



Yancheng Port International Co., Limited

鹽城港國際股份有限公司

(於開曼群島註冊成立之有限公司)

(股份代號：8310)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG
KONG LIMITED**

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This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there is no other matter the omission of which would make any statement herein or this announcement misleading.

DEFINITIONS

Term	Definition
Audit Committee	The audit committee of the Company
Board	The board of the Directors
Company	Yancheng Port International Co., Limited 鹽城港國際股份有限公司
Companies Ordinance	Companies Ordinance (Chapter 622 of the laws of Hong Kong)
CG Code	The Corporate Governance Code contained in Appendix C1 to the GEM Listing Rules
Dafeng Port Development Group	江蘇鹽城港大豐港開發集團有限公司 (Jiangsu Yancheng Port Dafeng Port Development Group Co., Ltd.*)
Dafeng Port (HK)	Dafeng Port (HK) Development Limited, a company incorporated in Hong Kong with limited liability and wholly owned by Dafeng Port Development Group
Director(s)	The director(s) of the Company
GEM	the GEM of the Stock Exchange
GEM Listing Rules	The Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
Group	The Company and its subsidiaries
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China
HK\$/HKD	Hong Kong dollar(s)
Jiangsu Yancheng	江蘇鹽城港控股集團有限公司 (Jiangsu Yancheng Port Holding Group Co., Ltd.*)
Nomination Committee	The nomination committee of the Company

Port Shipping International	江蘇鹽城港港航國際貿易有限公司 (Jiangsu Yancheng Port Port Shipping International Trade Co., Limited*)
Port Storage Petrochemical	江蘇鹽城港港儲石化有限公司 (Jiangsu Yancheng Port Port Storage Petrochemical Co., Ltd.*)
PRC/China	The People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
Remuneration Committee	The remuneration committee of the Company
RMB	Renminbi Yuan
SFO	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
Share(s)	Ordinary shares of the Company
Stock Exchange	The Stock Exchange of Hong Kong Limited
US\$/USD	United States dollar(s)
Yancheng Port Overseas	Yancheng Port Overseas Investment Holdings Limited (formerly known as Dafeng Port Overseas Investment Holdings Limited), which has 57.46% interests in the Company
Year	1 January 2025 to 31 December 2025

* Note:

For the purpose of this announcement and unless otherwise specified, the English translation of the name of the companies incorporated in the PRC are used for identification purpose only.

FINANCIAL HIGHLIGHTS

The Group's revenue increased by approximately 36.4% to approximately HK\$1,066 million for the Year (2024: approximately HK\$781.7 million). For details regarding the reasons for the increase in revenue, please refer to the paragraph headed "Business Review" in this announcement.

The Group's cost of revenue increased by approximately 32.1% to approximately HK\$1,022.8 million for the Year (2024: approximately HK\$774.1 million). The increase in cost of revenue was mainly driven by the increase in revenue of the Group's trading business.

The Group recorded a gross profit margin of approximately 4.1% for the Year (2024: approximately 1.0%). The increase in gross profit margin was mainly attributable to the Group's expansion into new customers, new regions and new channels, which expanded sales scale and enhanced bargaining power through multi-channel sales, together with the increase in revenue from the petrochemical products storage business segment, while costs remained stable, thereby increasing gross profit margin.

The Group's finance costs amounted to approximately HK\$21.1 million for the Year (2024: approximately HK\$21.7 million). Financing costs was almost flat compared with the last year.

The Group recorded a loss of approximately HK\$19.1 million for the Year (2024: loss of approximately HK\$46.2 million). Loss attributable to owners of the Company was approximately HK\$19.0 million (2024: loss of approximately HK\$45.1 million), while basic loss per share was HK\$1.47 cents (2024: loss per share of HK\$3.5 cents). The decrease in loss as compared with the corresponding period was mainly attributable to (i) the growth in the scale of the trading business and the significant improvement in its profit margin; (ii) the increase in revenue of the petrochemical products storage business segment while costs and expenses remained stable; and (iii) the Company's continued implementation of cost reduction and efficiency enhancement measures, resulting in effective control over administrative expenses.

The Board did not recommend the payment of any final dividend for the Year (2024: Nil).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	4	1,065,997	781,743
Cost of revenue		<u>(1,022,769)</u>	<u>(774,053)</u>
Gross profit		43,228	7,690
Other (expenses)/income	5	(473)	2,957
Administrative expenses		(26,441)	(33,232)
Finance costs	6	(21,062)	(21,731)
Loss on disposal of subsidiaries		(11,853)	–
Impairment of trade receivables		(1,439)	–
Impairment loss on property, plant and equipment	11	<u>(479)</u>	<u>(1,892)</u>
Loss before taxation	7	(18,519)	(46,208)
Taxation	8	<u>(599)</u>	–
Loss for the year		<u>(19,118)</u>	<u>(46,208)</u>
Other comprehensive income/(loss):			
<i>Items that are reclassified or may be reclassified</i>			
<i>to profit or loss in subsequent periods:</i>			
Exchange difference arising from translation of foreign operations		<u>2,502</u>	<u>(958)</u>
		<u>2,502</u>	<u>(958)</u>
Total comprehensive loss for the year		<u><u>(16,616)</u></u>	<u><u>(47,166)</u></u>

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss attributable to:			
Owners of the Company		(18,957)	(45,090)
Non-controlling interests		<u>(161)</u>	<u>(1,118)</u>
		<u>(19,118)</u>	<u>(46,208)</u>
Total comprehensive loss attributable to:			
Owners of the Company		(17,381)	(45,128)
Non-controlling interests		<u>765</u>	<u>(2,038)</u>
		<u>(16,616)</u>	<u>(47,166)</u>
Loss per share attributable to			
equity holders of the Company			
Basic and diluted	<i>10</i>	<u>(1.47) HK cents</u>	<u>(3.50) HK cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment	11	123,868	102,310
Goodwill		340	340
Right-of-use assets		34,918	34,719
Prepayments in relation to property, plant and equipment		–	5,653
		<u>159,126</u>	<u>143,022</u>
Current assets			
Inventories		–	–
Trade and other receivables	12	518,779	169,518
Bank balances and cash		5,278	4,968
Assets associated with disposal of a subsidiary classified as held for sale		16,599	–
		<u>540,656</u>	<u>174,486</u>
Current liabilities			
Trade and other payables	13	727,247	365,829
Current portion of bank and other borrowings		201,605	151,946
Amount due to a former associate	13(e)	3,344	1,466
Liabilities associated with disposal of a subsidiary classified as held for sale		25,782	–
		<u>957,978</u>	<u>519,241</u>
Net current liabilities		<u>(417,322)</u>	<u>(344,755)</u>
Total assets less current liabilities		<u>(258,196)</u>	<u>(201,733)</u>
Non-current liabilities			
Non-current portion of bank and other borrowings		260,387	291,029
Deferred tax liabilities		1,451	1,387
		<u>261,838</u>	<u>292,416</u>
NET LIABILITIES		<u><u>(520,034)</u></u>	<u><u>(494,149)</u></u>

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves			
Share capital	<i>14</i>	12,880	12,880
Reserves		(532,914)	(523,591)
Total deficits attributable to			
equity holders of the Company		(520,034)	(510,711)
Non-controlling interests		–	16,562
TOTAL DEFICITS		<u>(520,034)</u>	<u>(494,149)</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the Company							Total	Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Other reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
At 1 January 2024	12,880	201,419	(7,337)	(8,229)	1,720	(9,151)	(656,885)	(465,583)	18,600	(446,983)
Loss for the year	-	-	-	-	-	-	(45,090)	(45,090)	(1,118)	(46,208)
Other comprehensive loss:										
Items that are reclassified or may be reclassified to profit or loss in subsequent periods:										
Exchange difference arising from translation of foreign operations	-	-	-	(38)	-	-	-	(38)	(920)	(958)
	-	-	-	(38)	-	-	-	(38)	(920)	(958)
Total comprehensive loss	-	-	-	(38)	-	-	(45,090)	(45,128)	(2,038)	(47,166)
At 31 December 2024	<u>12,880</u>	<u>201,419</u>	<u>(7,337)</u>	<u>(8,267)</u>	<u>1,720</u>	<u>(9,151)</u>	<u>(701,975)</u>	<u>(510,711)</u>	<u>16,562</u>	<u>(494,149)</u>
At 1 January 2025	12,880	201,419	(7,337)	(8,267)	1,720	(9,151)	(701,975)	(510,711)	16,562	(494,149)
Loss for the year	-	-	-	-	-	-	(18,957)	(18,957)	(161)	(19,118)
Other comprehensive income:										
Item that is reclassified or may be reclassified to profit or loss in subsequent periods:										
Exchange difference arising from translation of foreign operations	-	-	-	1,576	-	-	-	1,576	926	2,502
	-	-	-	1,576	-	-	-	1,576	926	2,502
Total comprehensive loss	-	-	-	1,576	-	-	(18,957)	(17,381)	765	(16,616)
Disposal of subsidiaries	-	-	-	8,058	-	9,151	(9,151)	8,058	(17,327)	(9,269)
At 31 December 2025	<u>12,880</u>	<u>201,419</u>	<u>(7,337)</u>	<u>1,367</u>	<u>1,720</u>	<u>-</u>	<u>(730,083)</u>	<u>(520,034)</u>	<u>-</u>	<u>(520,034)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2025

1. BASIS OF PRESENTATION

Basis of preparation

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”).

The consolidated financial statements are presented in the thousands of Hong Kong dollars (“HK\$000”), unless otherwise stated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024 consolidated financial statements except for the adoption of the Amended HKFRS Accounting Standards that are relevant to the Group and effective from the current year as detailed in note 2 below.

Going concern basis

As at 31 December 2025, the Group had net current liabilities of approximately HK\$417,322,000 (2024: approximately HK\$344,755,000) and net liabilities of approximately HK\$520,034,000 (2024: approximately HK\$494,149,000) respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the aforesaid conditions, the consolidated financial statements have been prepared on a going concern basis on the assumption that the Group is able to operate as a going concern for the foreseeable future. In the opinion of the directors of the Company, the Group can meet its financial obligations as and when they fall due within the next twelve months, after taking into consideration of the measures and arrangements made by the Group as detailed below:

- (i) the Group is in negotiation with financial institutions and connected parties for the renewal of the Group's bank and other borrowings upon expiry, obtaining new borrowings and applying for future credit facilities;
- (ii) the Company has obtained a Renminbi ("RMB") 1 billion financial support (equivalent to approximately HK\$1,111,900,000) in formal writing from 大豐港開發集團有限公司 Dafeng Port Development Group; and
- (iii) the Group is expected to generate adequate cash flows to maintain its operations.

The directors of the Company have prepared a cash flow forecast covering a period up to 30 June 2027 on the basis that negotiation with financial institutions and connected parties for the renewal of the Group's borrowings and credit facilities would be successful and are satisfied that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the twelve months from 31 December 2025. Accordingly, the directors of the Company consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the directors of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows in the near future, and to obtain the continuous financial support from its connected parties.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the values of assets to their estimated recoverable amounts, to provide further liabilities that might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS AND IMPROVEMENT TO HKFRS ACCOUNTING STANDARDS AND INTERPRETATION

Application of amendment to HKFRS Accounting Standards

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendment to HKFRS Accounting Standards had no material impact on the Group's financial performance and positions for the current and prior periods prepared and presented.

New and amendments and improvement to HKFRS Accounting Standards and interpretation issued but not yet effective

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Contracts Referencing Nature – dependent Electricity ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability Disclosures ²
Amendments to HKFRS 19	Subsidiaries without Public Accountability Disclosures ²
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

- ¹ Effective for annual periods beginning on or after 1 January 2026
- ² Effective for annual periods beginning on or after 1 January 2027
- ³ Effective for annual periods beginning on or after a date to be determined

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements (“HKFRS 18”), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statement of comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and HKFRS 7 Financial Instruments: Disclosures. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of comprehensive income and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

Except for the impact of HKFRS 18, the directors of the Company considers that the adoption of the above mentioned new and amendments and interpretation are not expected to have a material impact on the Group’s consolidated financial statements in future reporting periods when they become effective.

3. SEGMENT INFORMATION

The executive directors of the Company are identified collectively as the chief operating decision maker. An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Company's executive directors in order to allocate resources and assess performance of the segment.

For management purposes, the Group is currently organised into the following operating segments:

Operating segments	Principal activities
— Trading business	— Trading of petrochemical products, soybean products etc. — Provision of supply chain management services
— Petrochemical products storage business	— Provision of storage services for petrochemical products

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segments assets include all assets except for corporate assets which are managed on a group basis. All liabilities are allocated to reportable segment liabilities other than unallocated corporate liabilities which are managed on a group basis.

Revenues and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment results is loss before taxation without allocation of other unallocated corporate expenses and income.

For the purposes of assessing the performance of the operating segments and allocation of resources between segments, the Group's results are further adjusted for items not specifically attributed to individual segments and other head office or corporate administration costs.

Inter-segment sales transactions are charged at prevailing market prices.

Operating segments

Segment information is presented below:

For the year ended 31 December 2025

	Trading business <i>HK\$'000</i>	Petrochemical products storage business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue (from external customers)	<u>1,030,924</u>	<u>35,073</u>	<u>1,065,997</u>
Results			
Segment results	<u>8,415</u>	<u>6,508</u>	14,923
Other unallocated corporate income			210
Other unallocated corporate expenses			<u>(33,652)</u>
Loss before taxation			(18,519)
Taxation			<u>(599)</u>
Loss for the year			<u><u>(19,118)</u></u>

For the year ended 31 December 2024

	Trading business <i>HK\$'000</i>	Petrochemical products storage business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue (from external customers)	<u>769,032</u>	<u>12,711</u>	<u>781,743</u>
Results			
Segment results	<u>(4,702)</u>	<u>(19,539)</u>	(24,241)
Other unallocated corporate income			2,766
Other unallocated corporate expenses			<u>(24,733)</u>
Loss before taxation			(46,208)
Taxation			<u>–</u>
Loss for the year			<u><u>(46,208)</u></u>

As at 31 December 2025

	Trading business HK\$'000	Petrochemical products storage business HK\$'000	Total HK\$'000
ASSETS			
Segment assets	449,875	195,999	645,874
Unallocated corporate assets			37,309
Assets associated with disposal of a subsidiary classified as held for sale			<u>16,599</u>
Consolidated total assets			<u><u>699,782</u></u>
LIABILITIES			
Segment liabilities	(552,876)	(159,424)	(712,300)
Unallocated corporate liabilities			(481,734)
Liabilities associated with disposal of a subsidiary classified as held for sale			<u>(25,782)</u>
Consolidated total liabilities			<u><u>(1,219,816)</u></u>

For the year ended 31 December 2025

	Trading business HK\$'000	Petrochemical products storage business HK\$'000	Total HK\$'000
OTHER INFORMATION			
Capital additions	–	22,126	22,126
Depreciation of property, plant and equipment	205	8,243	8,448
Depreciation of right-of-use assets	167	944	1,111
Depreciation of right-of-use assets (unallocated)	–	–	364
Finance costs	2,000	4,923	6,923
Finance costs (unallocated)	–	–	14,139
Impairment loss on property, plant and equipment	–	479	479
Interest income	(7)	(2)	(9)
Interest income (unallocated)	–	–	(1)
Loss on disposal of subsidiaries	<u>11,853</u>	<u>–</u>	<u>11,853</u>

As at 31 December 2024

	Trading business <i>HK\$'000</i>	Petrochemical products storage business <i>HK\$'000</i>	Total <i>HK\$'000</i>
ASSETS			
Segment assets	170,546	143,137	313,683
Unallocated corporate assets			<u>3,825</u>
Consolidated total assets			<u><u>317,508</u></u>
LIABILITIES			
Segment liabilities	(219,436)	(132,180)	(351,616)
Unallocated corporate liabilities			<u>(460,041)</u>
Consolidated total liabilities			<u><u>(811,657)</u></u>

For the year ended 31 December 2024

	Trading business <i>HK\$'000</i>	Petrochemical products storage business <i>HK\$'000</i>	Total <i>HK\$'000</i>
OTHER INFORMATION			
Capital additions	–	2,865	2,865
Depreciation of property, plant and equipment	212	8,394	8,606
Depreciation of right-of-use assets	129	941	1,070
Depreciation of right-of-use assets (unallocated)	–	–	418
Finance costs	5	6,114	6,119
Finance costs (unallocated)	–	–	15,612
Gain on disposal of property, plant and equipment	–	(76)	(76)
Impairment loss on property, plant and equipment	–	1,892	1,892
Interest income	(45)	(2)	(47)
Interest income (unallocated)	–	–	(13)
Loss on early termination of lease	10	–	10

Geographical information

Geographical segment

The Group operates and derives revenue in two principal geographical areas: Hong Kong and the PRC. The following table sets out the revenue derived from geographical areas which are based on the geographical location of the customers:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from external customers:		
Hong Kong	–	–
The PRC	<u>1,065,997</u>	<u>781,743</u>
	<u>1,065,997</u>	<u>781,743</u>

The geographical location of non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, prepayments in relation to property, plant and equipment, right-of-use assets, and the location of the operation, in the case of goodwill. The analysis of the Group's non-current assets by geographical location is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Property, plant and equipment		
The PRC	<u>123,868</u>	<u>102,310</u>
Prepayments in relation to property, plant and equipment		
The PRC	<u>–</u>	<u>5,653</u>
Goodwill		
The PRC	<u>340</u>	<u>340</u>
Right-of-use assets		
Hong Kong	636	1,000
The PRC	<u>34,282</u>	<u>33,719</u>
	<u>34,918</u>	<u>34,719</u>
Total non-current assets	<u>159,126</u>	<u>143,022</u>

Information about major customers

Revenue from customers contributing individually over 10% or more of the Group's revenue are as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Customer A	179,324	N/A
Customer B	152,372	155,620
Customer C	149,168	85,158
Customer D	106,776	N/A
Customer E	99,169	N/A
Customer F	N/A	148,184
Customer G	N/A	101,438
Customer H	N/A	100,204

All the above customers are from trading segment. The revenue from Customer A, D and E were less than 10% of the Group's revenue for the year ended 31 December 2024. The revenue from Customer F, G and H were less than 10% of the Group's revenue for the year ended 31 December 2025.

4. REVENUE

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from contracts with customers within HKFRS 15		
Trading business	1,030,924	769,032
Petrochemical products storage service	35,073	12,711
	<u>1,065,997</u>	<u>781,743</u>
Timing of revenue recognition		
At a point in time	1,030,924	769,032
Over time	35,073	12,711
	<u>1,065,997</u>	<u>781,743</u>

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

5. OTHER (EXPENSES)/INCOME

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	10	60
Exchange (loss)/gain, net	(538)	2,492
Gain on disposal of property, plant and equipment	–	76
Sundry income	55	329
	<u>(473)</u>	<u>2,957</u>

6. FINANCE COSTS

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest on borrowings wholly repayable within five years	5,148	4,620
Effective interest on listed credit enhanced guaranteed bonds	14,091	15,593
Interest on loan from a former associate	1,775	1,494
Interest on lease liabilities	48	24
	<u>21,062</u>	<u>21,731</u>

7. LOSS BEFORE TAXATION

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Staff costs		
Salaries, allowances and other short-term employee benefits including directors' emoluments	12,655	12,776
Contributions to defined contribution plans	2,163	2,831
	<u>14,818</u>	<u>15,607</u>
Auditor's remuneration		
– Audit-related assurance services	1,278	1,450
– Other services	1	199
Cost of inventories	1,008,188	767,696
Depreciation of property, plant and equipment	8,448	8,606
Depreciation of right-of-use assets	1,475	1,488
Loss on early termination of lease	–	10
Lease charge - short term lease	270	254
Loss on disposal of subsidiaries	11,853	–

8. TAXATION

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current Income Tax		
CIT	<u>599</u>	<u>–</u>
Total income tax expenses recognised in profit or loss	<u>599</u>	<u>–</u>

(i) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2 million of estimated assessable profits of the qualifying group entity is lowered to 8.25% while the estimated assessable profits above HK\$2 million continue to be subject to the rate of 16.5% for corporations. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made as the Group's entities either had no estimated assessable profits or incurred tax losses for the years ended 31 December 2025 and 2024.

(ii) Income taxes outside Hong Kong

The Company's subsidiaries in the PRC are subject to Enterprise Income Tax ("EIT"). PRC EIT is calculated at the prevailing tax rate at 25% on taxable income determined in accordance with the relevant laws and regulations in the PRC.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI") and the Cayman Islands, the Group is not subject to any taxation under those jurisdictions.

9. DIVIDENDS

The board does not recommend the payment of a dividend for the year ended 31 December 2025 (2024: Nil).

10. LOSS PER SHARE

Basic loss per share for the years ended 31 December 2025 and 2024 are calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue.

	2025	2024
Loss attributable to the owners of the Company (<i>HK\$'000</i>)	<u>(18,957)</u>	<u>(45,090)</u>
Weighted average number of ordinary shares in issue	<u>1,288,000,000</u>	<u>1,288,000,000</u>
Loss per share (<i>HK cents</i>)	<u>(1.47)</u>	<u>(3.50)</u>

Basic and diluted loss per share are the same as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2025 and 2024.

11. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Storage facilities	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Terminal and related auxiliary facilities	Construction in progress	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At cost									
At 1 January 2024	7,116	213,418	2,329	17,787	355	5,575	11,111	-	257,691
Additions	-	-	-	31	-	250	-	2,584	2,865
Transfer	-	1,911	-	-	-	-	-	(1,911)	-
Written off	-	(422)	-	-	-	-	-	-	(422)
Exchange realignment	(225)	(7,666)	(85)	(365)	(10)	(183)	(322)	(13)	(8,869)
At 31 December 2024 and 1 January 2025	6,891	207,241	2,244	17,453	345	5,642	10,789	660	251,265
Additions	163	-	-	1,406	1	369	-	20,187	22,126
Transfer	-	3,491	-	-	-	-	-	(3,491)	-
Disposal of subsidiaries	-	-	(1,399)	(1,466)	-	-	-	-	(2,865)
Exchange realignment	301	10,254	80	488	14	256	426	414	12,233
At 31 December 2025	7,355	220,986	925	17,881	360	6,267	11,215	17,770	282,759
Accumulated depreciation and impairment									
At 1 January 2024	2,274	115,197	2,047	13,396	87	3,771	6,891	-	143,663
Charge for the year	96	6,924	24	697	1	661	203	-	8,606
Impairment	726	43	-	521	-	353	249	-	1,892
Written off	-	(55)	-	-	-	-	-	-	(55)
Exchange realignment	(83)	(4,416)	(108)	(273)	(10)	(154)	(107)	-	(5,151)
At 31 December 2024 and 1 January 2025	3,013	117,693	1,963	14,341	78	4,631	7,236	-	148,955
Charge for the year	98	7,040	24	740	1	341	204	-	8,448
Impairment	-	22	-	318	-	3	136	-	479
Disposal of subsidiaries	-	-	(1,399)	(1,045)	-	-	-	-	(2,444)
Exchange realignment	39	2,831	38	265	13	199	68	-	3,453
At 31 December 2025	3,150	127,586	626	14,619	92	5,174	7,644	-	158,891
Net book value									
At 31 December 2025	4,205	93,400	299	3,262	268	1,093	3,571	17,770	123,868
At 31 December 2024	3,878	89,548	281	3,112	267	1,011	3,553	660	102,310

Note: As at 31 December 2025, the storage facilities with aggregate carrying amount of RMB28,359,000 (equivalent to HK\$31,533,000) (2024: RMB30,751,000 (equivalent to HK\$32,694,000)) were pledged to secure loan from a third party.

The directors of the Company have reviewed the carrying value of property, plant and equipment (storage facilities and construction in progress) and right-of-use assets of Petrochemical Products Storage Business as at 31 December 2025, as their overall performance is worse than expected and determined that the recoverable amount from the use or sale of certain of these assets has declined below their carrying amounts.

The recoverable amounts of the cash-generating unit (“CGU”), including property, plant and equipment and right-of-use assets of Petrochemical Products Storage Business (collectively known as the “Assets”) as at 31 December 2025 were lower than their respective carrying amounts. The recoverable amounts are determined by the management, with assistance from an independent professional valuer, based on fair value less costs of disposal for the Assets, which are higher than that using VIU calculation.

The recoverable amounts of the property, plant and equipment and right-of-use assets of Petrochemical Products Storage Business were HK\$135,464,000 and HK\$56,373,000 respectively (2024: HK\$113,127,000 and HK\$49,058,000 respectively). Accordingly, impairment losses of HK\$479,000 (2024: HK\$1,892,000) was provided for property, plant and equipment and no impairment losses were provided for right-of-use assets in relation to this CGU respectively.

The key assumptions used in estimating the fair value of the Assets under depreciated replacement cost approach include estimation of construction as if building the similar structures, adjusting for physical deterioration, obsolescence and optimisation or referring to current market price of the similar assets. The valuation was categorised as Level 3 fair value measurement.

12. TRADE AND OTHER RECEIVABLES

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade receivables			
Third parties	<i>(a)</i>	475,399	117,029
Less: Loss allowance	<i>(b)</i>	—	(3,514)
		<u>475,399</u>	<u>113,515</u>
Other receivables			
Deposits, prepayments and other debtors		42,089	4,715
Advanced payments to suppliers		489	29,038
Value added tax refundable		791	3,989
Loans to third parties	<i>(c)</i>	—	18,250
Amount due from a connected company	<i>(d)</i>	11	11
		<u>43,380</u>	<u>56,003</u>
		<u>518,779</u>	<u>169,518</u>

Note:

(a) Trade receivables

An ageing analysis of the trade receivables as at the reporting period, based on the invoice date is as follows:

	2025	2024
	HK\$'000	HK\$'000
Non-credit impaired		
Within 90 days	463,238	107,727
91–180 days	11,049	–
181–365 days	1,112	–
More than 365 days	–	5,788
	<u>475,399</u>	<u>113,515</u>
Credit impaired		
More than 365 days	–	3,514
	<u>–</u>	<u>3,514</u>
	<u>475,399</u>	<u>117,029</u>

(b) Loss allowance

As at 31 December 2025, the Group has loss allowance of Nil (2024: HK\$3,514,000) on the trade receivables. The movements in the loss allowance for trade receivables during the year are summarised below.

	2025	2024
	HK\$'000	HK\$'000
At beginning of year and	3,514	3,514
Increase in loss allowance	1,439	–
Reclassified as assets associated with disposal of a subsidiary classified as held for sale	<u>(4,953)</u>	<u>–</u>
At end of the reporting period	<u>–</u>	<u>3,514</u>

(c) **Loans to third parties**

The amounts due are unsecured, interest-bearing at rates ranging from 5% to 7.2% per annum and repayable within 1 year.

(d) **Amount due from a connected company**

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Jiangsu Yancheng Port Smart Port Co., Ltd. *	<i>(i)</i>	<u>11</u>	<u>11</u>

(i) The company is controlled by a substantial shareholder and the amount is unsecured, interest-free and has no fixed term of repayment.

* The official name is in Chinese and the English name is translated for identification purpose only.

13. TRADE AND OTHER PAYABLES

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	<i>(a)</i>	<u>238,558</u>	<u>10,200</u>
Other payables			
Accrued charges and other creditors		48,264	13,450
Construction cost payables	<i>(b)</i>	2,631	17,855
Contract liabilities	<i>(d)</i>	603	6,914
Salaries and bonus payable		2,578	1,290
Amount due to a director	<i>(f)</i>	1,220	1,160
Amounts due to connected companies - current portion	<i>(c)</i>	<u>433,393</u>	<u>314,960</u>
		<u>488,689</u>	<u>355,629</u>
		<u>727,247</u>	<u>365,829</u>

(a) Trade payables

The ageing analysis of trade payables, based on invoice date, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
90 days or below	217,255	40
181-365 days	21,271	–
More than 365 days	32	10,160
	<u>238,558</u>	<u>10,200</u>

The Group was allowed a credit period of up to 90 (*2024: 90*) days by its trade creditors. The trade payables are interest-free and are normally settled on terms of one to six months (*2024: one to six months*).

(b) Construction cost payables

The amounts due are interest-free and repayable upon the receipt of the invoices issued by the constructors.

(c) Amounts due to connected companies

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Current portion			
Dafeng Port Development Group	<i>(i)</i>	200,661	101,767
New Fortune International Development Limited ("New Fortune")	<i>(ii)</i>	17,202	790
Dafeng Port (HK) Development Limited ("Dafeng Port (HK)")	<i>(iii)</i>	215,530	212,403
		<u>433,393</u>	<u>314,960</u>

- (i) The amount of RMB180,467,000 (equivalent to HK\$200,661,000) (2024: RMB 91,525,000 (equivalent to HK\$101,767,000)) is unsecured, repayable on demand and interest-free.
- (ii) Dafeng Port Development Group has 100% equity interests in New Fortune. The amount is unsecured, repayable on demand and interest-free.
- (iii) Dafeng Port Development Group has 100% equity interests in Dafeng Port (HK). The amount is unsecured, repayable on demand and interest-free. The balance of HK\$210,230,000 (2024: HK\$209,804,000) was denominated in US\$ and the remaining balance was denominated in HK\$.

(d) Contract liabilities

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2025	2024
	HK\$'000	HK\$'000
At the beginning of the reporting period	6,914	14,358
Receipt of advances of undelivered goods	8,620	6,443
Refunded	–	(13,887)
Recognised as revenue (note)	(14,931)	–
	<hr/>	<hr/>
At end of the reporting period	<u>603</u>	<u>6,914</u>

Note: Contract liabilities outstanding at the beginning of the year amount to HK\$6,914,000 (2024: Nil) have been recognised as revenue during the period.

At 31 December 2025 and 2024, the advance payments from customers are expected to be recognised as revenue within one year.

(e) **Amount due to a former associate**

The amount due is unsecured, interest-free and repayable on demand.

(f) **Amount due to a director**

The amount due is unsecured, interest-free and has no fixed repayment term. (2024: *the same*).

14. SHARE CAPITAL

	2025		2024	
	Number of shares	Nominal value <i>HK\$'000</i>	Number of shares	Nominal value <i>HK\$'000</i>
Authorised:				
Ordinary shares of HK\$0.01 each	<u>10,000,000,000</u>	<u>100,000</u>	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid (HK\$0.01 each):				
At beginning of year				
and at end of the year	<u>1,288,000,000</u>	<u>12,880</u>	<u>1,288,000,000</u>	<u>12,880</u>

BUSINESS REVIEW

During the Year, the Group was principally engaged in trading business and the provision of petrochemical products storage business.

Our major business activities can be divided into the following segments during the Year:

1. Trading Business

The Group is engaged in the trading and import and export businesses of petrochemical products, soybeans and soybean products. During the Year, the Group's trading business recorded revenue of approximately HK\$1,030.9 million (2024: approximately HK\$769.0 million). The increase in revenue was mainly attributable to the Group's proactive expansion into new market channels and customer bases, which effectively enlarged the business scale. In addition, increased supply from production regions and lower procurement prices created a favorable price spread, thereby boosting overall revenue.

2. Petrochemical Products Storage Business

The Group is engaged in the petrochemical products storage business through Port Storage Petrochemical. During the Year, the Group's petrochemical products storage business recorded an increase in revenue by approximately 175.9% to approximately HK\$35.1 million (2024: approximately HK\$12.7 million). This growth in revenue was mainly due to the addition of new long-term storage customers, the continuous improvement in service quality, and reduced loss of customers' goods, which strengthened the competitiveness of the Group's storage facilities in the market.

OUTLOOK

Petrochemical products are expected to achieve a sustainable recovery and maintain moderate growth, while the global soybean trade landscape will undergo adjustments in 2026, with overall steady improvement. Enterprises need to seek new market driving momentum, balance the development of the two major business segments simultaneously and manage short-term benefits with long-term growth. Global macroeconomic risk, policy risk and other common risks, as well as special risks related to soybean trade, still present industry challenges. Despite an uncertain external environment, China's foreign trade is still anticipated to demonstrate strong resilience. The recovery of the global economy is expected to drive growth in external demand, benefiting the foreign trade of petrochemical products and broadening the trade of soybean products. The Company will seize opportunities and meet challenges. Looking forward to 2026, the Group will prudently operate its core business, i.e., the trading of petrochemical products and soybean products, and consolidate its market share. In addition, the Group will seize the opportunity of integrated development of Yancheng, Jiangsu, adjust the layout of import channels based on the soybean trade pattern, optimize resources, and make prudent investments, so as to promote the coordinated development of the two business segments, improve business quality and efficiency, and reward shareholders.

EVENTS AFTER THE REPORTING PERIOD

The Group did not have any significant events after the end of the reporting period (that is, 31 December 2025) and up to the date of this announcement.

FINANCIAL REVIEW

The Group's revenue increased by approximately 36.4% to approximately HK\$1,066 million for the Year (2024: approximately HK\$781.7 million). For details regarding the reasons for the increase in revenue, please refer to the paragraph headed "Business Review" above in this announcement for details.

The Group's cost of revenue increased by approximately 32.1% to approximately HK\$1,022.8 million for the Year (2024: approximately HK\$774.1 million). The increase in cost of revenue was mainly driven by the increase in revenue of the Group's trading business.

The Group recorded a gross profit margin of approximately 4.1% for the Year (2024: approximately 1.0%). The increase in gross profit margin was mainly attributable to the Group's expansion into new customers, new regions and new channels, which expanded sales scale and enhanced bargaining power through multi-channel sales, together with the increase in revenue from the petrochemical products storage business segment, while costs remained stable, thereby increasing gross profit margin.

The Group's finance costs amounted to approximately HK\$21.1 million for the Year (2024: approximately HK\$21.7 million). Financing costs was almost flat compared with the last year.

The Group recorded a loss of approximately HK\$19.1 million for the Year (2024: loss of approximately HK\$46.2 million). Loss attributable to owners of the Company was approximately HK\$19.0 million (2024: loss of approximately HK\$45.1 million), while basic loss per share was HK\$1.47 cents (2024: loss per share of HK\$3.5 cents). The decrease in loss as compared with the corresponding period was mainly attributable to (i) the growth in the scale of the trading business and the significant improvement in its profit margin; (ii) the increase in revenue of the petrochemical products storage business segment while costs and expenses remained stable; and (iii) the Company's continued implementation of cost reduction and efficiency enhancement measures, resulting in effective control over administrative expenses.

Capital structure

As at 31 December 2025, the Group's total deficits attributable to equity holders of the Company amounted to approximately HK\$520.0 million (2024: approximately HK\$510.7 million). The Company's capital consists solely of ordinary shares. There was no movement in the issued share capital of the Company during the Year.

Issuance of US\$31,000,000 credit-enhanced guaranteed bonds to be purchased by professional investors only and listed on the Stock Exchange

On 4 March 2024, the Company, as issuer, Dafeng Port Development Group, as guarantor, and BOSC International Securities Limited, Soochow Securities International Brokerage Limited, Industrial Bank Co., Ltd., Hong Kong Branch, CNCB (Hong Kong) Capital Limited, Shenwan Hongyuan Securities (H.K.) Limited, Huatai Financial Holdings (Hong Kong) Limited, Changjiang Securities Brokerage (HK) Limited, Essence International Securities (Hong Kong) Limited, Sigma Capital Management Limited and JA Securities Limited (collectively, the “**Bond Placing Agents**”), entered into a placing agreement pursuant to which the Company agreed to appoint the Bond Placing Agents as placing agents to use its best efforts to procure the subscription of the bonds of up to an aggregate principal amount of US\$31,000,000 (the “**Bond Placing**”).

The Bond Placing was completed on 7 March 2024. Pursuant to the results of a book building exercise, the bonds in the principal amount of US\$31,000,000 has been placed to bondholders at a coupon rate of 5.45% per annum with a term of 3 years.

The commission to be charged by the Bond Placing Agents and other fees payable in connection with this offer are paid from the Company’s own funds. The net proceeds had been already fully utilised to repay a portion of the principal and the final interest payment of the listed credit-enhanced guaranteed bond maturing on 24 March 2024.

For further details about the Bond Placing, please refer to the announcements of the Company dated 7 March 2024 and 8 March 2024.

Dividend

The Board did not recommend the payment of any dividend in respect of the Year (2024: Nil).

Significant investment held, material acquisitions and disposals of subsidiaries, associates and joint ventures

On 18 December 2025, Dafeng Port Heshun International Investments Limited (大豐港和順國際投資有限公司) (“**Heshun International**”), a wholly-owned subsidiary of the Company, and Sheyang County Jingang Logistics Co., Ltd.* (射陽縣金港物流有限公司) (“**Jingang Logistics**”) entered into an equity transfer agreement whereby Heshun International agreed to sell 51% equity interest of Qianhai Mingtian Supply Chain (Shenzhen) Company Limited* (前海明天供應鏈(深圳)有限公司), a company incorporated in the PRC, to Jingang Logistics at a consideration of RMB31,000,000 (equivalent to approximately HK\$33,694,000). The disposal was completed on 23 December 2025. For details, please refer to the Company’s announcements dated 18 December 2025 and 24 December 2025.

Save as disclosed above, the Group had no significant investment, material acquisitions and disposals of subsidiaries, associated companies and joint ventures during the Year.

Future plans for material investments or capital assets

There was no future plan for material investments or capital assets as at 31 December 2025.

Pledge of assets

The Group used bank facilities and other borrowings to finance its business expansion. As at 31 December 2025, a loan from a third party of approximately RMB10.8 million (equivalent to approximately HK\$12 million) (2024: approximately RMB24.3 million (equivalent to approximately HK\$25.9 million)) was secured by petrochemical storage equipment of approximately RMB28.4 million (equivalent to approximately HK\$31.5 million) (2024: approximately RMB30.8 million (equivalent to approximately HK\$32.7 million)).

Foreign currency exposure

The income and expenditure of the Group are mainly carried in HKD, RMB and USD. Exposures to foreign currency risk arise from certain of the Group's trade and other receivables, trade and other payables and cash and bank balances denominated in RMB and USD. The Group mainly adopts measures such as adjusting the time of foreign exchange receipt and payment, matching the balance of foreign exchange receipts and payments, and signing foreign exchange lock agreements with banks to control foreign exchange risks. The Group does not use derivative financial instruments to hedge its foreign currency risk. The management team of the Group reviews the foreign currency exposures regularly.

Employees and emolument policy

As at 31 December 2025, the Group employed a total of 85 employees (2024: 90 employees) based in Hong Kong and the PRC. During the Year, the total staff costs, including Directors' emoluments, amounted to approximately HK\$14.8 million (2024: approximately HK\$15.6 million). Various on-the-job training programmes were provided to the employees based on their job duties and needs.

Remuneration of employees is determined with reference to market terms and is commensurate with the level of pay for similar positions within the industry. Discretionary year-end bonuses are payable to employees based on individual performance. The Group provides benefits in accordance with the relevant laws and regulations.

Pension Schemes

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for all of its employees in Hong Kong who are eligible to participate in the Mandatory Provident Fund Scheme (the "**MPF Scheme**"). The Group and its employees in Hong Kong are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income.

The employees of the Group’s subsidiaries which operate in the PRC are required to participate in the central pension schemes operated by the local municipal governments (the “**Central Pension Schemes**”). According to the relevant regulations, contributions that should be borne by the companies within the Group are principally determined based on percentages of the basic salaries of employees, subject to certain ceilings imposed. The applicable percentages for the Central Pension Schemes for the years ended 31 December 2025 and 2024 are listed below:

	Percentage
Pension insurance	24%
Medical insurance	7.5-10%
Unemployment insurance	1%
Housing fund	12%

The Group’s contributions to the MPF Scheme and the Central Pension Schemes vest fully and immediately with the employees. During the years ended 31 December 2025 and 2024, there were neither contributions forfeited by the Group nor had there been any utilisation of such forfeited contributions to reduce future contributions. As at 31 December 2025 and 2024, there were no forfeited contributions which were available for utilisation by the Group to reduce the existing level of contributions to the MPF Scheme and the Central Pension Schemes.

The Group reviews the emoluments of the Directors and staff based on their respective qualification, experience, performance and the market rates so as to maintain the remuneration of the Directors and staff at a competitive level.

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including the sale of treasury shares).

The Company and its subsidiaries did not redeem, purchase or cancel any of their redeemable securities either.

As at 31 December 2025, there were no treasury shares held by the Company.

CORPORATE GOVERNANCE CODE PRACTICE

The Company is committed to maintaining a high standard of corporate governance. The Company has adopted a set of corporate governance practices which aligns with the code provisions of the CG Code.

The Company has implemented a number of Group-wide governance policies and systems, which are subject to regular review, to support its commitment to high standards of business, professional, and ethical conduct, and to ensure best practices across the organisation. The Company has also established whistleblowing channels for external parties to raise concerns in relation to possible misconduct of the Group, its employees or directors in a confidential or anonymous manner, or both. The Board has delegated authority to the Audit Committee to review the Group Anti-Bribery and Anti-Corruption Policy and the Group Whistleblowing Policy periodically and receive updates on matters concerning breaches of the Group Anti-Bribery and Anti-Corruption Policy and whistleblowing disclosures.

In the opinion of the Directors, the Company has complied with all the code provisions set out in the CG Code during the Year. The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

CONVERTIBLE SECURITIES, WARRANTS OR SIMILAR RIGHTS

Up to 31 December 2025, the Company and its subsidiaries have not issued or granted any convertible securities, warrants or other similar rights.

During the Year, the Company has not adopted any share scheme.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the Year.

AUDIT COMMITTEE

The Audit Committee was established on 3 August 2013 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee is currently comprised of three independent non-executive Directors, namely Mr. Lau Hon Kee (chairman), Mr. Yu Xugang and Ms. Hui Alice. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditor, review the financial statements and related materials and provide advice in respect of the financial reporting process and oversee the financial reporting system, the internal control and risk management system of the Group.

During the Year, the Audit Committee reviewed the interim and annual results of the Group and reviewed, with both the auditor and management, the audit approach and methodology applied, and in particular to those key audit matters included in the independent auditor's report. The Audit Committee also reviewed the internal control procedures of the Group, including financial, operational and compliance controls, and risk management functions as well as the findings reports from the internal audit department of the Company.

SCOPE OF WORK OF PRISM HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the related notes thereto for the Year as set out in this announcement have been agreed by the Group's auditor, Prism Hong Kong Limited (“**Prism**”), to the amounts set out in the Group's drafted consolidated financial statements for the Year. The work performed by Prism in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Prism in this announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the Year. The report includes particulars of the material uncertainty related to going concern without qualified opinion:

Opinion

We have audited the consolidated financial statements of Yancheng Port International Co., Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 65 to 198, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information. In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to the “Going concern basis” section in note 2 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. As at 31 December 2025, the Group had net current liabilities and net liabilities of approximately HK\$417,322,000 and HK\$520,034,000 respectively.

These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern and, therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors, having considered the measures being taken by the Group as disclosed in note 2 to the consolidated financial statements, are of the opinion that the Group would be able to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments that would result from a failure of achieving the measures. We consider appropriate disclosures have been made in this respect. Our opinion is not modified in respect of this matter.

REVIEW OF RESULTS

The Audit Committee has reviewed, with both the auditor and management, the accounting principles and practices adopted by the Group and the consolidated financial statements for the Year. The Audit Committee was satisfied that the consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group’s financial position and results for the Year.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The Company's annual general meeting (the "AGM") will be held on 14 May 2026 at 3:00 p.m. In order to ascertain the entitlement of shareholders of the Company to attend and vote at the AGM, the register of members of the Company will be closed from 11 May 2026 to 14 May 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 8 May 2026.

PUBLICATION OF 2025 ANNUAL REPORT

The annual report of the Group for the Year will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at <http://ycport.com.hk> and will be dispatched to the Company's shareholders who requested for printed copy in due course.

By order of the Board

Yancheng Port International Co., Limited

Lu Shuai

Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises the following members:

Executive Directors

Non-executive Director

Independent Non-executive Directors

Mr. Lu Shuai (*Chairman*)

Mr. Ding Anguang

Mr. Lau Hon Kee

Ms. Yuan Xin (*Vice-chairman*)

Mr. Yu Xugang

Mr. Ji Yaosheng

Ms. Hui Alice