pressure on earnings stability.

The Group will upgrade its foreign exchange risk management strategies, using market instruments such as forward foreign exchange contracts and FX swaps when necessary to lock in currency exposures. It will also mitigate the impact of interest rate fluctuations on financial performance by optimising its debt structure and appropriately increasing the proportion of fixed rate borrowings. At the same time, the Group will dynamically monitor international market developments and policy changes, adjusting its cash flow arrangements and operating strategies in advance to reduce the impact of exchange losses and interest expenses on profitability. Furthermore, the Group will continue to strengthen the capabilities of its finance team and enhance its risk warning systems to ensure early identification and timely response to interest rate and exchange rate movements, thereby providing a robust safeguard for the Group's stable operations and sustainable development.

The Group will continue to attach great importance to the prevention and mitigation of various risks, iteratively enhancing its closed-loop risk management framework of "identification – assessment – response – monitoring," and strengthening its risk control network. These efforts aim to maintain operational resilience in an increasingly uncertain external environment and create stable and sustainable long-term value for Shareholders, customers and society.

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

No listed securities of the Company were purchased or sold by the Company or any of its subsidiaries for the year. The Company did not redeem any of its shares during the year.

CAPITAL RAISING ACTIVITIES DURING THE YEAR AND USE OF PROCEEDS

There was no capital raising activity by the Group during the year.

SHARE CAPITAL

There were no changes in the share capital of the Company during the year. Details of the Company's capital during the year are set out in note 18 to the financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in consolidated statement of changes in equity and note 37 to the financial statements respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company's distributable reserves, calculated in accordance with Part 6 of Hong Kong Companies Ordinance, amounted to HK\$1,512,495,000 (2024: HK\$1,488,953,000), of which approximately HK\$16,818,000 (2024: HK\$44,847,000) has been proposed as final dividend for the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2025, the combined value of the Group's contracts with its five largest suppliers accounted for less than 30% of the total value of supplies purchased. The Group's five largest customers together contributed less than 30% of its total revenue and other income during the year ended 31 December 2025.

DIRECTORS

During the year and up to the date of this report, the Directors were as follows:

Executive Directors:

Mr. Zhou Jun (Managing Director)

Mr. Hu Jun (Appointed on 14 November 2025)

Mr. Liu Guanghui (Chairman of the Board, resigned on 26 February 2026)

Mr. Liu Wuwei (Resigned on 14 November 2025)

Non-executive Director:

Ms. Zhong Yan

Independent Non-executive Directors:

Mr. Chan Kay-cheung

Ms. Yau Lai Man

Hon. Rock Chen Chung-nin

Mr. Tang Yi Hoi

In accordance with Article 88(i) of the Articles of Association, independent non-executive Director Mr. Chan Kay-cheung and Hon. Rock Chen Chung-nin will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at the meeting.

On 21 November 2025, Mr. Tang Yi Hoi (an independent non-executive Director of the Company) was appointed as an independent non-executive director of Xiamen Jihong Co., Ltd. (stock code: 2603.HK).

Save as disclosed above, the Company is not aware of any changes in the information of the Directors required to be disclosed pursuant to Rule 13.51B of the Listing Rules during the period since the 2025 Interim Report ended 30 June 2025.

DIRECTORS OF SUBSIDIARIES

The names of all directors who have served on the boards of the subsidiaries of the Company (as included in the consolidated financial statements of the Company for the year ended 31 December 2025) from 1 January 2025 up to 31 March 2026 (being the date of approval of the Company's 2025 Annual Report) are available on the Company's website at www.cksd.com.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

Save for the Share Option Scheme disclosed below, at any time during the year or at the end of 2025, neither the Company nor any of its subsidiary undertakings were a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of the Company or any other body corporate.

DIRECTORS' SERVICE CONTRACTS

The Company has entered into letters of appointment with all current Directors for a fixed term of three years, but they are subject to retirement by rotation and re-election in accordance with the Articles of Association.

Save as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without compensation other than statutory compensation.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Save as disclosed in the section "Directors and senior management" of this annual report, none of Directors has any other relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST-PAID EMPLOYEES

Details of the remuneration of Directors (on a named basis) and the five highest-paid employees are set out in notes 38 and 33 to the financial statements, respectively.

ADOPTION OF MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted a code of conduct prescribing standards and requirements no less than that required by the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its code of conduct of Directors for conducting securities transactions. All Directors have confirmed, following specific enquiry of all Directors that they have fully complied with the required standards set out in the Model Code in relation to such transactions during the accounting period covered by this annual report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31 December 2025, the Company has not been notified of any interests or short positions of the Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register required to be kept by the Company under Section 352 of Part XV of the Cap. 571 Securities and Future Ordinance (“SFO”); or were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

EQUITY-LINKED AGREEMENT

Share Option Scheme

In accordance with the share option scheme (the “Share Option Scheme”) approved and adopted at the general meeting of the Company held on 8 December 2015 (the “Adoption Date”), the Board may grant share options to the incentive objects in accordance with the terms and conditions stipulated in the Share Option Scheme upon satisfaction of the specified conditions by the Company and the incentive objects. The Share Option Scheme has terminated on 7 December 2025.

Details of the Share Option Scheme are disclosed in the circular of the Company dated 23 November 2015, the main details of which are as follows:

Purposes

The purposes of the Share Option Scheme are to:

- (1) enhance Shareholders' value and safeguard the interest of the stakeholders;
- (2) optimise the reform of the remuneration system of the Company to form a profit-sharing and risk sharing mechanism among the shareholders, the Company and its employees, and to effectively motivate the incentive of the senior management and key personnel of the Company;
- (3) assist the management of the Company to balance short-term and long-term objectives and assist the strategic realisation and long-term sustainable development of the Company; and
- (4) attract and retain quality management and key business personnel to ensure the long-term development of the Company.

Incentive Objects

The grantees of share options shall, in principle, include the senior management including the chairman, Directors (excluding independent non-executive Directors), general manager, deputy general manager, financial controller, secretary to the Board, assistant to general manager and other members of the management of the same rank and taking executive positions of the Company and its subsidiaries.

Any grant of share options to Directors, chief executives or substantial Shareholders or their respective associates by the Company shall be subject to the approval of the independent non-executive Directors.

The Board may only grant share options to the incentive objects in accordance with the Share Option Scheme upon satisfaction of the following conditions by the Company and the incentive objects:

- (1) None of the following circumstances has occurred to the Company:
 1. a qualified opinion or disclaimer of opinion by the auditors in the auditor's report on the issued financial and accounting report for the most recent accounting year;
 2. imposition of administration penalties by the regulatory authorities during the most recent year due to material non-compliance of laws and regulations; and
 3. other circumstances that in the opinion of the Hong Kong Stock Exchange would render the implementation of the Share Option Scheme impossible.
- (2) According to the measures on the performance appraisal of the Company, the performance appraisal on the proposed incentive objects in the preceding financial year prior to the initial grant of share options must reach pass grade or above.
- (3) None of the following circumstances has occurred to the incentive objects:
 1. public censure or declaration as ineligible candidate to be a director by the Hong Kong Stock Exchange in the most recent three years;
 2. imposition of administrative penalties or public censure by the regulatory authorities during the most recent three years due to material non-compliance of laws and regulations.

Save as disclosed above, the Board is also entitled in accordance with the business performance of the Company to set concrete business performance indicators and targets as the additional conditions of grant of share options and to adjust the number of share options to be granted based on the fulfilment of performance-based conditions. Subject to the terms of the Share Option Scheme and the Listing Rules, the Board may in its absolute discretion impose any conditions, constraints, or restrictions as it sees fit upon the offer.



Report of the Directors

Limit

The total number of new shares of the Company that may be issued upon exercise of options that may be granted under the Share Option Scheme shall not, in aggregate, exceed 10% of the relevant class of shares of the Company as at the date on which the Share Option Scheme is approved by the Shareholders (the “**Scheme Mandate Limit**”), and the Company may at any time as the Board thinks fit, seek approval from the Shareholders to refresh the Scheme Mandate Limit, except that the number of shares to be issued upon exercise of all the share options granted but yet to be exercised under the Share Option Scheme and any other schemes shall not exceed 30% of the total number of issued shares of the Company from time to time; whereas the total number of the shares to be issued upon exercise of all the share options granted but yet to be exercised under all equity incentive schemes of the Company that are currently in force shall not, in aggregate, exceed 10% of the total number of issued shares of the Company from time to time.

The total number of share options to be granted initially under the Share Option Scheme shall not exceed 1% of the total number of issued shares of the Company.

Unless approved by the Shareholders, the total number of shares which are issued and will be issued upon exercise of options (including those exercised, cancelled and outstanding) granted and to be granted to any particular incentive object under the Share Option Scheme and any other share option schemes of the Company within any 12-month period must not exceed 1% of the total number of issued shares of the Company from time to time. Any further grant of share options to an incentive object which would result in the shares issued and to be issued upon exercise of options in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total issued shares shall be subject to approval of the Shareholders in general meeting with such incentive object and his/her close associates (or his/her associates if such incentive object is a connected person) abstaining from voting.

Acceptance of Offer of Share Options and Payment

Upon the Board’s approval of the grant of share options proposed by the Remuneration Committee, an offer which sets out the conditions of the offer of the share options is made to the incentive objects. Where the incentive objects accept the offer within 21 days from the offer date (or any other date as determined by the Board in its discretion in accordance with the Listing Rules) and a payment of HK\$1.0 is made to the Company as consideration of accepting the grant of share options, the offer shall be deemed to have been accepted and become effective. Such payment shall in no circumstances be refundable or deemed to be part of the subscription price.

Where the offer is not accepted in the manner stated in the Share Option Scheme within 21 days from the date on which the offer is made, the offer shall be deemed to have been irrevocably rejected and shall automatically lapse.

Effective Date of Share Options

All incentive objects shall not exercise their share options granted under the Share Option Scheme within two years from the grant date and in principle, from the grant date:

- (a) one-third (1/3) of the share options granted to each incentive object shall be vested after its second anniversary (after 24 months);
- (b) another one-third (1/3) of the share options granted to each incentive object shall be vested after its third anniversary (after 36 months);
- (c) the remaining one-third (1/3) shall be vested after its fourth anniversary (after 48 months).

The Board is also entitled in accordance with the business performance of the Company to set concrete business performance indicators and targets as the additional conditions of the vesting of share options and to adjust the number of share options to be vested based on the fulfilment of performance-based conditions, provided that the details of the performance-based conditions shall be determined by the Board and incentive objects be notified upon the grant of share options.

Validity Period of Exercise of Share Options

The validity period for the exercise of options granted under the Share Option Scheme shall be five (5) years from the effective date. Upon expiry of the validity period, the outstanding share options shall automatically lapse and cannot be exercised retrospectively.

Exercise Price

The exercise price of the share options shall be determined by the Board in its absolute discretion upon the grant of share options with reference to the fair market price and shall not be less than the higher one of the following two prices:

- (a) the closing price of the shares of the Company as stated in the daily quotation sheet of the Hong Kong Stock Exchange on the date of grant; and
- (b) the average closing price of the shares of the Company as stated in the daily quotation sheets of the Hong Kong Stock Exchange for five consecutive business days immediately preceding the date of grant.

Validity Period of the Share Option Scheme

Unless the Share Option Scheme has been otherwise terminated as provided therein, it shall be valid for ten (10) years from the Adoption Date and has terminated on 7 December 2025.

Report of the Directors

The Shares Issuable under the Share Option Scheme

The total number of shares that may be issued under the Share Option Scheme is 108,000,000, representing 9.6% of issued shares of the Company as at the date of this annual report. On 18 December 2015, the Company granted share options (which were duly accepted by the eligible persons subsequently) under the Share Option Scheme to certain eligible persons to subscribe for a total of 9,165,000 ordinary shares. All granted share options have lapsed due to reasons including failure to meet performance indicators, employee resignations or retirements, etc.

During the year, no share options were granted under the Share Option Scheme, so the Company did not receive any consideration.

According to the Share Option Scheme, the total number of shares remaining available for issue as at the beginning of the financial year ended 31 December 2025 and prior to the termination of the Share Option Scheme (i.e. 6 December 2025) was 98,608,000 shares, representing approximately 8.8% of the total number of issued shares of the Company as at 7 December 2025. As the Share Option Scheme was terminated on 7 December 2025, there were no shares available for issue as at the end of the financial year ended 31 December 2025.

Other than the Share Option Scheme mentioned above, no equity-linked agreements were entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS' INTERESTS IN CONTRACTS

During any time of the year or at the end of 2025, there were no transactions, arrangements or contracts of significance in relation to the Group's business which the Company, any of its subsidiaries, its holding company or any of the subsidiaries of its holding company was a party to or involved in, and in which a Director or its connected entity had a material interest, whether directly or indirectly.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year, no Director had any interest in a business which competes or is likely to compete, either directly or indirectly, with the Company's business.



SUBSTANTIAL SHAREHOLDERS' INTERESTS OR SHORT POSITIONS IN THE SHARES OF THE COMPANY

So far as was known to the Directors and the chief executive, on 31 December 2025, the following persons, other than a Director or the chief executive, had, or were deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange:

Ordinary shares of the Company

Name of shareholder	Capacity/ Nature of interest	Number of Shares (Note 1)	Percentage of shareholding (Note 2)
(i) Chu Kong Shipping Enterprises (Holdings) Company Limited ("CKSE") (Note 3)	Beneficial owner	796,035,520 (L)	71.0%
(ii) Guangdong Provincial Port and Shipping Group Company Limited ("GDPS") (Note 3)	Interest of controlled corporation	796,035,520 (L)	71.0%

Note:

- The letter "L" denotes long position in the shares of the Company.
- Percentage of shareholding is calculated on the basis of 1,121,166,885 issued shares of the Company as at 31 December 2025.
- CKSE is wholly owned by GDPS and GDPS is deemed to be interested in all the shares held by CKSE pursuant to the SFO. Accordingly, the interests of shareholders (i) and (ii) as disclosed above are in respect of the same shareholding.

Save as disclosed above, on 31 December 2025, the Directors and the chief executive were not aware of any other person who had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company, which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of no less than 25% of the Company's issued shares as of the date of this report.

CONNECTED TRANSACTIONS

Details of connected transactions with parent company, immediate holding company, fellow subsidiaries and related entities are as follows:

CONTINUING CONNECTED TRANSACTIONS (THE "CCT")

1. Master Passenger Transportation Agency Services Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service provider) entered into a master passenger transportation agency services agreement (the "**Master Passenger Transportation Agency Services Agreement**") with GDPS (the Company's parent company, on behalf of the GDPS Group, as a service recipient), in respect of any member of the Group agreeing to accept the appointment of any member of the GDPS Group (as an agent or operator and/or owner of the passenger ferry services) as the exclusive agent/sub-agent of the Group's waterway passenger transportation business in Hong Kong (for routes to and from Hong Kong and Pearl River Delta region). Waterway passenger transportation agency services include (i) ferry operation agency service; (ii) ticketing agency services; (iii) ferry berthing agency services; and (iv) ferry technical support agency services.

The term of the Master Passenger Transportation Agency Services Agreement is three years from 1 January 2025 to 31 December 2027. The service fee charged by the Group for the provision of passenger transportation agency services for ferries operated by GDPS is based on a percentage of ticket sales, after taking into consideration of the cost of providing ticketing sales services, cost of passenger handling services (including passenger arrival and departure services and security checks), cost of ferry services (including services for arranging ferries for regular maintenance and repair, and emergency ad hoc repairing services in Hong Kong), cost of providing relevant facilities, and labour cost incurred by the Group to enable the Group's provision of ground services plus a profit margin to be agreed upon. In order to ensure that the terms of provision of services and profit margins are in line with the prevailing market rates and market terms, the Group will take into account at least two quotations for service charges offered to other ferry operators (who are independent third parties requiring the Group's provision of similar passenger transportation agency services when berthing at the same terminal). The service fees charged by the Group shall be no more favourable than the service fees offered by the Group to other independent third parties for similar services. The annual caps of the Master Passenger Transportation Agency Services Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$7,300,000, HK\$7,900,000 and HK\$9,000,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$4,951,000.

2. Master Information Technology Management and Software Services Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service provider) entered into a master information technology management and software services agreement (the “**Master Information Technology Management and Software Services Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a service recipient), in respect of any member of the Group agreeing at the request of any member of the GDPS Group to provide information technology management and software services to any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant information technology management and software services agreements to be entered into between members of the Group and members of the GDPS Group. Such information technology management and software services include (i) software development and maintenance services; (ii) system development, hardware procurement, implementation and installation, and hardware maintenance services; (iii) computer equipment maintenance and network overhauling; and (iv) system server construction, Level II warranty certification and database procurement and maintenance services.

The term of the Master Information Technology Management and Software Services Agreement is three years from 1 January 2025 to 31 December 2027. The information technology management and software service fees shall be determined by the contracting parties based on the number of working days and the number of manpower required for the scope of information technology management and software services on a headcount-per-day charges standard, with reference to the prevailing market headcount-per-day charges standards in different regions and as agreed from time to time after arm’s length negotiations. The service fees charged by the Group shall be no more favourable than the service fees offered by the Group to other independent third parties for similar services. The annual caps of the Master Information Technology Management and Software Services Agreement for the years ending 31 December 2025, 2026 and 2027 are HK\$9,300,000, HK\$10,700,000 and HK\$12,000,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$5,599,000.

3. Master Cargo Warehousing and Transportation Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service provider) entered into a master cargo warehousing and transportation agreement (the “**Master Cargo Warehousing and Transportation Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a service recipient), in respect of any member of the Group agreeing, at the request of any member of the GDPS Group, to provide cargo warehousing and transportation services to any member of the GDPS Group pursuant to the terms and conditions of the relevant cargo warehousing and transportation agreements to be entered into between any member of the Group and any member of the GDPS Group.

Report of the Directors

The term of the Master Cargo Warehousing and Transportation Agreement is three years from 1 January 2025 to 31 December 2027. The cargo warehousing and transportation service fees shall be determined by the contracting parties when entering into the relevant service agreements, with reference to the type of storage space required and corresponding operating costs, the transportation destination, the size, weight and type of the cargo, and the mode of transportation. The service fees quoted by the Group will be similar to those offered to independent third parties of similar operational scale at the time of entering into the relevant agreements contemplated under the Master Cargo Warehousing and Transportation Agreement, to ensure that the terms under the Master Cargo Warehousing and Transportation Agreement are no more favourable than the terms offered by the Group to independent third parties. The annual caps of the Master Cargo Warehousing and Transportation Agreement for the years ending 31 December 2025, 2026 and 2027 are HK\$22,000,000, HK\$23,500,000 and HK\$24,800,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$20,514,000.

4. Master Ferry Technical Support Services Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service recipient) entered into a master ferry technical support services agreement (the “**Master Ferry Technical Support Services Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a service provider), pursuant to which any member of the GDPS Group agreed, upon the request of any member of the Group, to provide (a) ferry technical support services; (b) regular ferry maintenance and repair; and (c) emergency ad hoc repair services to the ferries of any member of the Group (including ferries for which such member of the Group acts as agent). Accordingly, upon the request and instruction of any member of the Group, any member of the GDPS Group shall, from time to time, provide ferry technical support services to the Group’s ferries in accordance with the terms and conditions of the relevant ferry technical support service agreements to be entered into between any member of the Group and any member of the GDPS Group.

The term of the Master Ferry Technical Support Services Agreement is three years from 1 January 2025 to 31 December 2027. The pricing basis for the ferry technical support services is determined on the basis of the market rates for maintenance and repairment technical support services charged by GDPS Group. In order to ensure that the service fees payable by the Group and the terms offered by GDPS Group are fair and reasonable and in line with the prevailing market rates, the Group will obtain two quotations from other service providers (who are independent third parties with scale similar to GDPS Group) that offered to other customers (with scale similar to the Group) for the provision of similar ferry technical support services when entering into separate agreements with respect to the individual transactions contemplated under the Master Ferry Technical Support Services Agreement. The relevant fees and terms offered to the Group shall be no less favourable than those offered by independent third parties. The annual caps of the Master Ferry Technical Support Services Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$40,000,000, HK\$43,000,000 and HK\$43,000,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$36,214,000.

5. Master Ferry Terminal Luggage Facilities and Handling Services Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service recipient) entered into a master ferry terminal luggage facilities and handling services agreement (the “**Master Ferry Terminal Luggage Facilities and Handling Services Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a service provider) in respect of the provision of ferry terminal luggage facilities and handling services by any member of the GDPS Group, at the request of any member of the Group from time to time, to any member of the Group (who stop their ferries at the relevant terminal for passengers departing from and arriving in Hong Kong), in accordance with the terms and conditions of the relevant ferry terminal luggage facilities and handling services agreement to be entered into between any member of the Group and any member of the GDPS Group. The provision of the ferry terminal luggage facilities includes (among others) the provision of such facilities at the relevant terminal, which allows the passengers departing from and arriving in Hong Kong at the relevant terminal to check-in and/or claim their luggage at the relevant terminal. The provision of luggage handling services includes (among others) the operation, maintenance and repairing of the luggage handling system and equipment situated at the relevant terminal, and the provision of luggage handling services and berthing services to all passenger ferries using the relevant terminal. All passenger ferries between the Pearl River Delta region and Hong Kong are designated by the relevant Hong Kong government authorities to berth at the terminals in Hong Kong, one of which is the relevant terminal.

The term of the Master Ferry Terminal Luggage Facilities and Handling Services Agreement is three years from 1 January 2025 to 31 December 2027. The service fee charged by GDPS Group for the provision of terminal luggage facilities and handling services at the relevant terminal is the standard rate and is the identical to the prevailing rate charged to other ferry service carriers (which are independent third parties) berthing at the same relevant terminal. The service fee for the provision of the terminal luggage facilities and handling services comprises (i) passenger levy (which is based on the number of passengers departing from and arriving at the relevant terminal); and (ii) luggage handling charges (which are based on the number of luggage handled at the relevant terminal). The passenger levy and luggage handling charges shall be agreed from time to time after arm’s length negotiations between the parties involved by taking reference to the prevailing rates charged to other ferry carriers (other than the Group) of other routes at the same relevant terminal at the relevant time. Such terms shall be no less favourable than the terms on which GDPS Group provides similar services to independent third parties in the ordinary course of its business at the relevant terminal. The annual caps of the Master Ferry Terminal Luggage Facilities and Handling Services Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$3,100,000, HK\$3,200,000 and HK\$3,700,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$1,817,000.

6. Master Rental Agreement

On 25 November 2024, the Company (on behalf of the Group, as a lessee) entered into a master rental agreement (the “**Master Rental Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a lessor), in respect of any member of the GDPS Group agreeing to lease, at the request of any member of the Group, the premises owned by any member of the GDPS Group (including but not limited to warehouses, offices, parking spaces and staff quarters) to any member of the Group from time to time, in accordance with the terms and conditions of the relevant rental agreements to be entered into between any member of the Group and any member of the GDPS Group.

The term of the Master Rental Agreement is three years from 1 January 2025 to 31 December 2027. The rental and property management fees in respect of leasing of the warehouses, offices, car parking spaces and staff quarters are based on arm’s length negotiation between each party involved with reference to the prevailing market rates for local properties in the proximity of similar size and quality of the aforesaid properties. Prior to the renewal of the rental agreement, the Group will obtain two lists of other comparable properties. The Group will compare the information obtained to ensure the quotation and terms offered by the GDPS Group are no less favourable than those offered by independent third parties. The annual caps of the Master Rental Agreement for the years ended 31 December 2025, 2026 and 2027 are HK\$17,500,000, HK\$17,800,000 and HK\$18,100,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$14,395,000.

7. Master Vessels Rental Agreement

On 25 November 2024, the Company (on behalf of the Group, as a lessee) entered into a master vessels rental agreement (the “**Master Vessels Rental Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a lessor) in respect of the GDPS Group agreeing, at the request of any member of the Group and in accordance with the terms and conditions of the relevant vessels rental agreements to be entered into between members of the Group and members of the GDPS Group, to lease the cargo vessels owned by the GDPS Group to the Group from time to time (inclusive of relevant expenses for operating the cargo vessels but excluding fuel charge).

The term of the Master Vessels Rental Agreement is three years from 1 January 2025 to 31 December 2027. The rental in respect of the leasing of cargo vessels is determined with reference to the prevailing market rental of cargo vessels and/or the relevant cost of operating the cargo vessels (excluding fuel charge). The rental and service fees under the Master Vessels Rental Agreement are based on the number of cargo vessel rented monthly, while the rental of each vessel is determined with reference to the shipping ton and capacity of the cargo vessels. Prior to entering into the agreement, the Group will obtain quotations (if available) from two cargo vessel providers operating similar vessels, which are independent third parties with operation scale similar to that of the GDPS Group, to ensure that the terms of the Master Vessels Rental Agreement are no less favourable than those offered by the independent third parties. The annual caps of the Master Vessels Rental Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$38,300,000, HK\$38,300,000 and HK\$38,300,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$27,695,000.

8. Master Ferries Rental Agreement

On 25 November 2024, the Company (on behalf of the Group, as a lessee) entered into a master ferries rental agreement (the “**Master Ferries Rental Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a lessor) in respect of GDPS Group agreeing to lease its ferries, at the request of any member of the Group from time to time and in accordance with the terms and conditions of the relevant ferries rental agreements to be entered into between members of the Group and members of the GDPS Group.

The term of the Master Ferries Rental Agreement is three years from 1 January 2025 to 31 December 2027. The rental in respect of the leasing of ferries is based on the size and capacity of the ferries, the number of chartered trips and the prevailing market rates. The Group will obtain at least two quotations from ferry rental providers operating similar chartered trips, which are independent third parties of similar scale of operation to the Group, when entering into separate agreements with respect to the individual transactions contemplated under the Master Ferries Rental Agreement to ensure that the rental rates under the Master Ferries Rental Agreement are in line with the prevailing market rates and terms no less favourable than those offered by independent third parties. The annual caps of the Master Ferries Rental Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$9,000,000, HK\$10,000,000 and HK\$11,000,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$8,974,000.

9. Master Cargo Transportation and Handling Agreement

On 25 November 2024, the Company (on behalf of the Group, as a service recipient) entered into a master cargo transportation and handling agreement (the “**Master Cargo Transportation and Handling Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a service provider) in respect of the GDPS Group agreeing to provide, at the request of any member of the Group from time to time and in accordance with the terms and conditions of the relevant cargo transportation and handling agreements to be entered into between members of the Group and members of the GDPS Group; (i) shipping transportation services between Hong Kong and Mainland China; (ii) hauling and trucking services; (iii) wharf cargo handling services; and (iv) container yard storage services.

The Master Cargo Transportation and Handling Agreement is for a term of three years commencing from 1 January 2025 to 31 December 2027. The service fees are determined with reference to the transportation destination, size and weight of cargo and cargo quantity. The Master Cargo Transportation and Handling Agreement involves the provision of cargo transportation and related services at the relevant cargo terminals, and such cargo terminals charge published rates for similar (i) shipping transportation services between Hong Kong and Mainland China; (ii) hauling and trucking services; (iii) wharf cargo handling services; and (iv) container yard storage services. As the charges and terms charged by the relevant terminals are based on published rates, the terms offered to the Group are no less favourable than those offered to independent third parties. The annual caps of the Master Cargo Transportation and Handling Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$26,200,000, HK\$28,400,000 and HK\$28,400,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$21,234,000.

10. Master Fuel Supply Agreement

On 25 November 2024, the Company (on behalf of the Group, as a supplier) entered into a master fuel supply agreement (the “**Master Fuel Supply Agreement**”) with GDPS (the Company’s parent company, on behalf of the GDPS Group, as a purchaser) in respect of supplying diesel and lubricants to passenger ferries and cargo vessels owned, chartered, operated or acted as agent by the GDPS Group at the request of any member of the GDPS Group from time to time in accordance with the terms and conditions of the relevant fuel supply agreements to be entered into between members of the Group and members of the GDPS Group.

The term of the Master Fuel Supply Agreement is from 1 January 2025 to 31 December 2027. The price of diesel is determined by the terms of supply and customer size, and the Group’s pricing basis for the supply of diesel is briefly described as follows: (a) (i) the aggregate sum of the monthly average spot price of diesel as quoted in the Singapore market; and (ii) the diesel supplier’s storage and transportation costs plus operational handling charges; or (b) based on the spot settlement price of diesel in the Singapore market on the day preceding to the supply of diesel, and with reference to the trends of the change in the Brent crude oil prices as well as the diesel prices published by one of the largest diesel suppliers in Hong Kong. For the supply of lubricants, the Group will determine the amount based on cost plus prevailing market rate. The price of the diesel and lubricants offered by the Group to the GDPS Group will be on terms no more favorable than the terms available to independent third parties. Both diesel and lubricants are supplied by the Group to the GDPS Group on substantially the same terms as they are supplied to other independent customers of the Group. The annual caps of the Master Fuel Supply Agreement for the years ended 31 December 2025, 2026, and 2027 are HK\$75,100,000, HK\$76,700,000 and HK\$77,000,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$40,254,000.

11. Management Agreement

On 30 June 2023, the Company (on behalf of the Group, as a service provider) entered into a management agreement (the “**Management Agreement**”) with CKSE (the Company’s immediate holding company, as a service recipient) in respect of the provision of management services for the assets of CKSE.

The term of the Management Agreement was 3 years from 1 July 2023 to 30 June 2026. The management fees were agreed between CKSE and the Company on an arm’s length basis, with reference to the costs incurred by the Company for providing the asset management service as well as the Company’s experience in operating and managing the similar type of assets. The annual caps of the Management Agreement for the years ended 31 December 2023, 2024, 2025, and 2026 are HK\$12,500,000, HK\$25,000,000, HK\$25,000,000 and HK\$12,500,000 respectively. The total amount of the aforesaid transactions for the year ended 31 December 2025 was HK\$25,000,000.



Report of the Directors

The above CCT were beneficial for the operations of the Group and/or provided stable income and profit to the Group. The items (1) to (9) and (11) above were CCT subject to the reporting and announcement requirements and exempt from the independent Shareholders' approval requirement, while item (10) was CCT subject to the reporting, announcement requirement and the independent Shareholders' approval requirements which was approved by the independent Shareholders at the general meeting held on 9 January 2025.

The Board engaged the auditor of the Company to report on the Group's CCT in accordance with Hong Kong Standard on Assurance Engagements 3000 "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 the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the findings and conclusions in respect of the CCT set out above in accordance with Rule 14A.56 of the Listing Rules (the "**Auditor's Letter**"). The auditor has confirmed that the aforesaid CCT: (1) have been approved by the Board; (2) were in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of goods or services by the Group; (3) were entered into, in all material respects, in accordance with the agreements relating to the transactions; and (4) have not exceeded the respective caps.

In accordance with Rule 14A.55 of the Listing Rules, the aforesaid CCT and the Auditor's Letter have been reviewed by the independent non-executive Directors. The independent non-executive Directors confirmed that the above CCT were entered into (a) in the usual course of business of the Group; (b) on normal commercial terms or better terms; (c) in accordance with the agreements relating to the transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole; and (d) without exceeding the relevant cap amount disclosed in previous announcements.

Report of the Directors

Part of the related party transactions (the "RPT") disclosed in note 36 to the financial statements are the CT/CCT under Chapter 14A of the Listing Rules. The table below shows the amounts of the CT/CCT as defined in Chapter 14A of the Listing Rules among the RPT as disclosed in note 36 to the financial statements:

RPT Items	For the year ended 31 December 2025		For the year ended 31 December 2024	
	RPT Amount HK\$'000	of which constitute CT/CCT HK\$'000	RPT Amount HK\$'000	of which constitute CT/CCT HK\$'000
Revenues:				
Shipping agency, river trade cargo direct shipment and transshipment income	4,508	4,043	6,660	1,815
Cargo warehousing service	16,471	16,471	991	991
Passenger transportation agency fees	5,706	4,804	23,547	10,113
Ferry terminal operation services fees	167	147	508	172
Sub-baggage handling services fee	1,290	1,057	5,678	2,468
Management service fees	25,000	25,000	25,000	25,000
Staff management fees	5,634	312	3,122	297
Vessel rental income	–	–	2,399	2,399
Fuel supply income	75,052	39,903	110,733	58,719
Marine bunkering service	418	351	2,780	2,626
Consulting and software service	6,296	5,599	2,680	2,591
Agency service fee	–	–	127	127
Ferry rental income	826	826	2,132	2,132
Travelling fee income	111	111	–	–
Accounting fee income	302	302	–	–

RPT Items	For the year ended 31 December 2025		For the year ended 31 December 2024	
	RPT Amount HK\$'000	of which constitute CT/CCT HK\$'000	RPT Amount HK\$'000	of which constitute CT/CCT HK\$'000
Expenses:				
Shipping agency, river trade cargo direct shipment and transshipment expenses	10,206	10,206	10,517	10,517
Wharf cargo handling, freight transportation and godown storage expenses	25,329	11,028	35,595	10,764
Luggage handling fee	1,817	1,817	2,083	2,083
Ferry rental expenses	8,974	8,974	7,611	7,611
Vessel rental expenses	27,695	27,695	27,697	27,697
Warehouse rental expenses	5,000	5,000	5,354	5,354
Office rental expenses	7,786	7,786	8,097	8,054
Staff quarter rental expenses	1,540	1,540	2,307	2,307
Property management fee expenses	69	69	496	496
Loan interest expenses	3,277	3,277	764	–
IT Management fee expenses	2,817	2,817	1,395	1,395
Repairing and maintenance expenses	36,214	36,214	21,889	21,889
Insurance fee expenses	1,646	1,646	–	–
Staff management fee expenses	1,165	1,165	–	–
Fuel purchase expenses	1,465	1,465	–	–

The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules from time to time in respect of the aforementioned CT/CCT.

CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS OR ITS SUBSIDIARIES

Save as disclosed in this annual report, there were no contracts of significance or material contracts on the provision of services between the Company or any of its subsidiaries and the Company's controlling shareholders or any of its subsidiaries during the year.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into by the Group or existed during the year.

INSURANCE ARRANGEMENT FOR DIRECTORS/PERMITTED INDEMNITY PROVISION

In order to facilitate the exercise of power by the Directors, the Company has already arranged suitable insurance in respect of the possible legal actions against the Directors to indemnify them from the liabilities that may arise from their participation in the decision-making process of the Company. These provisions were effective for the financial year ended 31 December 2025 and remained effective as at the date of this report.

DONATIONS

There was no charity and other donations of the Group for the year (2024: HK\$nil).

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICE

In the opinion of the Directors, save as disclosed in the Corporate Governance Report, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules during the accounting period covered by this annual report. Please refer to the Corporate Governance Report on pages 64 to 86 of this annual report.

EXECUTIVE COMMITTEE

The Company has established an executive committee to approve and undertake transactions on behalf of the Board in respect of various investment projects within the authorised limit or other day-to-day business operations. Members of the committee shall be the chairman of the Board or/and executive Directors and the committee has written terms of reference.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Listing Rules for the purposes of reviewing and supervising the Group's financial reporting process, internal controls, risk management and corporate governance. The committee comprises three independent non-executive Directors. The committee meets at least twice a year and has written terms of reference.

REMUNERATION COMMITTEE

The Company has established a remuneration committee in compliance with the requirements of the Listing Rules to formulate the remuneration policy of the Company and determine the remunerations for the executive Directors and the senior management. The committee comprises three independent non-executive Directors and one executive Director. The committee meets at least twice a year and has written terms of reference.

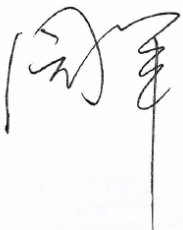
NOMINATION COMMITTEE

The Company has established a nomination committee in compliance with the requirements of the Listing Rules for proposing the nomination of Directors and senior management to the Board. Members of the committee shall comprise Directors and the number of which shall not be less than three, with a majority of independent non-executive Directors. The committee has written terms of reference.

AUDITOR

KPMG will retire on the expiry of its term at the 2026 annual general meeting of the Company. A resolution to reappoint KPMG as the auditor of the Company and to authorise the Directors to fix its remuneration will be proposed at the 2026 annual general meeting of the Company.

BY ORDER OF THE BOARD



Zhou Jun

Managing Director

Hong Kong, 31 March 2026



Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Zhou Jun, aged 53, was appointed as an executive director and general manager of the Company on 7 February 2022, responsible for the production, operation and development of the Group. Mr. Zhou was graduated from Changsha Jiaotong University in 1995 majoring in finance, and obtained a master degree in business administration from Changsha University of Science & Technology in 2013. He is also a certified senior economist of the People's Republic of China. Mr. Zhou has 30 years of experience in finance and investment management industry since 1995. Mr. Zhou worked successively as the chief accountant, director and general manager of Foshan Guang-San Expressway Company Limited from 1999 to 2013, director and general manager of Guangdong Yue-Gan Expressway Company Limited and Guangdong Hehui Expressway Co., Ltd. from 2013 to 2015, director and deputy general manager of Guangdong Litong Real Estate Investment Co., Ltd. from 2015 to 2019, general manager of the capital operation department of GDPS from August 2019 to January 2022 and deputy general manager of the Company from April 2020 to February 2022. He is currently the director of CKSE and Guangdong Chu Kong Shipping Co., Ltd., as well as the chairman of Guangdong Yunfu Port & Shipping Investment Group Company Limited and Hong Kong International Airport Ferry Terminal Services Limited.

Mr. Hu Jun, aged 53, was appointed as an executive director and executive deputy general manager of the Company on 14 November 2025, primarily responsible for the Group's integrated passenger transportation operations, capital operations, and the management of financial and legal affairs. Mr. Hu was graduated from the University of South Australia with a master degree in business administration. Mr. Hu joined the Group in 1992, and served as the assistant general manager of Chu Kong Transhipment & Logistics Company Limited from 2001 to 2002. He successively served as the director and deputy general manager and managing director of Chu Kong (Guangdong) International Freight Forwarding Co., Ltd. from 2002 to 2005. He successively served as the deputy general manager and managing director of Chu Kong Agency Company Limited from 2005 to 2008. He successively served as the deputy general manager of the logistics headquarter and assistant general manager of the Company from 2008 to 2020. He has successively served as the deputy general manager of the strategic development department and general manager of the capital operation department of GDPS from 2020 to 2025. Mr. Hu has over 30 years of experience in shipping logistics operation management, and capital operation management.



Directors and Senior Management

Mr. Liu Guanghui, aged 54, was appointed as an executive director of the Company and the chairman of the Board on 27 August 2021, responsible for the strategic planning and decision-making of the Group. He resigned on 26 February 2026. Mr. Liu graduated from InterAmerican University with a master degree in business administration in 2011 and graduated from the Graduate School of the Party School of the Central Committee of the Communist Party of China in 2016 with a postgraduate degree in economics. He is also a certified senior economist of the People's Republic of China. Mr. Liu joined the shipping industry in 1991 and began to engage in shipping and tourism management related works. He was successively appointed as deputy general manager and general manager of Guangdong Zhujiang International Travel Services Co., Ltd. from July 2000 to December 2006, appointed as the general manager of Blue Dolphin Cruises Branch of Guangdong Zhujiang Shipping Co., Ltd. and Guangdong Zhujiang International Travel Services Co., Ltd. from January 2007 to January 2009, the director and deputy general manager of Guangdong Zhujiang Shipping Co., Ltd., the general manager of Blue Dolphin Cruises Branch of Guangdong Zhujiang Shipping Co., Ltd. and Guangdong Zhujiang International Travel Services Co., Ltd. and the chairman of Guangdong Zhuhang Tourism Automobile Co., Ltd. from January 2009 to December 2010, the general manager of Guangdong Zhujiang Shipping Co., Ltd. from January 2011 to May 2012, the chairman of Guangdong Zhujiang Shipping Co., Ltd. from June 2012 to April 2014, the chairman of Guangdong Zhujiang Shipping Co., Ltd. and Guangdong Zhanjiang Shipping Group Co., Ltd. from May 2014 to October 2014, the chairman of Guangdong Zhanjiang Shipping Group Co., Ltd. from October 2014 to August 2021. He was the director of CKSE and chairman of Guangdong Chu Kong Shipping Co., Ltd. before his resignation. Mr. Liu has more than 30 years of experience in operation and administration management in the navigation and tourism industries.

Mr. Liu Wuwei, aged 54, was appointed as an executive director and deputy general manager of the Company on 18 July 2018, mainly responsible for the operation management of logistic segment specialisation of the Group. He resigned on 14 November 2025. Mr. Liu graduated from University of South Australia with a master degree in business administration and is also a certified economist of the People's Republic of China. Mr. Liu joined the Group in 1992, and worked successively as the deputy general manager and the managing director of CKTL from 2006 to 2013, and the director and deputy general manager of Chu Kong Shipping (Guangdong) Logistics Co., Ltd. from 2013 to 2018. Mr. Liu has over 30 years of experience in logistics, river trade terminal operation management and marketing.



Directors and Senior Management

NON-EXECUTIVE DIRECTOR

Ms. Zhong Yan, aged 50, was appointed as a non-executive director of the Company on 1 April 2020, participating in strategic planning and decision-making of the Group. Ms. Zhong graduated from Shanghai Maritime University in 1997, majoring in Computer Science and Computer Application and minoring in International Container Transportation Management, and studied for a master degree in Global Economy at Sun Yat-Sen University between 2000 and 2003. She is also a certified assistant engineer and certified economist of the People's Republic of China. She has 28 years of experience in information technology, disciplinary inspection, supervisory audit and trade union management since 1997. She joined GDPS in 2000 and worked successively in the information center, general manager's office, comprehensive management department and female staff association, etc. Ms. Zhong was successively appointed as the chairman of the union and secretary of the commission for discipline inspection of Guangdong Bonny Fair Heavy Industry Limited from 2013 to 2018, member of the commission for discipline inspection and deputy manager of the supervision and audit department of GDPS from 2016 to 2019, deputy general manager of Guangzhou Hangcheng Real Estate Development Operation Co., Ltd. from 2019 to March 2020. Ms. Zhong is currently the director of CKSE.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Kay-cheung, aged 79, was an executive director and the deputy chief executive of The Bank of East Asia, Limited and he was the vice chairman of The Bank of East Asia (China) Limited. Mr. Chan joined The Bank of East Asia, Limited in 1965 and possesses extensive knowledge and experience in the banking industry. Mr. Chan is a fellow member of the Hong Kong Institute of Bankers. Mr. Chan is also an independent non-executive director of China Electronics Huada Technology Company Limited and SOCAM Development Limited. He was an independent non-executive director of Dah Chong Hong Holdings Limited and Hong Kong Food Investment Holdings Limited. Mr. Chan was appointed as independent non-executive director of the Company in April 1998.

Ms. Yau Lai Man, aged 62, was appointed as an independent non-executive director of the Company on 1 January 2005. Ms. Yau had worked with a "big four" accounting firm and a multinational corporation since 2001. Ms. Yau obtained a master degree in business administration from The University of Warwick in the United Kingdom. Ms. Yau is a member of the Hong Kong Institute of Certified Public Accountants and is also a member of the Institute of Chartered Accountants in England & Wales. Ms. Yau presently is an executive director of Essex Bio-Technology Limited, listed on the Main Board of The Stock Exchange of Hong Kong Limited. Ms. Yau is a director of Essex Bio-Investment Limited, Essex Bio-Pharmacy Limited, Zhuhai Essex Bio-Pharmaceutical Company Limited, Zhuhai UNO Technology Company Limited and UNO Medical (Zhuhai) Company Limited, all being subsidiaries of Essex Bio-Technology Limited.



Directors and Senior Management

Hon. Rock Chen Chung-nin, *NPC Deputy, SBS, BBS, JP*, aged 59, was appointed as an independent non-executive director of the Company on 1 April 2023. Hon. Chen is a Founding Partner of Acuity Capital Partners (HK) Limited. He has over 30 years of experience in the financial industry and has been licensed as a Responsible Officer by the Hong Kong Securities and Futures Commission for over 15 years. Hon. Chen is currently a member of the Hong Kong Legislative Council representing the Election Committee Constituency. He is also the chairman of the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, a board member of The Hong Kong Airport Authority, a member of the Council of The University of Hong Kong, a member of the Governing Committee of the Beat Drugs Fund Association, an independent non-executive director of The Bank of East Asia (China) Limited, Sino Land Company Limited, TST Properties Limited and Sino Hotels (Holdings) Limited respectively. He was the chairman of the Hong Kong Examinations and Assessment Authority, chairman of the Hong Kong Award for Young People, a member of the Council of The Hong Kong University of Science and Technology, a member of the Education Commission, a member of Town Planning Board, a member of the Standing Committee of Company Law Reform and a part-time member of Central Policy Unit, etc. Besides, he is a deputy to the 14th National People's Congress of the People's Republic of China. He was a member of the 12th and 13th National Committee of the Chinese People's Political Consultative Conference ("**CPPC**"), a standing committee member of the 10th, 11th and 12th Zhejiang Committee of the CPPC, the vice-chairman of the 11th All-China Youth Federation and the vice-chairman of the 11th and 12th Zhejiang Federation of Industry and Commerce. Hon. Chen holds a bachelor's degree in economics from The Wharton School, University of Pennsylvania, and a master's degree in business administration from J.L. Kellogg Graduate School of Management, Northwestern University.

Mr. Tang Yi Hoi, aged 61, was appointed as an independent non-executive director of the Company on 9 October 2024. Mr. Tang joined the Immigration Department of the Hong Kong Special Administrative Region in 1985. Mr. Tang subsequently joined the Customs and Excise Department in 1987 and took up the Commissioner of Customs and Excise post in July 2017 and retired in October 2021. Mr. Tang was appointed as Justices of the Peace (JP) in October 2022. Mr. Tang is the vice chairman and non-executive director of Vobile Group Limited, as well as the independent non-executive director of China Resources Building Materials Technology Holdings Limited, JD Logistics, Inc., Bamboos Health Care Holdings Limited and Xiamen Jihong Co., Ltd, all listed on the Main Board of the Hong Kong Stock Exchange. Mr. Tang has been awarded seven Assistant Commissioner of Customs and Excise's Commendations between 1992 and 2006; Commissioner of Customs and Excise's Commendation in 1997; Hong Kong Customs and Excise Long Service Medal in 2005, with the first and second clasps in 2012 and 2017 respectively; Hong Kong Customs and Excise Medal for Meritorious Service in 2014; Hong Kong Customs and Excise Medal for Distinguished Service in 2019; and the Silver Bauhinia Star in 2021. Mr. Tang holds a bachelor degree from the Hong Kong Polytechnic University. He has completed the Advanced Management Programme at INSEAD – the Institut Européen d'Administration des Affaires (France) and the Advanced Management Programme at the National Academy of Governance (China).



Directors and Senior Management

SENIOR MANAGEMENT

Mr. Lin Shengqi, aged 50, was appointed as a deputy general manager of the Company in April 2022, mainly responsible for the informatisation of investment development and construction project management of the Group. Mr. Lin graduated from Sun Yat-sen University with a bachelor's degree in international finance in 1998 and obtained a master degree in business administration from Jinan University in 2006. Mr. Lin has been working in the investment development management sector since 1998; he was successively appointed as the deputy general manager and the general manager of investment development department of CKSE from 2008, the general manager of investment development department of the Company from 2011, the managing director of Guangzhou Nansha International Logistics Park Development Co., Ltd. from 2012, and the deputy general manager of strategic development department of GDPS from 2016. Mr. Lin was appointed as the development officer, general manager of investment and development department (research department), and capital operation department of the Company in 2019. Currently, Mr. Lin is also the chairman of Chu Kong River Trade Terminal Company Limited., and the vice chairman of Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Company Limited. Mr. Lin has over 27 years of experience in warehouse logistics management and investment development.

Mr. Cao Jian, aged 57, was appointed as a deputy general manager of the Company in September 2025 and is primarily responsible for the management of the Group's specialised logistics operations and fuel-supply related services. He graduated from Shanghai Jiao Tong University with a bachelor's degree in marine engineering in 1991 and obtained a master's degree in international shipping management from Shanghai Maritime University in 1994. Mr. Cao began his career in shipping operations and vessel-management since 1994. He served as deputy general manager of Huibo Shipping Co., Ltd. from 1998; director and general manager of Chu Kong Air-Sea Union Transportation Company Limited from 2000; general manager of Foshan Nankong Terminal Co., Ltd. from 2002; director and general manager of Foshan Gaoming Zhujiang Cargo Terminal Co., Ltd. from 2009; and deputy general manager, director and subsequently executive deputy general manager of Chu Kong (Guangdong) Logistics Co., Ltd. from 2013. From 2017, he successively served as vice chairman and chairman of Guangdong Bonny Fair Heavy Industry Limited, and chairman of Guangdong New China Shipyard Ltd. In 2020, he served as director and general manager of Sun Kong Petroleum Company Limited and China Hong Kong Macau Duty Free Goods Co., Ltd. Mr. Cao has more than 30 years of experience in warehousing and logistics operations as well as shipping and vessel-management.



Directors and Senior Management

Mr. Ye Fei, aged 50, was appointed as a financial controller of the Company in August 2020, mainly responsible for financial management and control of the Group. Mr. Ye graduated from the Guangdong University of Business Studies in 1998, majoring in accounting, and obtained a master degree in accounting from Jinan University in 2011. He is also a certified senior accountant of the People's Republic of China. Mr. Ye has been engaged in financial and management sector since 1998 and has worked successively as the finance manager of Hong Kong Chu Kong Passenger Transport Company Limited and Guangdong Zhujiang Ocean Shipping Company Limited. He worked as the deputy general manager of the finance department of GDPS from 2014 to 2020. Mr. Ye has more than 27 years of experience in accounting and financial management. Currently, Mr. Ye is also the vice-chairman of Foshan Nanhai Pinggang Passenger Transportation Co., Ltd. and Doumen-Hong Kong Passenger Transportation Integrated Co., Ltd., as well as the director of Chu Kong Transhipment & Logistics Company Limited, Chu Kong Passenger Transport Company Limited, Chu Kong High-Speed Ferry Company Limited, Sun Kong Petroleum Company Limited, Chu Kong River Trade Terminal Company Limited, China Hong Kong Macau Duty Free Goods Ltd., GTF Maritime Financial Leasing Co., Ltd., Zhongshan City Zhongshan-HongKong Passenger Shipping Co-op Co., Ltd., CNT Security Company Limited, Sun Ferry Services Company Limited and China Ferry Terminal Services Limited, etc.

Ms. Cheung Mei Ki Maggie, aged 59, joined the Company in 2008, she was appointed as a company secretary on 1 April 2012, and appointed as the deputy general manager of the capital operation department in 2018, responsible for the Group's capital planning, investor relations, secretarial and corporate governance matters. Ms. Cheung served as the general manager in assurance and the deputy general manager of the internal audit department of the Company, and was also the financial controller of Sun Ferry Services Company Limited from May 2020 to September 2022. Before joining the Company, Ms. Cheung had held a position in Hong Kong Air Cargo Terminals Limited. Ms. Cheung graduated from the Hong Kong Polytechnic University in 2010 with a master degree in corporate governance and graduated from The University of Strathclyde (in the United Kingdom) in 2003 with a master degree in business administration. She is a member of The Hong Kong Chartered Governance Institute, The Chartered Governance Institute in the United Kingdom, the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants in the United Kingdom. She has over 30 years of experience in accounting, financial management and corporate governance.



Corporate Governance Report

The Company strives to maintain a high standard of corporate governance practices and procedures to safeguard the interests of its Shareholders. The corporate governance level is constantly improved and enhanced by establishing an internal control and risk management system and enhancing accountability and transparency.

CORPORATE GOVERNANCE PRACTICE

The Board has adopted various policies to ensure compliance with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (including the mandatory disclosure requirements in Part 1 and the principles, code provisions and recommended best practices for good corporate governance in Part 2 (the “**Code Provision**”), as well as the relevant requirements of the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Listing Rules (collectively, the “**Code**”).

The Board considers that the Company has complied with all the applicable Code Provisions during the year with the exception of the deviation as disclosed in this report. In the future, the Company will also adopt more Recommended Best Practices as set out in the Code according to actual needs, so as to further enhance the level of corporate governance.

CORPORATE CULTURE AND VALUES

In order to ensure that a healthy corporate culture is cultivated and that the Company’s purpose, values and strategies are aligned with its culture, the Board will strictly enforce internal policies and internal risk assessments such as the Anti-Corruption Policy (《反貪腐政策》) and the Whistleblowing Policy (《舉報政策》). Apart from organising regular trainings for our employees, the Company will make appropriate adjustments to various policies from time to time in order to regulate and promote a legal, ethical and responsible corporate culture. The Company also places great emphasis on transparency and accountability, and will regularly communicate with relevant stakeholders with respect to their business performance. On the Board level, the Company requires all Directors to act with integrity, to lead by example, to be committed to promoting the said corporate culture, and to consistently reinforce the values of acting lawfully, ethically and responsibly.

The Company believes that fostering a legal, ethical, and responsible corporate culture is critical to the Company’s long-term sustainability goals, which in turn will enable the Company to nurture and attract talented individuals, build a healthy corporate culture, and maintain the Company’s ability to grow sustainably and profitably.

DIRECTORS’ AND EMPLOYEES’ SECURITIES TRANSACTIONS

The Company has adopted a model code of conduct no less than that required by the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct of Directors conducting securities transactions. All Directors have confirmed, following specific inquiry of all Directors by the Company, that they have complied with the required standards set out in the above Model Code in relation to such transactions during the year.

The Company has also formulated written guidelines regarding the securities transactions by the employees of the Company who may be exposed to insider information. The requirements of the written guidelines are no less exacting than those set out in the Model Code. The Company recorded no non-compliance events during the year.

THE BOARD OF DIRECTORS

The Board is responsible for formulating the overall development strategy, operation and financial reporting of the Company, internal control and risk management, major acquisitions, substantial connected transactions, annual and interim results, proposed interim and final dividends, proposed appointment or re-election of Directors, appointment of auditor, share issue and repurchase and other operational and financial matters relating to the Company. On 1 October 2019, the Board approved and adopted the “Management Measures for the Board of Directors” (《董事會管理辦法》) to regulate the operation of the Board.

Composition of the Board

As of 31 December 2025, the Board consisted of eight members, namely three executive Directors (Mr. Liu Guanghui, (chairman of the Board, resigned on 26 February 2026), Mr. Zhou Jun and Mr. Hu Jun), one non-executive Director (Ms. Zhong Yan) and four independent non-executive Directors (Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Rock Chen Chung-nin and Mr. Tang Yi Hoi). The Company forms its Board based on the characteristics and uniqueness of its operations to ensure that each Director possesses the required industrial experience and managerial expertise. The personal biographies of the Directors are set out in pages 58 to 63 of the annual report.

The Directors clearly understand that they should fulfill their duties diligently in the best interests of the Company and its Shareholders. The Company has signed appointment letters with all Directors for a fixed term of three years unless terminated by either party giving to the other not less than 1 month’s prior notice in writing, but the Directors are subject to retirement by rotation and re-election according to the Articles of Association.

Mr. Hu Jun (appointed as an executive Director on 14 November 2025) has, in accordance with the Listing Rule 3.09D, obtained legal advice from a law firm qualified to provide opinions on Hong Kong law on 12 November 2025, to understand all the provisions applicable to him as a director of a listed issuer under the Listing Rules, as well as the potential consequences of making false declarations or providing false information to the Hong Kong Stock Exchange.

The Board delegated its authorities and obligations in the management of daily operations, business strategies and the Group’s business to the executive Directors and senior management, and delegated certain specific responsibilities to the committees under the Board.

Relationship between Board Members

To the best knowledge of the Company, there is no financial, business, family or other material/relevant relationship between the Board members.

Responsibilities of the Chairman and Managing Director

Pursuant to Code Provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. It is the consistent policy of the Company to appoint different individuals to act as chairman of the Board and managing Director to ensure the accountability and independence of the policymaking process of the Company. The chairman of the Board is responsible for leading the Board. The chairman of the Board should ensure that the Board works effectively and discharges its responsibilities, and be responsible for building the management of the Company, organising the formulation of the development strategies, etc. The managing Director is responsible for managing the daily business operations of the Group, implementing the development strategies formulated by the Board, expediting the development of high-end integrated logistics business, driving the development of the passenger transportation business, etc. and strengthening the internal management.

Mr. Liu Guanghui (“**Mr. Liu**”, chairman of the Board), an executive Director, has resigned as the executive Director and chairman of the Board as well as chairman of the Nomination Committee (the “**Nomination Committee**”), member of the remuneration committee and the executive committee of the Company on 26 February 2026. Following the resignation of Mr. Liu, the Company has not yet appointed a new chairman of the Board, and the position of chairman of the Board is vacant. The Board will make its best endeavours to identify appropriate person for appointment as the chairman of the Board, as soon as practicable and within three months from the date of Mr. Liu’s resignation.

According to Code Provision C.2.7, the chairman of the Board has held a meeting with the non-executive Directors, including independent non-executive Directors, without other executive Directors’ presence in the year.

Term of Office of Non-executive Directors

The Company has entered into a letter of appointment with non-executive Director (Ms. Zhong Yan) for a fixed term of three years (from 1 April 2023 to 31 March 2026), subject to retirement by rotation and re-election in accordance with the Articles of Association.

Independent Non-executive Directors

To ensure the independence of the Board’s decision-making process and to safeguard the interests of Shareholders, the Company has complied with Rules 3.10 and 3.10A of the Listing Rules by appointing at least three individuals with appropriate professional qualifications as independent non-executive Directors, representing not less than one-third of the total number of Directors. The current independent non-executive Directors are experienced professionals with diverse backgrounds covering finance, accounting, passenger transportation and logistics services. One of the independent non-executive Directors possesses the appropriate accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Company ensures that they are provided with adequate access to the Company’s information and are able to engage in full discussion and express independent opinions on matters of the Company.

In accordance with the Code Provisions, a tenure of over nine years is regarded as an important factor in assessing the independence of an independent non-executive Director. Mr. Chan Kay-cheung (“**Mr. Chan**”) and Ms. Yau Lai Man (“**Ms. Yau**”), both being independent non-executive Directors, have each served for more than nine years. During their tenure, they have continued to provide independent views and advice and have made contributions to the Company in relation to its business, operations, future development and strategic direction. Having carefully assessed their character, integrity, competence, experience and past performance, as well as their roles, level of participation and ability to exercise objective judgement, the Board and the Nomination Committee consider that their long service has not impaired their independence of judgement and that they continue to perform their duties objectively and effectively.

Pursuant to Code Provision B.2.3, where an independent non-executive Director has served for more than nine years, his or her further appointment should be subject to a separate resolution to be approved by Shareholders, and the circular accompanying such resolution should set out the reasons why the Board (or the Nomination Committee) considers that the Director remains independent and should be re-elected, including the factors considered and the relevant decision-making process and discussions of the Board (or the Nomination Committee). Mr. Chan retired by rotation at the annual general meeting held on 21 June 2023 and, being eligible, offered himself for re-election, and was re-appointed by a separate resolution of the Shareholders at that meeting. Ms. Yau retired by rotation at the annual general meeting held on 22 May 2025 and, being eligible, offered herself for re-election, and was re-appointed by a separate resolution of the Shareholders at that meeting.

To align with the requirements on the tenure of independent non-executive Directors introduced under the “Update No.148 on Amendments to the Main Board Listing Rules” by the Hong Kong Stock Exchange, the Company has formulated corresponding transitional arrangements to progressively optimise the structure of the Board. Under such arrangements, at the first annual general meeting held after 1 July 2028, more than half of the independent non-executive Directors will have served for less than nine years; and at the first annual general meeting held after 1 July 2031, there will be no independent non-executive Director who has served for nine years or more. During the transitional period, where the Company decides to re-elect any independent non-executive Director who has served for more than nine years, additional disclosure will be made regarding the Nomination Committee’s assessment process, with particular focus on how the Director’s ability to continue to make objective contributions has been evaluated, as well as the Board’s consideration of the relevant recommendation. The Company understands that the assessment should focus on substantive contribution rather than mere formal compliance with independence guidelines.

In accordance with Article 88(i) of the Articles of Association, Mr. Chan will retire by rotation at the forthcoming annual general meeting and, being eligible, will offer himself for re-election. His re-appointment will be proposed to Shareholders by way of a separate resolution. As such re-election takes place within the six-year transitional period under the above Listing Rule amendments, the Company will comply with the relevant disclosure requirements by providing detailed explanations of the Nomination Committee’s and the Board’s assessment process and considerations in relation to Mr. Chan’s re-appointment, with emphasis placed on his ability to continue to make objective contributions rather than merely satisfying formal independence criteria.



Corporate Governance Report

In addition, in accordance with the amended requirements on the cap on concurrent directorships, and in order to ensure that independent non-executive Directors are able to devote sufficient time and attention to the discharge of their duties, with effect from 1 July 2028, each independent non-executive Director may not concurrently hold directorships in more than six Hong Kong listed issuers. A three-year transitional period applies, whereby any person who, on or before 30 June 2028, holds directorships in seven or more listed issuers must, at the first annual general meeting of any issuer at which he or she serves as a Director held on or after 1 July 2028, reduce the number of such directorships to comply with the above cap. The Company confirms that all existing independent non-executive Directors currently comply with this requirement and that no adjustment to the composition of the Board is required. All independent non-executive Directors are able to remain fully focused on the discharge of their duties to the Company and continue to provide adequate support and contributions to the effective operation of the Board and its strategic decision-making.

The Company has received from each of the current independent non-executive Directors an annual confirmation of his/her independence. The Company considers that all the independent non-executive Directors have maintained their respective independence in accordance with Rule 3.13 of the Listing Rules.

Board Diversity Policy

Pursuant to the Code Provisions, the Board has adopted the Board Diversity Policy since 15 August 2013 which has been revised on 1 January 2019 and 25 August 2022, and is posted on the Company's website. To attain diversity of the Board, it is the Company's policy to consider an array of factors including professional skills, knowledge, experience, age, gender, cultural and educational background, as well as other factors that the Board considers relevant and applicable from time to time, in determining the appointment and reappointment of Board members. Selection to the Board will be made in accordance with the Company's nomination policy, taking into account the Board's diversity policy. All Board appointments will be based on the strengths of the appointee(s) and the potential contribution he or she can bring to the Company, taking into account the benefits of diversity on the Board. To enhance gender diversity, the Board will take opportunities to progressively increase the proportion of women on the Board and has set measurable targets to ensure that there is at least one Director of a different gender on the Board. During the year, the Company has appointed two female Directors, thus achieving gender diversity on the Board and will continue to maintain the aforementioned measurable targets to achieve a diverse Board.

The Board and the Nomination Committee will regularly discuss and review the Board Diversity Policy on an annual basis to ensure its ongoing effectiveness. In addition, in determining the composition of the Board, the Company will consider the diversity of the Board from various perspectives, including but not limited to gender, age, culture, educational background, experience, knowledge and the potential contribution that a candidate may bring to the Board. All Board members will be appointed on the basis of merit, and candidates will be considered on the basis of objective criteria to take full account of the benefits of diversity on the Board.

Directors' Responsibilities for Financial Statements

During each financial period, the Directors are responsible for the preparation of the financial statements that give a true and fair view of the state of affairs of the Group and of its results and cash flows during the relevant period. In preparing the financial statements for the year, the Directors selected and applied consistently appropriate accounting policies, made careful and reasonable judgments and estimates, and prepared the financial statements on a going concern basis. The Directors are responsible for the filing of appropriate accounting records that reasonably and accurately disclose the financial position of the Company at any time. The Board is not aware so far of any significant uncertain events or circumstances which would affect the business of the Company or its ability to continue its operation. The responsibilities of the Company's external auditor are set out in the Independent Auditor's Report on pages 87 to 92 of the annual report.

Board Meeting Procedures

The Board held regular meetings during the year. The company secretary of the Company (the "**Company Secretary**") assists the chairman of the Board in establishing the meeting agenda, and each Director/committee member may request the inclusion of items in the agenda. The date and agenda of the Board meeting will be available to the Directors at least 14 days in advance and related documents will be available to the Directors at least 7 days in advance to enable each Director to fully understand the matters to be discussed and make an informed opinion. Draft and final versions of the minutes of Board meetings and Board committee meetings prepared in sufficient details by the secretary of the meetings, were circulated to the Directors for their comment and record respectively. Originals of such minutes, being kept by the Company Secretary, are open for inspection at any reasonable time on reasonable notice by any Director. Each Director has the right to seek independent professional advice in furtherance of his/her duties at the expense of the Company. No Director has requested to seek professional advice as mentioned above during the year.

If a Director has a conflict of interest in a matter to be considered at the meetings of the Board and the committee which the Board has determined to be material, such Director may express his/her recommendations but shall not be counted in the quorum and shall abstain from voting on the relevant resolution.

All Directors have unrestricted access to the Company Secretary who is responsible for ensuring that the Board/committee procedures are complied with, and for advising the Board/committee(s) on compliance matters.

Succession Planning for Directors and Senior Management

The Company is committed to ensuring leadership continuity of the Board and senior management in support of its long-term business development and corporate governance. The Board approved and adopted the Succession Plan with effect from 1 November 2025. The Succession Plan provides a clear framework to assist the Nomination Committee and the Board in identifying and developing suitable successors in a timely manner and ensuring smooth transition of duties when necessary. The Nomination Committee is responsible for formulating, implementing and reviewing the Succession Plan annually, and recommending any proposed amendments to the Board when appropriate. The Board retains ultimate responsibility for approving the Succession Plan and any subsequent amendments, as well as all appointments of Directors and senior management.

Corporate Governance Report

Attendance at Meetings and Time Commitment of Directors

During 2025, the attendance of the Board members at general meetings, the meetings of the Board and respective committees were as follows:

	Attendance in person/number of meetings held					
	Annual General Meeting	Board Meeting	Executive Committee Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting
Mr. Zhou Jun (Managing Director)	2/2	4/4	12/12	N/A	N/A	N/A
Mr. Hu Jun (Executive Director, appointed on 14 November 2025)	N/A	N/A	2/12	N/A	N/A	N/A
Ms. Zhong Yan (Non-executive Director)	1/2	4/4	N/A	N/A	N/A	N/A
Mr. Chan Kay-cheung (Independent Non-executive Director)	2/2	4/4	N/A	2/2	2/2	1/1
Ms. Yau Lai Man (Independent Non-executive Director)	2/2	4/4	N/A	2/2	2/2	1/1
Hon. Rock Chen Chung-nin (Independent Non-executive Director)	2/2	4/4	N/A	N/A	N/A	1/1
Mr. Tang Yi Hoi (Independent Non-executive Director)	2/2	4/4	N/A	2/2	2/2	1/1
Mr. Liu Guanghui (Chairman of the Board, resigned on 26 February 2026)	2/2	4/4	12/12	N/A	2/2	1/1
Mr. Liu Wuwei (Executive Director, resigned on 14 November 2025)	2/2	4/4	10/12	N/A	N/A	N/A

Upon reviewing (i) the annual confirmation of the time commitment given by each Director; (ii) the directorships and major commitments of each Director; and (iii) the attendance rate of each Director on the Board and their respective Board committee meetings, the Board is satisfied that all Directors have spent sufficient time in performing their responsibilities during the year.

Committees under the Board

In order to assist the Directors to perform their responsibilities, the Board has set up four Board committees, namely, the executive committee, the audit committee, the remuneration committee and the nomination committee. The chairmen of all the committees are appointed by the Board, in which the audit committee and the remuneration committee are both chaired by an independent non-executive Director with written terms of reference which were discussed and approved by the Board. The related terms of reference of each committee have been published on the websites of the Company and the Hong Kong Stock Exchange. The duties of the four committees are as follows:

Executive Committee

The Executive Committee was established in 2009 to approve and undertake the transactions on behalf of the Board in respect of each investment project within an authorised limit or other day-to-day business operations. The committee consists of the chairman of the Board or/and executive Directors.

The Executive Committee comprises:

Mr. Zhou Jun (Chairman of the committee and Managing Director)

Mr. Hu Jun (Executive Director)

Mr. Liu Guanghui (Chairman of the committee and Chairman of the Board, resigned on 26 February 2026)

Audit Committee

The Company has established an audit committee in accordance with Rule 3.21 of the Listing Rules and the Code. The audit committee of the Company (the “**Audit Committee**”) was established in 2001 to review the Company’s financial reporting, internal control, risk management, appointment of auditor and corporate governance issues and make recommendations to the Board. The Audit Committee consists entirely of independent non-executive Directors, who are experienced in finance, internal audit, banking, passenger transportation and logistics, and are therefore capable of providing expert opinions on the steady financial operations of the Company. Currently, the Audit Committee comprises three independent non-executive Directors.

Ms. Yau Lai Man, a member of the Audit Committee, has the qualifications required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee comprises:

Mr. Chan Kay-cheung (Chairman of the committee and Independent Non-executive Director)

Ms. Yau Lai Man (Independent Non-executive Director)

Mr. Tang Yi Hoi (Independent Non-executive Director)

The Audit Committee held two meetings in 2025 with an average attendance rate of 100% to review the following matters with the Company’s senior management and independent auditor during the reporting period:

- accounting principles adopted by the Company for preparing financial statements;
- draft annual report, interim report and financial statements of the Company;
- scope of audit work of external auditor;
- independent audit results of the Company’s financial statements;
- internal recommendations issued by external auditor to the management and the management’s response;
- appointment of external auditor for providing non-audit services to the Company;
- proposed audit fee for 2025;



Corporate Governance Report

- internal audit function (including its effectiveness) of the Company, including internal audit policy, internal audit plan and internal audit reports, covering financial monitoring, internal control and risk management;
- corporate governance of the Company; and
- connected transactions of the Company.

Reference to the functions of the Audit Committee is available under the terms of reference of the Audit Committee which have been published on the websites of the Company and the Hong Kong Stock Exchange. To further enhance the independence of the external independent auditors, some parts of the above meetings were only attended by independent non-executive Directors and the independent auditors.

Since 2009, the Board has delegated the corporate governance functions to the Audit Committee in accordance with the Code Provision A.2, as it considered members of the Audit Committee to be better positioned to provide objective and independent guidance on governance-related matters.

The Audit Committee has reviewed the Company's compliance with the Code Provisions of this year and the disclosure in this Corporate Governance Report.

Remuneration Committee

The Company has established a remuneration committee in accordance with Rule 3.25 of the Listing Rules and the Code. The remuneration committee of the Company (the "**Remuneration Committee**") was established in 2005 to make recommendations to the Board on the remuneration policy of the Company and the remunerations of the Directors and executives appointed by the Board. The Remuneration Committee held two meetings in 2025 with an average attendance rate of 100%. Currently, the Remuneration Committee comprises three independent non-executive Directors and is chaired by an independent non-executive Director.

The Remuneration Committee comprises:

Mr. Tang Yi Hoi (Chairman of the committee and Independent Non-executive Director)

Mr. Chan Kay-cheung (Independent Non-executive Director)

Ms. Yau Lai Man (Independent Non-executive Director)

Mr. Liu Guanghui (Executive Director, resigned on 26 February 2026)

Reference to the functions of the Remuneration Committee is available under the terms of reference of the Remuneration Committee which have been published on the websites of the Company and the Hong Kong Stock Exchange.

During the year, the Remuneration Committee reviewed and assessed the performance and remuneration packages of the Directors of the Company (including executive Directors, non-executive Directors and independent non-executive Directors) and discussed the remuneration and benefits system and policy of the staff of the Group.

Remuneration of Executive Directors

The remuneration of the executive Directors mainly includes basic salary, bonus and directors' fee, which were determined by the Board by reference to various factors (including market conditions) upon the recommendations of the Remuneration Committee to the Board. The Company considers various factors in determining the remuneration such as market conditions, comparable companies and time of the Executive Directors spent on managing the affairs of the Company. The Executive Directors currently do not receive any director's remuneration.

Remuneration of Non-executive Director

Currently, the Non-executive Director does not receive any director's remuneration.

Remuneration of Independent Non-executive Directors

The Company pays emoluments to Independent Non-executive Directors in form of directors' fee. The Remuneration Committee will present a proposal to the Board, and the Board will make decisions based on market conditions.

Nomination Committee

The Company has established a nomination committee in accordance with the Code. The Nomination Committee was established in 2011 and it is mainly responsible for making recommendations to the Board on the appointment of Directors and senior management. The Nomination Committee held one meeting in 2025 with an average attendance rate of 100%. Currently, the Nomination Committee comprises four Directors, all are independent non-executive Directors, including one female Director. On 1 January 2019, the Board approved and adopted the Nomination Policy which was proposed by the Nomination Committee.

The Nomination Committee comprises:

Mr. Chan Kay-cheung (Independent Non-executive Director)

Ms. Yau Lai Man (Independent Non-executive Director)

Hon. Rock Chen Chung-nin (Independent Non-executive Director)

Mr. Tang Yi Hoi (Independent Non-executive Director)

Mr. Liu Guanghui (Chairman of the committee and Executive Director, resigned on 26 February 2026)

Reference to the functions of the Nomination Committee is available under the terms of reference of the Nomination Committee which have been published on the websites of the Company and the Hong Kong Stock Exchange.

During the year, the Nomination Committee has made recommendations to the Board on new Director's appointment and re-election of retiring Directors. The Nomination Committee also reviewed the structure, size and composition of the Board and believed that the composition of the Board is diversified (also as disclosed in "Composition of the Board" above). The Nomination Committee considers the Board Diversity Policy when nominating the Directors (see the "Board Diversity Policy" above). The Nomination Committee has also reviewed the nomination policy in the year.



Corporate Governance Report

According to the Articles of Association, all Directors are subject to retirement by rotation and re-election at annual general meetings of the Company. New Directors appointed by the Board during the year are required to retire and offer themselves for re-election at the first annual general meeting immediately following their appointments. Further, at each annual general meeting, one-third (if not a multiple of three, then the number nearest to one-third) of Directors shall retire from office by rotation and according to the Code Provision B.2.2, every Director shall be subject to retirement by rotation at least once every three years.

In accordance with Article 88(i) of the Articles of Association, independent non-executive Director Mr. Chan Kay-cheung and Hon. Rock Chen Chung-nin will retire at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election. The Nomination Committee recommended to the Board that Mr. Chan Kay-cheung and Hon. Rock Chen Chung-nin be nominated for re-election at the forthcoming annual general meeting of the Company.

Following the resignation of Mr. Liu (chairman of the Board), an executive Director, the Nomination Committee comprises four independent non-executive Directors. As the new chairman of the Nomination Committee has not been appointed, the position of the chairman of the Nomination Committee will remain vacant, the Company is therefore not in compliance with Rule 3.27A of the Listing Rules which stipulates that an issuer must establish a nomination committee chaired by the chairman of the board or an independent non-executive director.

Pursuant to Rule 3.27A of the Listing Rules, the Board will make its best endeavours to identify appropriate person for appointment as the chairman of the Nomination Committee, as soon as practicable and within three months from the date of Mr. Liu's resignation to ensure compliance with Rule 3.27A of the Listing Rules.

Nomination Procedures

- (i) If the Nomination Committee is required to appoint a Director, the secretary of the Nomination Committee may convene a meeting of the Nomination Committee and invite nominations for Directors, (if any), for consideration by the Nomination Committee prior to the meeting.
- (ii) In addition to Director nominees, the Nomination Committee may also nominate non-director nominees.
- (iii) Upon receipt of a proposal for the appointment of a new Director and the candidate's curriculum vitae, the Nomination Committee and/or the Board shall evaluate the candidate to determine whether the candidate is qualified in accordance with the criteria set out below.
- (iv) The Nomination Committee shall then make recommendations to the Board for its consideration and recommendation for re-election in respect of the appointment of a suitable candidate as a Director. The Nomination Committee may pass a written resolution for the nomination of a Director. A circular will be sent to Shareholders for the purpose of providing information on candidates for election or re-election as Directors at general meetings. The names, biographical details (including qualifications and relevant experience), independence, remuneration and other information of the candidates will be included in the circular in accordance with applicable laws, rules and regulations.

The following criteria will be used as a reference by the Nomination Committee in assessing the suitability of the proposed candidates.

- credibility;
- the required skills, expertise, experience, cultural and educational background, gender, age and other qualities, with due regard to the benefits of diversity on the Board;
- the extent to which the proposed candidate can contribute to the overall effectiveness of the Board and work constructively with existing Directors;
- the skills and experience of the proposed candidate as a Director and how the candidate could enhance the overall effectiveness and performance of the Board;
- the nature of the proposed candidate's existing position, including the directorship or other relationship with the Company and other Directors of the Company, and the impact that such relationships may have on the candidate's ability to exercise independent judgment; and
- other factors that could affect the amount of time the proposed candidate would devote to the performance of his duties in relation to the Company.

Board Performance Evaluation

To enhance the Company's corporate governance and the effectiveness and efficiency of the Board, the Company has formulated the Board Performance Evaluation Policy (the "**Evaluation Policy**"), which took effect on 1 November 2025. In accordance with Code Provision B.1.4, the Evaluation Policy sets out, among others, the evaluation cycle (frequency of evaluation), evaluation period (scope of time covered), scope and methodology of evaluation, management responsibilities, evaluation procedures, disclosure requirements and details of evaluation results, including areas identified for improvement and the measures taken or proposed to be taken as a result of the evaluation.

The Company will conduct a Board performance evaluation at least once every two years and will consider whether more frequent evaluations are required having regard to the complexity of the Company's business or any material changes (such as changes in or expansion of the business model). Where a Board performance evaluation has been conducted during the relevant reporting period, the results of such evaluation will be disclosed in the Corporate Governance Report of the relevant annual report. The Nomination Committee is responsible for conducting the Board performance evaluation and may, where appropriate, determine whether the evaluation should be conducted internally or with the assistance of external professional advisers or experts. In formulating the evaluation criteria having regard to the Company's circumstances and needs, the Company has included, at a minimum, the following five key areas:

- (i) participation in the Company's operations;
- (ii) enhancement of the quality of Board decision-making;
- (iii) Board composition and structure;
- (iv) appointment of Directors and continuous professional development (including assessment of the independence of independent non-executive Directors who have served for more than nine years); and
- (v) internal control.

Based on the review of the Nomination Committee, it is recommended that the Company conduct a Board performance evaluation internally in 2026 in accordance with the Evaluation Policy.

Corporate Governance Report

Directors' Expertise

Directors bring different perspectives to the Board based on their respective unique backgrounds and experience.

The following table sets out an overview of the professional expertise and skills of the Directors (still in office as of 31 December 2025).

Expertise and Experience	Relevance to the Company	Number of Directors
Executive leadership and strategy	Experience in senior leadership roles and strategic planning enables an in-depth understanding of the Group's work across areas including strategy, corporate culture, financial reporting and risk oversight	8
Experience as directors or senior executives of other listed companies	In-depth understanding of the financial, legal and regulatory requirements applicable to listed companies, which is essential for maintaining a high standard of corporate governance	4
Shipping and logistics expertise	Extensive industry knowledge assists in understanding the challenges faced by the Group and enables the Company to focus on initiatives that enhance corporate value	5
Capital markets expertise	Capital markets expertise provides critical support to the Group in areas including compliance, financing, communications and investor relations, thereby enhancing the Company's governance standards and market competitiveness	7
Experience in the Mainland China market	As the majority of the Group's business operations are located in Mainland China, such experience strengthens the Group's market development capabilities and compliance with regulatory requirements in Mainland China	8
Experience in government organisations, public bodies and/or regulatory authorities and their committees	Relevant experience facilitates compliance with various regulatory requirements and the establishment of constructive relationships with public institutions or organisations, which is beneficial to the Company's development	6
Accounting and/or financial management expertise	Given the diversified nature of the Group's business, professional expertise with oversight, advisory and operational experience provides valuable insights to the Group	2
Legal, regulatory and compliance and/or risk management expertise	As the Group operates in different jurisdictions, extensive experience in risk oversight and operational management provides valuable guidance to the Group	8

Training for Directors and Company Secretary

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a Director, the relevant laws and regulations applicable to the Directors, duty of disclosure of interests in shares and business of the Group. Newly appointed Directors are also provided with such induction materials shortly after their appointment and they are required, in accordance with Rule 3.09H of the Listing Rules, to complete the required hours of continuous professional development within 18 months of their appointment, and induction training for Directors is arranged by the Company Secretary.

All Directors have also been updated on the latest development regarding the Listing Rules and other applicable regulatory requirements to ensure compliance with relevant regulations and enhance their awareness of good corporate governance practices. During the year, the Company arranged training for Directors covering, among others, Directors' duties, fundamental requirements of Board governance, major amendments to the Code Provisions and ESG requirements. The Company also arranged visits to the Group's subsidiaries for Directors to deepen their understanding of the Group's business and its latest development.

All Directors confirmed that they have complied with the training requirements under the Listing Rules. During the year, all Directors have participated in continuous professional development by reading materials or attending seminars/briefing sessions to develop and refresh their knowledge and skills and provided records of training to the Company. Current Directors have participated in training on the following topics during the year:

	Corporate governance/ updates on laws, rules and regulations		Accounting/financial/ management or other expertise	
	Reading Materials	Attending seminars/ briefing sessions	Reading materials	Attending seminars/ briefing sessions
Mr. Zhou Jun (Managing Director)	✓	✓	✓	✓
Mr. Hu Jun (Executive Director, appointed on 14 November 2025)	✓	✓	✓	✓
Ms. Zhong Yan (Non-executive Director)	✓	✓	✓	✓
Mr. Chan Kay-cheung (Independent Non-executive Director)	✓	✓	✓	✓
Ms. Yau Lai Man (Independent Non-executive Director)	✓	✓	✓	✓
Hon. Rock Chen Chung-nin (Independent Non-executive Director)	✓	✓	✓	✓
Mr. Tang Yi Hoi (Independent Non-executive Director)	✓	✓	✓	✓
Mr. Liu Guanghui (Chairman of the Board, Resigned on 26 February 2026)	✓	✓	✓	✓
Mr. Liu Wuwei (Executive Director, resigned on 14 November 2025)	✓	✓	✓	✓



Corporate Governance Report

The Company Secretary has confirmed that he/she completed not less than 15 hours of relevant professional training during the financial year in compliance with Rule 3.29 of the Listing Rules.

Mr. Hu Jun was appointed as an executive Director on 14 November 2025. In accordance with Rule 3.09H of the Listing Rules, an initial Director is required to complete not less than 24 hours of continuous professional development as specified under Rule 3.09F within 18 months of appointment. As an initial Director, Mr. Hu Jun will be required to complete not less than 24 hours of continuous professional development within 18 months from the date of his appointment.

Changes in Information of Directors

With effect from 1 August 2025, Mr. Tang Yi Hoi (“**Mr. Tang**”, the independent non-executive Director of the Company) has been appointed as independent non-executive director of Bamboos Health Care Holdings Limited (stock code: 2293.HK) for a term of two years and renewable automatically for successive terms of one year each thereafter. With effect from 14 August 2025, Mr. Tang has also been appointed as independent non-executive director of JD Logistics, Inc. (stock code: 2618.HK) for a term of three years. With effect from 21 November 2025, Mr. Tang has been appointed as independent non-executive director of Xiamen Jihong Technology Co. Ltd. (stock code: 2603.HK).

With effect from 17 April 2026, Mr. Hu Jun has resigned as the executive Director, the executive deputy general manager and the member of executive committee of the Company.

Save as disclosed in this annual report, pursuant to Rule 13.51B(1) of the Listing Rules, following specific enquiry of all Directors by the Company, all Directors have confirmed that there are no other changes in the information of Directors during 2025 which needs to be disclosed.

Details of changes in the annual remuneration of Directors are set out in the note 38 to the financial statements.

EMPLOYEE GENDER DIVERSITY

The Company is committed to maintaining an appropriate balance between business growth and organisational diversity, and to ensuring that recruitment at all levels, including the Board and senior management, meets diversity standards so that candidates with diverse backgrounds are given fair consideration.

The Company is dedicated to fostering a diverse and inclusive workplace culture and has established and implemented employee diversity policies to ensure that employees are respected and provided with equal opportunities regardless of gender, age, cultural and educational background, race, ethnicity, religion, sexual orientation, gender identity, family status, disability or professional experience. Employment decisions relating to recruitment, training, development, remuneration and promotion are based primarily on qualifications, experience, skills, potential and performance, and any form of discrimination, harassment or prejudice is strictly prohibited. The Company also conducts annual reviews of its workforce diversity and the effectiveness of its diversity policies, including diversity ratios among senior management and the overall workforce, and continues to broaden diverse talent pipelines to support the Company’s sustainable development and corporate governance standards.

Details of the gender composition of the Group’s workforce and related data are set out in the relevant sections of the Company’s ESG Report for the year ended 31 December 2025.

The Nomination Committee will regularly discuss gender diversity matters at Board meetings and, where necessary, agree on measurable objectives and implementation strategies to promote diversity, and will make recommendations to the Board for its consideration and adoption.

In particular, the Nomination Committee is responsible for identifying suitable candidates and recommending specific implementation plans to the Board to assist the Company in building a skilled and experienced workforce, thereby enhancing the Company’s competitiveness.

At present, the Board plans to increase female representation at various levels and, having regard to Shareholders’ expectations and market best practices, strives to achieve an appropriate balance of gender diversity. The Company will also ensure that gender diversity principles are implemented in the recruitment of middle and senior management, and is committed to providing equal employment development and promotion opportunities for female employees.

REMUNERATION OF SENIOR MANAGEMENT

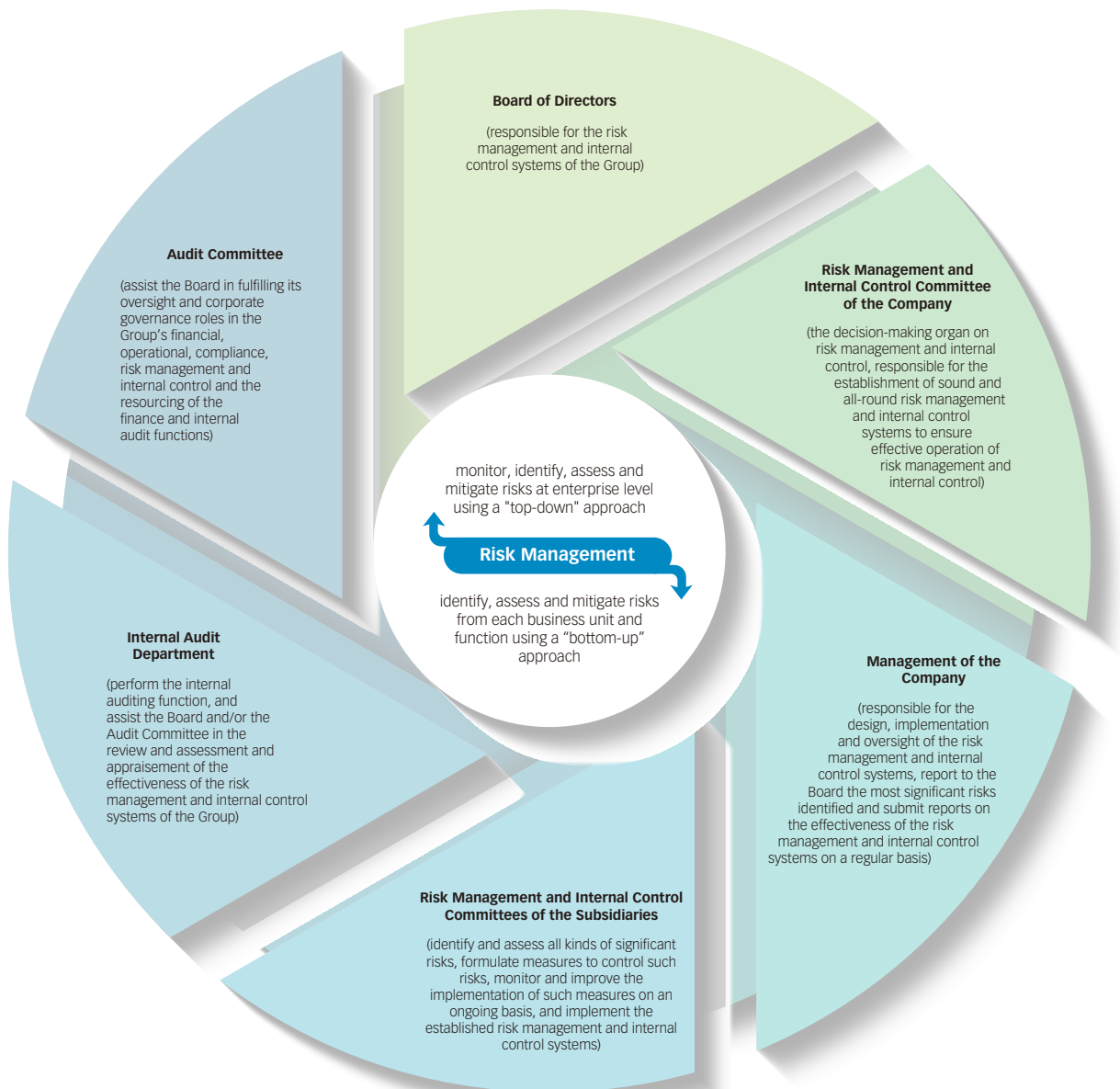
Number of senior management according to the level of remuneration:

Level of remuneration HK\$’000	Number of Senior Management	
	2025	2024
Equal to, or less than 400	1	0
401-1,000	3	2
1,001-1,800	2	3

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established effective risk management and internal control systems to provide reasonable (though not absolute) assurance against material misstatement or loss and to manage (rather than eliminate) risks of failing to achieve business objectives. The Board shall be responsible for the risk management and internal control systems of the Group and shall review at least annually the effectiveness of such systems for that relevant financial year. The Audit Committee shall assist the Board in fulfilling its oversight and corporate governance functions in the Group’s financial, operational, compliance, risk management (including environmental, social and governance risks) and internal control, and the resources of the finance and internal audit functions. The Group has established a set of organisational structures with a clear division of responsibilities and reporting mechanisms.

STRUCTURE OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS PROCEDURE



- the internal audit department of the Company (the “**Internal Audit Department**”) has an internal audit function, and shall assist the Board and/or the Audit Committee in the review of the effectiveness of the Group’s internal control and risk management systems (including environmental, social and governance risks) on an ongoing basis. The head of the Internal Audit Department shall report directly to the Audit Committee;
- the Company has also established the Risk Management and Internal Control Committee (the “**Risk Control Committee**”) comprising Mr. Zhou Jun, Mr. Hu Jun and heads of all departments, which shall determine the members of the committee and their respective responsibilities, define the work division among all departments and the duties and responsibilities of each group, and give instructions in relation to the commencement of risk assessment (including environmental, social and governance risks) and internal control assessment. The Risk Control Committee shall report directly to the Board about the significant risks that may affect the performance of the Group on a regular basis; and
- the Company will set up task group(s) in light of the actual situation, which will hold meetings regularly to review the effectiveness of the relevant financial, operational and compliance control as well as risk management procedures (including environmental, social and governance risks) and to review how to make further improvement.

The Company has implemented the following procedures to identify, assess and manage significant risks (including environmental, social and governance risks):

1. the Company has formulated the Guideline on Risk Management (《風險管理工作指引》), and required the Company and all subsidiaries to manage risks in accordance with this guideline;
2. the Company has established a whistleblowing policy, which is disclosed on the Company’s website and compendium of rules and regulations, to which employees, employees of subsidiaries and persons dealing with the Company may access, in order to enable them to raise concerns and report possible improprieties in any matter concerning the Company in a confidential and anonymous manner;
3. all subsidiaries have set up their own risk management and internal control committees and identified their officer-in-charge for risk management. An annual inspection shall be carried out to identify their respective risks, assess all kinds of significant risks, formulate relevant control measures and continuously monitor and improve the risk management and internal control systems. Each of the risk management and internal control committees shall conduct an annual review in the middle of the year for self-inspection and self-reporting of risks/to check the implementation of such control measures, so as to ensure the feasibility and effectiveness of existing control measures;
4. after collecting information on the risk profile of each subsidiary and the relevant control measures implemented by them, the Company would summarise a list of significant risks based on the major risk categories (including market risks, strategic risks, operation risks, financial risks, environmental, social and governance risks, etc.). After ranking these significant risks by priority, the management of the Company would identify the most significant risks and request the relevant companies to focus on the supervision of such risks;



Corporate Governance Report

5. the Internal Audit Department would carry out the following tasks every year:
 - to examine if all companies of the Group have focused their supervision on the most significant risks;
 - to evaluate the report in relation to the most significant risks;
 - to assess and ensure the effectiveness of the risk management procedures and the audit reporting process;
 - to ensure accurate assessment of each risk; and
 - to implement independent internal audits according to its internal audit plan.
6. the Internal Audit Department would summarise and report the results of the work above to the Audit Committee on a yearly basis.

The formulation and execution procedures of the internal audit plan of the Company are as follows: the Internal Audit Department adopts a risk and control-based audit approach. An annual work plan will be formulated, covering the Group's operations and businesses as well as all the major activities and processes of each subsidiary, and a special review will be carried out on the demand of the management. The audit result shall be submitted to the Audit Committee promptly for review. Where any deficiency in the internal control is identified, the subsidiaries are required to make improvements promptly according to the recommendations. Audit issues are tracked and followed up by the Internal Audit Department for proper implementation. The Internal Audit Department shall report to the Audit Committee on a regular basis, while the Audit Committee shall report the audit findings and/or progress of the audit work to the Board after reviewing the relevant information.

The Company adopted the Inside Information Management Policy (《内幕消息管理制度》) in 2013 (as revised in 2015), which provides guideline on the handling and dissemination of the Group's inside information by the Directors and employees who may have access to such information as well as the relevant internal control measures. The Board has organised the establishment of the Inside Information Committee, a committee under the Executive Committee which comprises the executive Directors, the Company Secretary, the general manager of the capital operation department and the general manager of the legal department of the Company. The members of the Inside Information Committee shall take joint responsibility for the registration and management of the inside information and the insiders of the Group, which shall be organised and implemented by the Company Secretary and the capital operation department of the Company. The officer-in-charge of other departments, branch companies and subsidiaries of the Company as well as the invested companies over which the Company has significant influence shall be responsible for the confidentiality of such information arising within their management authority, and shall report and communicate such inside information that comes to their knowledge.

After being aware of any event potentially involving inside information, the senior officers of the relevant company shall fill in and submit the Inside Information Reporting Form (《内幕消息呈報表格》) truthfully on the date such inside information comes to their knowledge. Upon receipt of such alert, the Company Secretary shall promptly convey such inside information to the members of the Inside Information Committee for assessment. In accordance with the relevant provisions of the information disclosure rules, members of the Inside Information Committee shall assess the potential inside information, fill in the Inside Information Assessment Report (《内幕消息評估報告》) and decide whether a disclosure on such information is required. Where it is determined that a disclosure is required to be made, it shall be reported to the securities regulatory authority and made within three working days or as required by the regulatory rules and regulations.

In respect of the review of the adequacy and effectiveness of the risk management and internal control systems, the Internal Audit Department provides independent assurance regarding the adequacy and effectiveness of the Group's risk management and internal control systems to the Board and the Audit Committee. The head of the Internal Audit Department shall report directly to the Audit Committee. With the assistance of the Internal Audit Department, the management of the Group shall be responsible for the design, implementation and monitoring of the risk management and internal control systems. The Annual Self-assessment Form of Internal Controls and Risk Management (《內部控制及風險管理年度自評表》) are dispatched to all subsidiaries, which shall be collected and consolidated by the Company. Such results shall be assessed by the Internal Audit Department and reported to the Audit Committee, which will then review such information and submit reports on the effectiveness of such systems to the Board on a regular basis. Where necessary, the task group(s) will hold meetings regularly to review the effectiveness of the relevant financial, operational as well as compliance control and risk management procedures and to make further improvements.

During the year, the Company has conducted the following major works relating to risk management and internal control:

- completed the relevant work of the 2025 risk management assessment and based on the 4 major risks identified from last year's assessment, to further implement comprehensive risk management measures and ensure the relevant measures for those work associated with risk to be in place effectively. For the assessment of comprehensive risk management this year, there is no matter involving "One-vote Veto". Meanwhile, safety management requirements and prevention measures were put in place in 2025, mainly through strengthening supervision and inspections; conducting business training and conducting specialised investigations, etc. There was no major safety duties incident took place in the Group throughout the year;
- in accordance with the Group's strategic planning and the management's annual management objectives, and taking into account the actual circumstances of business transformation of its subsidiaries, the Group diligently organised and implemented the internal audit work plan for 2025, and assisted its subsidiaries in enhancing their internal control and risk management capabilities;
- conducted reviews and audits in respect of matters relating to the Group's compliance management, cost control and connected transactions;
- organised the staff of the Group to carry out specialised business training to improve risk management and internal control awareness and enhance the standard of the internal audit work, including arranging dedicated internal auditors to attend online and offline practical audit training, inviting professionals to conduct anti-corruption and bribery prevention educational trainings for the Group's middle level management or above, and the executive positions members of its subsidiaries to enhance anti-corruption awareness; and

Corporate Governance Report

- during the year, the 2025 Audit Plan was fully completed, a total of 15 internal audit reports were issued. In respect of the 17 audit comments and recommendations provided for the financial year of 2025, improvement works on addressing audit-related issues were in progress, of which 15 were completed. All subsidiaries had been asked to make improvements according to such recommendations.

This year, the Board, through the Audit Committee, reviewed the risk management and internal control systems of the Group. The Board also reviewed and ensured the adequacy of the Group's resources in accounting, internal audit and financial reporting functions, staff qualifications and experience as well as staff training courses. The Annual Self-assessment Form of Internal Controls and Risk Management (《內部控制及風險管理年度自評表》) had been dispatched to all subsidiaries, which had been collected and consolidated by the Company. Such results were assessed by the Internal Audit Department and reported to the Audit Committee, which then reviewed and reported the same to the Board. The Audit Committee and the Board were not aware of any areas of concern that would have a material impact on the financial position or operating results of the Group and considered the risk management and internal control systems to be generally adequate and effective.

On 27 May 2024, the Company established the Compliance Committee, a committee under the Executive Committee, responsible for resolving compliance issues of the Group. The terms of reference have been established as the basis for the committee's duties. Since its establishment, the Compliance Committee actively performs its duties and exercises its authority by setting the strategic direction for the Group's compliance management and establishing adherence to regulations, revising the CKS Compliance Policy (《珠江船務合規方針》) and the CKS Compliance Management Policy (《珠江船務合規管理辦法》) etc. in 2024. Meanwhile, the Company obtained compliance management system certifications on ISO 37301:2021 International Standard and GB/T 35770-2022 National Standard in October 2024.

REMUNERATION OF AUDITOR

The Company has engaged KPMG as its independent auditor for the year ended 31 December 2025.

For the year ended 31 December 2025, the Company paid the auditor of the Company the following fees for audit and non-audit services.

	2025 HKD'000	2024 HKD'000
Audit Services	2,871	2,805
Non-audit Services, including:		
– review of the interim report	609	591
– continuing connected transactions, annual results announcement, tax consulting and tax compliance services	481	457
	3,961	3,853

DIVIDEND POLICY AND DIVIDEND DECISION

The Board approved and adopted the Dividend Policy on 1 January 2019 with the objective of sharing the Company's achievements with Shareholders. In determining the dividend distribution for future years, the Board will take into account the Company's future capital budget planning and assess funding requirements for the coming years, and will consider comprehensively, among others, the profitability and financial position of the Group, before proposing dividend distributions for approval by Shareholders at the general meeting. Notwithstanding the foregoing, the target dividend to be distributed to Shareholders for each financial year shall not be less than 30% of the profit attributable to equity holders of the Company for that financial year (if any), and dividends may be paid entirely in cash or in non-cash form, or partly in cash and partly in non-cash form, subject to: (a) the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); (b) the Listing Rules; and (c) the Articles of Association. The Board may revise the target dividend payout ratio having regard to the overall operating conditions of the Group.

The Board confirmed that the dividend decisions for the year were made in accordance with the Dividend Policy established by the Company.

COMMUNICATION WITH SHAREHOLDERS

The Board has established a shareholders' communication policy and the procedures for Shareholders to nominate a candidate for election as a Director. The policy and procedure are available on the website www.cksd.com of the Company.

Set out below are procedures for Shareholders to (1) convene a general meeting; (2) put forward proposals at a general meeting; and (3) put enquiries to the Board. These procedures are generally governed by the Articles of Association and applicable laws, rules and regulations, which prevail over the below information in case of any inconsistencies.

1. Procedures for Shareholders to convene a general meeting

Pursuant to the Articles of Association and the Companies Ordinance of Hong Kong, registered Shareholders holding not less than one-twentieth (5%) of the paid up capital of the Company (the "**General Meeting Requisitionists**") can deposit a written request to convene a general meeting at the registered office of the Company (the "**Registered Office**"), which is presently situated at 22nd Floor, Chu Kong Shipping Tower, 143 Connaught Road Central, Hong Kong for the attention of the Company Secretary.

The General Meeting Requisitionists must state in their request(s) the objects of the general meeting and such request(s) must be signed by all the General Meeting Requisitionists and may consist of several documents in like form, each signed by one or more of the General Meeting Requisitionists.

The Company's share registrars (the "**Share Registrars**") will verify the General Meeting Requisitionists' particulars in the General Meeting Requisitionists' request. Promptly after confirmation from the Share Registrars that the General Meeting Requisitionists' request is in order, the Company Secretary will arrange with the Board to convene a general meeting by serving sufficient notice to all the registered Shareholders in accordance with all the relevant statutory and regulatory requirements. On the contrary, if the General Meeting Requisitionists' request is verified to be not in order, the General Meeting Requisitionists will be advised of the outcome and accordingly, a general meeting will not be convened as requested.



Corporate Governance Report

The General Meeting Requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting if the Board had not arranged to duly convene a general meeting within 28 days upon serving a written notice in relation to the general meeting within 21 days of the deposit of the General Meeting Requisitionists' request, provided that any general meeting so convened is held within three months from the date of the original General Meeting Requisitionists' request. Any reasonable expenses incurred by the General Meeting Requisitionists by reason of the Board's failure to duly convene a general meeting shall be repaid to the General Meeting Requisitionists by the Company.

2. Procedures for Shareholders to put forward proposals at a general meeting

Shareholders may suggest proposals relating to the Company to be discussed at a general meeting by sending a written requisition to the Board or the Company Secretary and following the procedures set out in the paragraph headed "Procedures for Shareholders to convene a general meeting" above to convene a general meeting for any business specified in such written requisition.

3. Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Address: 24th Floor, Chu Kong Shipping Tower, 143 Connaught Road Central, Hong Kong

Telephone: (852) 2859 1415

Facsimile: (852) 2186 7204

E-mail: maggie-cksd@cks.com.hk

The general meeting is an important occasion for direct dialogues between Directors, senior executives and Shareholders, and the Company attaches great importance to any general meeting. All Directors (including independent non-executive Directors) and senior executives will try to attend the meetings, listen to Shareholders' proposals in person, and answer questions raised by shareholders concerning the development strategies and operations of the Company. The Company welcomes Shareholders to attend general meetings in person, express their opinions and raise their enquiries to the Directors and management.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company regards investor relations as utmost importance and discloses relevant information timely under the guidelines of the Listing Rules. Updates of the Company are communicated to institutional investors and analysts regularly. In the year, the Company frequently met with fund managers and investment bank analysts and responded swiftly to the queries of the small and medium investors.

The Board has reviewed the Company's communications activities with Shareholders and investors for the year ended 31 December 2025, as well as the implementation of the measures mentioned above, and is satisfied that the Shareholder and investor communications policy is effective.

There were no amendments to the Articles of Association of the Company during 2025.



**Independent auditor's report to the members of
Chu Kong Shipping Enterprises (Group) Company Limited**

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Chu Kong Shipping Enterprises (Group) Company Limited (the **"Company"**) and its subsidiaries (the **"Group"**) set out on pages 93 to 182, 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 cash flow statement 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 (**"HKSAs"**) 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.

Independent Auditor's Report

Assessing impairment of property, plant and equipment, land use rights, software and goodwill

Refer to accounting policies 2.5, 2.7 and 2.8 and notes 6, 7, 9 and 10 to the consolidated financial statements

The Key Audit Matter	How the matter was addressed in our audit
<p>The Group has significant balances of property, plant and equipment (“PP&E”), land use rights, software and goodwill which primarily attributable to cargo handling and storage and passenger transportation segments, with an aggregated carrying value of HK\$3,825,754,000 as at 31 December 2025.</p> <p>Management performs impairment testing of PP&E, land use rights and software when indicators of impairment are identified. In addition, goodwill impairment assessment is performed by management annually whether or not there is any indication of impairment.</p> <p>In performing impairment assessments, management compared carrying value of each of the separately identifiable cash-generating units (“CGU”) with respective recoverable amount, being the higher of fair value less costs of disposal and value in use, to determine the amount of impairment loss, if any.</p> <p>Fair value less costs of disposal is assessed based on independent valuations prepared by a firm of qualified external valuers.</p> <p>Value in use is assessed based on a discounted cash flow forecast prepared by management.</p>	<p>Our audit procedures to assess impairment of PP&E, land use rights, software and goodwill included the following:</p> <ul style="list-style-type: none"> • obtaining and inspecting the valuation reports prepared by the external valuers engaged by management and on which the directors’ assessment of the recoverable amount of respective assets was based; • assessing the external valuers’ qualifications, experience and expertise in the assets being valued and considering their objectivity; • discussing with the external valuers and evaluating the valuation methodology and challenging the key estimates and assumptions adopted in the valuations, by comparison with available market data and/or government produced market statistics; • assessing the management’s evaluation of indicators of impairment, identification of CGU, the allocation of PP&E, land use rights, software and goodwill to each CGU and the methodology adopted by management in the preparation of the discounted cash flow forecasts with reference to our understanding of the Group’s business and the requirements of prevailing accounting standards;

The Key Audit Matter	How the matter was addressed in our audit
<p>The preparation of discounted cash flow forecasts involves the exercise of significant management judgement in determining the relevant inputs to the discounted cash flow forecasts and the assumptions adopted therein, including forecast revenue growth rates and the discount rates.</p>	<ul style="list-style-type: none"> • assessing the management's cash flow forecasts by comparing the key assumptions adopted by management, in particular, forecast revenue growth rates and the discount rates, with reference to our understanding of the Group's business and industry and available market data;
<p>We identified the assessment of impairment of PP&E, land use rights, software and goodwill as a key audit matter because the assessment involves significant management judgement which could be subject to management bias.</p>	<ul style="list-style-type: none"> • 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; • performing sensitivity analyses on the discount rates and other key assumptions 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 • assessing the disclosures in the consolidated financial statements in respect of the impairment assessment with reference to the requirements of the prevailing accounting standards.



Independent Auditor's Report

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 within the 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 HKSAs 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 HKSAs, 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

- 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 Pang Chi Wai, Aaron (practicing certificate number: P07323).

KPMG

Certified Public Accountants

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

Consolidated Statement of Financial Position

as at 31 December 2025
(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	3,147,539	2,901,884
Investment properties	8	17,018	17,187
Land use rights	9	438,116	391,649
Intangible assets	10	240,099	242,677
Investments in joint ventures	12	278,607	294,307
Investments in associates	13	318,448	125,876
Deferred income tax assets	14	2,102	1,306
Other non-current assets		19,681	64,284
		4,461,610	4,039,170
Current assets			
Inventories and spare parts	15	17,898	20,400
Trade and other receivables	16	648,778	600,128
Income tax recoverable		3,297	–
Bank deposits and cash and cash equivalents	17	963,550	845,459
		1,633,523	1,465,987
Total assets		6,095,133	5,505,157
EQUITY			
Share capital	18	1,415,118	1,415,118
Reserves	19	1,800,177	1,755,717
		3,215,295	3,170,835
Non-controlling interests		439,091	428,856
Total equity		3,654,386	3,599,691

Consolidated Statement of Financial Position

as at 31 December 2025
(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	14	89,160	84,360
Deferred income	24	793,095	697,782
Lease liabilities	21	82,736	38,556
Long term borrowings	23	240,212	100,920
Other payables	20	22,794	16,675
		1,227,997	938,293
Current liabilities			
Trade payables, accruals and other payables	20	595,187	509,599
Amounts due to the non-controlling interests	22	200,310	200,187
Income tax payables		11,022	16,223
Lease liabilities	21	13,585	23,757
Short-term borrowings	23	371,616	200,000
Current portion of long term borrowings	23	21,030	17,407
		1,212,750	967,173
Total liabilities		2,440,747	1,905,466
Total equity and liabilities		6,095,133	5,505,157
Net current assets		420,773	498,814
Total assets less current liabilities		4,882,383	4,537,984

Approved and authorised by the board of directors on 31 March 2026

Zhou Jun
Director

Zhong Yan
Director

The notes on pages 100 to 182 form part of these financial statements.

Consolidated Statement of Profit or Loss

for the year ended 31 December 2025
(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
Revenue	5	2,551,156	2,741,286
Cost of sales/services rendered		(2,394,214)	(2,501,218)
Gross profit		156,942	240,068
Other income	25	218,025	174,818
Other losses, net	26	(540)	(3,062)
General and administrative expenses		(305,672)	(298,326)
Operating profit		68,755	113,498
Finance income	28	7,289	15,117
Finance cost	28	(18,375)	(19,122)
Share of profits less losses of:			
– Joint ventures	12	(6,915)	12,178
– Associates	12	25,721	25,137
Profit before income tax		76,475	146,808
Income tax expense	29(a)	(19,310)	(21,128)
Profit for the year		57,165	125,680
Attributable to:			
Equity holders of the Company		51,996	117,027
Non-controlling interests		5,169	8,653
		57,165	125,680
Earnings per share (HK cents)			
Basic and diluted	31	4.64	10.44

The notes on pages 100 to 182 form part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025
(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
Profit for the year		57,165	125,680
Other comprehensive income for the year:			
<i>Items that will not be reclassified to profit or loss</i>			
Unlisted equity security at fair value through other comprehensive income – change in fair value, net of HK\$nil tax effect		–	1,136
<i>Items that have been reclassified or may be reclassified subsequently to profit or loss</i>			
Currency translation differences, net of HK\$nil tax effect:			
– Subsidiaries		41,719	(50,626)
– Joint ventures and associates		11,870	(7,299)
Other comprehensive income for the year		53,589	(56,789)
Total comprehensive income for the year		110,754	68,891
Attributable to:			
Equity holders of the Company		100,519	66,412
Non-controlling interests		10,235	2,479
		110,754	68,891

The notes on pages 100 to 182 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025
(Expressed in Hong Kong dollars)

	Attributable to owners of the Company										
	Share capital	Exchange reserve	Revaluation reserve	Capital reserve	Statutory reserves	Merger reserves	Fair value reserve (non-recycling)	Retained profits	Total	Non-controlling interests	Total equity
	(note 19(b))	(note 19(b))	(note 19(c))	(note 19(a))	(note 19(d))	(note 19(e))					
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2025	1,415,118	(99,232)	23,009	167,717	119,070	(871,425)	2,320	2,414,258	3,170,835	428,856	3,599,691
Profit for the year	-	-	-	-	-	-	-	51,996	51,996	5,169	57,165
Other comprehensive income:											
Currency translation differences											
- Subsidiaries	-	37,210	-	-	-	-	-	-	37,210	4,509	41,719
- Joint ventures and associates	-	11,313	-	-	-	-	-	-	11,313	557	11,870
Transfer of reserves	-	-	-	-	970	-	-	(970)	-	-	-
Total comprehensive income for the year	-	48,523	-	-	970	-	-	51,026	100,519	10,235	110,754
2024 final dividend	-	-	-	-	-	-	-	(44,847)	(44,847)	-	(44,847)
2025 interim dividend	-	-	-	-	-	-	-	(11,212)	(11,212)	-	(11,212)
At 31 December 2025	1,415,118	(50,709)	23,009	167,717	120,040	(871,425)	2,320	2,409,225	3,215,295	439,091	3,654,386

The notes on pages 100 to 182 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025
(Expressed in Hong Kong dollars)

	Attributable to owners of the Company										
	Share capital	Exchange reserve	Revaluation reserve	Capital reserve	Statutory reserves	Merger reserves	Fair value reserve (non-recycling)	Retained profits	Total	Non-controlling interests	Total equity
	HK\$'000	(note 19(b)) HK\$'000	(note 19(c)) HK\$'000	(note 19(a)) HK\$'000	(note 19(d)) HK\$'000	(note 19(e)) HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024	1,415,118	(47,481)	23,009	167,717	118,246	(871,425)	1,184	2,380,538	3,186,906	311,136	3,498,042
Profit for the year	-	-	-	-	-	-	-	117,027	117,027	8,653	125,680
Other comprehensive income:											
Currency translation differences											
- Subsidiaries	-	(45,276)	-	-	-	-	-	-	(45,276)	(5,350)	(50,626)
- Joint ventures and associates	-	(6,475)	-	-	-	-	-	-	(6,475)	(824)	(7,299)
Fair value change on financial asset	-	-	-	-	-	-	1,136	-	1,136	-	1,136
Transfer of reserves	-	-	-	-	824	-	-	(824)	-	-	-
Total comprehensive income for the year	-	(51,751)	-	-	824	-	1,136	116,203	66,412	2,479	68,891
Transactions with owners:											
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	120,219	120,219
Acquisition of additional interests in a subsidiary	-	-	-	-	-	-	-	(4,002)	(4,002)	1,913	(2,089)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(6,891)	(6,891)
2023 final dividend	-	-	-	-	-	-	-	(56,058)	(56,058)	-	(56,058)
2024 interim dividend	-	-	-	-	-	-	-	(22,423)	(22,423)	-	(22,423)
At 31 December 2024	1,415,118	(99,232)	23,009	167,717	119,070	(871,425)	2,320	2,414,258	3,170,835	428,856	3,599,691

The notes on pages 100 to 182 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 31 December 2025
(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
Cash flows from operating activities			
Cash generated from operations	34(a)	304,657	21,637
Hong Kong profits tax paid		(6,360)	(4,164)
Mainland China corporate income tax paid		(16,887)	(18,213)
Macao profits tax paid		(833)	(1,013)
Net cash generated from/(used in) operating activities		280,577	(1,753)
Cash flows from investing activities			
Payment for purchase of property, plant and equipment		(218,046)	(110,039)
Payment for purchase of intangible assets		(211)	(3,223)
Acquisition of a subsidiary, net of cash received		6,378	(123,398)
Proceeds from disposals of property, plant and equipment		1,919	4,318
Proceeds from bank deposits with more than three months to maturity		286,249	73,411
Placement of bank deposits with more than three months to maturity		(288,339)	(114,230)
Dividends received from joint ventures and associates		23,433	19,697
Cash receipt from disposals of interest in joint ventures		–	17,406
Capital injection to investment in a associate		(180,681)	–
Interest received		7,289	15,117
Net cash used in investing activities		(362,009)	(220,941)
Cash flows from financing activities			
Dividends paid		(56,059)	(78,481)
Dividends paid to non-controlling interests		–	(6,891)
Interest paid		(14,706)	(16,910)
Payment for acquisition of additional interests in subsidiaries		–	(2,089)
Capital element of lease rentals paid	34(b)	(33,276)	(26,198)
Interest element of lease rentals paid	34(b)	(3,669)	(2,212)
Repayment of bank loans	34(b)	(306,160)	(296,260)
Drawdown of bank loans	34(b)	611,616	281,803
Drawdown of amount due to the non-controlling interests	34(b)	–	161,554
Repayment of amount due to the non-controlling interests	34(b)	(4,000)	–
Net cash generated from financing activities		193,746	14,316
Net increase/(decrease) in cash and cash equivalents		112,314	(208,378)
Cash and cash equivalents at the beginning of the year		752,055	985,736
Effect of exchange rate changes		4,492	(25,303)
Cash and cash equivalents at the end of the year	17	868,861	752,055

The notes on pages 100 to 182 form part of these financial statements.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

1 GENERAL INFORMATION

Chu Kong Shipping Enterprises (Group) Company Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong. The address of its registered office is 22nd Floor, Chu Kong Shipping Tower, 143 Connaught Road Central, Hong Kong.

The Company and its subsidiaries (collectively referred to as the “**Group**”) are mainly engaged in provision of management and other related services to high-speed waterway passenger transportation in Guangdong, Hong Kong and Macao; the operation and management of river trade cargo terminals in the Mainland China and Hong Kong; cargo transportation, warehousing and storage business; provision of diesel and lubricants for passenger ferries and cargo vessels in Hong Kong; provision of operation and management of facilities maintenance services for properties and so forth in Macao; and provision of ferry services and charter hire of vessels services in Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These financial statements have been approved for issue by the board of directors of the Company on 31 March 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of Chu Kong Shipping Enterprises (Group) Company Limited and its subsidiaries.

2.1 Basis of preparation

- (i) The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the requirements of the Hong Kong Companies Ordinance (“**HKCO**”). These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Material accounting policies adopted by the Group are disclosed below.

The consolidated financial statements have been prepared on a historical cost basis, except that the following assets is stated at its fair value as explained in the accounting policies set out below:

- financial asset at fair value through other comprehensive income (see note 2.9)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(i) (Continued)

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 4.

(ii) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRS Accounting Standards that are first effective for the current account period of the Group:

- Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*

The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(iii) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new and amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

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.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting

(i) Subsidiaries and non-controlling interests

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intercompany balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intercompany transactions, are eliminated. Unrealised losses resulting from intercompany transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests (“**NCI**”) either at fair value or at the NCI’s proportionate share of the subsidiary’s net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. NCI 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 NCI and the equity shareholders of the company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

Changes in the Group’s interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint ventures

A joint venture is an arrangement whereby the Group or Company has joint control, whereby the Group or the Company has the rights to the net assets of the arrangement, rather than rights to its assets and obligation for its liabilities.

Investments in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(iv) Equity accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.10.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, 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 profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(v) Changes in ownership interests (Continued)

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment (see note 2.10). Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.4 Foreign currency translation

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**"). The consolidated financial statements are presented in Hong Kong dollars (HK\$), which is the Company's functional currency and the Group's presentation currency.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.5 Property, Plant and equipment

(i) Construction in progress

Construction in progress represents vessels and barges or other property, plant and equipment under construction which is carried at cost less any accumulated impairment losses.

Construction in progress includes construction expenditure incurred, borrowing costs and other direct costs attributable to the construction. On completion, the construction in progress is transferred to appropriate categories of property, plant and equipment. No depreciation is provided for construction in progress.

(ii) Property, plant and equipment

Property, plant and equipment, including right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest and right-of-use assets arising from leases of underlying plant and equipment (see note 2.21), are stated at historical cost less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Buildings	20-50 years
Leasehold improvements	5-8 years
Plant and machinery	4-15 years
Furniture, fixtures and equipment	3-8 years
Motor vehicles	3-8 years
Containers	4-8 years
Vessels and barges	3-25 years
Other properties leased for own use	Over the lease term
Other right-of-use assets leased for own use	Over the lease term

Major costs incurred in restoring the property, plant and equipment and vessels and barges to their normal working condition are charged to the profit or loss. Improvements are capitalised and depreciated over their expected useful lives.

Vessel repairs and survey costs are charged as operating expenses as they are incurred. Vessel component costs include the cost of major components which are usually replaced or renewed at dry-dockings. Dry-docking costs of vessel and the costs incurred in replacing or renewing the separate assets are capitalised and depreciated over the period to the next estimated dry-dock date.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.5 Property, Plant and equipment (Continued)

(ii) Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. 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.

Items may be produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognised in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts of the assets and are recognised within 'other (losses)/gains – net', in the profit or loss.

2.6 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2.21) to earn rental income and/or for capital appreciation.

Investment properties are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives of 20 to 50 years. Rental income from investment properties is accounted for as described in note 2.19.

2.7 Land use rights

Land use rights represent lease payments for interest in land and are carried at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method to allocate the lease payments over the remaining lease term.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.8 Intangible assets

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“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.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of sale. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(ii) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.8 Intangible assets (Continued)

(ii) Software (Continued)

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

The Group amortises software with a limited useful life using the straight-line method over 5 – 10 years. Both the period and method of amortisation are reviewed annually.

2.9 Financial assets

(i) Classification

The Group categorises financial assets into three principal classification: measured at amortised cost, at fair value through other comprehensive income (“**FVOCI**”) and at fair value through profit or loss (“**FVPL**”). The classification of financial assets is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

The Group’s financial assets include trade and other receivables (note 16), bank deposits and cash and cash equivalents (note 17) and other financial asset.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method less allowance for credit losses.

2.10 Impairment of investments in subsidiaries, joint ventures, associates and non-financial assets

Assets that have an indefinite useful life, for example, goodwill, are not subject to depreciation/ amortisation and are tested annually for impairment. Other assets 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 sale and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.10 Impairment of investments in subsidiaries, joint ventures, associates and non-financial assets (Continued)

Impairment testing of the investments in subsidiaries, joint ventures and associates is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiaries, joint ventures and associates in the period the dividend is declared or if the carrying amount of the investment exceeds the carrying amount of the investee's net assets.

2.11 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business when the Group has an unconditional right to receive consideration. If collection of trade and other receivables is 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.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost using the effective interest method and including allowance for credit losses.

The Group assess on a forward-looking basis the expected credit loss associated. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applied the simplified approach permitted by HKFRS 9, which requires expected credit losses to be recognised from initial recognition of the receivables. Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses. The amount of the loss allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in other operating expenses in the statement of profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amount previously written off are credited against other loss, net in the consolidated statement of profit or loss.

2.12 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash and cash equivalents are assessed for expected credit losses.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.13 Share capital

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.

2.14 Trade payables, accruals and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables and other 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). If not, they are presented as non-current liabilities.

They are recognised initially at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

2.15 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets which necessarily takes a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of the assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to the profit or loss in the financial period in which they are incurred.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.16 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates 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.

(ii) Deferred income tax

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amount will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in 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.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.17 Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Defined benefit plan obligations

The Group has the following two categories of defined benefit plans:

- defined benefit retirement plans registered under the Hong Kong Occupational Retirement Schemes Ordinance (the “**ORSO plans**”); and
- Long service payment (“**LSP**”) under the Hong Kong Employment Ordinance.

The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. For ORSO plans, the net obligation is after deducting the fair value of plan assets. For LSP obligations, the estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group’s MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The calculation of defined benefit obligation is performed by a qualified actuary using the projected unit credit method. For ORSO plans, when the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements arising from defined benefit plans, which comprise actuarial gains and losses, the return on plan assets in ORSO plans (excluding interest) and the effect of any asset ceiling (excluding interest), are recognised immediately in OCI. Net interest expense for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. The contributions to defined contribution schemes are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.17 Employee benefits (Continued)

(iii) Bonus entitlements

The Group recognises a liability and an expense for bonus when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(iv) Termination benefits

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 the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

2.18 Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.19 Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Cargo transportation

Revenues from the rendering of services in river trade cargo direct shipment and transshipment are recognised in the financial period in which the services are rendered.

(ii) Cargo handling and storage

Revenues from the rendering of services in river trade wharf cargo handling, cargo consolidation and godown storage and container hauling and trucking are recognised in the financial period in which the services are rendered.

(iii) Passenger transportation agency service

Revenues from passenger transportation agency services are recognised based on net agency fee upon departure of ferries at terminals.

(iv) Ferry terminal operation service

Revenues from ferry terminal operation service are recognised based on net ferry terminal operation service fee upon departure of ferries at terminals.

(v) Fare receipts, freight revenue, hiring income, berthing fee, commission, passenger and maintenance services income

Fare receipts, freight revenue, hiring income, berthing fee, commission, passenger services and ferry terminal maintenance services income are recognised when the services are rendered.

(vi) Management service

Revenues from management service are recognised when the service is rendered.

(vii) Interest income

Interest income is recognised using the effective interest method.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.19 Revenue and other income (Continued)

(viii) Dividend income

Dividend income is recognised in profit or loss on the date on which the group's right to receive payment is established.

(ix) Rental income and charter hire income

Rental income and charter hire income are recognised on a straight-line basis over the term of the lease.

(x) Oil trading

Revenue from trading of oil are recognised when the customer takes possession of and accepts the goods.

(xi) Marine bunkering services

Revenue from marine bunkering services is recognised when the services are rendered.

(xii) Advertising income

Advertising income is recognised when the related advertisement or commercial appears before the public.

2.20 Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.21 Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily barges, offices and staff quarters. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2.5 and 2.10).

Refundable rental deposits are accounted for separately from the right-of-use assets carried at amortised cost. Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.21 Leased assets (Continued)

(i) As a lessee (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) As a lessor

The group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. Otherwise, the lease is classified as an operating lease.

2.22 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.23 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the profit or loss on a straight-line basis over the expected lives of the related assets.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

2.24 Inventories and spare parts

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories and spare parts are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions.

3.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group mainly operates in Hong Kong and the People's Republic of China ("PRC") and is exposed to foreign exchange risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are Renminbi, Hong Kong dollar and United States dollar. The Group continuously monitors its foreign currency position and will consider hedging significant foreign currency exposure by using foreign exchange forward contracts when the need arises.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

At 31 December 2025, if Hong Kong dollar had weakened or strengthened by 5% against the Renminbi with all other variables held constant, profit after income tax for the year of the Group would have been HK\$1,452,000 (2024: HK\$1,252,000) higher or lower respectively, mainly as a result of foreign exchange gains on translation of bank balances, receivable and payable balances denominated in a foreign currency.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3.1 FINANCIAL RISK FACTORS (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

Under the Linked Exchange Rate System in Hong Kong, Hong Kong dollar is pegged to the United States dollar. Therefore the Group does not expose to significant foreign exchange risk in respect of its assets and liabilities denominated in United State dollar.

(ii) Interest rate risk

The Group's bank balances, amount due to the non-controlling interest and bank borrowings bear interest at floating rates which expose the Group to cash flow interest rate risk. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

At 31 December 2025, if interest rates on financial assets had been 100 basis points higher or lower with all other variables held constant, profit after income tax and retained profits for the year of the Group would have been HK\$7,255,000 (2024: HK\$6,280,000) higher or lower respectively, mainly as a result of higher or lower finance income from bank balances.

At 31 December 2025, if interest rates on financial liabilities had been 100 basis points higher or lower with all other variables held constant, profit after income tax for the year of the Group would have been HK\$5,344,000 (2024: HK\$4,229,000) lower or higher respectively mainly as a result of higher or lower finance cost from amounts due to the non-controlling interests and bank borrowings.

The Group currently does not have a hedging policy on interest rate exposure. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure if necessary.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables, bank deposits, cash and cash equivalents and loan to a joint venture.

The Group does not provide any guarantees which would expose the Group to credit risk.

For bank deposits and cash and cash equivalents, a substantial portion of the Group's bank balances and deposits were placed with PRC state-owned banks which have sound credit ratings. Management considers the credit risk is low.

3.1 FINANCIAL RISK FACTORS (Continued)

(b) Credit risk (Continued)

(i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. There is no concentration of credit risk with respect to trade and other receivables as the Group has a large number of customers which are widely dispersed. No individual third party customers accounted for more than 10% of the Group's revenue.

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within seven days to three months from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade and other receivables at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. The Group considered that there is no significant loss allowance recognised in accordance with HKFRS 9 as at 31 December 2025 and 31 December 2024, and no expected credit loss rate has therefore been disclosed.

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

	2025 HK\$'000	2024 HK\$'000
Balance at 1 January	10,516	8,434
Amounts written off during the year	(3,417)	(1,488)
Reversal of impairment losses	(215)	(4,402)
Impairment losses recognised during the year	4,766	7,972
Balance at 31 December	11,650	10,516

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(Expressed in Hong Kong dollars unless otherwise indicated)

3.1 FINANCIAL RISK FACTORS (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by maintaining available committed credit lines.

The table below analyses the Group's financial liabilities which will be settled into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000	Carrying amount HK\$'000
At 31 December 2025						
Bank borrowings	405,096	35,545	77,677	163,574	681,892	632,858
Amounts due to the non-controlling interests	203,016	–	–	–	203,016	200,310
Lease liabilities	16,580	13,999	27,289	63,362	121,230	96,321
Trade payables, accruals and other payables	585,794	–	11,287	–	597,081	597,081
At 31 December 2024						
Bank borrowings	220,737	23,280	52,695	34,395	331,107	318,327
Amounts due to the non-controlling interests	203,112	–	–	–	203,112	200,187
Lease liabilities	25,359	13,309	24,600	2,968	66,236	62,313
Trade payables, accruals and other payables	501,075	–	5,902	–	506,977	506,977

3.2 CAPITAL RISK MANAGEMENT

Capital represents the total equity as shown in the consolidated statement of financial position.

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 cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce short-term and long term borrowings.

3.2 CAPITAL RISK MANAGEMENT (Continued)

There were no changes in the management's approach to capital management of the Group during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

3.3 FAIR VALUE ESTIMATION

The carrying values less impairment loss (if applicable) of financial assets (including bank deposit and cash and cash equivalents) and the carrying values of financial liabilities with maturities within twelve months from the end of the reporting period are reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Fair value of long term borrowings is estimated using the estimated future payments discounted at market interest rates.

The financial instruments are measured in the statement of financial position at fair values and disclosed under the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active market for identical assets and liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets and liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

At 31 December 2025 and 31 December 2024, the financial assets at fair value through other comprehensive income of the Group were categorised Level 3 and the fair values were summarised as follows:

	2025			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Financial asset at FVOCI	–	–	4,128	4,128

	2024			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Financial asset at FVOCI	–	–	4,128	4,128

During the years ended 31 December 2025 and 2024, there were no transfers between the levels.



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

4 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 to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future financial periods are stated below.

(i) Impairment assessment of property, plant and equipment, land use rights, software and goodwill

The Group's property, plant and equipment, land use rights, software and goodwill which primarily attributable to cargo handling and storage segment, amounted to HK\$3,825,734,000 as at 31 December 2025. Management has performed impairment assessment on these assets based on the policies set out below.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.8. Determining whether goodwill is impaired requires an estimation of the recoverable amounts of CGUs to which goodwill has been allocated. The recoverable amounts of CGUs have been determined based on value-in-use calculations.

According to the accounting policies stated in note 2.10 and note 2.8, property, plant and equipment, land use rights and software are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management judgement is required in the area of asset impairment particularly in assessing (i) whether any events including changes in government policies has occurred that may indicate that the related asset value may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of sale or net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including revenue growth rates and discount rates.

The key assumptions applied in the cash flow projections of value-in-use calculations are revenue growth rates and discount rates and are set out in note 10.

(ii) Loss allowance for trade and other receivables

Management measures the loss allowance for expected credit losses of trade and other receivables based on the credit history of its customers, the current market situation and forecasts of future economic conditions. Management will reassess the estimations at each the end of each reporting period.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

5 REVENUE AND SEGMENT INFORMATION

Revenue consists of revenues from cargo transportation, cargo handling and storage, passenger transportation, fuel supply and corporate and other businesses.

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Cargo transportation	1,450,782	1,606,094
Cargo handling and storage	378,224	357,810
Passenger transportation	380,762	372,791
Fuel supply	320,322	382,747
Corporate and other businesses	21,066	21,844
	2,551,156	2,741,286

The chief operating decision-maker has been identified as the executive directors of the Company, which reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors of the Company consider the business from service perspectives and assess the performance of the Group and its joint ventures and associates which are organised into five main businesses:

- (i) Cargo transportation – Shipping agency, river trade cargo direct shipment and transshipment and container handling and trucking
- (ii) Cargo handling and storage – Wharf cargo and container handling, cargo consolidation and godown storage
- (iii) Passenger transportation – Passenger transportation agency services, travel agency operation and passenger carrier service and provision of ferry services and charter hire of vessels services
- (iv) Fuel supply – Oil trading and marine bunkering service
- (v) Corporate and other businesses – Investment holding and other businesses

The executive directors of the Company assess the performance of the operating segments based on their segment profit before income tax expense, which is measured in a manner consistent with that in the consolidated financial statements.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

5 REVENUE AND SEGMENT INFORMATION (Continued)

Sales between segments are carried out on terms equivalent to those that prevail with third parties. The revenue from external parties reported to the executive directors of the Company is measured in a manner consistent with that in the consolidated statement of profit or loss.

	Cargo transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2025						
Total revenue	1,560,416	539,240	381,023	441,710	69,457	2,991,846
Inter-segment revenue	(109,634)	(161,016)	(261)	(121,388)	(48,391)	(440,690)
Revenue (from external customers)	1,450,782	378,224	380,762	320,322	21,066	2,551,156
Timing of revenue recognition						
At a point in time	-	-	304,462	320,322	1,657	626,441
Over time	1,450,782	378,224	76,300	-	19,409	1,924,715
	1,450,782	378,224	380,762	320,322	21,066	2,551,846
Segment profit/(loss) before income tax expense						
	8,251	40,120	21,633	8,014	(1,543)	76,475
Income tax (expense)/credit	(2,025)	(16,450)	(90)	(1,284)	539	(19,310)
Segment profit/(loss) after income tax expense						
	6,226	23,670	21,543	6,730	(1,004)	57,165
Segment profit/(loss) before income tax expense includes:						
Finance income	389	295	212	5	6,388	7,289
Finance cost	(1,152)	(6,321)	(1,486)	(13)	(9,403)	(18,375)
Depreciation and amortisation	(11,031)	(109,838)	(70,935)	(3,467)	(4,742)	(200,013)
Share of profits less losses of:						
Joint ventures	4,842	5,544	(17,301)	-	-	(6,915)
Associates	-	4,267	21,454	-	-	25,721

5 REVENUE AND SEGMENT INFORMATION (Continued)

	Cargo transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Total HK\$'000
Year ended 31 December 2024						
Total revenue	1,696,152	527,474	372,791	513,071	81,601	3,191,089
Inter-segment revenue	(90,058)	(169,664)	-	(130,324)	(59,757)	(449,803)
Revenue (from external customers)	1,606,094	357,810	372,791	382,747	21,844	2,741,286
Timing of revenue recognition						
At a point in time	-	-	308,435	382,747	1,971	693,153
Over time	1,606,094	357,810	64,356	-	19,873	2,048,133
	1,606,094	357,810	372,791	382,747	21,844	2,741,286
Segment profit before income tax expense	23,097	65,864	26,116	9,476	22,255	146,808
Income tax (expense)/credit	(2,764)	(18,638)	(1,970)	(960)	3,204	(21,128)
Segment profit after income tax expense	20,333	47,226	24,146	8,516	25,459	125,680
Segment profit before income tax expense includes:						
Finance income	855	5,267	2,136	11	6,848	15,117
Finance cost	(1,033)	(6,017)	(1,777)	(11)	(10,284)	(19,122)
Depreciation and amortisation	(8,192)	(109,594)	(43,077)	(2,864)	(2,935)	(166,662)
Share of profits less losses of:						
Joint ventures	3,920	7,905	353	-	-	12,178
Associates	-	4,122	21,015	-	-	25,137
Impairment loss on investment in an associate	-	-	(3,000)	-	-	(3,000)
Impairment loss on property, plant and equipment	-	(4,000)	-	-	-	(4,000)

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

5 REVENUE AND SEGMENT INFORMATION (Continued)

	Cargo transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Inter segment elimination HK\$'000	Total HK\$'000
As at 31 December 2025							
Total segment assets	686,198	3,342,312	1,726,864	202,499	1,851,621	(1,714,361)	6,095,133
Total segment assets include:							
– Joint ventures	52,551	98,754	127,302	-	-	-	278,607
– Associates	-	228,252	90,196	-	-	-	318,448
Additions to non-current assets (excluding deferred income tax assets)	8,489	465,531	126,850	16,742	6,422	-	624,034
Total segment liabilities	(518,834)	(1,171,552)	(1,094,576)	(92,464)	(1,277,682)	1,714,361	(2,440,747)

	Cargo transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Inter segment elimination HK\$'000	Total HK\$'000
As at 31 December 2024							
Total segment assets	705,575	3,002,783	1,629,625	180,664	1,633,560	(1,647,050)	5,505,157
Total segment assets include:							
– Joint ventures	48,617	102,012	143,678	-	-	-	294,307
– Associates	-	42,583	83,293	-	-	-	125,876
Additions to non-current assets (excluding deferred income tax assets)	5,555	395,710	724,054	11,817	4,540	-	1,141,676
Total segment liabilities	(493,384)	(1,036,053)	(948,137)	(61,589)	(1,013,353)	1,647,050	(1,905,466)

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

5 REVENUE AND SEGMENT INFORMATION (Continued)

Geographical analysis

The Group's revenue is substantially derived from operations carried out in Mainland China and Hong Kong and customers are located in Mainland China and Hong Kong. Geographical segment information is not presented as the directors consider that the nature of the provision of cargo and passenger transportation services, which are carried out in Mainland China and Hong Kong, preclude a meaningful allocation of operating profit to specific geographical segments.

The analysis of the Group's non-current assets by geographical location is as follows:

	2025 HK\$'000	2024 HK\$'000
Non-current assets excluding investments in joint ventures and associates, other financial asset and deferred income tax assets		
Hong Kong	2,132,952	2,063,143
Mainland China	1,709,820	1,490,254
	3,842,772	3,553,397
Joint ventures and associates		
Hong Kong	74,930	66,506
Singapore	27,283	25,598
Mainland China	490,930	325,308
Macao	3,912	2,771
	597,055	420,183
Other non-current assets	19,681	64,284
Deferred income tax assets	2,102	1,306
	4,461,610	4,039,170

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

6 PROPERTY, PLANT AND EQUIPMENT

	Ownership interest in leasehold land and buildings HK\$'000	Other properties leased for own use HK\$'000	Construction in progress HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Containers HK\$'000	Vessels and barges HK\$'000	Total HK\$'000
Cost										
At 1 January 2025	2,079,469	82,327	301,154	91,540	525,684	71,241	44,518	38,308	1,025,045	4,259,286
Exchange differences	33,666	638	9,005	1,892	16,597	847	748	14	-	63,407
Additions	738	2,237	150,396	19,621	19,948	3,525	2,196	7,895	151,290	357,846
Additions through acquisition of a subsidiary	79,810	-	-	-	5,041	198	67	-	-	85,116
Additions from capitalisation for amortisation of land use rights	-	-	2,971	-	-	-	-	-	-	2,971
Reclassification to land use rights	-	-	(51,187)	-	-	-	-	-	-	(51,187)
Transfer	-	-	(763)	-	763	-	-	-	-	-
Lease modification	(8,389)	3,623	-	-	-	-	-	-	6,085	1,319
Disposals/write-off	(13)	(34,103)	-	(3,468)	(15,083)	(6,090)	(3,878)	(1,923)	(10,927)	(75,485)
At 31 December 2025	2,185,281	54,722	411,576	109,585	552,950	69,721	43,651	44,294	1,171,493	4,643,273
Accumulated depreciation and impairment										
At 1 January 2025	593,258	49,481	-	76,111	385,702	67,249	31,093	17,926	136,582	1,357,402
Exchange differences	11,725	412	-	966	7,920	727	356	13	-	22,119
Charge for the year	57,647	15,209	-	7,050	28,190	4,169	3,132	3,616	65,886	184,899
Write back on disposal/write-off	(12)	(29,402)	-	(3,427)	(14,124)	(6,068)	(3,858)	(1,652)	(10,143)	(68,686)
At 31 December 2025	662,618	35,700	-	80,700	407,688	66,077	30,723	19,903	192,325	1,495,734
Net book value										
At 31 December 2025	1,522,663	19,022	411,576	28,885	145,262	3,644	12,928	24,391	979,168	3,147,539

6 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Ownership interest in leasehold land and buildings HK\$'000	Other properties leased for own use HK\$'000	Construction in progress HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Containers HK\$'000	Vessels and barges HK\$'000	Total HK\$'000
Cost										
At 1 January 2024	2,062,001	78,239	21,019	87,226	528,365	71,719	55,452	35,734	300,540	3,240,295
Exchange differences	(20,146)	(734)	(3,406)	(950)	(8,773)	(708)	(546)	(12)	-	(35,275)
Additions	6,719	853	152,312	5,264	4,192	1,016	696	5,330	711,737	888,119
Additions through acquisition of a subsidiary	-	-	157,311	-	-	-	-	-	-	157,311
Additions from capitalisation for amortisation of land use rights	-	-	3,872	-	-	-	-	-	-	3,872
Transfer from investment properties	28,587	-	-	-	-	-	-	-	-	28,587
Transfer to intangible assets	-	-	(10,107)	-	-	-	-	-	-	(10,107)
Transfer	1,391	-	(19,847)	-	-	-	-	-	18,456	-
Cost adjustment	1,343	-	-	-	5,486	-	-	-	-	6,829
Lease modification	-	3,969	-	-	-	-	-	-	14,983	18,952
Disposals/write-off	(426)	-	-	-	(3,586)	(786)	(11,084)	(2,744)	(20,671)	(39,297)
At 31 December 2024	2,079,469	82,327	301,154	91,540	525,684	71,241	44,518	38,308	1,025,045	4,259,286
Accumulated depreciation and impairment										
At 1 January 2024	548,395	36,403	-	69,775	360,323	64,850	38,314	18,001	120,343	1,256,404
Exchange differences	(11,707)	(445)	-	(713)	(7,053)	(621)	(333)	(10)	-	(20,882)
Transfer from investment properties	3,097	-	-	-	-	-	-	-	-	3,097
Charge for the year	53,884	13,523	-	7,049	31,600	3,788	3,444	2,593	36,910	152,791
Write back on disposal/write-off	(411)	-	-	-	(3,168)	(768)	(10,332)	(2,658)	(20,671)	(38,008)
Impairment (note 6(i))	-	-	-	-	4,000	-	-	-	-	4,000
At 31 December 2024	593,258	49,481	-	76,111	385,702	67,249	31,093	17,926	136,582	1,357,402
Net book value										
At 31 December 2024	1,486,211	32,846	301,154	15,429	139,982	3,992	13,425	20,382	888,463	2,901,884

Property, plant and equipment of the Group with net book value amounting to HK\$144,296,000 (2024: HK\$147,167,000) have been pledged as securities for the bank loans of the Group (note 23).

Note:

- (i) During the year ended 31 December 2024, the Group's management identified certain individual CGUs for impairment assessment purpose, which under-performed and estimated the recoverable amounts of the property, plant and equipment, land use rights and software of these CGUs. Based on these estimates, the carrying amount of property, plant and equipment of one of the CGUs was written down by HK\$4,000,000 during prior year. The recoverable amount of the CGU amounted to HK\$65,087,000 based on the value in use. The estimates of recoverable amount were based on the value in use of these property, plant and equipment, determined using a discount rate of 10%. As a result, impairment loss of property, plant and equipment of HK\$4,000,000 were recognised in prior year.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

7 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	Note	2025 HK\$'000	2024 HK\$'000
Ownership interests in leasehold land and buildings with remaining lease term of:	7(i)		
– Between 10 and 50 years		1,435,941	1,396,564
– 50 years or more		86,722	89,647
		1,522,663	1,486,211
Other properties leased for own use	7(ii)	19,022	32,846
		1,541,685	1,519,057
Land use rights	7(i) & 9	438,116	391,649
Ownership interests in leasehold investment properties with remaining lease term of:	8		
– 50 years or more		14,596	14,596
– Between 10 and 50 years		2,422	2,591
Vessels and barges	7(iii)	790,213	703,776
		2,787,032	2,631,669

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025 HK\$'000	2024 HK\$'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Ownership interests in leasehold land and buildings	57,647	53,884
Other properties leased for own use	15,209	13,523
Land use rights	10,569	10,660
Ownership interests in leasehold investment property	595	1,153
Vessels and barges	54,197	24,929
	138,217	104,149
Interest on lease liabilities (note 28)	3,669	2,212
Expense relating to short-term leases	138,258	145,278

7 RIGHT-OF-USE ASSETS (Continued)

During the year, additions to right-of-use assets were HK\$136,786,000 (2024: HK\$710,885,000). This amount related to the capitalised lease payments payable under new tenancy agreements and vessels provided by Hong Kong Government under Vessel Subsidy Scheme agreement.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 21 and 34(c), respectively.

(i) Ownership interests in leasehold land and buildings held for own use and land use rights

The Group is the registered owner of these interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on ratable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

(ii) Other properties leased for own use

The Group has obtained the right to use other properties as its warehouses and staff dormitories through tenancy agreements. The leases typically run for an initial period of 2 years.

(iii) Vessels and barges

The Group has obtained the right to use of vessels to provide passenger transportation services. The leases typically run for an initial period of 3 to 15 years.

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8 INVESTMENT PROPERTIES

	2025 HK\$'000	2024 HK\$'000
Cost:		
At 1 January	24,800	54,242
Exchange difference	626	(855)
Transfer to property, plant and equipment	–	(28,587)
At 31 December	25,426	24,800
Accumulated depreciation:		
At 1 January	7,613	9,732
Exchange difference	200	(175)
Charge for the year	595	1,153
Transfer to property, plant and equipment	–	(3,097)
At 31 December	8,408	7,613
Closing net book value as at 31 December	17,018	17,187

The fair value of the Group's investment properties was appraised at HK\$46,133,000 as at 31 December 2025 (2024: HK\$43,197,000).

The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 8 years, with an option to renew the lease after that date at which time all terms are renegotiated.

Investment properties of the Group with net book value amounting to HK\$3,737,000 (2024: HK\$3,940,000) have been pledged as securities for the bank loans of the Group (note 23).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

8 INVESTMENT PROPERTIES (Continued)

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods are as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	298	333

9 LAND USE RIGHTS

	2025 HK\$'000	2024 HK\$'000
Opening net book value as at 1 January	391,649	325,374
Reclassification from construction in progress	51,187	–
Exchange differences	8,820	(12,216)
Additions through acquisition of a subsidiary	–	93,023
Amortisation	(10,569)	(10,660)
Less: Amortisation to be capitalised in construction in progress	(2,971)	(3,872)
Closing net book value as at 31 December	438,116	391,649

Land use rights of the Group with net book value amounting to HK\$127,520,000 (2024: HK\$129,040,000) have been pledged as securities for the bank loans of the Group (note 23).

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(Expressed in Hong Kong dollars unless otherwise indicated)

10 INTANGIBLE ASSETS

	Goodwill HK\$'000	Software HK\$'000	Total HK\$'000
Cost:			
At 1 January 2024	228,103	14,650	242,753
Exchange differences	(746)	(198)	(944)
Additions	–	3,223	3,223
Transfer from property, plant and equipment	–	10,107	10,107
At 31 December 2024	227,357	27,782	255,139
At 1 January 2025	227,357	27,782	255,139
Exchange differences	863	400	1,263
Additions	–	211	211
At 31 December 2025	228,220	28,393	256,613
Accumulated amortisation:			
At 1 January 2024	–	10,457	10,457
Exchange differences	–	(53)	(53)
Charge for the year	–	2,058	2,058
At 31 December 2024	–	12,462	12,462
At 1 January 2025	–	12,462	12,462
Exchange differences	–	102	102
Charge for the year	–	3,950	3,950
At 31 December 2025	–	16,514	16,514
Net book value:			
At 31 December 2025	228,220	11,879	240,099
At 31 December 2024	227,357	15,320	242,677

10 INTANGIBLE ASSETS (Continued)

Impairment tests for cash-generating units containing goodwill

Goodwill arose from the acquisitions of Chu Kong Cargo Terminals (Gaoming) Co., Ltd., Zhaoqing New Port Co., Ltd., Civet (Zhuhai Bonded Area) Logistics Company Limited and Sun Ferry Services Company Limited.

For the purpose of impairment testing, the goodwill is allocated to each acquired company representing the lowest level at which the goodwill is monitored by management as follows:

	2025 HK\$'000	2024 HK\$'000
Sun Ferry Services Company Limited	193,202	193,202
Other CGUs without significant goodwill	35,018	34,155
	228,220	227,357

Sun Ferry Services Company Limited

The recoverable amount of the CGU is determined based on a value-in-use calculation. This calculation used discounted cash flow projections based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the constant estimated growth rates. The key assumptions are set out below:

	2025	2024
Long term growth rate	2%	2%
Discount rate	10%	11%

Management had not identified any reasonably possible change in key assumptions that could cause carrying amounts of the above CGUs to exceed their recoverable amounts.

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11 SUBSIDIARIES

(a) Details of the subsidiaries as at 31 December 2025 are as follows:

Name	Place of incorporation/ establishment	Principal activities and place of operation	Particulars of issued/ paid up capital	Interest held by the Group
Directly-held subsidiaries				
Chu Kong Agency Company Limited	Hong Kong	Shipping agency and freight forwarding agency in Hong Kong	100 ordinary shares 100,000 deferred shares (Note (b))	100%
Chu Kong Container Transportation Company Limited	Hong Kong	Container and cargo transportation and towing in Hong Kong	100 ordinary shares 10,000 deferred shares (Note (b))	100%
Chu Kong (Guangdong) International Freight Forwarding Co., Ltd.	PRC, limited liability company	Shipping agency and freight forwarding agency in the PRC	RMB22,660,000	100%
Chu Kong High-Speed Ferry Company Limited	Hong Kong	Management of ships in Hong Kong	10,000 ordinary shares	100%
Chu Kong Godown Wharf & Transportation Company Limited	Hong Kong	Godown and wharf operations in Hong Kong	100 ordinary shares 1,000,000 deferred shares (Note (b))	100%
Chu Kong River Trade Terminal Co., Ltd.	British Virgin Islands	Investment holding in the PRC entities in Hong Kong	100 ordinary shares of US\$1 each	80%
Chu Kong Transhipment & Logistics Company Limited	Hong Kong	Transhipment and transportation in Hong Kong	100 ordinary shares 100,000 deferred shares (Note (b))	100%
Chu Kong Transportation (H.K.) Limited	Hong Kong	Wharf cargo handling and transportation in Hong Kong	100 ordinary shares 100,000 deferred shares (Note (b))	100%
Chu Kong Warehouse Properties Co., Ltd.	British Virgin Islands	Property holding in Hong Kong	100 ordinary shares of US\$1 each 9,900 preferred shares of US\$1 each (Note (c))	100%

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

11 SUBSIDIARIES (Continued)

(a) Details of the subsidiaries as at 31 December 2025 are as follows: (Continued)

Name	Place of incorporation/ establishment	Principal activities and place of operation	Particulars of issued/ paid up capital	Interest held by the Group
Directly-held subsidiaries (Continued)				
Chu Kong Passenger Transport Company Limited	Hong Kong	Provision of agency services and management of ships in Hong Kong	300,000 ordinary shares	100%
Sun Kong Petroleum Company Limited	Hong Kong	Oil trading and marine bunkering services in Hong Kong	200,000 ordinary shares	100%
Oriental Pearl Cruise Company Limited	Hong Kong	Provision of tour operation services in Hong Kong	500,000 ordinary shares	100%
Chu Ou Engineering And Technologies Company Limited	Macao	Provision of passenger services and maintenance services at Macao Maritime Ferry Terminal	MOP50,000	100%
Sun Ferry Services Company Limited	Hong Kong	Provision of passenger services	1,000 ordinary shares	100%
CKS Container Terminal (Zhuhai Doumen) Co., Ltd.	PRC, limited liability company	Cargo transportation and consolidation in the PRC	RMB73,000,000	100%
Chu Kong Shipping (Guangdong) Logistics Co., Ltd.	PRC, limited liability company	Provision of logistics services in the PRC	RMB10,000,000	100%
Zhaoqing Chu Kong Logistics (Gaoyao) Co., Ltd.	PRC, limited liability company	Provision of logistics services in the PRC	US\$6,000,000	100%

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

11 SUBSIDIARIES (Continued)

(a) Details of the subsidiaries as at 31 December 2025 are as follows: (Continued)

Name	Place of incorporation/ establishment	Principal activities and place of operation	Particulars of issued/ paid up capital	Interest held by the Group
Directly-held subsidiaries				
(Continued)				
Zhongshan City Huangpu Port Cargo and Container Terminal Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	RMB115,700,000	80%
Zhaoqing New Port Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	RMB170,129,600	100%
Zhaoqing Chu Kong Logistics (Sihui) Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	US\$4,000,000	100%
Guangdong Digital Port & Shipping Technology Co., Ltd	PRC, limited liability company	Information technology service	RMB10,000,000	100%
Indirectly-held subsidiaries				
Chu Kong International Airfreight Company Limited	Hong Kong	Freight forwarding agency in Hong Kong	10,000 ordinary shares	100%
Ever Sky Transportation Limited	Hong Kong	Wharf cargo handling in Hong Kong	10,000 ordinary shares	100%
Chu Kong High-Speed Ferry Management (Macau) Co., Limited	Macao	Management of ships in Macao	MOP25,000	100%
Chu Kong Cargo Terminals (Qingyuan) Co., Ltd.	PRC, limited liability company	Wharf cargo handling in the PRC	RMB27,460,000	72%
Chu Kong Cargo Terminals (Gaoming) Co., Ltd.	PRC, limited liability company	Cargo transportation and consolidation in the PRC	RMB74,969,730	78.2%

11 SUBSIDIARIES (Continued)

(a) Details of the subsidiaries as at 31 December 2025 are as follows: (Continued)

Name	Place of incorporation/ establishment	Principal activities and place of operation	Particulars of issued/ paid up capital	Interest held by the Group
Indirectly-held subsidiaries (Continued)				
Chu Kong Cargo Terminals (Kangzhou) Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	RMB35,860,000	80%
Shenzhen Zhu Chuan International Freight Forwarding Co., Ltd.	PRC, limited liability company	Freight forwarding agency in the PRC	US\$3,000,000	100%
Chu Kong (Guangdong) International Shipping Agency Co., Ltd.	PRC, limited liability company	Shipping agency in the PRC	RMB3,000,000	100%
Civet (Zhuhai Bonded Area) Logistics Company Limited	PRC, limited liability company	Cargo handling and transportation in the PRC	HK\$246,000,000	47%
Kaiping City Industrial Investment Freight and Port Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	RMB22,448,980	40.8%
Chu Kong Cargo Terminals (Beicun) Co., Ltd.	PRC, limited liability company	Cargo handling and transportation in the PRC	RMB16,000,000	80%

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

11 SUBSIDIARIES (Continued)

- (b) The holders of the deferred shares of respective subsidiaries are entitled to minimal rights as to dividends and returns of capital, but are not entitled to share the subsidiary's profits, to attend or vote at any general meeting of the subsidiary or to have the rights which are vested in the holding of the ordinary shares. These deferred shares are held by the Company or the holding company of the Company.
- (c) The holders of the preferred shares have a non-cumulative preferential right to the profit of the subsidiary at 8% of the nominal amount of the share capital of that subsidiary, but are not entitled to receive notice of or to attend or vote at any meeting of members or directors. The preferred shares are held by the holding company of the Company.
- (d) The following table lists out the information relating to Civet (Zhuhai Bonded Area) Logistics Company Limited ("Civet") and Kaiping City Industrial Investment Freight and Port Co., Ltd. ("Kaiping"), subsidiaries of the Group which have material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

	Civet		Kaiping	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
NCI percentage	53%	53%	59.2%	59.2%
Current assets	34,479	29,547	96,795	55,918
Non-current assets	250,567	256,645	585,295	461,323
Current liabilities	(59,810)	(55,905)	(303,115)	(313,483)
Non-current liabilities	(54,759)	(64,743)	(164,941)	–
Net assets	170,477	165,544	214,034	203,758
Carrying amount of NCI	90,285	87,672	126,708	120,625
Revenue	52,271	59,669	–	–
Profit for the year	1,254	6,911	–	–
Total comprehensive income	1,254	6,911	6,123	2,917
Profit allocated to NCI	664	3,660	3,000	1,429
Dividend paid to NCI	–	(4,000)	–	–
Cash flows from operating activities	15,204	18,336	–	–
Cash flows from investing activities	(218)	(5,793)	(173,729)	(88,515)
Cash flows from financing activities	(13,509)	(11,283)	145,975	–

12 INVESTMENTS IN JOINT VENTURES

	2025 HK\$'000	2024 HK\$'000
Investments in joint ventures	279,413	295,113
Provision for impairment of joint ventures	(806)	(806)
	278,607	294,307

(a) Details of the principal joint ventures as at 31 December 2025 are as follows:

Name	Place of incorporation/ establishment and operation	Principal activities	Percentage of interest in ownership, voting power and profit sharing
Directly-held joint ventures			
Shenzhen Yantian Port Chu Kong Logistics Co., Ltd.	PRC	Container transportation and repairs	40%
Chu Kong Logistics (Singapore) Pte. Ltd.	Singapore	Shipping agency and freight forwarding agency	60%
Zhong Shan Port Goods Transportation United Co., Ltd.	PRC	Wharf cargo handling, godown storage and river trade cargo transportation	25%
Foshan Nankong Terminal Co., Ltd.##	PRC	Cargo transportation and consolidation	42.5%#1
Heshan County Hekong Associated Forwarding Co., Ltd.	PRC	Wharf cargo handling, godown storage and river trade cargo transportation	40%#1
Heshan Port Construction & Development General Company#	PRC	Investment holding	40%#1

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

12 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Details of the principal joint ventures as at 31 December 2025 are as follows: (Continued)

Name	Place of incorporation/ establishment and operation	Principal activities	Percentage of interest in ownership, voting power and profit sharing
Directly-held joint ventures (Continued)			
Hong Kong International Airport Ferry Terminal Services Limited	Hong Kong	Ferry linkage services between the Hong Kong International Airport and Pearl River Delta	60% ^{#2}
Zhongshan-Hong Kong Passenger Shipping Co-op Co., Ltd. ("ZHPS")	PRC	Passenger transportation	40%
Chu Kong Logistics (Malaysia) Sdn Bhd.	Malaysia	Shipping agency and freight forwarding agency	42%
Chu Kong Logistics (Thailand) Ltd.	Thailand	Shipping agency and freight forwarding agency	29.4%
Chu Kong Vietnam Logistics Company Limited	Vietnam	Shipping agency and freight forwarding agency	60%
CKPT-WACI joint venture	Hong Kong	Passenger Assistance Services	60% ^{#2}
CKPT-EID joint venture	Hong Kong	Passenger Assistance Services	55% ^{#2}

12 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Details of the principal joint ventures as at 31 December 2025 are as follows: (Continued)

Name	Place of incorporation/ establishment and operation	Principal activities	Percentage of interest in ownership, voting power and profit sharing
Directly-held joint ventures (Continued)			
Foshan Gaoming Jiangtong Supply Chain Management Co., Ltd. [#]	PRC	Supply Chain Management and Shipping agency	31.3% ^{#1}
Thrive Dragon Services Limited	Hong Kong	Dormant	20% ^{#1}

The English names of these companies are the translation of the Chinese names for identification purpose only.

22.5% of this joint venture is directly held by the Company.

1 These joint ventures are held by a non-wholly owned subsidiary of the Company. The percentage of interest in ownership, voting power and profit sharing represent the effective interest held by the Group.

2 The Group has, in these joint ventures, over 50 percent of the voting rights. Notwithstanding this, the contractual arrangements between the Group and the other joint venture partners specified that unanimous approvals are required for certain significant decisions, which render the shareholders joint control in these entities.

(b) Summarised financial information for a material joint venture

Set out below are the summarised financial information for 100% equity interest in a joint venture of the Group for the year ended 31 December 2025, which, in the opinion of the directors, is material to the Group.

The below summarised financial information is prepared using the same accounting policies of the Group, after fair value adjustments from acquisitions and before intercompany elimination.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

12 INVESTMENTS IN JOINT VENTURES (Continued)

(b) Summarised financial information for a material joint venture (Continued)

Summarised statement of financial position as at 31 December 2025 and 2024 and summarised statement of comprehensive income for the years ended 31 December 2025 and 2024

	ZHPS	
	2025 HK\$'000	2024 HK\$'000
Current assets	27,695	71,216
Current liabilities	(33,206)	(22,321)
Non-current assets	294,444	274,102
Non-current liabilities	(24,665)	(8,622)
Included in the above assets and liabilities:		
Cash and cash equivalents	21,638	49,895
Revenue	103,088	142,074
(Loss)/profit after income tax	(41,103)	6,430
Included in the above profit:		
Depreciation and amortisation	15,658	15,257
Interest income	(249)	(758)
Interest expense	210	–
Income tax expense	961	2,368

12 INVESTMENTS IN JOINT VENTURES (Continued)

(b) Summarised financial information for a material joint venture (Continued)

Reconciliation of summarised financial information

	ZHPS	
	2025 HK\$'000	2024 HK\$'000
Opening net assets 1 January	314,375	314,150
(Loss)/profit for the year	(41,103)	6,430
Dividend declared	(5,033)	–
Currency translation differences	7,344	(6,205)
Closing net assets as at 31 December	275,583	314,375
Interest in joint venture	40%	40%
Share of net assets	110,233	125,750
Carrying value	110,233	125,750

(c) The aggregate amount of the Group's share of results of its joint ventures which are individually immaterial are as follows:

	2025 HK\$'000	2024 HK\$'000
Profit for the year	9,526	9,606
Other comprehensive income	3,287	(2,952)
Total comprehensive income	12,813	6,654

13 INVESTMENTS IN ASSOCIATES

	2025 HK\$'000	2024 HK\$'000
Investments in associates	321,448	128,876
Provision for impairment of an associate (note)	(3,000)	(3,000)
	318,448	125,876

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

13 INVESTMENTS IN ASSOCIATES (Continued)

Note:

The investment in an associate has written down by HK\$3,000,000 to its recoverable amount as at 31 December 2024, which was determined based on its value using the discounted cash flow forecast and 10% discount rate was used by the management.

(a) Details of the principal associates as at 31 December 2025 are as follows:

Name	Place of incorporation/ establishment and operation	Principal activities	Percentage of interest in ownership, voting power and profit sharing
Directly-held associates			
Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Company Limited	Hong Kong	Passenger Transportation	20%
Hong Kong & Macao International Airport Transportation Service (HK) Co. Limited	Hong Kong	Passenger transportation	11%
Hong Kong International Airport Passenger Service (Macao) Co. Ltd.	Macao	Passenger transportation	8%
Shaoguan Zhongnan Port and Shipping Co., Ltd. ("SZPS")	PRC	Wharf cargo handling, godown storage and river trade cargo transportation	49%
Indirectly-held associates			
Foshan Shunde Shungang Passenger Transportation Co-op Co., Ltd.	PRC	Passenger transportation	40%
Guangdong Sanbu Passenger and Freight Transportation Co., Ltd.	PRC	Wharf cargo handling, godown storage and river trade cargo transportation	32% ^{#1}

¹ This associate is held by a non-wholly owned subsidiary of the Company. The percentage of interest in ownership, voting power and profit sharing represent the effective interest held by the Group.

13 INVESTMENTS IN ASSOCIATES (Continued)

(b) Summarised financial information for a material associate

Set out below are the summarised financial information for 100% equity interest in an associate of the Group for the year ended 31 December 2025, which, in the opinion of the directors, is material to the Group.

The below summarised financial information is prepared using the same accounting policies of the Group, after fair value adjustments from acquisitions and before intercompany elimination.

Summarised statement of financial position as at 31 December 2025 and summarised statement of comprehensive income for the years ended 31 December 2025

	SZPS 2025 HK\$'000
Current assets	136,718
Current liabilities	(40,886)
Non-current assets	337,290
Non-current liabilities	(56,418)
Included in the above assets and liabilities:	
Cash and cash equivalents	110,237
Revenue	2,240
Profit after income tax	261
Included in the above profit:	
Depreciation	555
Interest income	(288)
Income tax expense	87

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

13 INVESTMENTS IN ASSOCIATES (Continued)

(b) Summarised financial information for a material associate (Continued)

Reconciliation of summarised financial information

	SZPS 2025 HK\$'000
Opening net assets 1 January	–
Capital injection	369,104
Profit for the year	261
Currency translation differences	7,339
Closing net assets as at 31 December	376,704
Interest in joint venture	49%
Share of net assets	184,585
Carrying value	184,585

(c) The aggregate amount of the Group's share of results of its associates which are individually immaterial are as follows:

	2025 HK\$'000	2024 HK\$'000
Profit for the year	25,593	25,137
Other comprehensive income	2,049	(1,865)
Total comprehensive income	27,642	23,272

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

14 DEFERRED INCOME TAX

The movements in the net deferred income tax liabilities are as follows:

	2025 HK\$'000	2024 HK\$'000
At 1 January	83,054	89,989
Charged/(credited) to profit or loss (note 29)	635	(5,144)
Exchange difference	3,369	(1,791)
At 31 December	87,058	83,054

The movement in deferred income tax (assets) and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets	Tax losses HK\$'000	Decelerated tax depreciation HK\$'000	Total HK\$'000
At 1 January 2024	(10,807)	(797)	(11,604)
Credited to profit or loss	(6,234)	(599)	(6,833)
Exchange difference	550	–	550
At 31 December 2024 and 1 January 2025	(16,491)	(1,396)	(17,887)
Charged/(credited) to profit or loss	2,084	(819)	1,265
Exchange difference	(337)	–	(337)
At 31 December 2025	(14,744)	(2,215)	(16,959)

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

14 DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities	Accelerated tax depreciation HK\$'000	Undistributed profits of PRC entities not wholly-owned HK\$'000	Total HK\$'000
At 1 January 2024	72,775	28,818	101,593
Charged/(credited) to profit or loss	5,922	(4,233)	1,689
Exchange difference	(1,748)	(593)	(2,341)
At 31 December 2024 and 1 January 2025	76,949	23,992	100,941
(Credited)/charged to profit or loss	(773)	143	(630)
Exchange difference	2,109	1,597	3,706
At 31 December 2025	78,285	25,732	104,017

The reconciliation to the consolidated statement of financial position is as follows:

	2025 HK\$'000	2024 HK\$'000
Net deferred tax asset recognised in the consolidated statement of financial position	(2,102)	(1,306)
Net deferred tax liability recognised in the consolidated statement of financial position	89,160	84,360
	87,058	83,054

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

14 DEFERRED INCOME TAX (Continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. As at 31 December 2025, the Group have unrecognised tax losses of HK\$299,240,000 (2024: HK\$303,412,000) to carry forward. These tax losses have no expiry dates except for tax losses of HK\$109,912,000 (2024: HK\$113,519,000) of the Group, whose expiry dates are:

	2025 HK\$'000	2024 HK\$'000
2025	–	33,068
2026	20,176	20,143
2027	6,387	6,377
2028	32,341	32,288
2029	21,679	21,643
2030	29,329	–
	109,912	113,519

Certain wholly owned PRC subsidiaries of the Group have undistributed earnings of RMB70,883,176 (equivalent to approximately HK\$77,501,833) (2024: RMB85,663,071 (equivalent to approximately HK\$93,508,428)) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from these wholly owned PRC subsidiaries and is not expected to distribute these profits in the foreseeable future.

15 INVENTORIES AND SPARE PARTS

	2025 HK\$'000	2024 HK\$'000
Engines and parts	15,953	17,656
Diesel	1,463	2,103
Engine lubricant	482	641
	17,898	20,400

The cost of inventories recognised as expense and included in "cost of sales/services rendered" amounted to HK\$331,645,000 (2024: HK\$419,474,000).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

16 TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables:		
– third parties	317,368	304,532
– fellow subsidiaries	30,878	26,098
– joint ventures and associates	3,744	3,351
– other related companies	22,210	22,595
Trade receivables, net (note (a))	374,200	356,576
Other receivables:		
– third parties	208,415	176,463
– fellow subsidiaries (note (b))	16,019	10,141
– joint ventures and associates (note (b))	50,144	56,948
	274,578	243,552
Total trade and other receivables	648,778	600,128

- (a) The normal credit periods granted by the Group to customers on open account range from seven days to three months from the date of invoice. The ageing analysis of trade receivables by invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 3 months	257,121	250,939
4 to 6 months	42,497	39,925
7 to 12 months	46,664	23,130
Over 12 months	39,568	53,098
	385,850	367,092
Less: loss allowance recognised	(11,650)	(10,516)
	374,200	356,576

The trade receivables due from related parties are unsecured, interest-free and have similar terms of repayment as third party receivables.

16 TRADE AND OTHER RECEIVABLES (Continued)

- (b) Other receivables due from related parties are interest-free, unsecured and are repayable on demand.
- (c) The carrying amounts of trade and other receivables denominated in a currency other than the functional currency of the entity to which they relate are as follows:

	2025 HK\$'000	2024 HK\$'000
Hong Kong dollar	405	355
Renminbi	22,248	25,781
United States dollar	57,578	56,490
	80,231	82,626

- (d) The carrying amounts of trade and other receivables approximate their fair values.

17 BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	2025 HK\$'000	2024 HK\$'000
Cash at bank and on hand	868,861	752,055
Cash and cash equivalents in the consolidated cash flow statement	868,861	752,055
Bank deposits with original maturity dates more than three months	94,689	93,404
	963,550	845,459

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

17 BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (Continued)

The carrying amounts of cash and cash equivalents denominated in a currency other than the functional currency of the entity to which they relate are as below:

	2025 HK\$'000	2024 HK\$'000
Hong Kong dollar	28,020	25,914
Renminbi	99,544	63,157
United States dollar	150,816	63,887
Euro	2,087	1,285
	280,467	154,243

Bank deposits and cash and cash equivalents denominated in Renminbi are mainly held by the Group with banks operating in the PRC where exchange controls apply.

18 SHARE CAPITAL

Ordinary shares, issued and fully paid

	Number of shares ('000)	Share capital HK\$'000
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	1,121,167	1,415,118

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

19 RESERVES

(a) Capital reserve

The capital reserve mainly represents a capital contribution made by Chu Kong Shipping Enterprises (Holdings) Company Limited (“**CKSE**”), the immediate holding company, during a group reorganisation in 2010. In the reorganisation, CKSE transferred to the Group one subsidiary at a consideration of HK\$1 and two joint ventures at nil consideration.

(b) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.4.

(c) Revaluation reserve

The revaluation reserve mainly represents surplus on revaluation of land of a subsidiary in previous years.

(d) Statutory reserve

In accordance with PRC regulations, subsidiaries, joint ventures and associates in the PRC are required to transfer part of their profit after income tax to the enterprise expansion and reserve funds. The quantum of the transfers are subject to the approval of the board of directors of these subsidiaries, joint ventures and associates in accordance with their respective articles of association. The funds are required to be retained in the financial statements of the respective subsidiaries, joint ventures and associates for specific purposes.

(e) Merger reserve

The Group entered into business combination under common control in previous years. Upon the completion of the acquisition, a merger reserve, being the difference between the consideration made by the Company and the share capital of the combining entity as at completion date, was recognised.

(f) Fair value reserve (non-recycling)

The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments designated at FVOCI under HKFRS 9 that are held at the end of the reporting period (see note 2.9)).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

20 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables (notes (a) and (c)):		
– third parties	236,402	204,862
– immediate holding company	–	2,933
– fellow subsidiaries	28,445	8,250
– joint ventures and associates	14,566	19,433
– other related companies	10,149	5,468
	289,562	240,946
Accruals and other payables:		
– third parties	250,722	236,275
– immediate holding company (note (c))	43,588	27,044
– fellow subsidiaries (note (c))	16,834	10,028
– joint ventures and associates (note (c))	7,877	3,074
– other related companies (note (c))	5	383
	319,026	276,804
Less: Amount included under “non-current liabilities” (note (f))	(22,794)	(16,675)
	296,232	260,129
Contract liabilities (note (e))	9,393	8,524
	305,625	268,653
	595,187	509,599

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

20 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES (Continued)

(a) The ageing analysis of the Group's trade payables by invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 3 months	260,851	226,052
4 to 6 months	17,215	8,116
7 to 12 months	4,738	1,633
Over 12 months	6,758	5,145
	289,562	240,946

(b) The carrying amounts of trade payables, accruals and other payables denominated in a currency other than the functional currency of the entity to which they relate are as below:

	2025 HK\$'000	2024 HK\$'000
Hong Kong dollar	947	407
Renminbi	37,166	26,755
United States dollar	5,979	16,738
Euro	18,406	930
Other currencies	298	19
	62,796	44,849

(c) The trade payables, accruals and other payables due to related parties are unsecured and interest-free. Trading balances have similar terms of settlement as those of third party payables whereas other balances are repayable on demand.

(d) The carrying amounts of trade payables, accruals and other payables approximate their fair values.

(e) The contract liabilities primarily relate to the advance consideration received from customers, or the Group has unconditional right to considerations before the goods or services are delivered.

As the contracts are for periods of one year or less or the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(f) All of the trade payables, accruals and other payables, apart from certain long service payment and retention payable totalling HK\$22,794,000 (2024: HK\$16,675,000), are expected to be settled or recognised as income or are repayable within one year.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

21 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	13,585	23,757
After 1 year but within 2 years	11,405	10,261
After 2 years but within 5 years	21,242	25,363
After 5 years	50,089	2,932
	82,736	38,556
	96,321	62,313

22 AMOUNTS DUE TO THE NON-CONTROLLING INTERESTS

	2025 HK\$'000	2024 HK\$'000
Current		
– at floating rate (note (i))	104,074	101,512
– interest-free (note (ii))	96,236	98,675
	200,310	200,187

Notes:

- (i) The balance is denominated in Renminbi, unsecured and interest-bearing at a rate of Loan Prime Rate (“LPR”) – 0.5%. (2024: LPR – 0.9%).
- (ii) The balances are denominated in Renminbi and Hong Kong dollars, unsecured and repayable on demand.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

23 BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Fixed rate borrowings:		
Unsecured, bank loans	166,080	–
Variable rate borrowings:		
Unsecured, bank loans	205,536	200,000
Secured, bank loans	261,242	118,327
	632,858	318,327

The maturity of the bank loans is as follows:

	2025 HK\$'000	2024 HK\$'000
Repayable within one year	392,646	217,407
Repayable within one to two years	28,752	20,512
Repayable within two to five years	61,631	48,037
Repayable more than five years	149,829	32,371
	632,858	318,327
Current portion included in current liabilities	(392,646)	(217,407)
	240,212	100,920

The secured bank loans are secured by certain property, plant and equipment (note 6), investment properties (note 8) and land use rights (note 9) of the Group, denominated in Renminbi.

At 31 December 2025, bank loans of HK\$166,080,000 were interest bearing at a fixed rate of 1.89% to 2.2% per annum.

At 31 December 2025, bank loans of HK\$205,536,000 (2024: HK\$200,000,000) were interest-bearing at a rate of 0.2% to 0.3% over Hong Kong Interbank Offered Rate ("HIBOR") (2024: 0.25% to 0.4% over HIBOR) per annum.

At 31 December 2025, bank loans of HK\$261,242,000 (2024: HK\$118,327,000) were interest-bearing at a rate of LPR minus 0.2% (2024: LPR minus 0.5%) per annum.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

24 DEFERRED INCOME

	2025 HK\$'000	2024 HK\$'000
Government grants – Vessel Subsidy Scheme (note)	790,212	697,782
Others	2,883	–
	793,095	697,782

Note:

During the year ended 31 December 2025, the Group had recognised government grants of HK\$134,549,000 (2024: HK\$710,032,000) in relation to 2 vessels under the Vessel Subsidy Scheme (2024: 9 vessels).

25 OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Management fee income from CKSE (note 36(a)(i))	25,000	25,000
Property rental income	24,548	24,839
Government grants – ferry operation (note (i))	109,485	90,304
Government grants – others	4,258	3,757
Government grants – Vessels Subsidy Scheme (note (ii))	42,119	12,249
Government subsidies – Industry Support Scheme	915	3,250
Repair and maintenance service income	3,260	7,496
Others	8,440	7,923
	218,025	174,818

Notes:

- (i) In accordance with ferry license agreements, Hong Kong Government would provide subsidy for the Group's ferry operations based on the vessel maintenance cost incurred during the year.
- (ii) In accordance with Vessel Subsidy Scheme agreement, Hong Kong Government would provide a number of vessels for the Group's ferry operations. Under the terms of the grant, the Group is required to continuously render ferry services and comply with the conditions set out in the agreement. The Group has fulfilled the conditions to receive the grant, hence property, plant and equipment (Note 6) and a deferred income (Note 24) was recognised as at 31 December 2025.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

26 OTHER LOSSES – NET

	2025 HK\$'000	2024 HK\$'000
Exchange losses, net	(2,036)	(754)
(Loss)/gain on disposals of property, plant and equipment	(179)	3,029
Gain on bargain purchase of a subsidiary	5,052	–
Gain on disposal of interest in a joint venture	–	6,042
Gain on deemed disposal of interest in a joint venture	3,360	–
Legal compensation expenses	(2,186)	–
Provision for impairment of trade receivables, net (note 3.1(b)(i))	(4,551)	(3,570)
Provision for impairment of other receivables	–	(809)
Impairment loss on investment in an associate	–	(3,000)
Impairment loss on property, plant and equipment	–	(4,000)
	(540)	(3,062)

27 PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
Amortisation of land use rights (note 9)	10,569	10,660
Auditor's remuneration		
– audit services	2,871	2,805
– non-audit services	1,090	1,048
Depreciation of property, plant and equipment (note 6)	184,899	152,791
Depreciation of investment properties	595	1,153
Amortisation of intangible assets	3,950	2,058
Lease payments for short-term leases		
– vessels and barges	128,020	135,346
– buildings	10,238	9,932
Staff costs (including directors' emoluments) (note 32)	573,616	569,656

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

28 FINANCE INCOME AND COST

	2025 HK\$'000	2024 HK\$'000
Finance income		
Interest income on short-term deposits, bank deposits and bank balances	7,289	15,117
Finance cost		
Interest expense on bank borrowings	16,559	17,901
Interest expense on lease liabilities	3,669	2,212
Interest expense on amounts due to the non-controlling interests	3,277	764
Less: amounts capitalised on qualifying assets	(5,130)	(1,755)
	18,375	19,122

The capitalisation rate applied to funds borrowed is 2.9% (2024: 2.6%) per annum.

29 INCOME TAX EXPENSE

(a) Taxation in the consolidated statement of profit or loss represents:

	2025 HK\$'000	2024 HK\$'000
Current income tax		
– Hong Kong profits tax	1,867	7,918
– PRC corporate income tax	16,074	17,031
– Macao profits tax	1,093	1,530
– Over-provision in prior years	(359)	(207)
Deferred income tax expense/(credit) (note 14)	635	(5,144)
	19,310	21,128

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit of the Hong Kong entities for the year. PRC corporate income tax has been calculated at the tax rate of 25% (2024: 25%) on the estimated assessable profit for the year of the PRC entities for the year. Macao profits tax has been provided at the rate of 12% (2024: 12%) on the estimated assessable profit of the Macao entities for the year.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

29 INCOME TAX EXPENSE (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rate:

The income tax on the Group's profit before share of profits less losses of joint ventures and associates, and income tax expense differs from the theoretical amount that would arise using the Hong Kong profits tax rate as follows:

	2025 HK\$'000	2024 HK\$'000
Profit before income tax	76,475	146,808
Less: share of profits less losses of:		
– Joint ventures	6,915	(12,178)
– Associates	(25,721)	(25,137)
Profit before share of profits less losses of joint ventures and associates, and income tax expense	57,669	109,493
Calculated at a tax rate of 16.5% (2024: 16.5%)	9,515	18,066
Effect of different tax rates applicable to the subsidiaries in the PRC and Macau	4,007	1,669
Income not subject to income tax	(85,326)	(105,065)
Expenses not deductible for income tax purposes	90,841	110,906
Tax losses not recognised	12,570	7,009
Over-provision in prior years	(359)	(207)
Unused tax losses in prior years recognised in this year	(4,476)	(4,551)
Utilisation of previously unrecognised tax loss	(982)	(1,505)
	25,790	26,322
Withholding income tax on undistributed profits of PRC enterprises	(6,480)	(5,194)
Income tax expense	19,310	21,128

(c) Pillar Two income taxes

The Organisation for Economic Co-operation and Development introduced a two-pillar Base Erosion and Profit Shifting (“BEPS 2.0”) initiative to promote fair and transparent tax practices worldwide. In particular, Pillar Two of BEPS 2.0 introduces a global minimum tax rate of 15% on certain multinational enterprise groups under which top-up would be imposed.

As the Group and its ultimate holding company both do not meet the relevant threshold, it does not fall within the scope of Pillar Two and, hence, should not have any top-up tax liability for the year.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

30 DIVIDENDS

(a) Dividends payable to equity shareholders of the company attributable to the year

	2025 HK\$'000	2024 HK\$'000
Interim dividend declared and paid of HK1 cent (2024: HK2 cents) per ordinary share	11,212	22,423
Final dividend proposed after the end of the reporting period of HK1.5 cents (2024: HK4 cents) per ordinary share	16,818	44,847

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the company attributable to the previous financial year, approved and paid during the year

	2025 HK\$'000	2024 HK\$'000
Final dividend paid/payable for 2024 of HK4 cents (2023: HK5 cents) per ordinary share	44,847	56,058

On 31 March 2026, the board of directors proposed a final dividend of HK1.5 cents per ordinary share (2024: HK4 cents per ordinary share) for the year ended 31 December 2025. This proposed dividend is not reflected as a dividend payable in these financial statements. During the year, the total dividends paid by the Company, including the final dividend for the year 2024 and the interim dividend for the year 2025, amounting to HK\$56,059,000 (2024: HK\$78,481,000).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

31 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit attributable to equity holders of the Company (HK\$'000)	51,996	117,027
Weighted average number of ordinary shares in issue ('000)	1,121,167	1,121,167
Basic earnings per share (HK cents)	4.64	10.44

Diluted earnings per share for the years ended 31 December 2025 and 2024 are the same with basic earnings per share as there were no dilutive potential ordinary shares in issue.

32 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	2025 HK\$'000	2024 HK\$'000
Salaries and allowances	522,280	518,825
Retirement benefit costs – defined contribution plans (note)	51,336	50,831
	573,616	569,656

Note:

The Group operates defined contribution schemes which are available to all employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries or a fixed sum and are charged to the consolidated statement of profit or loss as incurred. The assets of the schemes are held separately from those of the Group in independently administered funds. The Group has no further payment obligations once the contributions have been paid.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire retirement benefit obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

33 FIVE HIGHEST-PAID INDIVIDUALS' EMOLUMENTS

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2025 include three (2024: three) directors whose emoluments are reflected in the analysis shown in note 38. The emoluments payable to the remaining two (2024: two) highest paid individuals during the year are as follows:

	2025 HK\$'000	2024 HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	1,960	2,394
Discretionary bonuses	365	659
Retirement benefit costs – defined contribution plans	36	30
	2,361	3,083

The emoluments of the two (2024: two) highest paid individuals fell within the following bands:

	Number of individuals	
	2025 HK\$'000	2024 HK\$'000
Emolument bands		
Less than HK\$1,000,000	–	–
HK\$1,000,001 – HK\$1,500,000	2	1
HK\$1,500,001 – HK\$2,000,000	–	1

- (a) During the year, no emoluments have been paid by the Group to the directors or the senior management as an inducement to join or upon joining the Group, or as compensation for loss of office. None of the directors waived or has agreed to waive any emoluments.

34 NOTE TO CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating profit to cash generated from operations

	2025 HK\$'000	2024 HK\$'000
Operating profit	68,755	113,498
Amortisation of land use rights	10,569	10,660
Amortisation of intangible assets	3,950	2,058
Depreciation of property, plant and equipment	184,899	152,791
Depreciation of investment properties	595	1,153
Impairment loss on property, plant and equipment	–	4,000
Gain on disposals of interest in a joint venture	–	(6,042)
Gain on deemed disposal of interest in a joint venture	(3,360)	–
Gain on bargain purchase of a subsidiary	(5,052)	–
Loss/(gains) on disposals of property, plant and equipment	179	(3,029)
Provision for impairment of trade and other receivables, net	4,551	4,379
Impairment loss on investment in an associate	–	3,000
Amortisation of deferred income – Government grants – Vessels Subsidy Scheme	(42,119)	(12,249)
Amortisation of deferred income – Government grants – others	(1,058)	–
Operating profit before working capital changes	221,909	270,219
Decrease in inventories and spare parts	2,502	825
Decrease/(increase) in trade and other receivables	7,331	(133,579)
Increase/(decrease) in trade payables, accruals and other payables	72,915	(115,828)
Cash generated from operations	304,657	21,637

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

34 NOTE TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Debt reconciliation

This section sets out an analysis of debt and the movements in debt for each of the periods presented.

	Liabilities from financing activities				
	Short-term borrowings	Long term borrowings	Amounts due to the non-controlling interests		Total
			Lease liabilities		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2025	200,000	118,327	200,187	62,313	580,827
Changes from financing cash flows:					
Repayment of amount due to the non-controlling interest	-	-	(4,000)	-	(4,000)
Drawdown of bank loans	(285,256)	(20,904)	-	-	(306,160)
Repayment of bank loans	452,528	159,088	-	-	611,616
Capital element of lease rentals paid	-	-	-	(33,276)	(33,276)
Interest element of lease rentals paid	-	-	-	(3,669)	(3,669)
Total changes from financing cash flows	167,272	138,184	(4,000)	(36,945)	264,511
Foreign exchange difference	4,344	4,731	4,123	1,656	14,854
Other changes:					
Acquisition through a subsidiary	-	-	-	69,342	69,342
Increase in lease liabilities from entering into new leases during the year	-	-	-	2,237	2,237
Lease disposals	-	-	-	(7,266)	(7,266)
Lease modifications	-	-	-	1,319	1,319
Interest expenses for lease liabilities	-	-	-	3,669	3,669
Total other changes	-	-	-	69,299	69,299
As at 31 December 2025	371,616	261,242	200,310	96,321	929,489

34 NOTE TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Debt reconciliation (Continued)

	Liabilities from financing activities				
	Short-term borrowings	Long term borrowings	Amounts due to the non- controlling interests	Lease liabilities	Total
As at 1 January 2024	200,000	135,527	40,360	68,947	444,834
Changes from financing cash flows:					
Drawdown of amount due to the non-controlling interest	-	-	161,554	-	161,554
Drawdown of bank loans	200,000	81,803	-	-	281,803
Repayment of bank loans	(200,000)	(96,260)	-	-	(296,260)
Capital element of lease rentals paid	-	-	-	(26,198)	(26,198)
Interest element of lease rentals paid	-	-	-	(2,212)	(2,212)
Total changes from financing cash flows	-	(14,457)	161,554	(28,410)	118,687
Foreign exchange difference	-	(2,743)	(1,727)	(241)	(4,711)
Other changes:					
Increase in lease liabilities from entering into new leases during the year	-	-	-	853	853
Lease modifications	-	-	-	18,952	18,952
Interest expenses for lease liabilities	-	-	-	2,212	2,212
Total other changes	-	-	-	22,017	22,017
As at 31 December 2024	200,000	118,327	200,187	62,313	580,827

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

34 NOTE TO CONSOLIDATED CASH FLOW STATEMENT (Continued)

(c) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	2025 HK\$'000	2024 HK\$'000
Within operating cash flows	138,258	145,278
Within financing cash flows	36,945	28,410
	175,203	173,688

(d) Net cash outflow arising from the acquisition of a subsidiary

On 25 October 2024, the Group acquired 51% of equity interest in Kaiping City Industrial Investment Freight and Port Co., Ltd. (“**Kaiping**”), whose principal activities are cargo handling and transportation in the PRC, at a total consideration of HK\$125,247,000. The acquisition of Kaiping was accounted for as an asset acquisition.

The following table summaries the consideration paid for the acquisition of Kaiping and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

	Note	HK\$'000
Consideration:		
Cash		125,247
Recognised amounts of identifiable assets acquired and liabilities assumed:		
Property, plant and equipment	6	157,311
Land use rights	9	93,023
Trade and other receivables		58,907
Cash and cash equivalents		1,849
Trade and other payables		(24,394)
Loans from former shareholder		(161,449)
Total identifiable net assets		125,247
Cash consideration paid		125,247
Less: cash and cash equivalents received		(1,849)
Net cash outflow		123,398

Notes to the Financial Statements

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35 CAPITAL COMMITMENTS

	2025 HK\$'000	2024 HK\$'000
Contracted but not provided for – Property, plant and equipment	297,880	501,178

36 RELATED PARTY TRANSACTIONS

The directors of the Group regard CKSE as the immediate holding company, which owns 71% (2024: 71%) of the Company's ordinary shares. The parent company of the Group is Guangdong Provincial Port & Shipping Group Company Limited ("**GDPS**"), a state-owned enterprise established in the PRC. GDPS itself is controlled by the PRC government, which also owns a significant portion of the productive assets in the PRC.

In accordance with HKAS 24 (Revised), government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include GDPS and its subsidiaries (other than the Group), other government-related entities and their subsidiaries, other entities and corporations in which the Company is able to control or exercise significant influence and key management personnel of the Company and GDPS as well as their close family members.

For the years 2025 and 2024, the Group's significant transactions with entities that are controlled, jointly controlled or significantly influenced by the PRC government, mainly include most of its bank deposits and the corresponding interest income and part of sales and purchases of goods and services. The price and other terms of such transactions are set out in the underlying agreements, based on market prices or as mutually agreed.

Apart from the above-mentioned transactions with the government-related entities and the related party information shown elsewhere in the financial statements, the following is a summary of the significant related party transactions entered into in the ordinary course of business between the Group and its related parties during the year:

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

36 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties

	Note	2025 HK\$'000	2024 HK\$'000
Revenues:			
Shipping agency, river trade cargo direct shipment and transshipment income			
– a fellow subsidiary	(vi)	108	108
– joint ventures and associates	(vi)	638	5,057
– other related companies	(vi)	3,762	1,495
Cargo warehousing and transportation services			
– fellow subsidiaries	(vi)	15,404	–
– a related company	(vi)	1,068	991
Passenger transportation agency fees			
– fellow subsidiaries	(vi)	4,765	9,145
– joint ventures and associates		903	13,434
– other related companies	(vi)	39	968
Ferry terminal operation service fees			
– fellow subsidiaries		147	166
– joint ventures and associates		20	336
– a related company		–	6
Sub-baggage handling services fee			
– fellow subsidiaries		–	722
– joint ventures and associates		1,290	3,210
– other related companies		–	1,746
Management service fees			
– immediate holding company	(i), (vi)	25,000	25,000
Staff Management service fees			
– immediate holding company	(ii)	283	260
– fellow subsidiaries	(ii)	11	14
– joint ventures and associates	(ii)	5,340	2,845
– a related company		–	3
Vessel rental income			
– a related company		–	2,399
Fuel supply income			
– fellow subsidiaries	(vi)	39,545	52,481
– joint ventures and associates	(vi)	35,419	52,314
– other related companies	(vi)	88	5,938
Marine bunkering service			
– fellow subsidiaries	(vi)	351	430
– joint ventures and associates		67	154
– other related companies		–	2,196

36 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

	Note	2025 HK\$'000	2024 HK\$'000
Revenues: (Continued)			
Consulting and software service	(ii), (vi)		
– ultimate holding company		1,859	–
– immediate holding company		5	–
– fellow subsidiaries		2,995	1,089
– joint ventures and associates		758	89
– other related companies		679	1,502
Agency fee income			
– joint ventures and an associate		–	127
Ferry rental income			
– a fellow subsidiary		826	2,132
Travelling fee income			
– immediate holding company		111	–
Accounting fee income			
– a related company		302	–
Expenses:			
Shipping agency, river trade cargo direct shipment and transshipment expenses			
– a fellow subsidiary	(vi)	14	–
– a joint venture and an associate	(vi)	10,192	10,517
Wharf cargo handling, cargo transportation and godown storage expenses			
– immediate holding company	(vi)	195	–
– joint ventures	(vi)	14,412	25,047
– a related company	(vi)	10,722	10,548
Luggage handling fee			
– a related company	(vi)	1,817	2,083
Ferry rental expenses			
– a fellow subsidiary	(vi)	8,974	7,611
Vessel rental expenses			
– a joint venture	(vi)	13,779	16,021
– a related company	(vi)	13,916	11,676
Warehouse rental expenses			
– immediate holding company	(iii), (vi)	5,000	5,354
Office rental expenses			
– immediate holding company	(vi)	5,448	5,278
– fellow subsidiaries	(vi)	2,338	2,819

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

36 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

	Note	2025 HK\$'000	2024 HK\$'000
Expenses: (Continued)			
Staff quarter rental expenses			
– immediate holding company	(vi)	1,497	2,307
– a related company	(vi)	44	–
Property management fee expenses			
– fellow subsidiaries	(vi)	69	496
Loan interest expenses			
– non-controlling interests	(v)	3,277	764
IT Management fee expenses			
– immediate holding company		–	1,395
– a related company	(iv)	2,817	–
Repair and maintenance expenses			
– a fellow subsidiary		–	149
– a joint venture and an associate	(vi)	28,750	21,740
– a related company	(vi)	7,465	–
Insurance fee expenses			
– a related company	(ii)	1,646	–
Staff Management fee expenses			
– a fellow subsidiary	(ii)	1,165	–
Fuel purchase expenses			
– a related company		1,465	–

Notes:

- (i) Management service fees was charged to CKSE for provision of services to a number of subsidiaries and joint ventures of CKSE in Hong Kong and the PRC.

On 30 June 2023, the Company and CKSE has entered into a management agreement, The management fee is calculated annually at (i) HK\$20,000,000 per year or (ii) 3.25% of the total assets value of these companies as at 30 June of each year, whichever is higher, but the amount shall not exceed HK\$25,000,000. The contract period was from 1 July 2023 to 30 June 2026.

- (ii) Management, consulting, insurance fee and software service fees were charged based on the actual costs incurred for the service provided.
- (iii) The Group leased a warehouse from CKSE and rental was charged by CKSE pursuant to the agreement governing the transaction.

36 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

Notes: (Continued)

- (iv) Management fee expenses were charged for IT services provided by CKSE as set out in the agreement governing these transactions.
- (v) Loan Interest was charged by the non-controlling interests in respect of loans bearing interest rates at the base lending rate announced by base lending rate announced by the People's Bank of China ("PBOC") (2024: base lending rate announced by PBOC).
- (vi) The transactions represent continuing connected transactions which has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

(b) Key management compensation

	2025 HK\$'000	2024 HK\$'000
Salaries and allowances	6,680	7,662
Discretionary bonuses	1,448	2,185
Directors' fees	1,120	945
Retirement benefit scheme contributions	120	120
Housing benefit	1,708	1,559
	11,076	12,471

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

37 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

Statement of financial position of the Company

	Note	As at 31 December	
		2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		100,457	100,933
Land use rights		26,388	27,225
Investments in subsidiaries		2,029,334	2,001,334
Investments in joint ventures and associates		347,628	145,953
		2,503,807	2,275,445
Current assets			
Trade and other receivables		518,469	637,062
Income tax recoverable		3,055	–
Cash and cash equivalents		309,071	273,175
		830,595	910,237
Total assets		3,334,402	3,185,682
EQUITY			
Share capital		1,415,118	1,415,118
Reserves	(a)	1,512,495	1,488,953
Total equity		2,927,613	2,904,071

37 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Statement of financial position of the Company (Continued)

	Note	As at 31 December	
		2025	2024
		HK\$'000	HK\$'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		512	512
Current liabilities			
Trade payables, accruals and other payables		40,197	81,099
Short-term borrowings		366,080	200,000
		406,277	281,099
Total liabilities		406,789	281,611
Total equity and liabilities		3,334,402	3,185,682

Approved and authorised by the board of directors on 31 March 2026

Zhou Jun
Director

Zhong Yan
Director

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

37 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

Note (a) Reserve movement of the Company

	Retained profits HK\$'000
At 1 January 2025	1,488,953
Profit for the year	79,601
2024 final dividend	(44,847)
2025 interim dividend	(11,212)
At 31 December 2025	1,512,495
Representing:	
2025 final dividend proposed	16,818
Reserves	1,495,677
	1,512,495

	Retained profits HK\$'000
At 1 January 2024	1,451,035
Profit for the year	116,399
2023 final dividend	(56,058)
2024 interim dividend	(22,423)
At 31 December 2024	1,488,953
Representing:	
2024 final dividend proposed	44,847
Reserves	1,444,106
	1,488,953

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

38 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND THE LISTING RULES)

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2025:

Name	Fees HK\$'000	Salary (Note (i)) HK\$'000	Discretionary bonuses (Note (ii)) HK\$'000	Allowances and benefits in kind (Note (iii)) HK\$'000	Employers contributions to retirement benefit scheme HK\$'000	Total HK\$'000
Chairman/managing director						
Mr. Liu Guanghui ^{#1}	-	1,066	256	350	173	1,845
Mr. Zhou Jun	-	1,013	184	356	172	1,725
Executive directors						
Mr. Liu Wuwei ^{#2}	-	715	212	234	129	1,290
Mr. Hu Jun ^{#3}	-	160	-	21	29	210
Non-executive director						
Ms. Zhong Yan	-	-	-	-	-	-
Independent non-executive directors						
Mr. Chan Kay-Cheung	320	-	-	-	-	320
Ms. Yau Lai Man	250	-	-	-	-	250
Hon. Rock Chen Chung-nin	250	-	-	-	-	250
Mr. Tang Yi Hoi	300	-	-	-	-	300
Total	1,120	2,954	652	961	503	6,190

#1 Resigned on 26 February 2026

#2 Resigned on 14 November 2025

#3 Appointed on 14 November 2025

Notes:

- (i) Salary paid to a director is generally an emolument paid or receivable in respect of that person's other services in connection with the management of the affairs of the Company or its subsidiary undertakings.
- (ii) Discretionary bonuses are determined on the Group achieving its target performance indicators.
- (iii) Includes housing benefit.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

38 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND THE LISTING RULES) (Continued)

(a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 December 2024:

Name	Fees HK\$'000	Salary (Note (i)) HK\$'000	Discretionary bonuses (Note (ii)) HK\$'000	Allowances and benefits in kind (Note (iii)) HK\$'000	Employers contributions to retirement benefit scheme HK\$'000	Total HK\$'000
Chairman/managing director						
Mr. Liu Guanghui	-	1,075	409	348	167	1,999
Mr. Zhou Jun	-	1,012	315	341	167	1,835
Executive directors						
Mr. Liu Wuwei	-	748	443	179	175	1,545
Non-executive director						
Ms. Zhong Yan	-	-	-	-	-	-
Independent non-executive directors						
Mr. Chan Kay-Cheung	345	-	-	-	-	345
Ms. Yau Lai Man	237	-	-	-	-	237
Mr. Chow Bing Sing ^{#2}	50	-	-	-	-	50
Hon. Rock Chen Chung-nin	238	-	-	-	-	238
Mr. Tang Yi Hoi ^{#1}	75	-	-	-	-	75
Total	945	2,835	1,167	868	509	6,324

#1 Appointed on 9 October 2024

#2 Resigned on 1 April 2024

Notes:

- (i) Salary paid to a director is generally an emolument paid or receivable in respect of that person's other services in connection with the management of the affairs of the Company or its subsidiary undertakings.
- (ii) Discretionary bonuses are determined on the Group achieving its target performance indicators.
- (iii) Includes housing benefit.

39 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

Five-Year Financial Summary

RESULTS

	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Revenue	2,551,156	2,741,286	2,553,835	2,899,545	2,268,408
Operating profit	68,755	113,498	130,112	162,387	130,773
Finance income	7,289	15,117	15,726	11,934	10,051
Finance cost	(18,375)	(19,122)	(23,251)	(24,121)	(11,508)
Net finance cost	(11,086)	(4,005)	(7,525)	(12,187)	(1,457)
Share of profits less losses of					
– joint ventures	(6,915)	12,178	11,586	(9,619)	(25,212)
– associates	25,721	25,137	20,283	(9,506)	(9,970)
Profit before income tax	76,475	146,808	154,456	131,075	94,134
Income tax expense	(19,310)	(21,128)	(31,825)	(23,050)	(27,861)
Profit for the year	57,165	125,680	122,631	108,025	66,273
Attributable to:					
Equity holders of the Company	51,996	117,027	114,069	93,490	44,074
Non-controlling interests	5,169	8,653	8,562	14,535	22,199
	57,165	125,680	122,631	108,025	66,273
Earnings per share (HK cents)					
Basic and diluted	4.64	10.44	10.17	8.34	3.93

Five-Year Financial Summary

ASSETS AND LIABILITIES

	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Non-current assets	4,461,610	4,039,170	3,029,184	3,119,225	3,299,300
Current assets	1,633,523	1,465,987	1,517,162	1,450,555	1,398,566
Total assets	6,095,133	5,505,157	4,546,346	4,569,780	4,697,866
Non-current liabilities	1,227,997	938,293	270,081	286,843	362,767
Current liabilities	1,212,750	967,173	778,223	787,630	783,905
Total liabilities	2,440,747	1,905,466	1,048,304	1,074,473	1,146,672
Total equity	3,654,386	3,599,691	3,498,042	3,495,307	3,551,194

Notes:

- (a) The financial information for the years ended 31 December 2024 and 2025 were extracted from the 2025 financial statements.
- (b) The financial information for the years ended 31 December 2021, 2022 and 2023 were extracted from the 2024 Annual Report.

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