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中遠海運國際(香港)有限公司
COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.
(Incorporated in Bermuda with limited liability)
(Stock Code: 00517)

2025 INTERIM RESULTS

RESULTS AND OPERATION HIGHLIGHTS

- Revenue increased by 10% to HK\$1,934,118,000, mainly due to the increase in revenues from coatings and ship trading agency segments.
- Gross profit increased by 24% to HK\$498,803,000, mainly due to the increase in gross profit of coatings segment and the increase in revenue from ship trading agency segment.
- Gross profit margin increased to 26%, mainly due to the increase in revenue contribution from higher-gross profit margin segments.
- Profit before income tax from the core business of shipping services increased by 26% to HK\$410,991,000.
- Profit attributable to equity holders of the Company increased by 26% to HK\$487,223,000, mainly due to the increase in revenue of shipping services business and the share of profit of a joint venture, Jotun COSCO Marine Coatings (HK) Limited, and the increase in net exchange gains.
- Basic and diluted earnings per share was 33.24 HK cents (2024: 26.47 HK cents), increased by 26%. The Board has declared an interim dividend of 33.0 HK cents (2024: 26.5 HK cents) per share.
- The Group had net cash (represented by total non-current bank deposits, restricted bank deposits and current deposits and cash and cash equivalents) of HK\$6,091,510,000 as at 30 June 2025.

The board of directors (the “Board” or the “Director(s)”) of COSCO SHIPPING International (Hong Kong) Co., Ltd. (the “Company” or “COSCO SHIPPING International”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2025. The unaudited condensed consolidated results of the Group for the six months ended 30 June 2025 have been reviewed by the audit committee of the Company (the “Audit Committee”).

The Group's unaudited condensed consolidated income statement, unaudited condensed consolidated statement of comprehensive income, unaudited condensed consolidated statement of financial position and explanatory notes 1 to 11 as presented below are extracted from the Group's unaudited condensed consolidated interim financial information for the six months ended 30 June 2025 (the "Unaudited Condensed Consolidated Interim Financial Information"), which has been reviewed by the Company's independent auditor, SHINEWING (HK) CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

		Unaudited Six months ended 30 June	
		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3	1,934,118	1,752,887
Cost of sales		(1,435,315)	(1,351,259)
Gross profit		498,803	401,628
Management fee income		42,277	36,256
Other income and gains — net	4	63,560	13,627
Selling, administrative and general expenses		(354,277)	(315,625)
Operating profit	5	250,363	135,886
Finance income	6	112,872	140,095
Finance costs	6	(726)	(1,155)
Finance income — net	6	112,146	138,940
Share of profits of joint ventures	3	178,709	149,636
Share of profits of associates	3	8,616	11,083
Profit before income tax		549,834	435,545
Income tax expenses	7	(55,209)	(43,117)
Profit for the period		494,625	392,428
Profit attributable to:			
Equity holders of the Company		487,223	388,041
Non-controlling interests		7,402	4,387
		494,625	392,428
Earnings per share attributable to equity holders of the Company during the period			
— basic and diluted, HK cents	8	33.24	26.47

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Profit for the period	494,625	392,428
Other comprehensive income/(losses)		
Items that may be reclassified subsequently to profit or loss:		
Share of currency translation differences of joint ventures	13,360	(7,486)
Share of statutory reserves of subsidiaries, a joint venture and an associate, net of tax	1,546	235
Currency translation differences	48,065	(21,481)
Items that will not be reclassified to profit or loss:		
Fair value gains on financial assets at fair value through other comprehensive income, net	28,676	19,114
Other comprehensive income/(losses) for the period	91,647	(9,618)
Total comprehensive income for the period	586,272	382,810
Total comprehensive income attributable to:		
Equity holders of the Company	573,104	380,922
Non-controlling interests	13,168	1,888
	586,272	382,810

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		Unaudited 30 June 2025 <i>HK\$'000</i>	Audited 31 December 2024 <i>HK\$'000</i>
	<i>Note</i>		
ASSETS			
Non-current assets			
Intangible assets		355,365	359,764
Property, plant and equipment		198,461	195,902
Right-of-use assets		40,236	42,257
Investment properties		139,598	136,367
Investments in joint ventures		690,161	759,695
Investments in associates		210,131	166,139
Financial assets at fair value through other comprehensive income		113,448	84,772
Deferred income tax assets		29,637	25,131
Non-current bank deposits		1,032,677	—
		<u>2,809,714</u>	<u>1,770,027</u>
Current assets			
Inventories		237,946	401,734
Trade and other receivables	10	1,821,963	1,213,271
Current income tax recoverable		3,441	5,061
Restricted bank deposits		5,483	5,399
Current deposits and cash and cash equivalents		5,053,350	5,938,078
		<u>7,122,183</u>	<u>7,563,543</u>
Total assets		<u><u>9,931,897</u></u>	<u><u>9,333,570</u></u>

		Unaudited 30 June 2025 Note HK\$'000	Audited 31 December 2024 HK\$'000
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		146,597	146,597
Reserves		7,983,909	7,725,989
		<u>8,130,506</u>	<u>7,872,586</u>
Non-controlling interests		<u>349,921</u>	<u>336,753</u>
		<u>8,480,427</u>	<u>8,209,339</u>
LIABILITIES			
Non-current liabilities			
Lease liabilities	11	9,694	11,808
Deferred income tax liabilities		80,213	77,334
		<u>89,907</u>	<u>89,142</u>
Current liabilities			
Trade and other payables	11	1,073,450	807,372
Contract liabilities	11	233,501	203,303
Current income tax liabilities		49,585	20,619
Lease liabilities	11	5,027	3,795
		<u>1,361,563</u>	<u>1,035,089</u>
Total liabilities		<u>1,451,470</u>	<u>1,124,231</u>
Total equity and liabilities		<u>9,931,897</u>	<u>9,333,570</u>

NOTES:

1 GENERAL INFORMATION

The Group is principally engaged in the provision of shipping services and general trading.

The Company is a limited liability company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its principal place of business is 47th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong.

The ultimate holding company of the Company is 中國遠洋海運集團有限公司 (China COSCO Shipping Corporation Limited*), a state-owned enterprise established in the People’s Republic of China (the “PRC”).

The Unaudited Condensed Consolidated Interim Financial Information is presented in Hong Kong dollars, unless otherwise stated.

The Unaudited Condensed Consolidated Interim Financial Information was approved by the board of directors of the Company for issue on 27 August 2025.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Unaudited Condensed Consolidated Interim Financial Information has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the HKICPA and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The Unaudited Condensed Consolidated Interim Financial Information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, which were prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.

The accounting policies and methods used in the preparation of the Unaudited Condensed Consolidated Interim Financial Information are consistent with those set out in the annual financial statements of the Group for the year ended 31 December 2024 except that the Group has adopted, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group’s financial year beginning 1 January 2025:

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the above amendments to existing standard had no material impact on the Group’s financial performance and financial positions for the current and prior periods and/or on the disclosures set out in the Unaudited Condensed Consolidated Interim Financial Information.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The following new standard and amendments to existing standards have been published by the HKICPA and are relevant to the Group's operations. They are not yet effective for accounting periods beginning on 1 January 2025 and have not been early adopted by the Group:

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

¹ Effect for annual periods beginning on or after a date to be determined

² Effect for annual periods beginning on or after 1 January 2026

³ Effect for annual periods beginning on or after 1 January 2027

Except as described below, the directors of the Company anticipate that the adoption of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 — Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. The new HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the consolidated income statement and consolidated statement of comprehensive income; provides disclosures on management-defined performance measures in the notes to the consolidated financial statements and improves aggregation and disaggregation of information to be disclosed in the consolidated financial statements. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early adoption permitted. The adoption of HKFRS 18 has no impact on the Group's financial performance and financial positions, but has impact on presentation of the consolidated income statement and consolidated statement of comprehensive income.

3 REVENUE AND SEGMENT INFORMATION

Turnover, representing revenue, recognised at a point in time, during the period is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Sale of coatings	822,892	595,777
Sale of marine equipment and spare parts	886,183	909,982
Commission income from ship trading agency	97,791	49,554
Commission income from insurance brokerage	119,639	111,633
Intelligent shipping services	1,754	333
General trading	5,859	85,608
	<u>1,934,118</u>	<u>1,752,887</u>

The executive directors have been identified as the chief operating decision-makers. The executive directors review the Group's internal reports in order to make decisions about resources to be allocated to the segments and assess their performance. Management considers the business from a product perspective and has identified the following reportable segments on the basis of these reports:

Reportable segments	Business activities
Coatings	Production and sale of coatings, and holding of investments in joint ventures, namely Jotun COSCO Marine Coatings (HK) Limited ("Jotun COSCO") and 常熟耐素生物材料科技有限公司 (Nasurfar Biomaterial Technology (Changshu) Co., Ltd.*) ("Nasurfar Changshu")
Marine equipment and spare parts	Trading and supply of marine equipment and spare parts, and holding of investments in joint ventures
Ship trading agency	Provision of agency services relating to shipbuilding, ship trading and bareboat charter business, and holding of investments in a joint venture and an associate
Insurance brokerage	Provision of insurance brokerage services
Intelligent shipping services	Provision of green, low-carbon and digital intelligent solutions for the full life cycle of the shipping industry
General trading	Trading, storage, processing and supply of asphalt and other products, and holding of investments in associates, including 浙江四兄繩業有限公司 (Zhejiang Four Brothers Rope Co., Ltd.*) ("Zhejiang Four Brothers Rope")

Others mainly comprise the holding of the Group's financial assets at fair value through other comprehensive income ("FVOCI"), the results of Sinfeng Marine Services Pte. Ltd. ("Sinfeng") and holding of investments in an associate, namely 上海吉遠綠色能源有限公司 (Shanghai JOYFuel Green Energy Co., Ltd.*).

Management assesses the performance of the operating segments based on a measure of profit before income tax.

	Shipping services					General trading	Others	Inter-segment elimination	Total
	Coatings	Marine equipment and spare parts	Ship trading agency	Insurance brokerage	Intelligent shipping services	Total			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Six months ended and as at 30 June 2025									
Profit or loss items:									
Segment revenue	822,892	886,183	97,791	120,612	2,297	1,929,775	5,859	–	1,934,118
Inter-segment revenue	–	–	–	(973)	(543)	(1,516)	–	–	–
Revenue from external customers	<u>822,892</u>	<u>886,183</u>	<u>97,791</u>	<u>119,639</u>	<u>1,754</u>	<u>1,928,259</u>	<u>5,859</u>	<u>–</u>	<u>1,934,118</u>
Segment operating profit/(loss)	26,729	48,209	80,087	79,547	(12,990)	221,582	6,108	5,454	233,144
Finance income	774	4,884	1,179	4,382	90	11,309	424	1,036	12,769
Finance costs	(296)	(326)	(3)	(88)	–	(713)	(2)	(5)	(720)
Share of profits of joint ventures	176,931	1,336	442	–	–	178,709	–	–	178,709
Share of profits/(losses) of associates	–	–	104	–	–	104	8,583	(71)	8,616
Segment profit/(loss) before income tax	<u>204,138</u>	<u>54,103</u>	<u>81,809</u>	<u>83,841</u>	<u>(12,900)</u>	<u>410,991</u>	<u>15,113</u>	<u>6,414</u>	<u>432,518</u>
Income tax expenses	(6,545)	(9,216)	(19,432)	(15,577)	–	(50,770)	–	–	(50,770)
Segment profit/(loss) after income tax	<u>197,593</u>	<u>44,887</u>	<u>62,377</u>	<u>68,264</u>	<u>(12,900)</u>	<u>360,221</u>	<u>15,113</u>	<u>6,414</u>	<u>381,748</u>
Balance sheet items:									
Total segment assets	1,821,880	1,344,279	264,179	1,107,075	24,727	4,562,140	595,044	201,952	5,357,063
Total segment assets include:									
— Joint ventures	670,593	12,629	6,939	–	–	690,161	–	–	690,161
— Associates	–	–	1,944	–	–	1,944	169,899	38,288	210,131
Total segment liabilities	<u>348,146</u>	<u>383,059</u>	<u>64,502</u>	<u>548,269</u>	<u>9,756</u>	<u>1,353,732</u>	<u>33,848</u>	<u>220</u>	<u>1,385,727</u>
Other items:									
Depreciation and amortisation, net of amount capitalised	(8,956)	(1,350)	(624)	(6,515)	(345)	(17,790)	(598)	–	(18,388)
(Provision)/Reversal of provision for impairment of trade receivables, net	(19,968)	571	–	–	–	(19,397)	11,045	–	(8,352)
Reversal of provision for impairment of other receivables, net	–	–	–	–	–	–	2,419	–	2,419
(Provision)/Reversal of provision for impairment of inventories, net	(1,744)	–	–	–	–	(1,744)	551	–	(1,193)
Additions to non-current assets (other than financial assets at FVOCI, deferred income tax assets and non-current bank deposits)	<u>3,459</u>	<u>2,602</u>	<u>1,584</u>	<u>1,229</u>	<u>2,295</u>	<u>11,169</u>	<u>–</u>	<u>–</u>	<u>11,169</u>

	Shipping services					General trading	Others	Inter-segment elimination	Total
	Coatings HK\$'000	Marine equipment and spare parts HK\$'000	Ship trading agency HK\$'000	Insurance brokerage HK\$'000	Intelligent shipping services HK\$'000	Total HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended and as at 31 December 2024									
Balance sheet items:									
Total segment assets	1,902,744	1,183,879	260,184	776,361	28,965	4,152,133	575,715	138,790	(787)
Total segment assets include:									
— Joint ventures	742,194	11,107	6,394	—	—	759,695	—	—	—
— Associates	—	—	1,810	—	—	1,810	160,569	3,760	—
Total segment liabilities	391,526	283,916	49,016	287,218	1,388	1,013,064	34,536	1,071	(787)
Other items:									
Additions to non-current assets (other than financial assets at FVOCI and deferred income tax assets)	6,437	3,369	1,481	5,156	96	16,539	150	—	—
	Shipping services					General trading	Others	Inter-segment elimination	Total
	Coatings HK\$'000	Marine equipment and spare parts HK\$'000	Ship trading agency HK\$'000	Insurance brokerage HK\$'000	Intelligent shipping services HK\$'000	Total HK\$'000	HK\$'000	HK\$'000	HK\$'000
Six months ended and as at 30 June 2024									
Profit or loss items:									
Segment revenue	595,777	909,982	49,554	112,366	1,525	1,669,204	85,608	—	(1,925)
Inter-segment revenue	—	—	—	(733)	(1,192)	(1,925)	—	—	1,925
Revenue from external customers	595,777	909,982	49,554	111,633	333	1,667,279	85,608	—	—
Segment operating profit/(loss)	21,261	49,366	33,946	71,792	(12,252)	164,113	(3,094)	7,164	—
Finance income	1,463	6,380	1,727	4,200	131	13,901	1,462	1,136	—
Finance costs	(330)	(543)	(2)	(184)	—	(1,059)	(72)	(5)	—
Share of profits of joint ventures	147,303	1,650	683	—	—	149,636	—	—	—
Share of profits/(losses) of associates	—	—	171	—	—	171	10,913	(1)	—
Segment profit/(loss) before income tax	169,697	56,853	36,525	75,808	(12,121)	326,762	9,209	8,294	—
Income tax expenses	(6,690)	(10,295)	(8,701)	(14,894)	—	(40,580)	(15)	—	—
Segment profit/(loss) after income tax	163,007	46,558	27,824	60,914	(12,121)	286,182	9,194	8,294	—
Balance sheet items:									
Total segment assets	1,696,223	1,123,677	377,609	1,028,838	44,141	4,270,488	635,698	137,921	(3,473)
Total segment assets include:									
— Joint ventures	593,744	10,958	6,457	—	—	611,159	—	—	—
— Associates	—	—	1,917	—	—	1,917	168,177	3,834	—
Total segment liabilities	322,880	268,094	82,889	512,170	4,822	1,190,855	25,340	211	(3,473)
Other items:									
Depreciation and amortisation, net of amount capitalised	(7,175)	(6,293)	(353)	(1,840)	(29)	(15,690)	(2,087)	—	—
(Provision)/Reversal of provision for impairment of trade receivables, net	(3,154)	—	—	—	—	(3,154)	12,745	—	—
Reversal of provision for impairment of other receivables	—	—	—	—	—	—	135	—	—
Provision for impairment of inventories, net	(1,411)	—	—	—	—	(1,411)	—	—	—
Additions to non-current assets (other than financial assets at FVOCI, deferred income tax assets and non-current bank deposits)	2,071	722	1,449	3,123	47	7,412	—	—	—

	Shipping services						General trading	Others	Inter-segment elimination	Total
	Coatings	Marine equipment and spare parts	Ship trading agency	Insurance brokerage	Intelligent shipping services	Total				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Year ended and as at 31 December 2023									
Balance sheet items:										
Total segment assets	1,706,128	1,206,005	355,900	329,520	52,282	3,649,835	666,621	114,349	(547)	4,430,258
Total segment assets include:										
— Joint ventures	652,754	9,548	6,146	—	—	668,448	—	—	—	668,448
— Associates	—	—	1,760	—	—	1,760	158,201	—	—	159,961
Total segment liabilities	<u>283,916</u>	<u>360,239</u>	<u>85,819</u>	<u>142,078</u>	<u>532</u>	<u>872,584</u>	<u>61,365</u>	<u>210</u>	<u>(547)</u>	<u>933,612</u>
Other items:										
Additions to non-current assets										
(other than financial assets at FVOCI and										
deferred income tax assets)	22,868	469	20	1,799	157	25,313	244	—	—	25,557

A reconciliation of the total of the reportable segments' profit before income tax to the Group's profit after income tax is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Profit before income tax for reportable segments	426,104	335,971
Profit before income tax for others	6,414	8,294
Profit before income tax for all segments	432,518	344,265
Elimination of segment income from corporate headquarters	(890)	(659)
Elimination of segments' finance income from corporate headquarters	(6,938)	—
Corporate finance income	107,041	123,596
Corporate finance costs	(6)	(19)
Corporate net exchange gains/(losses)	49,755	(4,532)
Corporate expenses, net of income	(31,646)	(27,106)
Profit before income tax for the Group	549,834	435,545
Income tax expenses for all segments	(50,770)	(40,595)
Corporate income tax expenses	(4,439)	(2,522)
Profit after income tax for the Group	494,625	392,428

A reconciliation of the total of the reportable segments' assets to the Group's total assets is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000	30 June 2024 HK\$'000
Total assets for reportable segments	5,157,184	4,727,848	4,906,186
Total assets for others	201,952	138,790	137,921
Elimination of inter-segment receivables	(2,073)	(787)	(3,473)
Total assets for all segments	5,357,063	4,865,851	5,040,634
Corporate assets (mainly deposits and cash and cash equivalents)	5,103,851	4,816,568	4,557,709
Elimination of receivables between corporate headquarters and segments	(529,017)	(348,849)	(16,111)
Total assets for the Group	9,931,897	9,333,570	9,582,232

A reconciliation of the total of the reportable segments' liabilities to the Group's total liabilities is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000	30 June 2024 HK\$'000
Total liabilities for reportable segments	1,387,580	1,047,600	1,216,195
Total liabilities for others	220	1,071	211
Elimination of inter-segment payables	(2,073)	(787)	(3,473)
Total liabilities for all segments	1,385,727	1,047,884	1,212,933
Corporate liabilities	594,760	425,196	71,746
Elimination of payables between corporate headquarters and segments	(529,017)	(348,849)	(16,111)
Total liabilities for the Group	1,451,470	1,124,231	1,268,568

4 OTHER INCOME AND GAINS — NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Other income/(expenses):		
— Rental income	1,499	1,617
— Direct operating expenses for generating rental income	(27)	(36)
— Dividend income from financial assets at FVOCI	5,782	7,175
	<u>7,254</u>	<u>7,175</u>
Other income — net	7,254	8,756
Other gains/(losses):		
— Net gains on disposal of property, plant and equipment	104	2,075
— (Provision)/Reversal of provision for impairment of trade receivables, net (<i>note 10(b)</i>)	(8,352)	9,591
— Reversal of provision for impairment of other receivables, net	2,419	135
— Provision for impairment of inventories, net	(1,193)	(1,411)
— Subsidy income	682	381
— Net exchange gains/(losses)	56,382	(7,309)
— Others	6,264	1,409
	<u>56,306</u>	<u>4,871</u>
Other gains — net	56,306	4,871
Other income and gains — net	<u>63,560</u>	<u>13,627</u>

5 OPERATING PROFIT

Operating profit is stated after charging the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Employee benefit expenses, including directors' emoluments and provident funds	253,458	231,390
Expenses related to short-term leases	20,923	16,863
Depreciation and amortisation, net of amount capitalised		
in inventories totalling HK\$1,070,000 (2024: HK\$1,689,000)	19,469	17,854

6 FINANCE INCOME — NET

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interest income from:		
— a fellow subsidiary	2,847	5,226
— bank deposits	<u>110,025</u>	<u>134,869</u>
Total finance income	<u>112,872</u>	<u>140,095</u>
Interest expenses on lease liabilities	(312)	(394)
Other finance charges	<u>(414)</u>	<u>(761)</u>
Total finance costs	<u>(726)</u>	<u>(1,155)</u>
Finance income — net	<u>112,146</u>	<u>138,940</u>

7 INCOME TAX EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the period.

The PRC enterprise income tax has been calculated on the estimated assessable profit derived from the Group's operations in the PRC for the period at 25% (2024: 25%).

Other overseas taxation has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates. These rates range from 17% to 35% (2024: 17% to 35%) during the period.

Deferred income tax is calculated in full on temporary differences under the liability method using tax rates substantively enacted by the reporting date.

The amount of income tax charged for the period to the condensed consolidated income statement is as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
— current period		
— Hong Kong profits tax	16,409	15,917
— PRC enterprise income tax	34,140	13,327
— other overseas taxation	3,764	4,246
— (over-provision)/under-provision in prior years		
— PRC enterprise income tax	(126)	535
— other overseas taxation	(354)	54
Deferred income tax charge, net	<u>1,376</u>	<u>9,038</u>
Income tax expenses	<u>55,209</u>	<u>43,117</u>

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes, and will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. However, the enactment or substantial enactment of Pillar Two legislation in additional jurisdictions in which the Group operates does not have a material impact to the Group's overall exposure to Pillar Two income taxes.

8 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit attributable to equity holders of the Company of HK\$487,223,000 (2024: HK\$388,041,000) and the weighted average number of ordinary shares outstanding during the period of 1,465,971,429 shares (2024: 1,465,971,429 shares).

There was no potential dilutive ordinary share in existence during both periods.

9 DIVIDEND

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend, declared, of HK\$0.330 (2024: HK\$0.265) per ordinary share	<u>483,771</u>	<u>388,482</u>

At the board meeting held on 27 August 2025, the directors of the Company declared an interim dividend of HK\$0.330 per ordinary share for the six months ended 30 June 2025. This dividend has not been recognised as a liability in the Unaudited Condensed Consolidated Interim Financial Information, but will be recognised in shareholders' equity for the year ending 31 December 2025.

A final dividend of HK\$315,184,000 relating to the year ended 31 December 2024 (2023: HK\$256,545,000) was paid in June 2025.

10 TRADE AND OTHER RECEIVABLES

	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Trade receivables	868,201	549,133
Less: provision for impairment	<u>(33,854)</u>	<u>(25,053)</u>
Trade receivables, net (<i>note (a)</i>)	834,347	524,080
Bills receivable, prepayments, deposits, other receivables and amounts due from related parties, net of provision for impairment	<u>987,616</u>	<u>689,191</u>
	<u>1,821,963</u>	<u>1,213,271</u>

Notes:

- (a) The ageing analysis of trade receivables (including amounts due from related parties which are trading in nature) based on invoice date and after provision for impairment is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Current–90 days	604,979	363,793
91–180 days	177,269	87,919
Over 180 days	52,099	72,368
	834,347	524,080

For sale of coatings, marine equipment and spare parts, asphalt and other products, the majority of sales are on credit terms from 30 days to 120 days. Other than those with credit terms, all invoices are payable upon presentation.

- (b) Movements on the provision for impairment of trade receivables are as follows:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
At 1 January	25,053	54,286
Currency translation differences	449	(310)
Provision/(reversal of provision) for impairment, net (<i>note 4</i>)	8,352	(9,591)
At 30 June	33,854	44,385

11 TRADE AND OTHER PAYABLES, CONTRACT LIABILITIES AND LEASE LIABILITIES

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Trade payables (<i>note (a)</i>)	620,609	494,836
Bills payable, accrued liabilities, other payables and amounts due to related parties	452,841	312,536
	1,073,450	807,372
Contract liabilities	233,501	203,303
Lease liabilities (<i>note (c)</i>)	14,721	15,603
	1,321,672	1,026,278

Notes:

- (a) The ageing analysis of trade payables (including amounts due to related parties which are trading in nature) based on invoice date is as follows:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Current–90 days	496,458	423,110
91–180 days	70,329	40,441
Over 180 days	53,822	31,285
	620,609	494,836

- (b) Revenue recognised in the current reporting period related to brought-forward contract liabilities:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the period	143,625	162,994

- (c) Maturity analysis of lease liabilities is as below:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Within one year	5,027	3,795
From the second to fifth year inclusive	9,694	11,808
	14,721	15,603

OVERALL ANALYSIS OF RESULTS

During the first half of 2025, profit attributable to equity holders of the Company was HK\$487,223,000 (2024: HK\$388,041,000), increased by 26% year-on-year, while the basic and diluted earnings per share was 33.24 HK cents (2024: 26.47 HK cents), increased by 26% year-on-year. The increase was mainly due to the increase in revenue of shipping services business and the share of profit of a joint venture, Jotun COSCO, and the increase in net exchange gains.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group's revenue was HK\$1,934,118,000 (2024: HK\$1,752,887,000), increased by 10% year-on-year. Revenue from the core business of shipping services was HK\$1,928,259,000 (2024: HK\$1,667,279,000), increased by 16% year-on-year, and accounted for 99.7% (2024: 95%) of the Group's revenue, mainly due to the increase in revenues from coatings and ship trading agency segments. Revenue from general trading segment was HK\$5,859,000 (2024: HK\$85,608,000), decreased by 93% year-on-year, and accounted for 0.3% (2024: 5%) of the Group's revenue.

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2025, the Group's gross profit was HK\$498,803,000 (2024: HK\$401,628,000), increased by 24% year-on-year, mainly due to the increase in gross profit of coatings segment and the increase in revenue from ship trading agency segment. The overall gross profit margin was 26% (2024: 23%), increased by 3 percentage points year-on-year, mainly due to the increase in revenue contribution from higher-gross profit margin segments.

Management Fee Income

For the six months ended 30 June 2025, management fee income arising from the provision of management services by the Company in relation to the day-to-day business operations and management of COSCO SHIPPING (Hong Kong) Co., Limited ("COSCO SHIPPING (Hong Kong)") and its subsidiaries (other than those relating to the Group and Piraeus Port Authority S.A.) was HK\$42,277,000 (2024: HK\$36,256,000), increased by 17% year-on-year, mainly due to the increase in administrative and general expenses related to COSCO SHIPPING (Hong Kong) and its subsidiaries mentioned above.

Other Income and Gains — Net

For the six months ended 30 June 2025, other income and gains — net was HK\$63,560,000 (2024: HK\$13,627,000), increased by 366% year-on-year, mainly due to the increase in net exchange gains.

Selling, Administrative and General Expenses

For the six months ended 30 June 2025, selling, administrative and general expenses was HK\$354,277,000 (2024: HK\$315,625,000), increased by 12% year-on-year, mainly due to the increase in selling expenses, employee benefit expenses and expenses related to short-term leases.

Operating Profit

The Group's operating profit was HK\$250,363,000 (2024: HK\$135,886,000), increased by 84% year-on-year, mainly due to the increase in revenue and gross profit.

Finance Income

Finance income, which primarily represented interest income on the Group's bank deposits, was HK\$112,872,000 (2024: HK\$140,095,000), decreased by 19% year-on-year, mainly due to the decrease in interest rates of deposits.

Finance Costs

Finance costs, which primarily represented interest expenses on lease liabilities and other finance charges, was HK\$726,000 (2024: HK\$1,155,000), decreased by 37% year-on-year.

Share of Profits of Joint Ventures

The Group's share of profits of joint ventures was HK\$178,709,000 (2024: HK\$149,636,000). This item primarily represented the share of profits of Jotun COSCO of HK\$171,319,000 (2024: HK\$141,466,000) and Nasurfar Changshu of HK\$5,612,000 (2024: HK\$5,837,000), which were included in the coatings segment.

Share of Profits of Associates

The Group's share of profits of associates was HK\$8,616,000 (2024: HK\$11,083,000). This item primarily represented the share of profit of Zhejiang Four Brothers Rope of HK\$6,144,000 (2024: HK\$7,402,000), which was included in the general trading segment.

Profit Attributable to Equity Holders of the Company

Profit attributable to equity holders of the Company was HK\$487,223,000 (2024: HK\$388,041,000), increased by 26% year-on-year.

FINANCIAL RESOURCES AND LIQUIDITY

As at 30 June 2025, capital and reserves attributable to the Company's equity holders increased by 3% to HK\$8,130,506,000 (as at 31 December 2024: HK\$7,872,586,000). As at 30 June 2025, total cash and deposits (including restricted bank deposits of HK\$5,483,000) of the Group was HK\$6,091,510,000 (as at 31 December 2024: HK\$5,943,477,000, including restricted bank deposits of HK\$5,399,000). During the period and the same period of 2024, the Group had no drawdown or repayment of short-term borrowings. As at 30 June 2025, total trading related facilities of the Group amounted to HK\$499,921,000 (as at 31 December 2024: HK\$492,701,000), of which HK\$20,976,000 (as at 31 December 2024: HK\$22,672,000) had been utilised. As at 30 June 2025 and 31 December 2024, the gearing ratio, which represented total borrowings over total assets, was nil. As at 30 June 2025, the Group had net cash (represented by total non-current bank deposits, restricted bank deposits and current deposits and cash and cash equivalents) of HK\$6,091,510,000 (as at 31 December 2024: HK\$5,943,477,000). To enhance the Group's finance income and to ensure availability of cash at appropriate times to meet the Group's commitments and needs, the Group, on the basis of balancing risk, return and liquidity, invested in a mixture of stable and conservative financial products, including overnight deposits, term deposits and offshore fixed deposits. During the period, return on the Group's cash was 3.75% (for the same period of 2024: 4.58%). The Group had no financial instruments for interest rate hedging purposes.

FINANCIAL RISK MANAGEMENT

The Group principally operates in Hong Kong, the PRC and overseas, and is exposed to foreign exchange risk arising from foreign currencies held, mainly Renminbi and U.S. dollars. Foreign exchange risk arises from commercial transactions and recognised assets and liabilities. The Group manages its foreign exchange exposure by regularly reviewing the foreign currency exposure of its operating subsidiaries and will consider hedging exposure by foreign exchange forward contracts when the need arises. The Group exercises stringent control over the use of derivative financial instruments. In addition, the conversion of Renminbi into foreign currencies in the PRC is subject to the rules and regulations of foreign exchange controls promulgated by the government of the PRC.

EMPLOYEES

As at 30 June 2025, excluding joint ventures and associates, the Group had 797 (as at 31 December 2024: 809) employees, of whom 201 (as at 31 December 2024: 201) were Hong Kong employees. During the period, total employee benefit expenses, including directors' emoluments and provident funds, were HK\$253,458,000 (for the same period of 2024: HK\$231,390,000). Employees were remunerated on the basis of their performance and experience. Remuneration packages include salary and a year-end discretionary bonus, which are determined with reference to market conditions and individual performance. During the period, all of the Hong Kong employees have participated in the Mandatory Provident Fund Scheme or recognised occupational retirement schemes.

The share option incentive scheme of the Company was adopted by the shareholders of the Company (the “Shareholders”) at the special general meeting of the Company on 9 April 2020 (the “Share Option Incentive Scheme”).

The Company granted an aggregate of 23,830,000 share options to certain directors of the Company and certain employees of the Group to subscribe for a total of 23,830,000 shares of the Company at a price of HK\$2.26 per share on 28 April 2020 under the Share Option Incentive Scheme. Subject to the fulfilment of the relevant conditions, these share options granted are exercisable from 28 April 2022 to 27 April 2026 in batches.

The Company granted an aggregate of 2,460,000 share options to certain employees of the Group to subscribe for a total of 2,460,000 shares of the Company at a price of HK\$2.184 per share on 6 October 2020 under the Share Option Incentive Scheme. Subject to the fulfilment of the relevant conditions, these share options granted are exercisable from 6 October 2022 to 5 October 2026 in batches.

The Company granted an aggregate of 1,370,000 share options to certain employees of the Group to subscribe for a total of 1,370,000 shares of the Company at a price of HK\$2.72 per share on 7 April 2021 under the Share Option Incentive Scheme. Subject to the fulfilment of the relevant conditions, these share options granted are exercisable from 7 April 2023 to 6 April 2027 in batches.

Each batch of the above share options is exercisable within the periods stated as follows: (a) 33.3% of the share options will be exercisable commencing on the first trading day after the expiration of the 24-month period (the second anniversary) from the respective dates of grant and ending on the last trading day of the 36-month period from the respective dates of grant; (b) 33.3% of share options will be exercisable commencing on the first trading day after the expiration of the 36-month period (the third anniversary) from the respective dates of grant and ending on the last trading day of the 48-month period from the respective dates of grant; and (c) 33.4% of the share options will be exercisable commencing on the first trading day after the expiration of the 48-month period (the fourth anniversary) from the respective dates of grant and ending on the last trading day of the 72-month period from the respective dates of grant.

INTERIM DIVIDEND

The Board has declared an interim dividend of 33.0 HK cents (2024: 26.5 HK cents) per share for the six months ended 30 June 2025 which will be payable on 25 September 2025 to the Shareholders whose names appear on the register of members of the Company (the “Register of Members”) on 16 September 2025.

For the purpose of ascertaining the Shareholders’ entitlement to the interim dividend, the Register of Members will be closed from 11 September 2025 to 16 September 2025, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify for the interim dividend for the six months ended 30 June 2025, all transfer documents accompanied by the relevant

share certificate(s) 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 10 September 2025.

REVIEW OF BUSINESS OPERATIONS

The first half of 2025 saw heightened uncertainty surrounding U.S. tariffs and trade policies, coupled with escalating geopolitical conflicts, which impeded international economic collaboration and triggered financial market turbulence, collectively amplifying downside risks to the global economy.

Since 2021, the global shipbuilding industry has been in a new upcycle, with annual new vessel orders surpassing 100 million dead weight tonnage ("DWT") for four consecutive years. However, 2025 has brought unprecedented challenges due to a complex external environment, leading to a sharp contraction in new vessel orders. In the first half of 2025, global new vessel orders plummeted to 647 vessels (46.78 million DWT), marking a 57.9% year-on-year decline in terms of DWT — the lowest volume for the first half of the year since 2020. From the perspective of vessel types involved in transactions, with the broad-based weakness in most major vessel segments, container vessels emerged as the sole bright spot, with new 201 vessels (21.74 million DWT/1.92 million twenty-foot equivalent units (TEUs)) ordered in the first half of 2025, up 27.2% year-on-year in terms of DWT and accounting for 46.5% of total orders. Meanwhile, alternative-fuelled vessels continued to gain traction, reinforcing their role in the green and low carbon transition of shipping industry. As of the end of June 2025, global outstanding orders for alternative-fuelled vessels reached 2,038 vessels (160.96 million DWT), representing 41.5% of total orders on hand in terms of DWT.

Despite the decline in new build vessel orders, the Group capitalised on the active vessel delivery market under the current shipbuilding boom, fueling expansion in its ship trading agency and production and sale of coatings businesses. COSCO SHIPPING International's operational performance improved steadily, achieving another strong performance in the first half of the year, with profit before income tax from its core shipping services business increasing by 26% year-on-year.

1. Core Business — Shipping Services

The Group's core business of shipping services mainly include ship trading agency services, insurance brokerage services, supply of marine equipment and spare parts, production and sale of coatings and intelligent shipping services, etc..

During the period, revenue from the Group's shipping services amounted to HK\$1,928,259,000 (2024: HK\$1,667,279,000), representing a year-on-year increase of 16%. Profit before income tax from shipping services reached HK\$410,991,000 (2024: HK\$326,762,000), up 26% year-on-year, which was mainly due to strong performance in ship trading agency and production and sales of coatings.

1.1 *Ship Trading Agency Services*

The Group's ship trading agency business is principally engaged in the provision of agency services relating to shipbuilding, ship trading and chartering for shipping enterprises.

During the period, revenue from the ship trading agency segment of the Group was HK\$97,791,000 (2024: HK\$49,554,000), up 97% year-on-year. Segment profit before income tax was HK\$81,809,000 (2024: HK\$36,525,000), up 124% year-on-year. This was mainly due to significant year-on-year growth in new build vessel deliveries, coupled with expanded client acquisition which boosted both new build vessel orders, consequently increasing commission income.

During the period, the Group's total number of new build vessels delivery was 22 (2024: 10), aggregating 1,192,700 DWT (2024: 836,486 DWT). A total number of 58 (2024: 19) new build vessels have been ordered, aggregating 4,102,000 DWT (2024: 1,912,300 DWT). In addition, the sale and purchase of a total of 10 (2024: 20) second-hand vessels were recorded, aggregating 483,185 DWT (2024: 872,199 DWT).

1.2 *Insurance Brokerage Services*

The Group's insurance brokerage services business is primarily engaged in the insurance and reinsurance intermediary services of marine and non-marine insurance, including the provision of professional insurance brokerage such as risk assessment and analysis, designing insurance and reinsurance programmes, discussing insurance coverage, reviewing insurance policies, claims adjustment and claims handling for domestic and international customers and receive service commissions.

During the period, revenue from the insurance brokerage segment of the Group was HK\$119,639,000 (2024: HK\$111,633,000), up 7% year-on-year. Segment profit before income tax was HK\$83,841,000 (2024: HK\$75,808,000), up 11% year-on-year. This was mainly due to the further expanding client base and growing market share, alongside substantial premium rate hiked in hull, protection & indemnity (P&I), and war risk insurance, which collectively boosted commission income during the period.

1.3 Supply of Marine Equipment and Spare Parts

The Group's supply of marine equipment and spare parts business is principally engaged in the sale and installation of equipment and spare parts for existing and new build vessels, as well as equipment of radio communications systems, satellite communications and navigation systems for ships, offshore facilities, coastal stations and land users; marine materials supply and voyage repair. Its business network covers cities such as Hong Kong, Shanghai and Beijing and countries such as Japan, Singapore, Germany and the United States, etc..

During the period, revenue from the supply of marine equipment and spare parts segment of the Group was HK\$886,183,000 (2024: HK\$909,982,000), down 3% year-on-year. Segment profit before income tax was HK\$54,103,000 (2024: HK\$56,853,000), down 5% year-on-year. This was mainly due to ongoing shipping market volatility, exacerbated by tariff-related trade disputes, prompted key customers to contain the procurement volume, tighten procurement budgets so as to squeeze gross margins.

1.4 Production and Sale of Coatings

The coating business of the Group primarily includes the production and sale of container coatings, industrial heavy-duty anti-corrosion coatings and marine coatings. COSCO Kansai Paint & Chemicals (Zhuhai) Co., Ltd. ("COSCO Kansai (Zhuhai)"), 中遠關西塗料(上海)有限公司 (COSCO Kansai Paint (Shanghai) Co., Ltd.*) ("COSCO Kansai Paint (Shanghai)") and 中遠關西塗料化工(上海)有限公司 (COSCO Kansai Paint & Chemicals (Shanghai) Co., Ltd.*) ("COSCO Kansai (Shanghai)") are non-wholly owned subsidiaries of the Company. COSCO Kansai (Zhuhai) and COSCO Kansai Paint (Shanghai), which have their own plants, are principally engaged in the production and sale of coatings, while COSCO Kansai (Shanghai) is primarily engaged in the sale of coatings. Jotun COSCO, a 50/50 joint venture formed by the Company and Jotun A/S, Norway, an international coatings supplier, is principally engaged in the production and sale of marine coatings. Nasurfar Changshu, in which the Company held 33% equity interest, is principally engaged in the research and development, production and sales of biomaterial application products, including surfactants, coating raw materials and additives, as well as resin modifiers, etc..

During the period, revenue from the coatings segment of the Group was HK\$822,892,000 (2024: HK\$595,777,000), up 38% year-on-year. Segment profit before income tax was HK\$204,138,000 (2024: HK\$169,697,000), up 20% year-on-year.

For container coatings, the business saw robust growth in demand for container production, which has driven up the sales volume of container coatings, as port congestion and container vessel diversion delays hindered container returns, and the replacement cycle for ageing containers intensified. During the period, the sales volume of container coatings surged by 94% year-on-year to 28,723 tonnes (2024: 14,790 tonnes).

The sales volume of industrial heavy-duty anti-corrosion coatings (including workshop primer) rose 4% year-on-year to 11,167 tonnes (2024: 10,713 tonnes), driven by continuous robust infrastructure injection in China, which maintained steady demand for anti-corrosion coatings market.

For marine coatings, the sales volume of Jotun COSCO's marine coatings amounted to 69,186,000 litres (equivalent to approximately 93,401 tonnes) (2024: 58,367,000 litres (equivalent to approximately 78,795 tonnes)), up 19% year-on-year. Among which, the sales volume of coatings for new build vessels reached 48,719,000 litres (2024: 39,233,000 litres), up 24% year-on-year. The sales volume of coatings for repair and maintenance was 20,467,000 litres (2024: 19,134,000 litres), up 7% year-on-year. During the period, the Group's share of profit from Jotun COSCO was HK\$171,319,000 (2024: HK\$141,466,000), up 21% year-on-year. This was mainly due to the increase in marine coatings sales volume amid robust new build vessel deliveries and improved the gross profit margins resulted from stringent cost control measures.

During the period, the Group's share of profit from Nasurfar Changshu was HK\$5,612,000 (2024: HK\$5,837,000), down 4% year-on-year.

1.5 *Intelligent Shipping Services*

The Group's intelligent shipping services business is dedicated to providing full life cycle green, low-carbon, and digital intelligent solutions for the shipping industry. The Company and 中遠海運科技股份有限公司 (COSCO SHIPPING Technology Co., Ltd.*) jointly established 中遠海運綠色數智船舶服務有限公司 (COSCO SHIPPING Green Digital Intelligence Ship Services Co., Ltd.*) ("Green Intelligence Ship Services"), in which the Company held 51% equity interest. Green Intelligence Ship Services is principally engaged in the development and application of digital intelligent solutions for vessels.

During the period, revenue from the segment of intelligent shipping services of the Group was HK\$1,754,000 (2024: HK\$333,000), and the segment loss before income tax amounted to HK\$12,900,000 (2024: loss before income tax of HK\$12,121,000). The loss was mainly resulted from the fact that Green Intelligence Ship Services was still at the stage of start-up investment and the research and development of products.

2. General Trading

The Group's general trading business is principally engaged in the trading, storage, processing, and supply of asphalt and other comprehensive trading.

During the period, revenue from the general trading segment of the Group amounted to HK\$5,859,000 (2024: HK\$85,608,000), down 93% year-on-year. The sales volume of asphalt declined by 92% year-on-year to 1,641 tonnes (2024: 20,285 tonnes), in line with the smooth progress of the Group's phase-out from the asphalt operation. Segment profit before income tax amounted to HK\$15,113,000 (2024: HK\$9,209,000). This was mainly due to the reversal of provision for impairment of trade receivables.

During the period, the Group's share of profit from Zhejiang Four Brothers Rope amounted to HK\$6,144,000 (2024: HK\$7,402,000), down 17% year-on-year. This was mainly due to the decrease in income and gross profit margin.

As disclosed in the inside information announcement of the Company in relation to the litigation published on 14 November 2024, Sinfeng, an indirect wholly-owned subsidiary of the Company, was served with a claim lodged by a third party commercial bank against Sinfeng at General Division of the High Court of the Republic of Singapore on 7 November 2024. Based on the assessment, the litigation has no material adverse impact on the business or daily operations of the Group as a whole and has no significant financial impact on the Group.

PROSPECTS

The front-loading effects on imports and exports observed in the first half of the year, driven by the increase in anticipated tariff, are expected to gradually subside in the second half of 2025. This could negatively impact economic activity in export-oriented economies. Furthermore, uncertainties surrounding trade and fiscal policies are increasing, and risks to the global economy continue to accumulate. However, since the average effective tariff rate in the United States has remained below the level announced in April, the International Monetary Fund ("IMF") revised its global growth forecast for 2025 upward to 3.0% in its "World Economic Outlook" published in July 2025, an increase of 0.2 percentage point from its April projection. For the same reason, the IMF also significantly increased its global trade volume growth forecast for 2025 by 0.9 percentage point from 1.7% in April to 2.6%.

In the shipbuilding market, the global shipyard capacity utilisation has reached elevated levels. Amid tightening dock availability, lengthening delivery timelines and persistently high new vessel prices, some shipowners are opting to defer fleet renewal plans, with a growing wait-and-see sentiment permeating the market. Coupled with the aforementioned tariff policies, U.S. section 301 investigations and decarbonisation regulations and other factors, global new vessel orders are projected to enter a cyclical downturn in 2025.

From an industrial development perspective, the core drivers of the global shipbuilding cycle remain fundamentally intact. Over the long term, intensifying geopolitical tensions, major-power rivalry and trade frictions are accelerating the reshaping of global trade patterns, while carbon neutrality commitments are promoting energy structure transition, triggering corresponding shifts in seaborne trade structures and shipping routes that will unlock new demand. The dual forces of tightening environmental regulations and large-scale fleet renewal needs continue to propel the shipbuilding market forward. With clearer eco-technology pathways, evolving alternative fuel supply chains, and maturing green intelligent marine technologies, which pushes further transformation of the industry. The sector's long-term fundamentals remain robust, and the current market consolidation phase presents a strategic window for structural optimisation and breakthrough technological innovation.

Against this backdrop, COSCO SHIPPING International is strategically aligned with the green decarbonisation and digital transformation in shipping. By concentrating on two key growth pillars, the “Digital Intelligence Shipping Services Platform” and the “Marine New Energy Platform”, the Company is accelerating its evolution into a technology driven maritime services leader, pioneering innovations in intelligent shipping solutions and clean marine energy. Through the building of a new developing model, the Company would strive to generate sustainable value for the Shareholders.

SUBSEQUENT EVENTS

Since 30 June 2025 and up to the date of this announcement, there have been no significant events affecting the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2025.

CORPORATE GOVERNANCE

Maintaining high standards of corporate governance has always been one of the Company's priorities. This is achieved through an effective, timely disclosure of information by the Board and a proactive investor relations programme. The Company will continue to implement measures in order to further strengthen its corporate governance and overall risk management.

The Board believed that the Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Listing Rules during the six months ended 30 June 2025, except that (A) Ms. Zhang Xueyan, the Non-executive Director was unable to attend the annual general meeting of the Company held on 30 May 2025 (the "AGM") due to other business engagement, which deviated from the code provision C.1.6 of the CG Code; and (B) the roles of the Chairman of the Board and the Managing Director are currently performed by the same individual, Mr. Zhu Changyu, which deviated from the code provision C.2.1 of the CG Code. Despite the absence of Ms. Zhang Xueyan at the AGM, those Board members participated at the AGM were available to answer questions from the Shareholders to ensure an effective communication with the Shareholders. Although the roles of the Chairman of the Board and the Managing Director are performed by the same individual, the Board believes that the roles of the Chairman of the Board and the Managing Director being performed by the same individual will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) all the Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among others, that he/she acts for the benefit and in the best interests of the Company; (ii) the balance of power and authority is ensured by the operations of the Board; and (iii) the overall strategy and other key business, financial and operational policies of the Company are made collectively after thorough discussion at both the Board and senior management of the Company. Save as mentioned above, there is no other matter deviated from the CG Code. The Company aims to continually review and enhance its corporate governance practices in light of best practices.

The Audit Committee is comprised of three Independent Non-executive Directors and the chairman of which is a certified public accountant. The main duties of the Audit Committee include reviewing the accounting policies and overseeing the Company's financial reporting; monitoring the performance of both the internal and external auditors; reviewing and examining the effectiveness of the financial reporting, the risk management and internal control systems; ensuring compliance with applicable statutory accounting and reporting requirements. The Audit Committee has discussed the internal controls and financial reporting matters with management of the Company. The independent external auditor has reviewed the Unaudited Condensed Consolidated Interim Financial Information in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed the Unaudited Condensed Consolidated Interim Financial Information.

The Company has adopted a code of conduct regarding securities transactions of Directors and employees (the “Securities Code”) no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of the Listed Issuers (the “Model Code”) set out in Appendix C3 of the Listing Rules. In order to ensure the Directors’ dealings in the securities of the Company are conducted in accordance with the Model Code and the Securities Code, a committee was set up to deal with such transactions. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code and the Securities Code during the six months ended 30 June 2025, all Directors confirmed that they had complied with the required standards set out in the Model Code and the Securities Code during the period.

By Order of the Board
COSCO SHIPPING International (Hong Kong) Co., Ltd.
Zhu Changyu
Chairman and Managing Director

Hong Kong, 27 August 2025

As at the date of this announcement, the Board comprises seven directors with Mr. Zhu Changyu¹ (Chairman and Managing Director), Mr. Ma Xianghui², Ms. Zhang Xueyan², Mr. Wang Yong¹, Mr. Tsui Yiu Wa, Alec³, Mr. Jiang, Simon X.³ and Mr. Kwong Che Keung, Gordon³.

¹ *Executive Director*

² *Non-executive Director*

³ *Independent Non-executive Director*

* *for identification purposes only*