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CSSC (Hong Kong) Shipping Company Limited
中國船舶集團(香港)航運租賃有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 3877)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of CSSC (Hong Kong) Shipping Company Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025, together with comparative figures for the same period of 2024 or as at 31 December 2024, which shall be read in conjunction with the management discussion and analysis, as follows.

I. FINANCIAL HIGHLIGHTS

1. Summary of Condensed Consolidated Income Statement

	Six months ended 30 June		Change
	2025	2024	
	HK\$'000	HK\$'000	
	(Unaudited)	(Unaudited)	
Revenue	2,017,965	1,965,771	2.7%
Total expenses	(833,297)	(1,095,844)	(24.0%)
Profit from operations	1,167,050	1,105,081	5.6%
Profit for the period	1,151,157	1,339,860	(14.1%)
Earnings per share (HK\$):			
– Basic	0.179	0.216	(17.1%)
– Diluted	0.178	0.216	(17.6%)

2. Summary of Condensed Consolidated Statement of Financial Position

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)	Change
Total assets	42,200,612	43,920,995	(3.9%)
Total liabilities	27,496,286	29,622,959	(7.2%)
Total equity	14,704,326	14,298,036	2.8%

3. Selected Financial Ratios

	Six months ended/ as at 30 June 2025 (Unaudited)	Year ended/ as at 31 December 2024 (Audited)
Profitability indicators		
Return on average assets (“ ROA ”) ⁽¹⁾	5.4%	4.8%
Return on average net assets (“ ROE ”) ⁽²⁾	15.4%	15.7%
Average cost of interest-bearing liabilities ⁽³⁾	3.1%	3.5%
Net profit margin ⁽⁴⁾	57.0%	53.4%
Liquidity indicators		
Asset-liability ratio ⁽⁵⁾	65.2%	67.5%
Risk asset-to-equity ratio ⁽⁶⁾	2.8 times	2.9 times
Gearing ratio ⁽⁷⁾	1.7 times	1.9 times
Net debt-to-equity ratio ⁽⁸⁾	1.7 times	1.8 times
Credit rating		
S&P Global Ratings	A-	A-
Fitch Ratings	A-	A
Dagong Global Credit Ratings	AAA	AAA

Notes:

- (1) Calculated by dividing annualised net profit for the period/year by the average balance of total assets at the beginning and the end of the period/year.
- (2) Calculated by dividing annualised net profit attributable to the equity holders of the Company for the period/year by the average balance of net assets attributable to the equity holders of the Company at the beginning and the end of the period/year.
- (3) Calculated by dividing annualised finance costs and bank charges for the period/year by the average balance of borrowings at the beginning and the end of the period/year.
- (4) Calculated by dividing annualised net profit for the period/year by total revenue for the period/year.
- (5) Calculated by dividing total liabilities by total assets.
- (6) Calculated by dividing risk assets by total equity. Risk assets are total assets minus cash and cash equivalents and time deposits with maturity over three months.
- (7) Calculated by dividing total borrowings by total equity.
- (8) Calculated by dividing net debts by total equity. Net debts are borrowings minus cash and cash equivalents.

II. MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Environment

In the first half of 2025, the global shipping market experienced overall volatility with an upward trend. The Red Sea crisis triggered vessel rerouting, while temporary increases in demand for bulk commodities and inventory restocking in Europe and the United States became the primary drivers behind the rise in freight rate benchmarks. The ClarkSea Index rose from USD 21,621/day in January 2025 to USD 25,453/day in June 2025, representing a 17.7% increase; however, the average value for the first half of 2025 was USD 24,191/day, down 4.9% year-on-year, indicating that the overall market remained volatile.

As regards oil tankers, the crude oil tanker market has shown a gradual upward trend. In the first half of 2025, benefiting from increased production by oil-producing countries and the United States' intensified sanctions, freight rates began to recover from their lows. The Baltic Dirty Tanker Index (BDTI) stood at 847 points at the beginning of the year and rose to 1,060 points by the end of June 2025, representing an increase of 25% from the beginning of the year. The average value for the first half of 2025 was 970, but due to the high base of the BDTI in the same period last year, it still declined by 21.3% year-on-year. In 2024, the global crude oil trade turnover grew by 2.0%. By the end of 2024, the global crude oil tanker fleet stood at 463 million deadweight tons, representing a 0.3% year-on-year increase.

By the end of June 2025, the global crude oil tanker fleet stood at 465 million deadweight tons, representing a 0.3% increase from the beginning of the year. The refined oil tanker market saw a slight upward trend. The eastward shift of refinery capacity has reshaped trade flows, with global demand growing moderately but regional disparities becoming more pronounced. Compliance-related market premiums, regional freight rate differentials, and the restructuring of trade flows have created cross-regional arbitrage opportunities, driving a modest uptick in the refined oil shipping market; the Baltic Clean Tanker Index (BCTI) stood at 693 points at the end of June 2025, up 16.1% from 597 points at the beginning of the year; the average for the first half of 2025 was 681 points. In 2024, the global refined oil trade turnover grew by 6.9%. By the end of 2024, the global refined oil tanker fleet stood at 189 million deadweight tons, representing a 1.7% year-on-year increase. By the end of June 2025, the global refined oil tanker fleet reached 193 million deadweight tons, representing a 2.5% increase from the beginning of the year.

As regards bulk carriers, the market was in a seasonal slump at the beginning of 2025, with freight rates under pressure; after the Spring Festival, demand for dry bulk shipping began to recover. However, as tariff policies intensified the markets' concerns about the global economy, freight rates plummeted. In June 2025, improved weather in Brazil boosted shipments, and the soybean harvests in South America were largely completed, at the same time, the price advantage of imported coal became more pronounced, and with the peak summer season approaching, coal shipping demand gradually increased, driving freight rates higher. The average Baltic Dry Index (BDI) for the first half of 2025 was 1,290 points, down 29.7% year-on-year. In 2024, the global dry bulk trade turnover grew by 4.5%. By the end of 2024, the global dry bulk carrier fleet reached 1.035 billion deadweight tons, representing a 3.0% year-on-year increase. By the end of June 2025, the global dry bulk carrier fleet stood at 1.051 billion deadweight tons, representing a 1.6% increase from the beginning of the year.

As regards container vessels, continued new vessel deliveries led to ample capacity, and new alliance carriers showed little willingness to suspend services. During the off-season, liner companies' attempts to raise rates largely failed, resulting in freight rates declining steadily from after the Spring Festival until May 2025; subsequently, the US-China tariff negotiations exceeded market expectations and created a window for rush shipments, leading to a temporary increase in cargo volumes. Major liner companies raised their General Rate Increases (GRIs) twice in June 2025 based on this, with the increases being well implemented, resulting in a slight recovery in freight rates. According to the data of the Shanghai Shipping Exchange, the average values of the China Containerised Freight Index (CCFI) and the Shanghai Containerised Freight Index (SCFI) in the first half of 2025 were 1,253 points and 1,701 points, respectively, representing a year-on-year decrease of 8.2% and 26.6%, respectively. In 2024, the global container trade turnover grew by 18.8%. By the end of 2024, the global container vessel fleet stood at 30.861 million TEUs, representing a 10.1% year-on-year increase. By the end of June 2025, the global container vessel fleet reached 32.008 million TEUs, representing a 3.7% increase from the beginning of the year.

As regards liquefied natural gas carriers (LNGC), the market remained under pressure due to strong new vessel deliveries, constraints on export capacity expansion, and increased demand for short-haul trade in Europe. LNGC freight rates were exceptionally weak and saw significant declines. The average spot freight rates for 145,000 m³, 160,000 m³ and 174,000 m³ LNGC in the first half of 2025 were USD 4,115 per day, USD 13,423 per day and USD 24,606 per day, respectively, representing a year-on-year decline of 86.2%, 69.4%, and 56.0%, respectively. In 2024, the global LNG trade turnover grew by 12.2%. By the end of 2024, the global large-scale LNG carrier fleet reached 109 million cubic meters, representing a year-on-year increase of 10.5%. By the end of June 2025, the global large-scale LNG carrier fleet stood at 115 million cubic meters, representing a 5.5% increase from the beginning of the year.

As regards very large liquefied gas carriers (VLGC), VLGC freight rates declined year-on-year due to factors such as the global economic slowdown and continued weakness in the petrochemical industry, but remained at relatively stable levels. The average 1-year term charter rate for 84,000 m³ VLGC in the first half of 2025 was USD 39,421 per day, down 27.4% year-on-year. In 2024, the global LPG trade turnover grew by 9.6%. By the end of 2024, the global VLGC fleet reached 36 million cubic meters, representing a 7.1% year-on-year increase. By the end of June 2025, the global VLGC fleet stood at 37 million cubic meters, representing an 1.8% increase from the beginning of the year.

Looking ahead to the second half of the year, in terms of capacity demand, influenced by factors such as uncertainty in U.S. trade policy and geopolitical tensions, global economic growth momentum remains weak. The Organisation for Economic Co-operation and Development (“**OECD**”) and the World Bank have both revised down their 2025 global economic growth forecasts to 2.9% and 2.3%, respectively. The global maritime trade in the second half of 2025 will face some uncertainties. Meanwhile, U.S. trade policy may further impact the global maritime trade landscape and shipping routes, boosting capacity demand on growth-oriented routes (such as Southeast Asia and Latin America) and enhancing market diversification. According to the forecast of ClarkSea, the growth rates for global maritime trade volume and tonnage in 2025 may be 0.1% and 0.3%, respectively, representing a decrease of 2.1 percentage points and 5.6 percentage points, respectively, compared to 2024. In terms of shipping capacity supply, the new ships ordered in the past two years will be delivered successively, further driving the continuous expansion of shipping capacity of global fleet. According to the data of ClarkSea, the global fleet’s shipping capacity is expected to grow by 4.3% in 2025 (measured in deadweight tons).

In terms of market segment by ship types, crude oil carrier capacity is expected to grow by 0.8% (in terms of deadweight tons), higher than the 0.1% growth rate of maritime trade (in terms of turnover). Against the backdrop of continued supply growth and slight contraction in demand, the profitability of the crude oil transport market may decline. The capacity of refined oil tankers is expected to grow by 5.3% (in terms of deadweight tons), significantly higher than the -0.9% growth rate of maritime trade (in terms of turnover). The shortage of capacity will be greatly alleviated. The capacity of bulk carriers is expected to grow by 3.1% (in terms of deadweight tons), far exceeding the -0.4% growth rate of maritime trade (in terms of turnover), with vessel-type profits likely to decline. The capacity of container carriers is expected to grow by 6.7% (in terms of twenty-foot equivalent units (TEUs)), exceeding the expected growth rates of 2.5% and 2.4% for trade volume and freight tonnage, respectively. Particularly, the greater uncertainty surrounding U.S. tariff policies remains a key factor influencing market prospects and freight rate fluctuations. The capacity of LNG is expected to grow by 8.9% (in cubic meters), far exceeding the 1.2% growth rate of trade volume (in terms of tons). The current global oversupply of capacity is unlikely to improve, and spot rates are unlikely to recover in the short term, with the LNG transport market continuing to face pressure. VLGC capacity (in cubic meters) is projected to grow by 3.4%, slightly higher than the 3.1% growth rate of LPG trade tonnage. However, the continued growth in new orders is expected to put some pressure on shipowners' profits.

In 2025, the development of ship type technology will continue to focus on greening and becoming more intelligent, mainly reflected in rules and regulations and technology industry development.

As regards greening, from the perspective of rules and regulations, international shipping emissions reduction policies have achieved breakthrough progress. During the period from 7 to 11 April 2025, the 83rd session of the Marine Environment Protection Committee (MEPC 83) of the International Maritime Organization (IMO) was held in London, where the draft amendments to Annex VI of the International Convention for the Prevention of Pollution from Ships (MARPOL) regarding the IMO Net Zero Framework were reviewed and approved. These amendments introduced the world's first mandatory "dual-track" emissions reduction agreement. This agreement imposes constraints from two aspects: greenhouse gas fuel intensity (GFI) and carbon pricing mechanisms, aiming to achieve global shipping net-zero emissions by 2050. In terms of industrial development, in the short term, LNG and methanol fuels have become the primary choices for shipowners seeking green and low-carbon power solutions. Leveraging relatively mature equipment technology, well-developed infrastructure, and more competitive fuel prices, by the first half of 2025, global orders for LNG and methanol dual-fuel vessels are expected to account for over 80% of total new orders for green-powered vessels. In the long term development, facing increasingly stringent international shipping emissions reduction requirements, zero-carbon vessels powered by green ammonia and green hydrogen are expected to become the primary development direction for the shipping industry.

In terms of smart vessels, from the perspective of rules and regulations, the Maritime Autonomous Surface Vessel Code (MASS CODE) will enter the voluntary implementation phase in 2025 and is scheduled to become a mandatory document by 2028. In March 2025, the China Classification Society completed the revisions to the “Smart Vessel Regulations”, which took effect on 1 April 2025. This revision addresses the recognition principles for newly added smart systems, clarifies the design, testing, and certification processes for smart equipment, and requires smart systems to pass functional safety assessments. A new real-time monitoring and auxiliary decision-making function mark (Hm+) has been added, and the intelligent layout function mark (Gx) has been included in the regulations for the first time, covering technical indicators such as automatic control of equipment, energy efficiency management, and health monitoring. Additionally, the design of the human-machine interface for remote control stations of intelligent ships, the configuration of backup power supplies, and the autonomous control requirements for anchoring equipment have been further refined, promoting the transformation of intelligent ship design from “function-oriented” to “safety and energy efficiency-oriented”. In terms of industrial development, several international shipping giants are collaborating with research institutions, universities, and enterprises to promote the application of intelligent ship technology and accelerate the commercialization of autonomous ship technology. The SEAMLESS project, initiated by multiple European countries focusing on short-haul maritime and inland autonomous shipping, has achieved phased results in areas such as autonomous mooring and port automation. Maersk Group is collaborating with South Korea’s HD Hyundai to develop the Hyundai Intelligent Navigation Assistance System (HiNAS) and conduct real-ship verification of the AI-based voyage optimization and carbon emissions monitoring solution “Ocean Wise”. In June 2025, “Xin Hong Zhuan” vessel, the world’s first intelligent research and training vessel designed by the Shanghai Merchant Ship Design and Research Institute and built by Dalian COSCO Shipping Heavy Industry, successfully completed key tests including autonomous berthing and unberthing, autonomous navigation in open waters, multi-vessel intelligent collision avoidance and shore-based remote control, marking a dual breakthrough for China in the conversion of intelligent ship technology and talent development.

2. Work summary for the first half of the year

In the first half of 2025, the pace of new ship orders worldwide slowed down, with the current global political development trend bringing significant uncertainty. Risks and opportunities coexist across all ship types. Our ship chartering business in China has to adapt to the market situation and is committed to the cross-cyclical strategy of “cross-cyclical investment and cyclical operation” to further improve the operating efficiency of the shipping business, prudently proceeding with new ship deliveries, implementing flow-based management of its fleet assets, and seizing favorable opportunities to dispose of vessels to realise value-added premiums.

In the first half of 2025, the Group achieved operating revenue of HK\$2.018 billion, representing a year-on-year increase of 2.7%; net profit reached HK\$1.151 billion, a year-on-year decrease of 14.1%; the main reason for the profit decrease was that the Group applied OECD Pillar Two Model Rules retrospectively from 1 January 2025 onwards, thus the Group has made a provision of tax expense of HK\$137.7 million during the first half of 2025; annualised ROE was 15.4%, down 0.3 percentage points year-on-year; and annualised ROA was 5.4%, up 0.6 percentage points year-on-year.

2.1 Maintaining overall stability in fleet scale while further enhancing the operational attributes and high-value-added characteristics of the fleet

In the first half of 2025, amid new shipbuilding prices continued to rise slowly at high levels, with core shipyards extending the coverage period of their order backlogs, while competition in the ship chartering market intensified, the Group prudently assessed project risks, effectively leveraged its own advantages to engage in differentiated competition with bank-affiliated leasing companies, maintained the overall stability of its operational asset scale, and promoted the development of the fleet structure toward green, high-quality, and high-value-added directions.

In the first half of 2025, in response to the challenging market situation, the Company completed the signing of six new shipbuilding orders within the Group, with a total contract value of US\$308 million, with mid-to-high-end ships accounting for 100%, including four MR oil tankers and two methanol dual-fuel MR oil tankers.

As of 30 June 2025, the Group's fleet size stood at 143 vessels, including 121 operational vessels and 22 vessels under construction. The average age of operational vessels was approximately 4.13 years. The average remaining lease term for leases with a term of over one year (excluding current operational projects and leases expiring within one year) was 7.64 years. By contract value, the Group's operational fleet is composed of marine clean energy equipment, container vessels, liquid cargo vessels, bulk carriers and special-purpose vessels, accounting for approximately 14.7%, 17.4%, 23.1%, 23.1% and 21.7%, respectively. Following proactive and reactive adjustments to the fleet size, the existing fleet has become more focused on high-value, younger vessels, further optimising the fleet structure.

2.2 Further strengthening financial management to maintain a sound cost of funds and asset-liability structure

Since 2025, the Federal Reserve has not cut interest rates, and the target range for the federal funds rate has remained at the historically high level of 4.25% to 4.5%. The Company has implemented a cross-currency financing strategy, taking measures such as partial replacement of high-interest loans in US dollars with low-interest loans in Renminbi and Hong Kong dollars. As of the end of June 2025, the Company's comprehensive financing cost was controlled at 3.1%, a decrease of 40 basis points from the beginning of the year.

As of 30 June 2025, the Group's asset-liability ratio stood at 65.2%, a decrease of 2.3% from the end of last year. Interest-bearing borrowings amounted to approximately HK\$25.55 billion, a decrease of 7.4% from the end of 2024, including approximately US\$1.60 billion US dollar-denominated borrowings, RMB9.06 billion borrowings, HK\$2.02 billion Hong Kong dollar-denominated borrowings, and EUR140 million Euro-denominated borrowings. The notional principal amount of outstanding US dollar interest rate swap contracts on hand was US\$430 million, with an average swap rate of 1.58%.

The Company actively engaged in communication and coordination with external financial institutions to secure adequate credit facilities and expand diversified financing channels. In the first half of 2025, the Company actively advanced the work in respect of a RMB10 billion credit facility framework agreement with CSSC Finance Company Limited (“**CSSC Finance**”), further increasing the credit reserve limit to ensure sufficient funds to meet debt repayment and business development needs. The Company continued to control financing costs and, through ongoing negotiations with financial institutions, secured reductions in interest rates for multiple existing loans.

2.3 Taking lean management as the guidance to solidly promote enterprise quality improvement and efficiency enhancement

The Company further improved the comprehensive risk management system and conducted a comprehensive assessment of the Group’s risk management status from four dimensions, namely risk management strategy and objectives, risk management processes, basics of risk management and the overall risk management environment. The Company re-examined, refined and expanded the categorization of risks into first-, second-, and third-category risks, and developed optimization plans for weak areas. The Company carried out subsequent development and application of risk quantitative assessment models, explored expanding their scope of application, and supported the stable operation of diversified leasing projects. The Company deeply advanced compliance management, included all contract documents of joint ventures under consolidated management and contract documents involving major retained matters of joint ventures not under consolidated management within the scope of legal review.

The Company deeply implemented ESG concepts and was successfully included in S&P Global’s “Sustainability Yearbook (China Edition) 2025”. Over 1,600 Chinese companies were included in the selection scope, with only 164 companies ultimately standing out, representing authoritative recognition in the ESG field received by the Company. The Company has been listed on the Fortune China ESG Impact List for three consecutive years, fully demonstrating the effectiveness and public recognition of the Company’s ESG governance.

3. Work outlook for the second half of the year

In the second half of 2025, the Company will adhere to the overall work principle of seeking progress while maintaining stability, and will conduct all aspects of work in a solid manner to promote the sustainable high-quality development of the Company. The following key tasks will be prioritised in the second half of the year:

- 3.1 Assess the situation and continue to expand the ship leasing business. In line with the evolving trends in the international shipping and shipbuilding market and the Company's development strategy, keep track of the shipyard capacity, customer financing and other conditions, and continue to make efforts for new ship orders to expand the Company's high-quality ship asset portfolio.
- 3.2 Strengthen the asset risk disposal work. Prioritise risk prevention and control, strengthen monitoring of vessel assets, and strictly control incremental risks. Continuously monitor and study the risks and challenges arising from various policies of the United States, and develop risk response plans in advance. Strengthen vessel safety management, clarify the management responsibilities of various parties, and strive to minimise risks.
- 3.3. Strengthen comprehensive financing cost control. Complete the establishment of a medium-term note framework plan of USD3 billion, advance the implementation of the RMB10 billion credit agreement with CSSC Finance, and safeguard the need for low-cost capital investment for the project. Continuously implement cross-currency financing, and continue to reduce comprehensive financing costs through measures such as replacement of high-interest existing bank loans, refining capital plans and activating idle funds.

4. Finance Review

4.1 Analysis on Condensed Consolidated Income Statement

4.1.1 Revenue

The Group's revenue comprises (i) integrated shipping services (including operating lease income and commission income) and (ii) financing services (including finance lease income and interest income from loan borrowings).

The Group's revenue increased by 2.7% or HK\$52.2 million from HK\$1,965.8 million for the six months ended 30 June 2024 to HK\$2,018.0 million for the six months ended 30 June 2025, primarily due to the increase in the income generated from operating lease services.

The following table sets out, for the periods indicated, a breakdown of the Group's revenue by business activity:

	Six months ended 30 June		Change
	2025	2024	
	HK\$'000	HK\$'000	
	(Unaudited)	(Unaudited)	
Integrated shipping services			
– Operating lease services	1,208,824	1,047,123	15.4%
– Shipbroking services	22,514	22,342	0.8%
	<u>1,231,338</u>	<u>1,069,465</u>	15.1%
Financing services			
– Finance lease services	549,995	619,906	(11.3%)
– Loan borrowing services	236,632	276,400	(14.4%)
	<u>786,627</u>	<u>896,306</u>	(12.2%)
Total	<u><u>2,017,965</u></u>	<u><u>1,965,771</u></u>	2.7%

Integrated shipping services

The revenue generated from integrated shipping services increased by 15.1% or HK\$161.8 million from HK\$1,069.5 million for the six months ended 30 June 2024 to HK\$1,231.3 million for the six months ended 30 June 2025. The main reason was that the Group's income from operating lease services increased by 15.4% from HK\$1,047.1 million for the six months ended 30 June 2024 to HK\$1,208.8 million for the six months ended 30 June 2025 as the Group had added 3 container ships during the second-half of 2024 and generated income.

Financing services

The revenue generated from financing services decreased by 12.2% from HK\$896.3 million for the six months ended 30 June 2024 to HK\$786.6 million for the six months ended 30 June 2025. The main reason was that the Group's finance lease and loan projects were completed in the second half of 2024 and the first half of 2025, resulting in the overall decrease in the revenue generated from financing services.

4.1.2 Other Income, and Other (Losses)/Gains, Net

The net amount of other losses was HK\$17.6 million for the six months ended 30 June 2025 mainly due to the net of exchange loss and the interest from listed bonds and wealth management products, whereas the net amount of other income recognised in the corresponding period of 2024 was HK\$235.2 million, which was mainly contributed from the handling fee amounted received from a charterer as compensation for future earnings upon the early termination of finance lease projects amounted to HK\$150.7 million and a gain on disposal of vessels amounted to HK\$56.4 million.

4.1.3 Expenses

The Group's expenses mainly comprise (i) finance costs and bank charges; (ii) depreciation; (iii) vessel operating costs; (iv) employee benefits expenses; (v) other operating expenses; and (vi) net amount of (reversal of)/provision for impairment of loan and lease receivables.

Expenses

	Six months ended 30 June		Change
	2025	2024	
	HK\$'000	HK\$'000	
	(Unaudited)	(Unaudited)	
Finance costs and			
bank charges	416,021	515,642	(19.3%)
Depreciation	297,993	280,936	6.1%
Vessel operating costs	188,209	136,582	37.8%
Employee benefits expenses	28,669	31,022	(7.6%)
Other operating expenses	34,728	25,998	33.6%
Net amount of (reversal			
of)/provision for			
impairment of loan and			
lease receivables	<u>(132,323)</u>	<u>105,664</u>	(225.2%)
Total	<u>833,297</u>	<u>1,095,844</u>	(24.0%)

Finance Costs and Bank Charges

The Group's finance costs and bank charges was HK\$416.0 million for the six months ended 30 June 2025, with a year-on-year decrease of 19.3% or HK\$99.6 million. The Group's finance costs mainly include interest and charge on (i) bonds; (ii) bank borrowings; and (iii) other borrowings. The average cost of interest-bearing liabilities was 3.1% and 3.5% for the six months ended 30 June 2025 and the year ended 31 December 2024, respectively, which was relatively lower than the industry level, reflecting the Group's efficient financing strategies.

During the period, one of the Group's guaranteed USD bond was matured and repaid, at the same time, the Group maintained several measures to effectively manage and reduce finance costs, for examples: (i) adopting cross-currency financing. On the basis of USD financing, the Group optimised the control of finance costs by utilising a diversified range of currencies, including Renminbi, Hong Kong dollars and Euros; (ii) for bank borrowings on hand, the Group has reached agreements with several banks to lower the interest rates on bank borrowings to more favourable levels so as to keep the interest rates on bank borrowings on hand at a low market level to reduce interest expenses; and (iii) hedging interest rate risk through financial derivatives.

These measures have allowed the Group to continually maintain a competitive advantage in managing its overall financing scale while effectively lowering financing expenses. By employing a combination of cross currency financing, proactive debt management and risk hedging tools, the Group has strengthened its financial position and improved its ability to adapt to changing interest rate conditions.

Depreciation

The Group's depreciation expenses increased by 6.1% or HK\$17.1 million from HK\$280.9 million for the six months ended 30 June 2024 to HK\$298.0 million for the six months ended 30 June 2025. The Group's total shipping capacity continued to grow as the Group added 3 container ships during the second half of 2024 under operating lease.

Vessel Operating Costs

The Group's vessel operating costs represent the expenses incurred in operating vessels under operating lease arrangements, including crew expenses, vessel repair and maintenance fees, ship management fees, vessel insurances and stores and supplies.

The Group's vessel operating costs were HK\$188.2 million for the six months ended 30 June 2025, with an increase of HK\$51.6 million when compared to the corresponding period of last year. The rise in costs was primarily due to the increase in vessel repair and maintenance costs during the first half of 2025.

Employee Benefits Expenses

The Group's employee benefits expenses consist of (i) wages, salaries, other allowances, retirement benefit cost; and (ii) share-based payment expenses.

The Group's employee benefits expenses decreased from HK\$31.0 million for the six months ended 30 June 2024 to HK\$28.7 million for the six months ended 30 June 2025. This reduction was primarily due to a decrease in the total number of employees of the Group, which declined from 84 as of 31 December 2024 to 79 as of 30 June 2025.

Net Amount of Reversal of Impairment of Loan and Lease Receivables

For the six months ended 30 June 2025, the Group recorded a net amount of reversal of impairment of loan and lease receivables amounting to HK\$132.3 million. This reversal primarily related to provisions for lease projects that had been recognised in prior years based on prevailing market conditions at each reporting date and such provisions are reversed upon the completion of leasing projects or early termination of the leasing projects by the charterer.

4.1.4 Share of Results of Joint Ventures

The Group's share of results of joint ventures decreased from HK\$263.8 million for the six months ended 30 June 2024 to HK\$131.3 million for the six months ended 30 June 2025.

The decrease in share of results of joint ventures was mainly due to (i) the sale of two chemical MR tankers in the second half of 2024 and (ii) the decreased daily charter rates of refined product oil and chemicals carriers when compared to the corresponding period of last year.

4.1.5 Income Tax Expenses

Benefiting from certain Hong Kong China profits tax incentive scheme related to ship chartering and leasing, the Group overall recorded an income tax expense of HK\$20.2 million for the six months ended 30 June 2024. For the six months ended 30 June 2025, the income tax expense increased to HK\$137.7 million, which was mainly attributable to the retrospective application of the OECD Pillar Two Model Rules effective from 1 January 2025.

OECD released the Pillar Two Model Rules (also referred to as the "Global Anti-Base Erosion" or "GloBE" Rules) to reform international corporate taxation. Large multinational enterprises with consolidated revenue of over EUR750 million are subject to the rules and are required to calculate their GloBE effective tax rate for each jurisdiction where they operate and will be liable to pay a minimum effective tax rate of 15%.

The Group is within the scope of Pillar Two rules since it has operations in Hong Kong China. Under these rules, the Group's profits generated from international shipping and certain related ancillary activities are tax exempt, while other non-qualifying profits will incur the minimum tax rate of 15%. A current tax provision has been estimated for the Group in accordance with Pillar Two guidelines. As a result, the Group's Hong Kong China profits tax increased to HK\$137.7 million for the six months ended 30 June 2025.

4.1.6 Profit for the Period

In the first half of 2025, the Group reported a profit for the period of HK\$1,151.2 million, representing a decrease of 14.1% compared to HK\$1,339.9 million recorded in the same period of 2024. This decline was attributable to the combined impact of multiple factors such as (i) increased tax expenses; (ii) revenue performance; (iii) income or expense from non-recurring items (including one-off handling fee income received upon the early termination of finance lease projects, sales of vessels, impairment of reversal of/(provision for) loan and lease receivables); and (vi) share of results of joint ventures.

During the period, the Group's revenue increased by 2.7% to HK\$2,018.0 million, primarily driven by steady growth in income from operating lease services. The Group's profit from operation excluding non-recurring items amounted to HK\$1,013.1 million in 2025 and HK\$1,003.6 million in 2024, indicating sustained robustness in the Group's core business operations.

Notwithstanding the stability of core operating performance, the profit for the period decreased by 14.1% to HK\$1,151.2 million. This was primarily attributable to (i) the retrospective application of the OECD Pillar Two Model Rules effective from 1 January 2025, which led to an increased provision of tax expense to HK\$137.7 million compared to the corresponding period of last year; and (ii) the decreased of 50.2% in the Group's share of results of joint ventures to HK\$131.3 million, resulting from the sale of two chemical MR tankers in the second half of 2024 and the decreased daily charter rates of refined product oil and chemicals carriers when compared to the corresponding period of last year.

4.2 Analysis on Condensed Consolidated Statement of Financial Position

As at 30 June 2025, the Group's total assets were HK\$42,200.6 million, reflecting a decrease of HK\$1,720.4 million in total assets when compared to the year ended 31 December 2024. The decline was primarily driven by a reduction in loan and lease receivables, as several leasing projects were completed in the second half of 2024 and the first half of 2025, the fund received from completed leasing projects were utilised by the Group to repay existing bank borrowings and bonds.

As a result, the Group's total liabilities stood at HK\$27,496.3 million, with a decrease of HK\$2,126.7 million when compared to the year ended 31 December 2024. This was mainly due to the repayment of a matured USD bond during the first half of 2025, which helped to reduce the scale of interest-bearing liabilities to a reasonable level while lowering overall finance costs.

The Group's equity as at 30 June 2025 was HK\$14,704.3 million, with an increase of HK\$406.3 million compared to the year ended 31 December 2024. The Group's asset-liability ratio improved approximately 2.3 percentage points from 67.5% as at 31 December 2024 to 65.2% as at 30 June 2025.

Assets

As at 30 June 2025, the total assets of the Group mainly comprised property, plant and equipment, loan and lease receivables, cash and bank deposits and financial assets at fair value, which accounted for 93.9% of the Group's total assets.

Total Assets

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)	Change
Loan and lease receivables	20,201,368	20,714,833	(2.5%)
Property, plant and equipment	16,099,700	16,394,376	(1.8%)
Financial assets at fair value	2,160,567	2,136,047	1.1%
Cash and cash equivalents, and time deposits with maturity over three months	1,179,872	1,909,346	(38.2%)
Other assets	2,559,105	2,766,393	(7.5%)
Total	42,200,612	43,920,995	(3.9%)

4.2.1 Loan and Lease Receivables

The Group's loan and lease receivables comprise (i) lease receivables; (ii) loan borrowings; and (iii) loans to joint ventures.

Loan and lease receivables

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)	Change
Lease receivables	14,002,469	14,331,654	(2.3%)
Loan borrowings	5,982,268	6,118,321	(2.2%)
Loans to joint ventures	216,631	264,858	(18.2%)
Total	20,201,368	20,714,833	(2.5%)

a) Lease Receivables

The Group's net lease receivables amounted to HK\$14,331.7 million and HK\$14,002.5 million as at 31 December 2024 and 30 June 2025, respectively. Such receivables decreased by 2.3%, mainly because some of the finance lease projects were completed in accordance with the lease term during the six months ended 30 June 2025.

b) Loan Borrowings

Loan borrowings mainly refer to receivables from the secured loan provided by us. The Group's loan borrowings were secured and repayable from 2025 to 2033 as at 30 June 2025.

c) Loans to Joint Ventures

The Group received repayment from joint ventures during the period. As at 30 June 2025, the Group's loan to a joint venture amounted to HK\$216.6 million and was unsecured.

4.2.2 Property, Plant and Equipment

The Group's property, plant and equipment comprise constructions in progress, vessels held for operating leases, leasehold improvements, office equipment and motor vehicles held for business purposes.

As at 31 December 2024 and 30 June 2025, the Group's property, plant and equipment amounted to HK\$16,394.4 million and HK\$16,099.7 million, respectively. The decrease of 1.8% in the Group's property, plant and equipment as at 30 June 2025 was primarily due to (i) the sale of 2 bulk carriers during the second half of 2024; and (ii) the depreciation of vessels for the chartering business.

4.2.3 Financial Assets at Fair Value

Financial assets at fair value represent listed bonds and wealth management products held by the Group.

The Group's financial assets at fair value was HK\$2,160.6 million as at 30 June 2025. The Group maintained its investment portfolio with listed bonds and wealth management products to diversify the risk of its investment portfolio. The Group will continue to optimise the allocation of financial assets for holding suitable investment portfolio of listed bonds and wealth management products to obtain stable returns.

Liabilities

As at 30 June 2025, the total liabilities of the Group mainly represented by borrowings, including bank borrowings, bonds and other borrowings, which accounted for 92.9% of its total liabilities.

Total liabilities

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)	Change
Borrowings –			
bank borrowings	13,889,083	12,829,276	8.3%
Borrowings – bonds	10,369,790	13,432,257	(22.8%)
Borrowings – others	1,289,195	1,325,622	(2.7%)
Other liabilities	<u>1,948,218</u>	<u>2,035,804</u>	(4.3%)
Total	<u><u>27,496,286</u></u>	<u><u>29,622,959</u></u>	(7.2%)

4.2.4 Borrowings – Bank Borrowings

The Group's bank borrowings increased by 8.3% from HK\$12,829.3 million as at 31 December 2024 to HK\$13,889.1 million as at 30 June 2025, mainly because the Group repaid the secured bonds of US\$400 million (equivalent to approximately HK\$3,112 million) due February 2025 in full and on schedule through the addition of low-cost bank loan business, thereby effectively controlled the finance costs at an optimal level.

4.2.5 Borrowings – Bonds

As at 30 June 2025, the Group held USD and RMB bonds in hand.

Firstly, the Group held (i) a guaranteed bonds of US\$400 million (equivalent to approximately HK\$3,112 million) due in 2030; and (ii) a green and blue dual-certified bond of US\$500 million (equivalent to approximately HK\$3,890 million) due in 2026.

In addition, the Group has completed the full issuance of the RMB3 billion “Panda Bonds” framework at the National Association of Financial Market Institutional Investors (“NAFMII”) in the Mainland China interbank, demonstrating the high level of market investor recognition for the Group. The Group held three batches of “Panda Bonds”, the First Tranche (“**Sustainability Linked and Bond Connect**”), the Second Tranche of 2023 Medium-term Notes, and the First Tranche of 2024 Medium-term Notes. These bonds were listed publicly at the NAFMII Bond Market in the Mainland China, with the issue size of RMB1,000 million (equivalent to approximately HK\$1,083 million) due in 2026, RMB1,200 million (equivalent to approximately HK\$1,300 million) due in 2026 and RMB800 million (equivalent to approximately HK\$867 million) due in 2029, respectively in the Mainland China.

The funds raised from “Panda Bonds” issuance will primarily be used to support the upgrade of large domestic equipment and equipment renovation, driving and leading the orderly development of domestic green vessels.

5. Asset Quality

The Group writes off loans and lease receivables, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the cessation of enforcement activities. The Group may write off loans and lease receivables that are still subject to enforcement activities. The Group did not write off any loans and lease receivables during the year ended 31 December 2024 and the six months ended 30 June 2025.

6. Liquidity and Working Capital

The Group funds its operations and growth primarily through the cash generated from operating activities, bank borrowings and issuance of bonds. During the period, the Group continued to maintain a stable risk appetite for liquidity management. The goal of the Group's liquidity risk management is to maintain moderate liquidity reserves and assets and sufficient funding resources to adequately meet the repayment needs of matured liabilities and the funding needs of business development. When determining the allocation of its capital resources, the Group primarily considers its business strategies and development plans, future capital needs and projected cash flows, in order to achieve a higher interest rate margins level and control the liquidity management costs on the premise of controllable liquidity risks.

The Group managed liquidity risk and struck a balance between the interest rate spread and the liquidity risk through the following measures: (i) establishing a comprehensive capital operation and management system, developing, optimizing and upgrading the business and financial information system, closely monitoring, dynamically tracking, and conducting rolling calculations and analyses of the working capital, and providing timely advance warnings of funding shortfalls; (ii) proactively managing the maturity portfolio of assets and liabilities and controlling the cash flow mismatch gap to reduce structural liquidity risks; and (iii) establishing a diversified source of funds through the reserve of sufficient credit, and improving the Group's financing and daily liquidity management capabilities to obtain sufficient funds to meet the debt repayment and business development needs.

During the period, the Group had sufficient cash flow, while the credit facilities granted by the banks to the Company were sufficient, there was no significant change in the indebtedness and credit standing.

In addition, during the period, the Group maintained an “AAA” rating for domestic entities by Dagong Global Credit Rating Co., Ltd. (大公國際資信評估有限公司), and an “A-” (international) rating by S&P. The Group was assigned an “A-”(international) rating by Fitch. The re-rating action was taken in conjunction with Fitch’s adjustment to China’s sovereign credit rating during the period. Taking into account the historical and expected future cash flows from operations, unutilised available banking facilities of the Group and the bonds issued by the Group during the reporting period, the Directors expected that the Group would have adequate resources to meet its liabilities and commitment as and when they fall due and be able to continue its operation in the foreseeable future.

The following table sets out, for the periods indicated, a summary of the Group’s condensed consolidated statement of cash flows:

	Six months ended 30 June	
	2025	2024
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	1,320,276	4,273,137
Net cash generated from/(used in)		
investing activities	286,880	(997,327)
Net cash used in financing activities	(2,345,639)	(2,812,250)
Net (decrease)/increase in cash and		
cash equivalents	(738,483)	463,560
Cash and cash equivalents at the beginning		
of the period	1,773,896	938,005
Effect of foreign exchange rate changes on		
cash and cash equivalents	17,256	(392)
Cash and cash equivalents at the end of the period	<u>1,052,669</u>	<u>1,401,173</u>

The net cash generated from operating activities amounted to HK\$1,320.3 million, which was mainly because the Group received the payment from the completed finance lease projects and generated a profit from operation during the six months ended 30 June 2025.

The net cash generated from investing activities amounted to HK\$286.9 million, which was mainly due to dividends received by the Group from a joint venture during the six months ended 30 June 2025.

The net cash used in financing activities amounted to HK\$2,345.6 million, which was mainly because the Group repaid a matured bond during the six months ended 30 June 2025.

7. Fund Management

7.1 Bank Loans and Capital Structure

In the first half of 2025, with the positive development of its main business, the Group's operating revenue continued to improve. Benefiting from excellent international ratings and good market reputation, the Group's liquidity was solid, and its financing capabilities continued to increase and financing methods were increasingly diversified. The Group kept abreast of the changes in macroeconomic conditions, actively responded to the complicated financial environment at home and abroad, proactively grasped the market trend and adjusted its financing strategies in a timely manner to further optimise its debt structure and balance its finance costs. The Group turned to RMB financing as appropriate during the period due to the significant RMB/USD interest rate differential. In addition, the Group capitalized on the declining HKD interest rates in the second quarter of 2025 by increasing the proportion of HKD financing, effectively controlling the rapid increase in finance costs.

In the first half of 2025, with Federal Reserve's rate cut remained on hold, the benchmark USD rate maintained at an elevated range of 4.25% to 4.50%. On the other hand, RMB interest rates remained at relatively low levels, with the 1-year LPR declining to 3.00% and the 5-year+ LPR falling to 3.50%. The RMB financing rate was significantly lower than that of USD. HKD interest rates saw a substantial decline in short-term rates during the second quarter of 2025 due to ample market liquidity, creating a notable interest rate differential with USD rates. During the reporting period, the Group continued to implement its "cross-currency" financing strategy, which has proven effective in controlling the rapid growth of financing costs. Our comprehensive financing costs remained at competitively low market levels. The Group's average cost of interest-bearing debt decreased from 3.5% for the year ended 31 December 2024 to 3.1% for the six months ended 30 June 2025.

The Group had been active in seeking to diversify its financing channels and took effective measures in a timely manner. During the period, the Group entered into the 2025 Financial Services Framework Agreement with CSSC Finance, which was duly approved at the general meeting of the Company. Under this agreement, the Group secured a credit facility of up to RMB10 billion, valid until 31 December 2027. This arrangement enables the Group to access more efficient and lower-cost financing support, which can greatly improve the Group's fund management efficiency and flexibility in response to market changes. Meanwhile, the Group made comprehensive use of multi-currency financing, such as RMB and Hong Kong dollars, for daily operations such as vessel leasing, which effectively reduced the negative impact of heightened U.S. dollar interest rates. The Group continued to closely monitor our exposure to exchange rate risks arising from multi-currency financing, and has adopted prudent foreign exchange risk management strategies to effectively hedge foreign exchange risk exposure with the continuous use of financial instruments such as foreign exchange swaps and cross currency swaps.

The Group continued to deepen its partnership with core banks based on its existing financing channels in accordance with its strategic development needs, forming in-depth strategic partnerships with banks including the large banks and policy banks, as well as international commercial banks. As at 30 June 2025, the Group held loan facilities of approximately HK\$34.84 billion (approximately US\$4.48 billion), utilised loan facilities of approximately HK\$15.18 billion (approximately US\$1.95 billion) and unutilised bank loan facilities of approximately HK\$19.66 billion (approximately US\$2.53 billion), and the credit balance was sufficient. As at 30 June 2025, the Group's total assets and total liabilities were HK\$42,200.6 million and HK\$27,496.3 million, respectively, its equity attributable to owners was HK\$14,541.8 million and the gearing ratio was 1.7 times. By improving the existing fund operation, enhancing the utilisation efficiency of funds, strictly implementing funding plans and controlling the scale of interest-bearing indebtedness and remained at a lower level in the industry, consistently maintaining a healthy gearing position.

7.2 Interest Rate Risk

Interest rate risk is the risk that the future cash flows of financial instruments will fluctuate due to changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank loans and other financing, as well as finance lease receivables and other loans. During the period, with Federal Reserve's rate cut remained on hold, the benchmark USD rate maintained at an elevated range of 4.25% to 4.50%.

In order to cope with the persistently high interest rates in the U.S. dollar interest rate market, the Group has maintained its usual interest rate risk control measures by using financial instruments such as interest rate swaps to hedge its interest rate risk exposure. As of 30 June 2025, the notional principal amount of the Group's existing interest rate swap products was approximately HK\$3,338.0 million, and the locked-in U.S. dollar average long-term fixed interest rate was approximately 1.58%, which effectively hedged the negative impact of the high interest rate of the U.S. dollar.

In terms of interest rate structure, the Group continued to maintain its original interest rate risk management strategies and proactively managed the matching of assets and liabilities in terms of interest rate structure. For the Group's operating lease assets, the Group continued to improve the interest rate matching between assets and liabilities through measures such as the issuance of fixed interest rate bonds, fixed interest rate loans and operating interest rate swaps, thereby effectively preventing interest rate risks, and the existing interest rate risk exposure is relatively low.

During the period, the Group added a number of floating-rate and fixed-rate HKD and RMB loans matching with our new leased assets and further reduced the exposure to interest rate risk. Meanwhile, the Group's finance lease assets and bank loan liabilities were both primarily at floating rates, so the effects of fluctuations in U.S. dollar interest rates can be offset by mutual hedging.

7.3 *Exchange Rate Risk*

Exchange rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in foreign exchange rates. The vessels under finance leases and operating leases are purchased in U.S. dollars, and the corresponding finance lease receivables and fixed assets are denominated in U.S. dollars, while the main source of funding is bank loans denominated in U.S. dollars. There is therefore no significant exposure to exchange rate risk. The Group holds some of its monetary funds in Hong Kong dollars, Renminbi and Euros, but the overall proportion is relatively small. In terms of exchange rate structure, the Group continued to uphold its original exchange rate risk management strategies and maintained the basic matching of assets and liabilities in currency.

The Group has adopted a prudent foreign exchange risk management strategy and established a foreign exchange rate risk tracking system to monitor the trend of major currencies around the world in a timely manner. During the period, while the RMB exchange rate exhibited a gradual appreciation trend, the Group maintained close monitoring and did not increase its RMB forex exposure. For existing RMB forex exposure, the Group effectively hedged its currency risks through executing foreign exchange swaps and cross-currency swaps and strategically replacing RMB financing with HKD financing. These measures successfully maintained the Group's forex risk at manageable levels throughout the period.

8. Risk Management

The Group is exposed to various risks in its ordinary course of business, including market competition risks, asset management risks, exchange rate risks, tax risks, geopolitical risks, and others. The Group carries out risk management with the strategic objectives of sustainable development of business and enhancement of the Group's value, and has established a comprehensive risk management system. The Group has unleashed its potential in resources to improve the responsiveness in risk management for safeguarding its business interests. At present, the Group has adopted a stable strategy in relation to risk appetite. With regard to the selection of industries, the Group prefers industries and fields with mature business models, economies of scale and excellent asset quality. In terms of customer selection, the Group prefers large enterprises, leading enterprises in the industry or high-quality listed companies.

In terms of leased assets operation, the Group will conduct scientific classification, value analysis and professional management, and accelerate the transfer of leased assets by combining operation strategies, market environment and the features of leased properties. While realizing the steady growth of the business, the Group achieves a return on its earnings that matches the risks, and controls its risks within an acceptable range. Based on the characteristics of the leasing industry, its own risk tolerance and risk appetite, the Group has established an effective risk identification, evaluation, monitor, control and reporting mechanism, and supports the effective implementation of the Company's risk management policies through a sound management information system to actively strengthen risk assessment and management system. Meanwhile, the Group will strengthen the proactive response management of risks, reduce the overall business risks by carrying out asset risk management in different countries, regions and industries, strive to maximize the risk return by actively adjusting the business strategy of the industry, establishing the customer credit quantitative assessment model and debt assessment model, strengthening the customer access standards, and improving the risk assessment system, and realize the value creation of risk management by improving the business quality and resource allocation efficiency of the Group.

In the first half of 2025, the Company further improved and refined its risk management system, risk management processes and tools, risk management, internal control, compliance standardization, and risk management informatization, effectively enhanced the Company's risk management capabilities.

9. Human Resources

As at 30 June 2025, the Group had a total of 79 employees (as at 30 June 2024: 84), approximately 31.6% of whom were located in Hong Kong. The Group has a team of high-quality talents with a bachelor's degree or above. As at 30 June 2025, approximately 94.9% of the Group's employees had a bachelor's degree or above.

For the six months ended 30 June 2025 and 30 June 2024, the remuneration of the Group's employees amounted to approximately HK\$28.7 million and HK\$31.0 million, respectively. The Group endeavors to create a competitive and fair system for remuneration and welfare. The remuneration package of the Group's employees includes basic salary and performance-related bonus. The Group reviews the remuneration packages and performance of its employees on an annual basis.

10. Pledge of Assets

As at 30 June 2025, the Group's loan and lease receivables of approximately HK\$9,281.8 million (31 December 2024: HK\$9,620.9 million), floating charge on deposits of approximately HK\$242.1 million (31 December 2024: HK\$253.0 million), property, plant and equipment of approximately HK\$2,817.3 million (31 December 2024: HK\$2,870.9 million), shares of certain subsidiaries, general assignments, bareboat charterer assignments and intra group loan assignments were secured to banks to acquire bank loans.

III. FINANCIAL STATEMENTS AND MATERIAL NOTES

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	3	2,017,965	1,965,771
Other income and other (losses)/gains, net		(17,618)	235,154
Expenses			
Finance cost and bank charges	4	(416,021)	(515,642)
Net amount of reversal of/(provision for) impairment of loan and lease receivables		132,323	(105,664)
Depreciation		(297,993)	(280,936)
Employee benefits expenses		(28,669)	(31,022)
Vessel operating costs		(188,209)	(136,582)
Other operating expenses		(34,728)	(25,998)
Total expenses		(833,297)	(1,095,844)
Profit from operations	5	1,167,050	1,105,081
Share of results of joint ventures		131,328	263,789
Share of results of associates		(9,491)	(8,849)
Profit before income tax		1,288,887	1,360,021
Income tax expenses	6	(137,730)	(20,161)
Profit for the period		1,151,157	1,339,860
Profit for the period attributable to:			
Equity holders of the Company		1,105,585	1,327,318
Non-controlling interests		45,572	12,542
		1,151,157	1,339,860
Earnings per share (HK\$)	7		
Basic		0.179	0.216
Diluted		0.178	0.216

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period	<u>1,151,157</u>	<u>1,339,860</u>
Other comprehensive (expense)/income for the period		
<i>Items that will be reclassified subsequently to profit or loss:</i>		
– Exchange differences on translation of financial statements of foreign operations	2,311	470
– Share of other comprehensive income of joint ventures, net	(11,925)	3,680
– Fair value change of financial assets at fair value through other comprehensive income (debts instruments)	8,294	5,979
– Fair value change of derivative financial instruments (cash flow hedges)	(40,765)	90,439
– Reclassification adjustment from hedging reserve to profit or loss	<u>(55,652)</u>	<u>(72,356)</u>
Total other comprehensive (expense)/income for the period	<u>(97,737)</u>	<u>28,212</u>
Total comprehensive income for the period	<u>1,053,420</u>	<u>1,368,072</u>
Total comprehensive income for the period attributable to:		
Equity holders of the Company	1,007,830	1,355,421
Non-controlling interests	<u>45,590</u>	<u>12,651</u>
	<u>1,053,420</u>	<u>1,368,072</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Note</i>		
Assets			
Property, plant and equipment		16,099,700	16,394,376
Right-of-use assets		962	11,895
Interests in joint ventures		1,506,811	1,628,199
Interests in associates		184,140	190,238
Loan and lease receivables	9	20,201,368	20,714,833
Derivative financial assets		299,109	404,865
Prepayments and other receivables		244,763	214,057
Financial assets at fair value through profit or loss		473,538	457,312
Financial assets at fair value through other comprehensive income		1,687,029	1,678,735
Deferred tax assets		4,680	4,111
Amount due from associates		36,254	37,810
Amount due from joint ventures		282,386	275,218
Time deposits with maturity over three months		127,203	135,450
Cash and cash equivalents		1,052,669	1,773,896
Total assets		42,200,612	43,920,995

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2025

		As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
	<i>Note</i>		
Liabilities			
Income tax payables		157,212	38,157
Borrowings		25,548,068	27,587,155
Derivative financial liabilities		145,561	195,801
Deferred tax liabilities		241	316
Amounts due to non-controlling interests		131,884	131,884
Other payables and accruals		1,190,505	1,321,335
Lease liabilities		322,815	348,311
Total liabilities		27,496,286	29,622,959
Net assets		14,704,326	14,298,036
Equity			
Share capital	10	6,713,880	6,695,690
Reserves		7,827,941	7,485,431
		14,541,821	14,181,121
Non-controlling interests		162,505	116,915
Total equity		14,704,326	14,298,036

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. Basis of preparation

This interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim financial information is unaudited, but has been reviewed by Grant Thornton Hong Kong 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 HKICPA.

This interim financial information should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

The financial information relating to the year ended 31 December 2024 that is included in the interim financial information for the six months ended 30 June 2025 as comparative information does not constitute the Company’s statutory annual financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance (Cap. 622).

2. Adoption of amended HKFRSs

The interim financial information for the six months ended 30 June 2025 have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the Amendments to HKAS 21 "Lack of Exchangeability" which is effective from 1 January 2025.

The adoption of the amendments did not have a material impact on the interim financial information of the Group.

3. Segment information and revenue

The chief operating decision maker ("CODM") has been identified as the executive director of the Company. The executive director reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports and analysed from a business perspective: (i) integrated shipping services and (ii) financing services.

Integrated shipping services

Integrated shipping services include operating lease services to the Group's customers and shipbroking services to shipbuilders and charterers. Operating lease refers to a leasing model whereby the lessor grants the right to use an asset to the lessee for a specified period and in return for periodic lease payments. Shipbroking services to shipbuilders includes recommending shipbuilders to interested purchasers and advising interested purchasers on vessel types, specifications and capabilities. Shipbroking services to charterers includes advising interested charterers to lease the vessels in form of finance lease and operating lease and advising interested charterers on vessel types, specifications and capabilities.

Financing services

Financing services include finance lease services and loan borrowing services to the Group's customers. Finance lease refers to a leasing model whereby the lessor purchases an asset according to the lessee's specific requirements and choice of supplier or the lessor purchases an asset from the lessee, and then leases it to the lessee for periodic lease payments. Loan borrowings mainly include pre-delivery loans and secured loans. Pre-delivery loan services are offered as part of leasing services and to customers who require funding to satisfy their pre-delivery payment obligations under their shipbuilding agreements. Secured loan services are offered to customers to satisfy their funding needs and are generally secured by customers' vessels or assets.

The segment information provided to the executive director for the six months ended 30 June 2025 and 2024 are follows:

The Group derives revenue from the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Integrated shipping services		
– Operating lease services	1,208,824	1,047,123
– Shipbroking services	22,514	22,342
	1,231,338	1,069,465
Financing services		
– Finance lease services	549,995	619,906
– Loan borrowing services	236,632	276,400
	786,627	896,306
	2,017,965	1,965,771

Commission income from charterer included in shipbroking services, are recognised over time method and commission income received from shipbuilder, including in shipbroking services segment, are recognised at point in time method during the period.

For the six months ended 30 June 2025, commission income included in shipbroking services are recognised at a point in time and over time amounting to HK\$10,699,000 and HK\$11,815,000 (2024: HK\$6,834,000 and HK\$15,508,000) respectively.

For the six months ended 30 June 2025, revenue from non-lease component included in leasing services amounting to HK\$138,891,000 (2024: HK\$120,844,000).

For the six months ended 30 June 2025, lease income relating to variable lease payments not included in the net investment in the lease amounted to HK\$41,913,000 (2024: HK\$104,554,000).

Segment assets and liabilities

No assets and liabilities are included in the Group's segment reporting that are submitted to and reviewed by CODM internally. Accordingly, no segment assets and liabilities are presented.

4. Finance costs and bank charges

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest and charges on bonds	145,577	167,770
Interest and charges on bank borrowings	220,066	345,114
Interest and charges on other borrowings	39,593	17,833
Interest on lease liabilities	9,686	519
Bank charges	1,099	1,224
	<u>416,021</u>	<u>532,460</u>
Less: finance costs capitalised	<u>–</u>	<u>(16,818)</u>
	<u>416,021</u>	<u>515,642</u>

5. Profit from operations

Profit from operations is stated after crediting the followings:

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interest income from financial assets at fair value		
through other comprehensive income	31,880	9,491
Net gain on disposal of property, plant and equipment	–	56,405
Net unrealised gain on changes in fair value of		
financial assets at fair value through profit or loss	16,226	14,189
Net gain on de-recognition of finance lease receivables	<u>21,560</u>	<u>150,719</u>

6. Income tax expenses

The Group mainly operates in Hong Kong China, the Mainland China, Malta, Singapore and Cyprus.

Hong Kong China profits tax is provided at the rate of 16.5% (2024: 16.5%) based on the estimated assessable profits arising from Hong Kong China during the period.

In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) released the Pillar Two Model Rules (also referred to as the “**Global Anti-Base Erosion**” or “**GloBE**” Rules) to reform international corporate taxation. Large multinational enterprises with consolidated revenue of over EUR750 million in at least 2 of the 4 fiscal years immediately preceding the current fiscal year are subject to GloBE Rules. They are required to calculate their GloBE effective tax rate for each jurisdiction where they operate and will be liable to pay a minimum effective tax rate of 15%.

The Group, together with China State Shipbuilding Corporation Limited (中國船舶集團有限公司) (“**China Shipbuilding Group**”), has consolidated revenues exceeding EUR750 million and thus fall within the scope of GloBE Rules. On 6 June 2025, Hong Kong China has gazetted the bill on the implementation of the GloBE Rules (comprising the income inclusion rule (“**IIR**”) and the undertaxed profits rule (“**UTPR**”)) under Base Erosion and Profit Shifting Pillar Two and the Hong Kong China minimum top-up tax (“**HKMTT**”). Both the IIR and HKMTT provisions will take effect retrospectively from 1 January 2025.

The Group is within the scope of these rules since it has operations in Hong Kong China. Under these rules, the Group’s profits generated from international shipping and certain related ancillary activities are exempt, while other non-qualifying profits will incur the minimum tax rate. Additionally, under the HKMTT, the Group must pay a top-up tax if the combined corporate tax rate of its entities in Hong Kong China is below the 15% minimum effective tax rate. Furthermore, under Hong Kong China’s IIR, the Group is also obligated to pay top-up tax on a jurisdictional basis if the combined corporate tax rate of its entities in jurisdictions outside Hong Kong China is below the 15% minimum effective tax rate.

The Group also applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and would account for the top-up tax as current Hong Kong China profits tax when incurred, as provided in the Amendments to HKAS12 issued in July 2023. For the six months ended 30 June 2025, the Group’s Hong Kong China profits tax has been provided in accordance with the requirements of Pillar Two income taxes.

Mainland China corporate income tax is charged at the statutory rate of 25% (2024: 25%) based on the estimated assessable income as determined with the relevant tax rules and regulations of the Mainland China.

Malta corporate income tax is charged at the statutory rate of 35% (2024: 35%) of the estimated assessable income as determined with the relevant tax rules and regulations of Malta. Normally, 6/7 of the tax paid would be deducted, taking the effective tax rate to be 5%.

Income tax expense in the condensed consolidated income statement represents:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current taxation		
– Hong Kong China profits tax	125,444	5,238
– Overseas taxation	10,849	15,147
Under/(over)provision in respect of prior years		
– Hong Kong China profits tax	–	163
– Overseas taxation	2,013	(1,081)
	138,306	19,467
Deferred tax		
– Origination and reversal of temporary differences	(576)	694
Income tax expense	137,730	20,161

7. Earnings per share

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

	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to equity holders of the Company		
for the purposes of basic and diluted earnings per share	<u>1,105,585</u>	<u>1,327,318</u>
	Number	Number
	'000	'000
Number of shares		
Weighted average number of ordinary shares for		
the purposes of basic earnings per share	6,191,104	6,142,907
Effect of dilutive potential ordinary shares		
Share options issued by the Company	<u>10,792</u>	<u>11,153</u>
Weighted average number of ordinary shares for the purposes		
of diluted earnings per share	<u>6,201,896</u>	<u>6,154,060</u>
	HK\$	HK\$
Earnings per share		
Basic	0.179	0.216
Diluted	<u>0.178</u>	<u>0.216</u>

8. Dividends

Six months ended 30 June	
2025	2024
<i>HK\$'000</i>	<i>HK\$'000</i>
(Unaudited)	(Unaudited)

Dividend approved and not yet paid during the period

Final dividend in respect of the year ended 31 December 2024

of HK10.4 cents (2023: HK9 cents) per ordinary share

644,630	553,778
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Dividend proposed

Interim dividend of HK5 cents (2024: HK3 cents)

per ordinary share

309,918	184,593
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At the board meeting held on 28 August 2025, the board has declared an interim dividend of HK5 cents (2024: HK3 cents) per share and the interim dividend is declared after the reporting period, such dividend has not been recognised as liability as at 30 June 2025.

9. Loan and lease receivables

As at 30 June 2025

	<i>Notes</i>	Allowance for		
		Gross amount	impairment losses	Net carrying amount
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)	(Unaudited)
Loan borrowings	(a)	6,049,685	(67,417)	5,982,268
Lease receivables	(b)	14,492,624	(490,155)	14,002,469
Loans to joint ventures	(c)	216,631	–	216,631
		20,758,940	(557,572)	20,201,368

As at 31 December 2024			
		Allowance for	Net
	Gross	impairment	carrying
	amount	losses	amount
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Audited)	(Audited)	(Audited)
Loan borrowings	(a) 6,190,388	(72,067)	6,118,321
Lease receivables	(b) 14,949,482	(617,828)	14,331,654
Loans to joint ventures	(c) 264,858	—	264,858
	<u>21,404,728</u>	<u>(689,895)</u>	<u>20,714,833</u>

(a) Loan borrowings

As at 30 June 2025, loan borrowings were secured, interest bearing at rates ranging from 5.8% to 8.3% (31 December 2024: 6.0% to 8.6%) per annum and repayable from 2025 to 2033 (31 December 2024: 2025 to 2033). The loan borrowings are secured by the respective vessel and certain shares of borrowers, which owned the vessel.

A maturity profile of the loan borrowings as at the end of the reporting periods, based on the maturity date, net of provision, is as follows:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Within 1 year	512,358	508,881
After 1 year but within 2 years	516,701	513,080
After 2 years but within 5 years	1,636,050	1,638,340
Over 5 years	<u>3,317,159</u>	<u>3,458,020</u>
	<u>5,982,268</u>	<u>6,118,321</u>

(b) Lease receivables

As at 30 June 2025, the Group's finance lease receivables were secured, interest bearing at rates ranging from 5.0% to 10.3% (31 December 2024: 5.0% to 10.5%) per annum. Details of the lease receivables as at the end of the reporting periods are as follows:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Gross investment in finance leases	20,572,009	21,740,247
<i>Less:</i> unearned finance income	<u>(6,079,385)</u>	<u>(6,790,765)</u>
Net investment in finance leases	<u>14,492,624</u>	<u>14,949,482</u>
<i>Less:</i> accumulated allowance for impairment	<u>(490,155)</u>	<u>(617,828)</u>
Net lease receivables	<u><u>14,002,469</u></u>	<u><u>14,331,654</u></u>

The table below analyses the Group's gross investment in finance leases by relevant maturity groupings at the end of the reporting periods:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Gross investment in finance leases		
Within 1 year	2,187,037	2,282,154
After 1 year but within 2 years	1,861,988	1,911,284
After 2 years but within 3 years	1,677,434	1,903,541
After 3 years but within 4 years	1,548,877	1,672,337
After 4 years but within 5 years	1,630,714	1,566,267
Over 5 years	<u>11,665,959</u>	<u>12,404,664</u>
	<u><u>20,572,009</u></u>	<u><u>21,740,247</u></u>

(c) Loan to joint ventures

As at 30 June 2025 and 31 December 2024, the amount was unsecured, interest bearing at 8.4% per annum and repayable on demand.

10. Share capital

	Number of shares '000	Share capital HK\$'000
Ordinary shares, issued and fully paid:		
At 31 December 2024 (audited)	6,186,890	6,695,690
Issuance of shares under share option scheme (<i>Note</i>)	<u>11,476</u>	<u>18,190</u>
At 30 June 2025 (unaudited)	<u><u>6,198,366</u></u>	<u><u>6,713,880</u></u>

Note:

During the six months ended 30 June 2025, the issued number of ordinary shares of the Company has been increased by 8,845,245 and 2,630,750 upon the exercise of share options at the exercise price of HK\$1.32 and HK\$1.15 per share respectively. The total consideration received of approximately HK\$14,701,000 was credited to the share capital with the amount of approximately HK\$3,489,000 has been transferred from the share option reserve to the share capital.

IV. OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance in order to safeguard the interests of the shareholders of the Company (the “**Shareholders**”) and enhance its corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its own code of corporate governance. During the six months ended 30 June 2025, the Company had complied with all applicable code provisions set out in the CG Code and adopted most of the recommended best practices, except for deviation from the code provision stated below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman of the Board and chief executive officer should be separated and should not be performed by the same individual. Mr. Li Hongtao has been appointed as the chairman of the Board and an executive Director since 23 May 2024, and has been appointed as the chief executive officer of the Company (the “**Chief Executive Officer**”) since 31 December 2024. He is responsible for coordinating Board affairs and providing strategic advice on the development and management of the Group’s business, formulating development strategies and annual and investment plans for the Group, reviewing financial budgets and overall policies, and supervising capital operations. The Board believes that vesting the roles of the chairman of the Board and the Chief Executive Officer in the same person can facilitate the execution of the Group’s business strategies and improve its operating efficiency. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code in such circumstances is appropriate. In addition, the Board consists of one executive Director, two non-executive Directors and three independent non-executive Directors, it has an appropriate structure and balanced power. Under the supervision of the Board, it can provide sufficient checks and balances to protect the interests of the Company and its Shareholders.

Reference is made to the announcement of the Company dated 10 December 2024 regarding the connected transactions in relation to lease of equipment. On 22 December 2024, with the purpose to promote the familiarity and raise the awareness with the Listing Rules and to enhance the disclosure practice, a training was provided to the employees and management of the Company on 24 December 2024.

INTERIM DIVIDEND

The Board declared an interim dividend (the “**Interim Dividend**”) of HK\$0.05 per share for the six months ended 30 June 2025 (interim dividend for the six months ended 30 June 2024: HK\$0.03 per share). The aforesaid interim dividend will be paid on or before 14 November 2025. The dates of closure of the register of members of the Company regarding the entitlement to the Interim Dividend (the “**Record Date**”) will be announced in due course.

Shareholders are entitled to elect to receive all or part of the Interim Dividend in RMB. The amounts of the Interim Dividend in RMB will be calculated based on the average RMB to HK\$ central parity rate published by the People’s Bank of China over the five business days ending on and including the Record Date. The announcement regarding the arrangement for dispatch of and details of the dividend currency election form will be published in due course.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the Interim Dividend payment.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities by Directors. Having made specific enquiry with the Directors, all Directors confirmed that they had complied with the standards set out in the Model Code during the six months ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares, if any). As at 30 June 2025, the Company did not held any treasury shares.

REVIEW OF INTERIM RESULTS

The Board has established an audit committee (the “**Audit Committee**”) which currently comprises three independent non-executive Directors, namely Mdm. Shing Mo Han Yvonne (chairperson), Mr. Wang Dennis and Mr. Li Hongji, and one non-executive Director, namely Mr. Zhang Qipeng. The primary duties of the Audit Committee are to review the financial information of the Group and oversee the financial reporting system, risk management and internal control system of the Group.

The unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2025 have been reviewed by the Audit Committee with the senior management and the external auditor of the Company.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date, the Group entered into agreements with its fellow subsidiaries for construction of vessels at total consideration of approximately HK\$1,151,040,000 (RMB1,056,000,000). Details of which are as set out in the Company's announcement dated 16 July 2025.

Other than the event disclosed above, the Group had no material event after the reporting period.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2025 will be sent to the Shareholders and will be published on the websites of the Company (www.csscshipping.com) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) in due course.

By order of the Board
CSSC (Hong Kong) Shipping Company Limited
Li Hongtao
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises Mr. Li Hongtao as executive Director, Mr. Zhang Qipeng and Mr. Chi Benbin as non-executive Directors, and Mr. Wang Dennis, Mdm. Shing Mo Han Yvonne, BBS, JP and Mr. Li Hongji as independent non-executive Directors.