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*(A joint stock limited liability company incorporated in the People's Republic of China)*  
**(H Shares Stock Code: 00317)**

## **SUMMARY OF THE 2025 INTERIM REPORT**

### **§1 IMPORTANT NOTICES**

- 1.1 The financial information contained in this summary of the interim report (the **“Report”**) for the six months ended 30 June 2025 (the **“Reporting Period”**) of CSSC Offshore & Marine Engineering (Group) Company Limited (hereinafter referred to as **“COMECC”** or the **“Company”**, and together with its subsidiaries, the **“Group”**) is prepared in accordance with the China Accounting Standards for Business Enterprises and the financial information contained in this Report has been reviewed and confirmed by the Audit Committee of the Board.
- 1.2 There were 9 directors (the **“Director(s)”**) of the Company and a total of 9 Directors attended the sixteenth meeting of the eleventh session of the Board held on 28 August 2025. The 2025 interim report was unanimously approved at the meeting.
- 1.3 The 2025 interim financial and accounting report of the Company is unaudited. The 2025 interim financial and accounting report of the Company is prepared in accordance with the Accounting Standards for Business Enterprises, and ShineWing Certified Public Accountants LLP executed the review pursuant to the relevant requirements.

- 1.4 The Company intends to distribute a cash dividend of RMB0.80 (tax inclusive) for every 10 shares to all shareholders for the first half of 2025, calculated according to the total share capital of 1,413,506,378 shares as at 30 June 2025, and the total cash dividends to be distributed will be RMB113,080,510.24 (tax inclusive), representing 21.48% of the net profit attributable to shareholders of the Company for the period from January to June in 2025. The remaining undistributed profit of the Company of RMB1,468,170,857.41 will be carried forward for distribution in future periods. The Company did not convert capital reserve into share capital for the first half of 2025. If the total share capital of the Company changes before the record date for the implementation of dividend distribution, the Company intends to maintain the distribution ratio per share unchanged and adjust the total distribution amount accordingly. The specific details of the adjustments will be announced separately. The 2024 annual general meeting of the Company has considered and approved the Resolution on the Interim Dividend Arrangements for 2025. This profit distribution proposal falls within the scope of the Board's authority as delegated by the general meeting and does not need to be submitted to the general meeting of the Company for further consideration. The Company expects to complete the payment of cash dividend on or before 23 October 2025.
- 1.5 The Report is a summary of the full text of the 2025 interim report of the Company. Investors are advised to carefully read the full text of such report for details.
- 1.6 The Report is prepared pursuant to Rule 13.49(6) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”).
- 1.7 The Report is prepared in both English and Chinese. In the event of any discrepancies, the Chinese version shall prevail.

## §2 BASIC INFORMATION OF THE COMPANY

### 2.1 Key financial information and indicators

#### 2.1.1 Key accounting figures

*Unit: RMB Yuan*

Key accounting information	Reporting Period (From January to June)	Corresponding period of last year	Change (%)
Operating revenue	10,172,636,741.11	8,728,536,063.65	16.54
Total profit	656,113,231.71	150,721,702.25	335.31
Net profit attributable to shareholders of the Company	526,386,355.89	146,845,686.17	258.46
Net profit attributable to shareholders of the Company after deduction of non-recurring gains and losses	490,999,481.55	131,051,014.64	274.66
Net cash flows from operating activities	1,530,898,629.05	-5,557,686,660.25	N/A
	As at the end of the Reporting Period	As at the end of last year	Change (%)
Net assets attributable to shareholders of the Company	17,694,327,025.67	17,824,706,200.68	-0.73
Total assets	56,312,312,757.78	53,596,113,615.25	5.07

#### 2.1.2 Key financial indicators

Key financial indicators	Reporting Period (From January to June)	Corresponding period of last year	Change (%)
Basic earnings per share (RMB Yuan/share)	0.3724	0.1039	258.42
Diluted earnings per share (RMB Yuan/share)	0.3724	0.1039	258.42
Basic earnings per share after deduction of non-recurring gains and losses (RMB Yuan/share)	0.3474	0.0927	274.76
Weighted average return on equity (%)	3.11	0.83	Increase of 2.28 percentage points
Weighted average return on equity after deduction of non-recurring gains and losses (%)	2.90	0.74	Increase of 2.16 percentage points

1. During the Reporting Period, focusing on its annual targets and tasks, and leveraging the advantages of abundant orders on hand and bulk building of its main ship types, the Group deepened its lean management, and steadily increased its production output and efficiency, achieving a cumulative operating revenue of RMB10,173 million, representing a period-on-period increase of 16.54%.
2. During the Reporting Period, the Group achieved a cumulative total profit of RMB656 million, representing a period-on-period increase of 335.31%; a net profit attributable to shareholders of the Company of RMB526 million, representing a period-on-period increase of 258.46%; a net profit attributable to shareholders of the Company after deduction of non-recurring gain or loss of RMB491 million, representing a period-on-period increase of 274.66%. It was mainly attributable to: (1) the further improvement of refined management level and the period-on-period increase in the gross profit of products, as the Group strengthened production process management, continuously reduced the key cycles of main ship types, steadily improved production efficiency, and deepened cost engineering during the Reporting Period; (2) the significant period-on-period increase in recognized investment income, as a result of the improvement of operating performance of the Company's associates, and the increase in dividend levels from its investee companies during the Reporting Period.
3. During the Reporting Period, the net cash flows from operating activities of the Group amounted to RMB1,531 million as compared to RMB-5,558 million in the corresponding period last year, mainly due to the period-on-period increase in milestone payments received for the construction of vessel products during the Reporting Period.
4. At the end of the Reporting Period, the balance of exclusively state-owned capital reserve was RMB521 million, which was mainly the state funds allocated to the infrastructure projects, which should be exclusively owned by the State as capital investment by the State to the Company or its subsidiaries after the completion and acceptance of the projects. In accordance with relevant regulations such as the "Interim Measures for the Administration of the Restructuring and Reorganization of Military Enterprises and Institutions and the Review of Military Operations on Capital Operations after Listing" issued by the State Administration of Science, Technology and Industry for National Defense, the capital reserve formed by state-allocated funds shall be owned by the representative of the investor of state-owned assets, i.e. CSSC, and shall be converted into state-owned shares after fulfilling the necessary procedures in accordance with relevant regulations. The impact of exclusively state-owned capital reserve was excluded when calculating the weighted average return on net assets.

### 2.1.3 Extraordinary items and their amounts

Unit: RMB Yuan

Extraordinary items	Amount	Note (where applicable)
Gain or loss on disposal of non-current assets (including the write-off of the asset impairment provision)	-1,541,647.08	
Government grants accrued in current profit or loss, other than those that are closely related to the Company's normal operation, in line with national policies and in accordance with defined criteria, and have a sustained impact on the Company's profit or loss	56,317,959.38	
Gain or loss on changes in fair value of financial assets and financial liabilities held by non-financial entities and gain or loss on disposal of financial assets and financial liabilities, except for effective hedging transactions that are related to the Company's normal operation	21,351,165.42	
Capital occupation fee received from non-financial entities included in current profit or loss		
Gain or loss on entrusted investments or assets under management		
Gains or losses from entrusted loans		
Losses on assets due to force majeure events, such as natural disasters		
Reversal of the provision for impairment of receivables which are tested individually for impairment		
Gain from the excess of the fair value of the identifiable net assets of investee companies on acquisition of the investment over the cost of investment in the Company's subsidiaries, associates and joint ventures		
Net gains or losses of subsidiaries for the current period from the beginning of the period to the date of combination arising from business combination under common control		
Gain or loss on exchange of non-monetary assets		
Gain or loss on debt restructuring		
One-off costs incurred as a result of the discontinuation of relevant operating activities, e.g. staff settlement expenses		
One-off effect on current profit or loss due to adjustments to tax and accounting laws and regulations		
One-off share-based payments recognized for cancellation and modification of equity incentive plans		
For cash-settled share-based payments, gain or loss arising from changes in fair value of employee benefits payable after the vesting date		
Gain or loss arising from changes in fair value of investment properties under fair value model on subsequent measurement		
Gain from transactions with obviously unfair transaction price		
Gain or loss on contingencies which are not related to the Company's normal operation		
Entrusted fee income from entrusted operations		
Other non-operating revenue and expenses apart from the aforesaid items	3,092,188.45	
Other gain or loss items meeting the definition of non-recurring gains or losses		
Less: Effect of income tax	13,588,854.17	
Effect of non-controlling interests (after tax)	30,243,937.66	
Total	35,386,874.34	

### §3 STAFF AND REMUNERATION POLICY

The remuneration of the employees of the Group includes salaries, bonuses and other statutory welfare schemes prescribed by the state. The Group implements a post-and-performance-based remuneration system, under which the rates of remuneration are determined based on employees' positions and performance pursuant to the relevant laws and regulations of the PRC. As at 30 June 2025, the Group had a total of 4,557 employees. As at 30 June 2025, the remuneration paid by the Group to employees was RMB395 million in aggregate.

### §4 MANAGEMENT'S DISCUSSION AND ANALYSIS

#### 4.1 Discussion and analysis of overall operation during the Reporting Period

##### *(I) Development of the shipbuilding market in the first half of 2025*

In the first half of 2025, the global new shipbuilding market underwent phased adjustments, with a decline in the volume of new ship transactions and the price of new ships remaining stable. China's shipbuilding industry continued to demonstrate strong resilience and competitiveness, with its three major shipbuilding indicators maintaining their leading global market share.

**New ship demand experienced a phased decline.** The global new shipbuilding market has achieved transaction volumes exceeding 100 million DWT for consecutive years since 2021, and reached a record high in 2024, surpassing the level of 2008. However, the new shipbuilding market was exposed to phased adjustment pressure in 2025. Coupled with factors such as the United States Section 301 investigation into ships, frequent adjustments to trade policies and tense global geopolitical situation in the first half of the year, shipowners became more cautious, leading to a slowdown in new ship orders. In the first half of 2025, the global new shipbuilding market received new orders for ships of 46.9012 million DWT and 19.655 million CGT, representing a period-on-period decrease of 34.36% and 54.36%, respectively; in terms of ship types, containerships were the only bright spot in the market, with a total of 21.744 million DWT traded, representing a period-on-period increase of 27.23% in terms of DWT, accounting for 46.37% of all orders during the same period; DWT of oil tankers, bulk carriers and liquefied gas tankers decreased by over 73.7%, 72.9%, and 83.64% period-on-period, respectively.

**The prices of new ships showed signs of easing from high levels.** The Clarkson new ship price index closed at 187.11 points in June, representing a period-on-period decrease of 0.1% and a decline of 1.2% from the beginning of the year. Although new ship prices eased due to the shrinking transaction volumes, positive factors on both the supply and demand sides, such as the scrapping of ageing vessels, the release of demand for green ship upgrades, and the difficulty in significantly expanding high-quality shipbuilding capacity in the short term, continued to support new ship prices at relatively high historical levels. In terms of ship types, the containership market remained robust, with the new ship price index closing at 117.04 points in June, representing a period-on-period increase of 2.3% but a decrease of 1.3% from the beginning of the year; the new ship price index for oil tankers, bulk carriers and liquefied gas tankers closed at 212.37 points, 169.72 points and 201.98 points respectively in June, representing a decline of 4.7%, 2.0%, and 1.9% from the beginning of the year, and a period-on-period decrease of 4.8%, 2.3%, and 1.4%, respectively.

**China leads the global shipbuilding industry.** During the period from January to June 2025, China's shipbuilding industry received new orders of 26.3221 million DWT and 10.0900 million CGT, with completed shipbuilding volume of 24.6396 million DWT and 10.0925 million CGT; as at the end of June, the orders on hand reached 260.6500 million CGT and 96.9848 million CGT. In terms of DWT, the three major shipbuilding indicators accounted for 56.12%, 52.20% and 67.28% of the global market share, respectively; in terms of CGT, the shares were 51.34%, 46.74%, and 58.88%, respectively. In the first half of the year, the share of new orders received by China's shipbuilding industry decreased by 18.05% and 65.25% period-on-period in terms of DWT and CGT respectively, indicating a narrowing of its leading advantage. However, given the production capacity bottlenecks in South Korea and Japan, as well as the comprehensive competitiveness and development resilience of China's shipbuilding industry, the overall global competitive landscape remains stable.

**The global offshore engineering market witnessed an increase in both volume and price.** In the first half of the year, a total of 83 sets/ships of offshore engineering equipment were traded worldwide, with a total value of US\$9.9 billion. The number of orders increased by 15% period-on-period, while the value decreased by 32% period-on-period, primarily due to the reduction in orders for high-priced oil and gas equipment such as Floating Production Storage and Offloading (FPSOs). Driven by factors such as rising oil prices, improved demand in the offshore engineering market, and full capacity at global shipyards, prices for offshore engineering vessels continued to rise. According to the statistics of Clarkson, among 21 specific types of offshore engineering vessels, prices for 14 types increased period-on-period (with 12 of them recording double-digit growth), while prices for the remaining 7 types remained unchanged from the same period last year.

(Source of relevant data: China Shipbuilding Industrial Economy Research Centre, etc.)



## ***(II) Operation of the Group***

In the first half of 2025, the Group resolutely fulfilled its primary responsibility of strengthening military capabilities to win wars, continuing to focus on the marine defense industry, actively advancing the development of new-quality and new-domain combat capabilities, and enhancing equipment supply capacity. Meanwhile, the Group closely followed global shipbuilding market trends, strengthened its order acquisition strategy based on market demand, focused on main ship types, and enhanced independent research and development. The Group achieved cumulative operating orders of RMB15.498 billion, representing a period-on-period increase of 64.6%, and completed 88.8% of the annual plan. The 6 types of 32 ships in new shipbuilding orders included containerships, special ships and gas ships. Among these, the Group's "Honghu" series of feeder containerships continued to lead the global niche market, while medium-sized containerships expanded their capacity range from 4,300 TEU to 9,200 TEU, demonstrating significant improvements in product competitiveness and spectrum development.

The Group focused on the goals of ensuring timely delivery, expediting delivery and delivering high-quality vessels. Leveraging the advantages of abundant orders on hand and bulk building of its main ship types, the Group deepened project management, plan management, cost control, production resource allocation and human resource coordination, driving simultaneous improvements in delivery quality, shipbuilding efficiency and cost control standards, and achieving early delivery of multiple product types compared to contract schedules. During the Reporting Period, the Group completed and delivered 16 vessels with a total of 454,600 DWT, including feeder containerships, scientific exploration ships, fishery aquaculture ships and other products; the Group achieved an operating revenue of RMB10.173 billion, representing a period-on-period increase of 16.54%.

As at the end of the Reporting Period, the Group held orders with the total contract value of approximately RMB68 billion, of which the total contract value of shipbuilding orders on hand was approximately RMB65 billion, including 140 ship products and 1 offshore equipment with a total of 4,664,000 DWT; and the total contract value of the orders for offshore wind power equipment, ship repairs and other non-shipbuilding products was approximately RMB3 billion.



## 4.2 Main business analysis

### 4.2.1 Analysis of changes in relevant items in the financial statements

Unit: RMB Yuan

Item	Reporting Period	Corresponding period of last year	Change (%)
Operating revenue	10,172,636,741.11	8,728,536,063.65	16.54
Operating costs	9,218,419,877.97	8,079,818,322.37	14.09
Selling expenses	12,169,312.95	12,906,616.79	-5.71
General and administrative expenses	309,540,092.02	290,618,064.47	6.51
Finance cost	-119,100,650.46	-159,756,474.23	N/A
Research and development expense	549,656,510.52	423,009,220.26	29.94
Net cash flows from operating activities	1,530,898,629.05	-5,557,686,660.25	N/A
Net cash flows from investing activities	1,276,924,854.65	806,396,143.92	58.35
Net cash flows from financing activities	-300,581,028.11	451,347,377.55	-166.60
Taxes and surcharges	23,743,301.09	11,454,711.70	107.28
Other income	98,929,395.67	58,358,958.88	69.52
Investment income	405,636,862.98	122,596,866.59	230.87
Gain on change in fair value	9,266,578.75	-64,857,252.63	N/A
Credit impairment loss (loss expressed with “-”)	-637,579.53	-3,698,846.98	N/A
Asset impairment loss (loss expressed with “-”)	-36,840,864.55	—	N/A
Gain on disposal of assets	-187,689.66	-32,490,144.44	N/A
Non-operating revenue	3,395,110.41	1,564,607.84	116.99
Non-operating expenses	1,656,879.38	1,238,089.30	33.83
Income tax expense	54,405,068.22	-33,905,499.07	N/A

Reason for change in operating revenue: mainly due to the Group's focus on annual targets and tasks, relying on the advantages of abundant orders on hand and bulk building of its main ship types, deepening lean management, and steadily increasing production output and efficiency during the Reporting Period.

Reason for change in operating costs: mainly due to the period-on-period increase in operating revenue during the Reporting Period, resulting in the increased operating costs accordingly.

Reason for change in selling expenses: remaining generally the same as the corresponding period of last year.

Reason for change in general and administrative expenses: remaining generally the same as the corresponding period of last year.

Reason for change in finance cost: mainly due to the combined effect of the net exchange losses arising from the exchange rate changes and the period-on-period increase of net interest income/expense during the Reporting Period.

Reason for change in research and development expense: mainly due to the effect of the increase in research and development investment during the Reporting Period.

Reason for change in net cash flows from operating activities: mainly due to the effect of the period-on-period increase in milestone payments received for the construction of vessel products during the Reporting Period.

Reason for change in net cash flows from investing activities: mainly due to the combined effect of the period-on-period increase in the net recovery of time deposits with maturity of over three months and the period-on-period decrease in the net cash received from disposal of fixed assets during the Reporting Period.

Reason for change in net cash flows from financing activities: mainly due to the effect of the period-on-period decrease of the net borrowings from financial institutions based on production and operation needs during the Reporting Period.

Reasons for change in taxes and surcharges: mainly due to the effect of the corresponding period-on-period increase in urban construction tax and education surcharge in light of the period-on-period increases in property tax and land use tax, the period-on-period increase in stamp duty due to growth in the amount of newly signed contracts as well as the increase in payment of value-added tax during the Reporting Period.

Reason for change in other income: mainly due to the effect of the period-on-period increases in government grants and the amount of supertax and deduction of value-added tax for the advanced manufacturing industry during the Reporting Period.

Reason for change in investment income: mainly due to the period-on-period increase in the investment income of associates and dividend income from shares during the Reporting Period.

Reason for change in gain on change in fair value: mainly due to the effect of changes in carrying fair value of financial derivatives in hand during the Reporting Period.

Reason for change in credit impairment loss: mainly due to the effect of the period-on-period decrease in provision for bad debts of accounts receivable made according to ageing analysis during the Reporting Period.

Reason for change in asset impairment loss: mainly due to the effect of provision for inventory impairment during the Reporting Period.

Reason for change in gain on disposal of assets: mainly due to the effect of the period-on-period decrease in loss on disposal of fixed assets during the Reporting Period.

Reason for change in non-operating revenue: mainly due to the effect of the period-on-period increase in insurance claims income during the Reporting Period.

Reason for change in non-operating expenses: mainly due to the effect of the period-on-period increase in losses from scrapped non-current assets during the Reporting Period.

Reason for change in income tax expense: mainly due to the effect of the period-on-period change in the deferred income tax expense where the deferred income tax assets recognized for deductible losses in previous years were reversed correspondingly as a result of profit making by certain subsidiaries during the Reporting Period, while the deferred income tax assets were correspondingly recognized due to an increase in estimated liabilities in the corresponding period of last year.

#### ***4.2.2 Reasons for significant changes in profit composition or sources of profit***

During the Reporting Period, the Group recognized investment income of RMB406 million, representing a period-on-period increase of RMB283 million, mainly due to the impact of recognizing investment income from associates by the equity method amounted to RMB359 million during the Reporting Period, representing a period-on-period increase of RMB304 million. Among which, the Company recognized an investment income of RMB365 million from its associate, Guangzhou Shipyard International Company Limited, based on its shareholding ratio, representing a period-on-period increase of RMB318 million.

### 4.2.3 Analysis of assets and liabilities

Unit: RMB Yuan

Name of item	Amount at the end of current period	As a proportion of total assets at the end of current period (%)	Amount at the end of last period	As a proportion of total assets at the end of corresponding period of last year (%)	Change of amount at the end of current period compared with that at the end of corresponding period of last year (%)	Description
Cash at bank and on hand	16,380,760,423.37	29.09	15,260,594,444.32	28.47	7.34	
Trading financial assets	119,063.01	0.00	1,171,434.07	0.00	-89.84	Due settlement of financial derivatives during the Reporting Period.
Notes receivable	20,732,902.81	0.04	56,102,457.89	0.10	-63.04	Due payment of certain notes during the Reporting Period.
Accounts receivable	1,934,505,426.91	3.44	1,326,920,478.98	2.48	45.79	Increase in the amount of payments that have not reached the collection time at the end of the Reporting Period.
Receivable financing	114,015,583.63	0.20	236,548,075.95	0.44	-51.8	Due payment of supply chain platform notes during the Reporting Period.
Inventories	7,225,851,872.50	12.83	5,905,684,446.80	11.02	22.35	
Contract assets	3,091,069,008.37	5.49	2,388,466,443.95	4.46	29.42	
Long-term receivables	469,561,861.68	0.83	715,985,528.68	1.34	-34.42	Due collection of long-term receivables from sale of goods with financing nature by using deferred methods during the Reporting Period.

Name of item	Amount at the end of current period	As a proportion of total assets at the end of current period (%)	Amount at the end of last period	As a proportion of total assets at the end of corresponding period of last year (%)	Change of amount at the end of current period compared with that at the end of corresponding period of last year (%)	Description
Long-term equity investments	5,763,132,186.69	10.23	5,403,984,842.40	10.08	6.65	
Investment property	119,843,068.98	0.21	123,111,781.50	0.23	-2.66	
Fixed assets	4,748,510,568.20	8.43	4,830,830,141.14	9.01	-1.7	
Construction in progress	171,017,978.88	0.30	164,266,268.87	0.31	4.11	
Right-of-use assets	217,066,511.52	0.39	223,699,680.67	0.42	-2.97	
Long-term deferred expenses	119,043,239.44	0.21	79,792,669.10	0.15	49.19	Improvement and upgrading of the fixed assets and production facilities during the Reporting Period.
Short-term borrowings	539,249,576.40	0.96	598,343,912.50	1.12	-9.88	
Trading financial liabilities	49,405,603.48	0.09	94,183,471.96	0.18	-47.54	Change in fair value of some financial derivatives held at the end of the Reporting Period.
Contract liabilities	14,920,868,699.17	26.50	13,291,127,772.51	24.80	12.26	
Employee compensation payable	190,383,293.37	0.34	1,367,643.45	0.00	13820.54	Monthly provision of wages, subsidies and benefits during the Reporting Period.
Other payables	365,637,588.27	0.65	265,576,439.57	0.50	37.68	Increase in new dividends payable for ordinary shares of RMB99 million at the end of the Reporting Period.
Non-current liabilities due within one year	2,283,387,967.26	4.05	1,558,093,634.54	2.91	46.55	Increase in long-term borrowings due within one year at the end of the Reporting Period.
Long-term borrowings	3,162,900,000.00	5.62	4,048,900,000.00	7.55	-21.88	
Lease liabilities	145,475,845.84	0.26	152,585,672.14	0.28	-4.66	

### **4.3 Analysis of investments**

#### ***4.3.1 Information on external equity investments***

The Company is an investment holding company, and details of its external investments are set out in the notes to the financial statements. As at the end of the Reporting Period, the balance of the Group's long-term equity investments was RMB5,763.1322 million, representing an increase of 6.65% from RMB5,403.9848 million as at the beginning of the year, mainly due to the impact of increase in the investment income from associates during the Reporting Period.

### **4.4 Non-fund raising investment projects**

During the Reporting Period, the Company had no non-fund raising investment projects.

## **§5 SIGNIFICANT EVENTS**

### **5.1 Asset transactions and merger of enterprises**

During the Reporting Period, the Company had no asset transactions and merger of enterprises.

### **5.2 Profit distribution during the Reporting Period and closure of register of members**

The Company intends to distribute a cash dividend of RMB0.80 (tax inclusive) for every 10 shares to all shareholders for the first half of 2025, calculated according to the total share capital of 1,413,506,378 shares as at 30 June 2025, and the total cash dividends to be distributed will be RMB113,080,510.24 (tax inclusive), representing 21.48% of the net profit attributable to shareholders of the Company for the period from January to June in 2025. The remaining undistributed profit of the Company of RMB1,468,170,857.41 will be carried forward for distribution in future periods. The Company did not convert capital reserve into share capital for the first half of 2025. If the total share capital of the Company changes before the record date for the implementation of dividend distribution, the Company intends to maintain the distribution ratio per share unchanged and adjust the total distribution amount accordingly. The specific details of the adjustments will be announced separately.

The 2024 annual general meeting of the Company has considered and approved the Resolution on the Interim Dividend Arrangements for 2025. This profit distribution proposal falls within the scope of the Board's authority as delegated by the general meeting and does not need to be submitted to the general meeting of the Company for further consideration. The Company expects to complete the payment of cash dividend on or before 23 October 2025.

In order to qualify Shareholders for the proposed interim dividend, the register of members of the Company will be closed from 22 September 2025 to 25 September 2025 (both days inclusive). All completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by 4:30 p.m. on 19 September 2025. Shareholders whose names appear on the register of members of the Company on 25 September 2025 are entitled to receive the interim dividend in cash for the six months ended 30 June 2025.

### 5.3 Material litigations, arbitrations and matters of concern by media in general

During the Reporting Period, the Company had no material litigations, arbitrations and matters of concern by media in general.

### 5.4 Entrustment, contracting and leasing matters

#### 5.4.1 Leasing

*Unit: RMB Yuan*

Name of lessor	Name of lessee	Assets leased	Amount of assets leased	Date of commencement of lease	Date on which the lease will be terminated	Rental income	Basis for determination of rental income	Effect of rental income on the Company	Whether related transaction or not	Relationship
China Shipbuilding Group Guangzhou Ship Industrial Co., Ltd. (中國船舶集團廣州船舶工業有限公司)	Huangpu Wenchong	Land, buildings and structures	-	2014.5.1	The date on which the relocation is completed and production commences at the new plant	-	-	-	Yes	Fellow subsidiary of the Group
Guangzhou Wenchong Industrial Co., Ltd. (廣州中船文沖實業有限公司)	Wenchong Shipyard	Land, buildings and structures	-	2018.11.1	The date on which the relocation is completed and production commences at the new plant	-	-	-	Yes	Fellow subsidiary of the Group
Guangdong Guangxin Shipbuilding Trading Company Limited (廣東廣新船舶貿易有限公司)	Wenchuan Heavy Industrial	Land, buildings and structures	-	2024.5.1	2026.4.30	-	-	-	No	-



### *Description of leases*

China Shipbuilding Group Guangzhou Ship Industrial Co., Ltd. and Huangpu Wenchong entered into a lease agreement in relation to land use right, and leased the land use right owned by it in relation to the land at the Changzhou Plant to Huangpu Wenchong for its operational use. The rent for the land use right shall be determined based on the principle of asset depreciation, amortisation and taxes. The rent shall be paid annually in the form of monetary funds. The term for the aforesaid lease of land use right commenced on 1 May 2014 and will end on the date on which the relocation of Huangpu Wenchong is completed and production commences at the new plant.

Guangzhou Wenchong Industrial Co., Ltd. and Wenchong Shipyard entered into a lease agreement in relation to land use right, and leased part of the land use rights of the area at Wenchong Plant owned by it to Wenchong Shipyard for its operational use. The rent for the land use right shall be determined based on the principle of asset depreciation, amortisation and taxes. The rent shall be paid annually in the form of monetary funds. The term for the aforesaid lease of land use right commenced on 1 November 2018 and will end on the date on which the relocation of Wenchong Shipyard is completed and production commences at the new plant.

Guangdong Guangxin Shipbuilding Trading Company Limited and Wenchuan Heavy Industrial entered into the “Plant and Site Lease Contract”, and leased part of the plant and site use rights at no. 32, Cuizhu Road, Cuiheng New District, Zhongshan City to Wenchuan Heavy Industrial for operational use. The fee of the plant and equipment to be leased shall be determined in accordance with the contract, and the rent shall be paid monthly in the form of monetary funds. The lease term of the aforementioned land use rights will end on 30 April 2026.

## 5.4.2 Guarantee

Unit: RMB ten thousand

External guarantees by the Company (excluding guarantees for its subsidiaries)															
Guarantor	Relationship between guarantor and the Company	Guaranteed entity	Amount of guarantee	Date of guarantee (date of signing of agreement)	Date of commencement of guarantee	Date of expiry of guarantee	Type of guarantee	Main debt	Collateral (if any)	Whether fully executed	Whether guarantee is overdue	Overdue amount	Reverse guarantee	Whether provided for by related party	Relationship
Total amount of guarantees during the Reporting Period (excluding guarantees provided for its subsidiaries)															
Total balance of guarantees at the end of the Reporting Period (A) (excluding guarantees provided for its subsidiaries)															
Guarantees provided by the Company for its subsidiaries															
Total amount of guarantees provided for its subsidiaries during the Reporting Period							122,092.05								
Total balance of guarantees provided for its subsidiaries at the end of the Reporting Period (B)							283,587.71								
Total amount of guarantees provided by the Company (including those provided for its subsidiaries)															
Total amount of guarantees (A+B)							283,587.71								
Total amount of guarantees as a percentage of the Company's net assets (%)							13.43								
Including:															
Amount of guarantees provided for shareholders, actual controllers and related parties (C)															
Amount of debt guarantees provided directly or indirectly for companies with gearing ratio of over 70% (D)							283,587.71								
Total amount of guarantees in excess of 50% of net assets (E)															
Sum of the above three guarantees (C+D+E)							283,587.71								
Description of outstanding guarantees which may incur joint and several liability							Not applicable								
Description of guarantees							During the Reporting Period, the Group provided new external guarantee with an accumulated amount of RMB1.221 billion, with the content and total amount of the external guarantees falling within the scope of limit set out in the framework for the guarantees as approved at the general meeting, and no overdue guarantee occurred. As at the end of the Reporting Period, the Group provided external guarantee with a balance of RMB2.836 billion, all of which were guarantees provided by the Company's controlling subsidiary Huangpu Wenchong to its subsidiary Wenchuan Heavy Industrial. The guarantees include bank credit guarantee, parent company guarantee, advance payment guarantee and performance guarantee.								

## 5.5 Environmental information

Number of enterprises included in the list of enterprises subject to legal environmental information disclosure (2)		
No.	Name of enterprise	Index for enquiry for legal environmental information disclosure report
1	Guangzhou Huangchuan Ocean Engineering Co., Ltd.	Enterprise Environmental Information Disclosure System of the Department of Ecology and Environment of Guangdong Province
2	Guangzhou Wenchong Shipyard Co., Ltd.	Enterprise Environmental Information Disclosure System of the Department of Ecology and Environment of Guangdong Province

## 5.6 Explanation on other significant events

### 5.6.1 Details of pledges of the assets of the Group

As at 30 June 2025, the Company had a total of bank deposits amounting to RMB1 million used to secure the deposit for bank acceptance notes, letters of guarantee and letters of credit. Save as disclosed above, no other assets of the Group were subject to pledge.

### 5.6.2 Gearing ratio

As at 30 June 2025, the Group's gearing ratio (calculated by total liabilities/total assets x 100%) was 62.50%, representing an increase of 2 percentage points from 60.50% as at the beginning of the period.

### 5.6.3 Repurchase, sale or redemption of securities of the Company

The Group has not made any purchase, sale or redemption of listed securities (including sales of treasury shares) of the Company or any of its subsidiaries during the Reporting Period. As at 30 June 2025, the Company did not hold any treasury shares.

#### ***5.6.4 Liquidity, financial resources and treasury policies***

The main objectives of the Group's capital management are to ensure the Group's ability to continue as a going concern so as to continuously provide returns to shareholder and other stakeholders; and to price the products and services according to the risk level so as to provide adequate returns to shareholders. The Group actively and regularly reviews and manages its capital structure and makes adjustments taking into account changes in the economic environment, future capital requirements, prevailing and projected profitability and operating cash flows, projected capital expenditures and expected strategic investments. Details of the Group's total bank borrowings and cash at bank and on hand (including bank deposits and cash on hand, etc.) at the end of the Reporting Period are set out in the notes to the financial statements.

#### ***5.6.5 Events after the Reporting Period***

The Group has no material event after the Reporting Period required to be disclosed as at the date of this Report.

### **§6 CORPORATE GOVERNANCE REPORT**

During the Reporting Period, the general meeting of the Company, the Board and the management performed their specific responsibilities and regulated corporate operation to ensure the true, accurate, complete, timely and fair disclosure of corporate information. Specialized committees of the Board carried out works in accordance with their respective duties, and independent non-executive Directors played an important role in the work of the Board of the Company.

#### **6.1 Corporate Governance**

The Company keeps improving its corporate governance structure in strict accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, relevant laws and regulations issued by the China Securities Regulatory Commission and the requirements of the listing rules of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited. To date, the corporate governance does not materially differ from the requirements under the Company Law and relevant regulations of the China Securities Regulatory Commission.

Except as disclosed below, during the six months ended 30 June 2025, the Company has adopted the principles set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Hong Kong Listing Rules and, the Company has complied with all the code provisions, except that for the purpose of Code Provision C.1.6, Mr. Yin Lu, being a non-executive Director, was unable to attend the 2025 first extraordinary general meeting of the Company held on 3 March 2025 for work reasons; and Mr. Gu Yuan, being a non-executive Director, was unable to attend the 2024 annual general meeting of the Company held on 27 May 2025 for work reasons. For the purpose of the requirements of principle C.2 of the CG Code and some of the best practices contained therein, Mr. Xiang Huiming, the former chairman of the Company, resigned on 21 May 2024 for the reason of retirement, and as at 30 June 2025, the Company has not yet elected a new Director to replace Mr. Xiang Huiming, being the former chairman, in relation to the positions of the chairman of the Company and the chairman of the Strategy Committee of the Board. On 21 August 2025, the Company held the fifteenth meeting of the eleventh session of the Board to elect Mr. Luo Bing as the chairman of the Company and the chairman of the Strategy Committee of the Board. The Company has fully complied with the requirements of the above CG Code and will continue to perform its corporate governance duties better.

## **6.2 Securities Transactions by Directors**

The Company has strictly complied with the relevant restrictive provisions imposed by the regulatory authorities in Mainland China and Hong Kong in relation to securities transactions by Directors and has consistently upheld the principle of complying with the most stringent provisions, including the adoption of the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules. The Company has made specific inquiry of all its Directors for preparing this Report and all directors have confirmed that they have complied with the Model Code for Securities Transactions by Directors of Listed Issuers during the Reporting Period.

## **6.3 Meetings of the Board**

As at the end of the Reporting Period, a total of four meetings (including two in written format) were held by the Board. All Directors attended these meetings (including attendance by proxy).

In addition, during the Reporting Period, the special meetings of independent Directors of the Board held a total of 2 meetings to consider and approve two resolutions, including the resolution on the controlling shareholder’s request to revise the “Letter of Undertaking on Avoiding Horizontal Competition with COMEC” and the Report on the Risk Continuous Assessment of CSSC Finance Company Limited in 2024; the Audit Committee held a total of 4 meetings to consider and approve fourteen resolutions, including the 2024 annual report, the internal control assessment report and the first quarter report of 2025; the Remuneration and Appraisal Committee held 1 meeting to consider and approve one resolution on the assessment results and remuneration of the Directors, supervisors and senior management of the Company for 2024.

## §7 FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE CHINA ACCOUNTING STANDARDS

(Amounts denominated in Renminbi unless otherwise specified)

### CONSOLIDATED BALANCE SHEET

30 June 2025

Prepared by: CSSC Offshore & Marine Engineering (Group) Company Limited

*Unit: Yuan    Currency: RMB*

Item	30 June 2025	31 December 2024
Current assets:		
Cash at bank and on hand	<b>16,380,760,423.37</b>	15,260,594,444.32
Settlement reserve		
Placements with banks and non-bank financial institutions		
Trading financial assets	<b>119,063.01</b>	1,171,434.07
Derivative financial assets		
Notes receivable	<b>20,732,902.81</b>	56,102,457.89
Accounts receivable	<b>1,934,505,426.91</b>	1,326,920,478.98
Receivable financing	<b>114,015,583.63</b>	236,548,075.95
Prepayments	<b>5,423,580,787.74</b>	5,547,687,998.67
Insurance premium receivable		
Reinsurance premium receivable		
Reserves for reinsurance contract receivable		
Other receivables	<b>59,205,400.83</b>	63,115,009.10
Including: Interest receivable		
Dividend receivable		12,585,085.74
Financial assets purchased under agreements to resell		
Inventories	<b>7,225,851,872.50</b>	5,905,684,446.80
Including: Information resources		
Contract assets	<b>3,091,069,008.37</b>	2,388,466,443.95
Assets held-for-sale		
Non-current assets due within one year	<b>966,602,822.65</b>	930,941,201.25
Other current assets	<b>408,637,522.21</b>	423,717,919.05
<b>Total current assets</b>	<b>35,625,080,814.03</b>	32,140,949,910.03

Item	30 June 2025	31 December 2024
Non-current assets:		
Loans and advances granted		
Debt investments		
Other debt investments		
Long-term receivables	<b>469,561,861.68</b>	715,985,528.68
Long-term equity investments	<b>5,763,132,186.69</b>	5,403,984,842.40
Investments in other equity instruments	<b>7,109,914,003.94</b>	7,859,909,518.36
Other non-current financial assets		
Investment properties	<b>119,843,068.98</b>	123,111,781.50
Fixed assets	<b>4,748,510,568.20</b>	4,830,830,141.14
Construction in progress	<b>171,017,978.88</b>	164,266,268.87
Productive biological assets		
Oil and gas assets		
Right-of-use assets	<b>217,066,511.52</b>	223,699,680.67
Intangible assets	<b>912,379,218.34</b>	925,124,040.52
Including: Information resources		
Development expenses		
Including: Information resources		
Goodwill		
Long-term deferred expenses	<b>119,043,239.44</b>	79,792,669.10
Deferred tax assets	<b>402,350,993.63</b>	451,592,466.76
Other non-current assets	<b>654,412,312.45</b>	676,866,767.22
<b>Total non-current assets</b>	<b>20,687,231,943.75</b>	21,455,163,705.22
<b>Total assets</b>	<b>56,312,312,757.78</b>	53,596,113,615.25



Item	30 June 2025	31 December 2024
Current liabilities:		
Short-term borrowings	539,249,576.40	598,343,912.50
Loans from central bank		
Placements from banks and non-bank financial institutions		
Trading financial liabilities	49,405,603.48	94,183,471.96
Derivative financial liabilities		
Notes payable	1,763,826,361.46	1,874,172,036.86
Accounts payable	9,889,746,901.33	8,452,829,358.41
Accounts collected in advance		
Contract liabilities	14,920,868,699.17	13,291,127,772.51
Securities sold under agreements to repurchase		
Deposits from customers and other banks		
Brokerage for securities trading		
Brokerage for underwriting securities		
Employee compensation payable	190,383,293.37	1,367,643.45
Taxes and dues payable	45,147,620.09	40,654,851.89
Other payables	365,637,588.27	265,576,439.57
Including: Interest payable		
Dividend payable	100,118,800.12	763,267.03
Fee and commission payable		
Reinsured accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,283,387,967.26	1,558,093,634.54
Other current liabilities	251,198,408.38	220,041,281.42
<b>Total current liabilities</b>	<b>30,298,852,019.21</b>	<b>26,396,390,403.11</b>

Item	30 June 2025	31 December 2024
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	3,162,900,000.00	4,048,900,000.00
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	145,475,845.84	152,585,672.14
Long-term payables		
Long-term employee compensation payable	95,240,104.91	99,108,028.43
Estimated liabilities	261,572,288.72	264,667,686.67
Deferred income	71,178,111.35	85,322,154.61
Deferred tax liabilities	1,091,197,013.94	1,281,810,227.37
Other non-current liabilities	71,301,634.38	96,872,353.05
Total non-current liabilities	4,898,864,999.14	6,029,266,122.27
<b>Total liabilities</b>	<b>35,197,717,018.35</b>	<b>32,425,656,525.38</b>
Owners' equity:		
Share capital	1,413,506,378.00	1,413,506,378.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	9,003,465,919.93	9,003,324,664.95
Less: Treasury shares		
Other comprehensive income	3,112,476,870.97	3,669,970,450.30
Special reserve		
Surplus reserve	1,146,499,058.97	1,146,499,058.97
Provision for general risks		
Retained earnings	3,018,378,797.80	2,591,405,648.46
Total equity attributable to owners of the Parent Company	17,694,327,025.67	17,824,706,200.68
Non-controlling interests	3,420,268,713.76	3,345,750,889.19
<b>Total equity</b>	<b>21,114,595,739.43</b>	<b>21,170,457,089.87</b>
<b>Total liabilities and equity</b>	<b>56,312,312,757.78</b>	<b>53,596,113,615.25</b>

Person in charge of the Company: Luo Bing      Person in charge of accounting: Li Qiang      Head of accounting department: Zhao Na

**BALANCE SHEET OF THE PARENT COMPANY**

30 June 2025

Prepared by: CSSC Offshore &amp; Marine Engineering (Group) Company Limited

*Unit: Yuan    Currency: RMB*

<b>Item</b>	<b>30 June 2025</b>	<b>31 December 2024</b>
Current assets:		
Cash at bank and on hand	<b>1,549,217,513.21</b>	1,478,825,829.58
Trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Receivable financing		
Prepayments		
Other receivables	<b>726,391.83</b>	270,158.49
Including: Interest receivable		
Dividend receivable		
Inventories		
Including: Information resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	<b>20,137,640.73</b>	20,448,640.03
<b>Total current assets</b>	<b>1,570,081,545.77</b>	1,499,544,628.10

Item	30 June 2025	31 December 2024
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	<b>7,472,591,652.42</b>	7,093,483,944.51
Investments in other equity instruments	<b>7,077,284,566.64</b>	7,821,117,179.36
Other non-current financial assets		
Investment properties	<b>119,843,068.98</b>	123,111,781.50
Fixed assets	<b>3,133,763.52</b>	4,172,232.82
Construction in progress		
Productive biological assets		
Oil and gas assets		
Right-of-use assets	<b>1,594,295.16</b>	
Intangible assets		
Including: Information resources		
Development expenses		
Including: Information resources		
Goodwill		
Long-term deferred expenses		
Deferred tax assets	<b>593,246.20</b>	192,117.22
Other non-current assets		
<b>Total non-current assets</b>	<b>14,675,040,592.92</b>	15,042,077,255.41
<b>Total assets</b>	<b>16,245,122,138.69</b>	16,541,621,883.51

Item	30 June 2025	31 December 2024
Current liabilities:		
Short-term borrowings		
Trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable	927,310.89	1,285,801.45
Accounts collected in advance		
Contract liabilities		
Employee benefits payable		
Taxes payable	2,029,331.87	538,585.22
Other payables	115,734,391.52	17,168,778.53
Including: Interest payable		
Dividend payable	99,718,800.12	763,267.03
Liabilities held for sale		
Non-current liabilities due within one year	1,004,208.42	
Other current liabilities		
<b>Total current liabilities</b>	<b>119,695,242.70</b>	<b>18,993,165.20</b>
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	600,307.51	
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities	1,055,248,915.45	1,240,808,494.84
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>1,055,849,222.96</b>	<b>1,240,808,494.84</b>
<b>Total liabilities</b>	<b>1,175,544,465.66</b>	<b>1,259,801,660.04</b>

Item	30 June 2025	31 December 2024
Owners' equity:		
Share capital	<b>1,413,506,378.00</b>	1,413,506,378.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	<b>8,247,376,954.80</b>	8,247,235,699.82
Less: Treasury shares		
Other comprehensive income	<b>3,164,422,113.58</b>	3,721,910,661.56
Special reserve		
Surplus reserve	<b>663,020,859.00</b>	663,020,859.00
Retained earnings	<b>1,581,251,367.65</b>	1,236,146,625.09
<b>Total equity</b>	<b>15,069,577,673.03</b>	15,281,820,223.47
<b>Total liabilities and equity</b>	<b>16,245,122,138.69</b>	16,541,621,883.51

Person in charge of the Company: Luo Bing     
 Person in charge of accounting: Li Qiang     
 Head of accounting department: Zhao Na

# CONSOLIDATED INCOME STATEMENT

From January to June 2025

Unit: Yuan    Currency: RMB

Item	1st half of 2025	1st half of 2024
I. Total operating revenue	<b>10,172,636,741.11</b>	8,728,536,063.65
Including: Operating revenue	<b>10,172,636,741.11</b>	8,728,536,063.65
Interest income		
Premium earned		
Fee and commission revenue		
II. Total operating costs	<b>9,994,428,444.09</b>	8,658,050,461.36
Including: Operating costs	<b>9,218,419,877.97</b>	8,079,818,322.37
Interest expense		
Fee and commission expenses		
Refunded premiums		
Net amount of compensation payout		
Net increase in insurance contracts reserve		
Policy dividend payment		
Reinsured expenses		
Taxes and surcharges	<b>23,743,301.09</b>	11,454,711.70
Selling expenses	<b>12,169,312.95</b>	12,906,616.79
General and administrative expenses	<b>309,540,092.02</b>	290,618,064.47
Research and development expense	<b>549,656,510.52</b>	423,009,220.26
Financing cost	<b>-119,100,650.46</b>	-159,756,474.23
Including: Interest expenses	<b>60,459,609.21</b>	53,527,454.83
Interest income	<b>196,337,751.14</b>	183,004,781.70
Add: Other income	<b>98,929,395.67</b>	58,358,958.88
Investment income (loss expressed with “-”)	<b>405,636,862.98</b>	122,596,866.59
Including: Income from investment in associates and joint ventures	<b>358,620,177.75</b>	54,607,253.60
Derecognition income of financial assets measured at amortised cost (loss expressed with “-”)		
Exchange gain (loss expressed with “-”)		
Net gain from exposure hedging (loss expressed with “-”)		



Item	1st half of 2025	1st half of 2024
Gain from change in fair value (loss expressed with “-”)	<b>9,266,578.75</b>	-64,857,252.63
Loss on impairment of credit (loss expressed with “-”)	<b>-637,579.53</b>	-3,698,846.98
Loss on impairment of assets (loss expressed with “-”)	<b>-36,840,864.55</b>	
Gains from disposal of assets (loss expressed with “-”)	<b>-187,689.66</b>	-32,490,144.44
III. Operating profit (loss expressed with “-”)	<b>654,375,000.68</b>	150,395,183.71
Add: Non-operating revenue	<b>3,395,110.41</b>	1,564,607.84
Less: Non-operating expenses	<b>1,656,879.38</b>	1,238,089.30
IV. Total profit (total loss expressed with “-”)	<b>656,113,231.71</b>	150,721,702.25
Less: Income tax expense	<b>54,405,068.22</b>	-33,905,499.07
V. Net profit (net loss expressed with “-”)	<b>601,708,163.49</b>	184,627,201.32
(I) By continuity of operations		
1. Net profit from continuing operations (net loss expressed with “-”)	<b>601,708,163.49</b>	184,627,201.32
2. Net profit from discontinued operations (net loss expressed with “-”)		
(II) By ownership		
1. Net profit attributable to shareholders of the Parent Company (net loss expressed with “-”)	<b>526,386,355.89</b>	146,845,686.17
2. Gain or loss attributable to non-controlling interests (net loss expressed with “-”)	<b>75,321,807.60</b>	37,781,515.15
VI. Net other comprehensive income after tax	<b>-558,365,322.44</b>	1,834,065,131.74
Net other comprehensive income after tax attributable to owners of the Parent Company	<b>-557,961,339.41</b>	1,836,094,882.36

Item	1st half of 2025	1st half of 2024
(I) Other comprehensive income that may not be subsequently reclassified to profit and loss	<b>-557,403,654.73</b>	1,835,764,956.32
1. Change in re-measurement of defined benefit plans		
2. Other comprehensive income that may not be reclassified to profit or loss under equity method	<b>385,911.56</b>	159,254.51
3. Change in fair value of investments in other equity instruments	<b>-557,789,566.29</b>	1,835,605,701.81
4. Change in fair value of own credit risk		
(II) Other comprehensive income that will be subsequently reclassified to profit or loss	<b>-557,684.68</b>	329,926.04
1. Other comprehensive income that may be reclassified to profit or loss under equity method		
2. Change in fair value of other debt investments		
3. Amount included in other comprehensive income on reclassification of financial assets		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedges reserve		
6. Exchange differences arising from translation of foreign currency financial statements	<b>-557,684.68</b>	329,926.04
Net other comprehensive income after tax attributable to non-controlling interests	<b>-403,983.03</b>	-2,029,750.62
VII. Total comprehensive income	<b>43,342,841.05</b>	2,018,692,333.06
Total comprehensive income attributable to owners of the Parent Company	<b>-31,574,983.52</b>	1,982,940,568.53
Total comprehensive income attributable to non-controlling interests	<b>74,917,824.57</b>	35,751,764.53
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	<b>0.3724</b>	0.1039
(II) Diluted earnings per share (RMB/share)	<b>0.3724</b>	0.1039

Person in charge of the Company: Luo Bing     
 Person in charge of accounting: Li Qiang     
 Head of accounting department: Zhao Na

# INCOME STATEMENT OF THE PARENT COMPANY

From January to June 2025

Unit: Yuan    Currency: RMB

Item	1st half of 2025	1st half of 2024
I. Operating revenue	7,332,000.00	6,546,600.00
Less: Operating costs	3,268,712.52	3,268,712.52
Taxes and surcharges	63,594.70	47,167.20
Selling expenses		
General and administrative expenses	6,726,105.48	7,125,048.04
Research and development expense		
Financing cost	-17,810,207.63	-18,346,225.51
Including: Interest expenses	23,902.77	
Interest income	17,839,572.59	18,355,766.89
Add: Other income	50,050.51	22,846.07
Investment income (loss expressed with “-”)	432,954,270.37	106,202,428.65
Including: Income from investment in associates and joint ventures	378,580,541.37	62,703,445.45
Derecognition income of financial assets measured at amortised cost (loss expressed with “-”)		
Net gain from exposure hedging (loss expressed with “-”)		
Gain from change in fair value (loss expressed with “-”)		
Loss on impairment of credit (loss expressed with “-”)		19,178.36
Loss on impairment of assets (loss expressed with “-”)		
Gains from disposal of assets (loss expressed with “-”)	-187,689.66	
II. Operating profit (loss expressed with “-”)	447,900,426.15	120,696,350.83
Add: Non-operating revenue	2,668.49	
Less: Non-operating expenses	3,551.69	
III. Total profit (total loss expressed with “-”)	447,899,542.95	120,696,350.83
Less: Income tax expense	3,849,353.92	3,623,480.55

Item	1st half of 2025	1st half of 2024
IV. Net profit (net loss expressed with “-”)	<b>444,050,189.03</b>	117,072,870.28
(I) Net profit from continuing operations (net loss expressed with “-”)	<b>444,050,189.03</b>	117,072,870.28
(II) Net profit from discontinued operations (net loss expressed with “-”)		
V. Net other comprehensive income after tax	<b>-557,488,547.98</b>	1,838,535,032.00
(I) Other comprehensive income that may not be subsequently reclassified to profit and loss	<b>-557,488,547.98</b>	1,838,535,032.00
1. Change in re-measurement of defined benefit plans		
2. Other comprehensive income that may not be reclassified to profit or loss under equity method	<b>385,911.56</b>	159,254.51
3. Change in fair value of investments in other equity instruments	<b>-557,874,459.54</b>	1,838,375,777.49
4. Change in fair value of own credit risk		
(II) Other comprehensive income that will be subsequently reclassified to profit or loss		
1. Other comprehensive income that may be reclassified to profit or loss under equity method		
2. Change in fair value of other debt investments		
3. Amount included in other comprehensive income on reclassification of financial assets		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedges reserve		
6. Exchange differences arising from translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive income	<b>-113,438,358.95</b>	1,955,607,902.28
(I) Basic earnings per share (RMB Yuan/share)		
(II) Diluted earnings per share (RMB Yuan/share)		

Person in charge of the Company: Luo Bing      Person in charge of accounting: Li Qiang      Head of accounting department: Zhao Na

# CONSOLIDATED CASH FLOW STATEMENT

From January to June 2025

Unit: Yuan    Currency: RMB

Item	1st half of 2025	1st half of 2024
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods or rendering of services	<b>11,125,739,640.33</b>	5,983,801,579.67
Net increase in deposits from customers and deposits from other banks		
Net increase in loans from central bank		
Net increase in placements from other financial institutions		
Cash receipts of premium for direct insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from insurance policy holders and investment		
Cash receipts of interest, fees and commissions		
Net increase in placements from banks and non-bank financial institutions		
Net increase in sales and repurchase operations		
Cash receipts of brokerage for securities trading		
Cash received from tax refund	<b>396,122,919.77</b>	235,861,965.25
Other cash receipts relating to operating activities	<b>196,740,756.33</b>	280,349,156.07
Sub-total of cash inflows from operating activities	<b>11,718,603,316.43</b>	6,500,012,700.99
Cash paid for goods and services	<b>9,428,457,919.13</b>	11,273,597,535.48
Net increase in loans and advances to customers		
Net increase in central bank and interbank deposits		
Cash paid for claims of direct insurance contracts		
Net increase in placements with banks and non-bank financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for dividends of insurance policies		
Cash paid to and on behalf of employees	<b>500,338,003.84</b>	464,282,201.83
Payments of taxes	<b>103,192,991.43</b>	60,741,016.04
Other cash payments relating to operating activities	<b>155,715,772.98</b>	259,078,607.89
Sub-total of cash outflows from operating activities	<b>10,187,704,687.38</b>	12,057,699,361.24
<b>Net cash flows from operating activities</b>	<b>1,530,898,629.05</b>	-5,557,686,660.25

Item	1st half of 2025	1st half of 2024
<b>II. Cash flows from investing activities:</b>		
Cash receipts from disposal of investments	<b>6,489,851.67</b>	862,647.21
Cash receipts from investment income	<b>68,588,958.92</b>	14,594,892.76
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>1,324,835.43</b>	377,320,653.56
Net cash receipts from disposal of subsidiaries and other business units		70,689.64
Other cash receipts relating to investing activities	<b>3,816,260,795.79</b>	683,064,579.81
Sub-total of cash inflows from investing activities	<b>3,892,664,441.81</b>	1,075,913,462.98
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	<b>106,020,746.34</b>	60,465,821.21
Cash paid for investments	<b>122,391,758.00</b>	117,376,907.88
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash payments relating to investing activities	<b>2,387,327,082.82</b>	91,674,589.97
Sub-total of cash outflows from investing activities	<b>2,615,739,587.16</b>	269,517,319.06
<b>Net cash flows from investing activities</b>	<b>1,276,924,854.65</b>	806,396,143.92
<b>III. Cash flows from financing activities:</b>		
Cash receipts from receiving investments		
Including: Cash received by subsidiaries from receiving investments made by non- controlling interests		
Cash receipts from borrowings	<b>100,000,000.00</b>	1,885,044,680.00
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	<b>100,000,000.00</b>	1,885,044,680.00
Cash paid for repayment of debts	<b>323,400,000.00</b>	1,359,300,000.00
Cash paid for dividends, profit distribution or interest expenses	<b>55,182,841.12</b>	52,427,896.16
Including: Dividends and profits paid by subsidiaries to non-controlling interests		
Other cash payments relating to financing activities	<b>21,998,186.99</b>	21,969,406.29
Sub-total of cash outflows from financing activities	<b>400,581,028.11</b>	1,433,697,302.45
<b>Net cash flows from financing activities</b>	<b>-300,581,028.11</b>	451,347,377.55

Item	1st half of 2025	1st half of 2024
<b>IV. Effect of change in exchange rate on cash and cash equivalents</b>	<b>-16,578,773.42</b>	21,629,075.25
<b>V. Net increase in cash and cash equivalents</b>	<b>2,490,663,682.17</b>	-4,278,314,063.53
Add: Beginning balance of cash and cash equivalents	<b>7,912,650,651.18</b>	9,701,160,074.84
<b>VI. Ending balance of cash and cash equivalents</b>	<b>10,403,314,333.35</b>	5,422,846,011.31

Person in charge of the Company: Luo Bing     
 Person in charge of accounting: Li Qiang     
 Head of accounting department: Zhao Na



# CASH FLOW STATEMENT OF THE PARENT COMPANY

From January to June 2025

Unit: Yuan    Currency: RMB

Item	1st half of 2025	1st half of 2024
<b>I. Cash flows from operating activities:</b>		
Cash received from sale of goods or rendering of services	<b>7,991,880.00</b>	7,135,794.00
Cash received from tax refund		
Other cash receipts relating to operating activities	<b>721,923.70</b>	421,261.14
Sub-total of cash inflows from operating activities	<b>8,713,803.70</b>	7,557,055.14
Cash paid for goods and services	<b>94,612.80</b>	76,614.57
Cash paid to and on behalf of employees	<b>5,011,767.84</b>	5,055,558.33
Payments of taxes	<b>2,167,201.36</b>	2,207,930.04
Other cash payments relating to operating activities	<b>3,436,689.83</b>	3,796,559.65
Sub-total of cash outflows from operating activities	<b>10,710,271.83</b>	11,136,662.59
<b>Net cash flows from operating activities</b>	<b>-1,996,468.13</b>	-3,579,607.45
<b>II. Cash flows from investing activities:</b>		
Cash receipts from disposal of investments		
Cash receipts from investment income	<b>54,373,729.00</b>	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<b>946,778.00</b>	
Net cash receipts from disposal of subsidiaries and other business units		
Other cash receipts relating to investing activities	<b>315,208,750.00</b>	458,040,000.00
Sub-total of cash inflows from investing activities	<b>370,529,257.00</b>	458,040,000.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	<b>255,224.84</b>	14,160.00
Cash paid for investments		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash payments relating to investing activities	<b>50,000,000.00</b>	91,500,000.00
Sub-total of cash outflows from investing activities	<b>50,255,224.84</b>	91,514,160.00
<b>Net cash flows from investing activities</b>	<b>320,274,032.16</b>	366,525,840.00

Item	1st half of 2025	1st half of 2024
<b>III. Cash flows from financing activities:</b>		
Cash receipts from receiving investments		
Cash receipts from borrowings		
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities		
Cash paid for repayment of debts		
Cash paid for dividends, profit distribution or interest expenses		
Other cash payments relating to financing activities	<b>450,562.67</b>	
Sub-total of cash outflows from financing activities	<b>450,562.67</b>	
<b>Net cash flows from financing activities</b>	<b>-450,562.67</b>	
<b>IV. Effect of change in exchange rate on cash and cash equivalents</b>	<b>-898.99</b>	-3,165.25
<b>V. Net increase in cash and cash equivalents</b>	<b>317,826,102.37</b>	362,943,067.30
Add: Beginning balance of cash and cash equivalents	<b>63,868,935.79</b>	50,975,239.22
<b>VI. Ending balance of cash and cash equivalents</b>	<b>381,695,038.16</b>	413,918,306.52

Person in charge of the Company: Luo Bing     
 Person in charge of accounting: Li Qiang     
 Head of accounting department: Zhao Na

## **§8 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

### **I. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

#### **(1) Basis for preparation**

These consolidated financial statements have been prepared in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” and various specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements by the Ministry of Finance (hereinafter referred to as the “Accounting Standards for Business Enterprises”), and No. 15 of regulations on information disclosures of companies that issue public offering shares – General Rules of preparing financial reports issued by China Securities Regulatory Commission (CSRC) and the relevant requirements by Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange.

#### **(2) Going concern**

The management of the Group has assessed its ability to operate on a continuing basis for the 12 months from 30 June 2025 and is of the view that its existing financial position should be sufficient to meet the production and operation of the Group. These financial statements are prepared on a going-concern basis.

### **II. STATEMENT OF COMPLIANCE WITH ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES**

The financial statements have been prepared by the Company in conformity with the China Accounting Standards for Business Enterprises by the Ministry of Finance, and present truly and completely the Company’s financial position as at 30 June 2025, operating results and cash flow and other related information from January to June 2025.

### **III. NOTES TO MAJOR ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial statements data disclosed below, unless otherwise stated, “Beginning balance” refers to the balance as at 1 January 2025; and “Ending balance” refers to the balance as at 30 June 2025. “Current period” refers to the period from 1 January 2025 to 30 June 2025; and “Last period” refers to the period from 1 January 2024 to 30 June 2024. The currency unit is RMB.

# 1. Notes receivable

## (1) Types of notes receivable

Item	Ending balance	Beginning balance
Bank acceptance bills	12,577,205.57	45,894,339.59
Finance company acceptance bills	8,155,697.24	10,208,118.30
Commercial acceptance bills		
<b>Total</b>	<b>20,732,902.81</b>	<b>56,102,457.89</b>

## (2) Types by method of bad debt provision

Type	Ending balance				
	Book balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made on an individual basis					
Provision for bad debts made on a collective basis with credit risk features	20,732,902.81	100.00			20,732,902.81
<b>Total</b>	<b>20,732,902.81</b>	<b>100.00</b>			<b>20,732,902.81</b>

Type	Beginning balance				
	Book balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made on an individual basis					
Provision for bad debts made on a collective basis with credit risk features	56,102,457.89	100.00			56,102,457.89
<b>Total</b>	<b>56,102,457.89</b>	<b>100.00</b>			<b>56,102,457.89</b>

Provision for bad debts made on a collective basis with credit risk features:

Item:

Item	Ending balance		
	Book balance	Provision for bad debts	Percentage of provision (%)
Bank acceptance bills	12,577,205.57		
Finance company acceptance bills	8,155,697.24		
<b>Total</b>	<b>20,732,902.81</b>		<b>—</b>

(3) *Provision for bad debts made, recovered or reversed for notes receivable during the year*

None.

(4) *Notes receivable pledged as at the end of the period*

None.

(5) *Notes receivable which has been endorsed or discounted to other party at the end of period but not yet expired at the balance sheet date*

Item	Amount derecognized as at the end of the period	Amount not derecognized as at the end of the period
Bank acceptance bills		10,980,162.56
Finance company acceptance bills		5,847,128.76
<b>Total</b>		<b>16,827,291.32</b>

(6) *Notes receivable actually written-off during the period*

None.

## 2. Accounts receivable

(1) *The ageing analysis of accounts receivable as at the transaction date is as follows*

Aging	Ending balance	Beginning balance
Within 1 year	1,700,011,504.84	1,087,502,662.41
1 to 2 years	202,573,213.26	200,773,733.85
2 to 3 years	45,971,622.69	42,384,569.49
3 to 4 years	5,198,368.61	13,407,264.43
4 to 5 years	139,816.00	732,670.71
Over 5 years	11,759,418.27	12,696,822.46
<b>Subtotal</b>	<b>1,965,653,943.67</b>	<b>1,357,497,723.35</b>
Less: Provision for bad debts	31,148,516.76	30,577,244.37
<b>Total</b>	<b>1,934,505,426.91</b>	<b>1,326,920,478.98</b>

(2) *Credit period of accounts receivable*

Type	Credit period
Shipbuilding business	One month after issuing invoices
Other business	Generally 1 to 6 months

(3) *Disclosure of accounts receivable by method of bad debt provision*

Type	Ending balance				
	Book balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made on an individual basis					
Provision for bad debts made on a collective basis	1,965,653,943.67	100.00	31,148,516.76	1.58	1,934,505,426.91
<b>Total</b>	<b>1,965,653,943.67</b>	<b>100.00</b>	<b>31,148,516.76</b>	<b>1.58</b>	<b>1,934,505,426.91</b>

Type	Beginning balance				
	Book balance		Provision for bad debts		Carrying value
	Amount	Percentage (%)	Amount	Percentage of provision (%)	
Provision for bad debts made on an individual basis					
Provision for bad debts made on a collective basis	1,357,497,723.35	100.00	30,577,244.37	2.25	1,326,920,478.98
<b>Total</b>	<b>1,357,497,723.35</b>	<b>100.00</b>	<b>30,577,244.37</b>	<b>2.25</b>	<b>1,326,920,478.98</b>

- 1) *Significant accounts receivable with provision for bad debts made on an individual basis*

None.

- 2) *Accounts receivable with provision for bad debts made on a collective basis*

Item	Ending balance		
	Book balance	Provision for bad debts	Percentage of provision (%)
Ageing portfolio	887,101,231.45	31,148,516.76	3.51
Portfolio of government units and public institutions	839,246,911.99		
Related parties portfolio	239,305,800.23		
<b>Total</b>	<b>1,965,653,943.67</b>	<b>31,148,516.76</b>	<b>–</b>

The details of the ageing portfolio are as follows:

Ageing	Ending balance		
	Book balance	Provision for bad debts	Percentage of provision (%)
Within 1 year (inclusive)	724,276,740.21	960,352.23	0.13
1 to 2 years	116,071,839.67	11,607,183.96	10.00
2 to 3 years	38,720,048.69	11,616,014.61	30.00
3 to 4 years	5,198,368.61	4,158,694.89	80.00
4 to 5 years	139,816.00	111,852.80	80.00
Over 5 years	2,694,418.27	2,694,418.27	100.00
<b>Total</b>	<b>887,101,231.45</b>	<b>31,148,516.76</b>	<b>–</b>

Recognition criteria and description of provision for bad debts made on a collective basis:

The Group determines the accounts receivable which have not been tested individually for impairment to be the accounts receivable the credit risk of which has not significantly increased since initial recognition. Based on the actual credit loss for previous years and considering forward-looking information for the period, the Group expects the provision loss rate for accounts receivable ageing 0 to 6 months to be 0, the provision loss rate for accounts receivable ageing 6 months to 1 year to be 0.5%, the default loss rate for accounts receivable ageing 1 to 2 years to be 10%, the provision loss rate for accounts receivable ageing 2 to 3 years to be 30%, the provision loss rate for accounts receivable ageing 3 to 5 years to be 80%, and the provision loss rate for accounts receivable ageing over 5 years to be 100%, and bad debt provision is made on the expected credit loss of accounts receivable based on 0, 0.5%, 10%, 30%, 80% and 100% of the balance at the balance sheet date, respectively.

(4) *Provision for bad debts made, recovered or reversed for accounts receivable during the year*

Type	Beginning balance	Amount of changes during the period				Ending balance
		Provision	Recovered or reversed	Resold or written-off	Others	
Provision for bad debts of accounts receivable	30,577,244.37	571,272.39				31,148,516.76
<b>Total</b>	<b>30,577,244.37</b>	<b>571,272.39</b>				<b>31,148,516.76</b>

(5) *Accounts receivable actually written-off during the period*

None.

(6) *Accounts receivable and contract assets of top five debtors by ending balance*

Name of entity	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage of total ending balance of accounts receivable and contract assets	Ending balance of provision for bad debts of accounts receivable and contract assets
Entity 1	79,235,000.00	1,855,455,315.40	1,934,690,315.40	38.26	
Entity 2	104,520,000.00	493,774,475.25	598,294,475.25	11.83	
Entity 3	282,137,783.00		282,137,783.00	5.58	
Entity 4	211,407,775.20		211,407,775.20	4.18	
Entity 5	249,688.37	135,205,880.04	135,455,568.41	2.68	
<b>Total</b>	<b>677,550,246.57</b>	<b>2,484,435,670.69</b>	<b>3,161,985,917.26</b>	<b>62.53</b>	



### 3. Notes payable

Types of notes	Ending balance	Beginning balance
Bank acceptance bills	931,091,362.79	1,363,849,542.52
Finance company acceptance bills	832,734,998.67	510,322,494.34
Commercial acceptance bills		
<b>Total</b>	<b>1,763,826,361.46</b>	<b>1,874,172,036.86</b>

Other description:

Total notes payable due and unpaid as at the end of the period amounted to RMB0 (RMB0 as at the beginning of the period).

Among the above notes payable of the Group, RMB1,763,826,361.46 had an ageing of less than 180 days, and RMB0 had an ageing of 181-360 days.

### 4. Accounts payable

#### (1) Accounts payable

Item	Ending balance	Beginning balance
Materials purchased	9,005,472,338.42	6,662,652,885.92
Payment for construction in progress	68,220,511.32	437,953,360.82
Retention fund	702,510,351.42	736,359,820.62
Other construction and labour services	113,543,700.17	615,863,291.05
<b>Total</b>	<b>9,889,746,901.33</b>	<b>8,452,829,358.41</b>

#### (2) Ageing analysis of accounts payable based on the transaction date

Aging	Ending balance	Beginning balance
Within 1 year	7,306,477,080.99	6,153,217,058.00
1 to 2 years	1,598,478,990.05	958,967,492.46
2 to 3 years	287,853,262.76	374,870,763.74
Over 3 years	696,937,567.53	965,774,044.21
<b>Total</b>	<b>9,889,746,901.33</b>	<b>8,452,829,358.41</b>

(3) *Significant accounts payable aged over one year or overdue*

Item	Ending balance	Including: Amount aged over one year	Reason for unsettlement or carrying forward
CSSC System Engineering Research Institute	790,825,170.35	704,909,548.52	Tentative estimation of arrears and deposit
China State Shipbuilding Equipment and Materials Corporation Limited	609,429,650.07	357,285,864.61	Tentative estimation of arrears and deposit
Shanghai Academy of Spaceflight Technology	361,767,000.00	361,767,000.00	Tentative estimation of arrears and deposit
China Shipbuilding Group Co., Ltd. No. 711 Research Institute	355,005,338.70	180,767,872.13	Tentative estimation of arrears and deposit
China Shipbuilding Group Co., Ltd. No. 715 Research Institute	308,629,479.44	227,602,966.54	Tentative estimation of arrears and deposit
Wuhan Marine Machinery Co., Ltd.	238,322,005.47	238,322,005.47	Tentative estimation of arrears and deposit
China Ship Development and Design Center	207,608,690.47	204,599,690.47	Tentative estimation of arrears and deposit
Chongqing Gearbox Co., Ltd.	174,089,826.64	174,056,862.04	Tentative estimation of arrears and deposit
Nanjing CSSC Oasis Machine Co., Ltd.	170,012,916.27	170,012,916.27	Tentative estimation of arrears and deposit
Guangzhou Wenchong Industrial Co., Ltd.	137,777,836.36	122,462,170.18	Tentative estimation of arrears and deposit
China Shipbuilding Industry Complete Logistics (Guangzhou) Co., Ltd.	79,937,133.30	43,734,951.62	Tentative estimation of arrears and deposit
Shanghai Yijing Shipbuilding Technology Service Co., Ltd. (上海奕精船舶技術服務有限公司)	10,434,513.27	1,488,500.00	Tentative estimation of arrears and deposit
<b>Total</b>	<b>3,443,839,560.34</b>	<b>2,787,010,347.85</b>	

## 5. Undistributed profits

Item	Amount for the period	Amount for last period
Undistributed profits as at the end of last period before adjustment	2,591,405,648.46	2,276,749,345.46
Beginning adjustment to undistributed profits (increase +, decrease -)		
Including: Retrospective adjustment to Accounting Standards for Business Enterprises and related new regulations		
Undistributed profits as at the beginning of the year after adjustment	2,591,405,648.46	2,276,749,345.46
Add: Net profit attributable to owners of the Parent Company for the current year	526,386,355.89	146,845,686.17
Less: Statutory surplus reserve set aside		
Dividends payable for ordinary shares	98,945,446.47	15,548,570.16
Add: Transfer from other comprehensive income to retained earnings	-467,760.08	
<b>Ending balance of the period</b>	<b>3,018,378,797.80</b>	<b>2,408,046,461.47</b>

**6. Net current assets**

<b>Item</b>	<b>Ending balance</b>	<b>Beginning balance</b>
Current assets	35,625,080,814.03	32,140,949,910.03
Less: Current liabilities	30,298,852,019.21	26,396,390,403.11
Net current assets	5,326,228,794.82	5,744,559,506.92

**7. Total assets less current liabilities**

<b>Item</b>	<b>Ending balance</b>	<b>Beginning balance</b>
Total assets	56,312,312,757.78	53,596,113,615.25
Less: Current liabilities	30,298,852,019.21	26,396,390,403.11
Total assets less current liabilities	26,013,460,738.57	27,199,723,212.14

**8. Operating revenue and operating cost**

*(1) Information on operating revenue and operating cost*

<b>Item</b>	<b>Current period</b>		<b>Corresponding period of last year</b>	
	<b>Ruvenue</b>	<b>Cost</b>	<b>Ruvenue</b>	<b>Cost</b>
Principal business	10,032,831,730.56	9,099,088,302.38	8,627,091,583.58	7,998,226,256.36
Other business	139,805,010.55	119,331,575.59	101,444,480.07	81,592,066.01
<b>Total</b>	<b>10,172,636,741.11</b>	<b>9,218,419,877.97</b>	<b>8,728,536,063.65</b>	<b>8,079,818,322.37</b>

*Gross profit from principal business*

<b>Item</b>	<b>Current period</b>	<b>Corresponding period of last year</b>
Revenue from principal business	10,032,831,730.56	8,627,091,583.58
Cost of principal business	9,099,088,302.38	7,998,226,256.36
<b>Gross profit</b>	<b>933,743,428.18</b>	<b>628,865,327.22</b>

1) Principal business – by product

<b>Product name</b>	<b>Current period</b>	<b>Corresponding period of last year</b>
<b>Revenue from principal business:</b>		
Ship products	9,395,989,883.27	7,572,420,369.63
Including:		
Bulk carriers		431,191,893.15
Containerships	2,411,731,334.06	2,681,126,116.45
Special ships and others	6,984,258,549.21	4,460,102,360.03
Offshore engineering products	34,271,270.38	92,513,953.47
Steel structure	33,539,675.24	541,878,776.87
Ship maintenance and modification	446,468,248.35	346,784,294.65
Electromechanical products and others	122,562,653.32	73,494,188.96
<b>Total</b>	<b>10,032,831,730.56</b>	<b>8,627,091,583.58</b>
<b>Cost of principal business:</b>		
Ship products	8,421,020,541.90	6,951,927,520.12
Including:		
Bulk carriers	-2,143,426.87	365,426,234.33
Containerships	1,789,504,452.88	2,058,755,248.76
Special ships and others	6,633,659,515.89	4,527,746,037.03
Offshore engineering products	56,333,891.07	168,063,362.05
Steel structure	41,368,161.06	484,987,675.90
Ship maintenance and modification	478,299,186.67	336,868,105.67
Electromechanical products and others	102,066,521.68	56,379,592.62
<b>Total</b>	<b>9,099,088,302.38</b>	<b>7,998,226,256.36</b>

2) Principal business – by region

Region	Current period	Corresponding period of last year
<b>Revenue from principal business:</b>		
China (including Hong Kong, Macao and Taiwan)	6,807,845,601.08	5,875,189,900.93
Other Asia regions	1,634,612,408.52	1,845,912,960.78
Europe	825,424,472.72	2,116,658.40
Oceania	8,307,287.53	869,973,904.33
North America	21,998,511.56	26,270,622.38
Africa	734,643,449.15	7,627,536.76
<b>Total</b>	<b>10,032,831,730.56</b>	<b>8,627,091,583.58</b>
<b>Cost of principal business:</b>		
China (including Hong Kong, Macao and Taiwan)	6,153,641,680.50	5,562,084,797.81
Other Asia regions	1,513,094,423.28	1,622,802,812.36
Europe	727,988,797.25	-758,665.74
Oceania	5,777,034.91	787,495,709.43
North America	17,539,351.97	24,046,496.64
Africa	681,047,014.47	2,555,105.86
<b>Total</b>	<b>9,099,088,302.38</b>	<b>7,998,226,256.36</b>

3) Income from and cost of other business

Item	Current period	Corresponding period of last year
<b>Revenue from other business:</b>		
Sale of materials	103,654,751.78	71,371,513.68
Lease	20,436,036.39	26,203,703.64
Provision of energy	12,901,512.05	1,142,208.37
Others	2,812,710.33	2,727,054.38
<b>Total</b>	<b>139,805,010.55</b>	<b>101,444,480.07</b>
<b>Costs of other business:</b>		
Sale of materials	99,025,909.88	66,020,497.36
Lease	3,551,257.80	10,182,835.61
Provision of energy	12,938,003.44	2,105,952.28
Others	3,816,404.47	3,282,780.76
<b>Total</b>	<b>119,331,575.59</b>	<b>81,592,066.01</b>

(2) *Deductions of operating revenue*

Item	Amount for current period	Specific deductions	Amount for last period	Specific deductions
Amount of operating revenue	10,172,636,741.11		8,728,536,063.65	
Total amount of deductions	139,805,010.55		101,444,480.07	
Proportion of total amount of deductions in operating revenue (%)	1.37		1.16	
I. Business income not related to the principal operations				
Income from operations other than daily operations	139,805,010.55	Sales of materials, rental income, etc.	101,444,480.07	Sales of materials, rental income, etc.
Subtotal of business income not related to the principal operations	139,805,010.55		101,444,480.07	
II. Commercially non-substantial income				
Subtotal of commercially non-substantial income				
III. Other income not related to the principal operations or without commercial substance				
Amount of operating revenue after deductions	10,032,831,730.56		8,627,091,583.58	

(3) *Segment information of operating revenue and operating cost*

Income generated from customer contracts during the period was as follows:

Contract type	Shipbuilding and related business segment		Steel structure business segment		Ship maintenance and related business segment		Other segments		Inter-segment elimination		Total	
	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost
<b>By product type:</b>												
Ship products	12,752,904,596.23	11,777,935,254.86							-3,356,914,712.96	-3,356,914,712.96	9,395,989,883.27	8,421,020,541.90
Offshore engineering products	253,976,732.76	260,129,580.39							-219,655,462.38	-203,795,689.32	34,271,270.38	56,333,891.07
Steel structure			33,519,479.95	41,368,161.06					20,195.29		33,539,675.24	41,368,161.06
Ship maintenance and modification					448,217,947.01	480,048,885.33			-1,749,698.66	-1,749,698.66	446,468,248.35	478,299,186.67
Electromechanical products and others	33,527,373.52	31,470,307.52					264,421,302.08	214,870,928.51	-175,386,022.28	-144,274,714.35	122,562,653.32	102,066,521.68
Other business							151,857,795.78	131,264,948.97	-12,052,785.23	-11,933,373.38	139,805,010.55	119,331,575.59
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>10,172,636,741.11</b>	<b>9,218,419,877.97</b>
<b>Sub-total by region of operation:</b>												
Domestic	9,906,489,133.44	9,204,162,077.18	33,519,479.95	41,368,161.06	237,233,084.07	290,544,812.04	405,649,450.01	336,263,239.25	-3,765,619,074.37	-3,718,668,188.67	6,817,272,073.10	6,153,670,100.86
Overseas	3,133,869,569.07	2,865,373,065.59			210,984,862.94	189,504,073.29	10,629,647.85	9,872,638.23	-119,411.85		3,355,364,668.01	3,064,749,777.11
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>10,172,636,741.11</b>	<b>9,218,419,877.97</b>
<b>By type of market or customer:</b>												
State-owned enterprises	9,459,055,277.71	8,784,097,156.58			194,926,297.79	246,980,551.82	304,789,796.92	124,157,489.34	-3,765,738,486.22	-3,718,668,188.67	6,211,315,712.70	5,461,229,804.00
Private enterprises	447,433,855.73	420,064,920.60	15,236,653.45	16,705,366.13	42,306,786.28	43,564,260.22	100,979,064.94	212,105,749.91			605,956,360.40	692,440,296.86
Foreign enterprises	3,133,869,569.07	2,865,373,065.59			210,984,862.94	189,504,073.29	10,510,236.00	9,872,638.23			3,355,364,668.01	3,064,749,777.11
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>10,172,636,741.11</b>	<b>9,218,419,877.97</b>



Contract type	Shipbuilding and related business segment		Steel structure business segment		Ship maintenance and related business segment		Other segments		Inter-segment elimination		Total
	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	
<b>By type of contracts:</b>											
Fixed price contract	13,040,358,702.51	12,069,535,142.77	33,519,479.95	41,368,161.06	448,217,947.01	480,048,885.33	416,279,097.86	346,135,877.48	-3,765,738,486.22	-3,718,668,188.67	10,172,636,741.11
Mark up pricing contract											9,218,419,877.97
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>9,218,419,877.97</b>
<b>By date of transfer of goods:</b>											
Performed at a point in time	7,142,589,383.00	5,685,094,593.61	28,372,331.84	31,299,078.28	448,217,947.01	480,048,885.33	408,974,053.94	338,699,309.30	-3,546,103,219.13	-3,514,902,494.08	4,482,050,496.66
Performed within a time period	5,897,769,319.51	6,384,440,549.16	5,147,148.11	10,069,082.78			7,305,043.92	7,436,568.18	-219,635,267.09	-203,765,694.59	5,690,586,244.45
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>9,218,419,877.97</b>
<b>By contract term:</b>											
Short-term	7,142,589,383.00	6,306,986,340.18	28,456,649.35	31,378,599.83	448,217,947.01	480,048,885.33	408,974,053.94	342,867,164.96	-3,546,103,219.13	-3,514,902,494.08	4,482,134,814.17
Long-term	5,897,769,319.51	5,762,548,802.59	5,062,830.60	9,989,561.23			7,305,043.92	3,268,712.52	-219,635,267.09	-203,765,694.59	5,572,041,381.75
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>9,218,419,877.97</b>
<b>By sales channel:</b>											
Direct sales	13,040,358,702.51	12,069,535,142.77	33,519,479.95	41,368,161.06	448,217,947.01	480,048,885.33	416,279,097.86	346,135,877.48	-3,765,738,486.22	-3,718,668,188.67	9,218,419,877.97
Distribution sales											
<b>Total</b>	<b>13,040,358,702.51</b>	<b>12,069,535,142.77</b>	<b>33,519,479.95</b>	<b>41,368,161.06</b>	<b>448,217,947.01</b>	<b>480,048,885.33</b>	<b>416,279,097.86</b>	<b>346,135,877.48</b>	<b>-3,765,738,486.22</b>	<b>-3,718,668,188.67</b>	<b>9,218,419,877.97</b>

**(4) Note on contract performance obligations**

Item	Time of contract performance obligations	Material payment terms	Nature of goods the Company undertook to transfer	Whether the Company is the principal responsible person	Payment expected to be returned to customers born by the Company	Type of quality assurance and relevant obligations provided by the Company
Mainly the construction, delivery and maintenance of ships and ancillary products	Substantially corresponding to the completion schedule of the ship completion progress, mainly includes those for construction commencement, closure, docking, launching, sea trial and delivery	The time and proportion of the settlement of the progress payment are set out in the contracts between the Group and the customers	Ships and ancillary products or relevant services	Yes	The two parties shall perform the relevant obligations in accordance with the terms of the contract. If any party defaults or fails to perform the contractual obligations in a timely manner, where the responsibility lies with the Group, it shall refund customers' prepayments together with the contract assets caused thereby; in the event that it is the customer's responsibility, the Group has the right to require the customer to continue performing or to compensate for the costs and profits incurred in the contract performance	For defects caused by unintentional, navigation risks and physical damage during the warranty period of the contract, which is generally 1 year, enterprises provide repair services without any charges

**(5) Information related to the transaction price allocated to remaining performance obligations**

As of 30 June 2025, the transaction price corresponding to the contract performance obligations for which contracts had been entered into and which had not been performed was RMB57,628,534,000, of which:

RMB10,271,378,400 is expected to be recognized as revenue in 2025;

RMB21,649,363,400 is expected to be recognized as revenue in 2026.

**(6) Top five customers by operating revenue**

Customers	Relationship with the Group	Amount for the period	Percentage of total income from principal business (%)
Customer 1	Unrelated party	4,475,656,894.53	44.61
Customer 2	Unrelated party	1,586,306,861.34	15.81
Customer 3	Unrelated party	852,615,748.31	8.50
Customer 4	Under common control of China Shipbuilding Group	479,745,180.81	4.78
Customer 5	Unrelated party	442,303,805.31	4.41
<b>Total</b>		<b>7,836,628,490.30</b>	<b>78.11</b>

(7) *Purchase amounts from top five suppliers*

<b>Suppliers</b>	<b>Relationship with the Group</b>	<b>Amount for the period</b>	<b>Percentage of total costs of principal business (%)</b>
Supplier 1	Under common control of China Shipbuilding Group	3,789,843,948.33	41.65
Supplier 2	Unrelated party	368,983,300.00	4.06
Supplier 3	Unrelated party	252,428,713.60	2.77
Supplier 4	Unrelated party	247,208,400.00	2.72
Supplier 5	Unrelated party	159,078,911.75	1.75
<b>Total</b>		<b>4,817,543,273.68</b>	<b>52.95</b>

(8) *Significant contract changes or significant transaction price adjustments*

None.

**9. Finance expenses**

<b>Item</b>	<b>Current period</b>	<b>Corresponding period of last year</b>
Interest expenses	60,459,609.21	53,527,454.83
Including: Interest expenses from lease liabilities	3,943,969.13	2,914,339.75
Less: Interest income	196,337,751.14	183,004,781.70
Foreign exchange gains and losses	10,944,638.85	-34,961,105.31
Other expenses	5,832,852.62	4,681,957.95
<b>Total</b>	<b>-119,100,650.46</b>	<b>-159,756,474.23</b>

(1) *Details of interest expenses*

Item	Current period	Corresponding period of last year
<b>Interest on bank borrowings and overdraft</b>	55,042,543.86	53,764,210.44
Interest on bank borrowings due within 5 years	55,042,543.86	53,764,210.44
Interest on bank borrowings due over 5 years		
<b>Other borrowings</b>	5,417,065.35	4,713,244.39
Interest on other borrowings due within 5 years		
Other interest expenses	5,417,065.35	4,713,244.39
Sub-total	60,459,609.21	58,477,454.83
Less: Capitalized interest		
Less: Finance interest discount		4,950,000.00
<b>Total</b>	<b>60,459,609.21</b>	<b>53,527,454.83</b>

(2) *Details of interest income*

Item	Current period	Corresponding period of last year
Interest income from bank deposits	135,541,257.00	162,465,625.88
Interest income from receivables	60,796,494.14	20,539,155.82
<b>Total</b>	<b>196,337,751.14</b>	<b>183,004,781.70</b>

10. **Investment income**

Item	Current period	Corresponding period of last year
Gain from long-term equity investments accounted under equity method	358,620,177.75	54,607,253.60
Dividend income from holding other equity instrument investment	55,984,108.56	43,601,866.29
Investment income from disposal of financial assets held for trading	-8,967,423.33	23,631,659.80
Investment income from disposal of long-term equity investments		756,086.90
<b>Total</b>	<b>405,636,862.98</b>	<b>122,596,866.59</b>

Other description: Investment income from investment in listed companies and non-listed companies for the period amounted to RMB55,754,545.33 (last period: RMB43,498,983.20) and RMB349,882,317.65 (last period: RMB79,097,883.39), respectively.

## 11. Gain from change in fair value

Source of gain from change in fair value	Current period	Corresponding period of last year
Financial assets held-for-trading	-1,052,371.06	-3,494,098.85
Financial liabilities held-for-trading	10,318,949.81	-30,721,087.90
Hedging instrument		-30,642,065.88
<b>Total</b>	<b>9,266,578.75</b>	<b>-64,857,252.63</b>

## 12. Non-operating revenue

Item	Current period	Corresponding period of last year	Amount included in non-recurring gains and losses for current period
Gain from damage and disposal of non-current assets	282,921.96	208,056.62	282,921.96
Including: Gain from damage and disposal of fixed assets	282,921.96	208,056.62	282,921.96
Insurance claims	2,893,148.84	366,000.35	2,893,148.84
Penalty income	217,515.56	72,301.71	217,515.56
Government grants not relating to daily activities		890,234.44	
Others	1,524.05	28,014.72	1,524.05
<b>Total</b>	<b>3,395,110.41</b>	<b>1,564,607.84</b>	<b>3,395,110.41</b>

Other description: The amount included in non-recurring gains and losses for the current period was RMB3,395,110.41 (last period: RMB1,564,607.84), and non-operating revenue for the current period included profit from disposal of properties of RMB0 (last period: RMB0).

## 13. Income tax expense

### (1) Income tax expense

Item	Current period	Corresponding period of last year
Current income tax expense	9,997,482.35	-6,974,725.75
1. Mainland China	10,000,334.59	-6,974,725.75
2. Hong Kong, China	-2,852.24	
Deferred income tax expense	44,407,585.87	-26,930,773.32
<b>Total</b>	<b>54,405,068.22</b>	<b>-33,905,499.07</b>

(2) *Reconciliation of accounting profit and income tax expenses*

Item	Current period
Total profit	656,113,231.71
Income tax expenses calculated at statutory/applicable tax rate	164,028,307.93
Impact of different tax rates for subsidiaries	-23,644,496.04
Impact of adjustment for income tax for previous period	3,159,443.62
Impact of non-taxable income	-108,238,567.59
Impact of non-deductible costs, expenses and losses	276,319.37
Impact of utilisation of deductible loss for which no deferred tax assets were previously recognised	
Impact of deductible temporary differences or deductible losses for the period for which no deferred tax assets are recognised	34,520,330.55
Others (additional deduction of research and development expense, etc.)	-15,696,269.62
Income tax expense	54,405,068.22

(3) *Main types of taxes and rates*

	Tax basis	Tax rate
PRC enterprise income tax	Based on taxable profits	15%, 20%, 25%
Hong Kong profits tax	Taxable income	16.5%
– Value-added tax	Domestic sales; provision of processing, repair and replacement services; rental income	13%
	Revenue from construction and installation business	9%
	Modern services industry	6%
– City maintenance and construction tax	Based on value-added tax paid	7%
– Educational surcharge	Based on value-added tax paid	3%
– Local educational surcharge	Based on value-added tax paid	2%

Notes on taxpayers subject to different enterprise income tax rates:

<b>Name of entity</b>	<b>Tax rate</b>	<b>Remarks</b>
The Company	25%	
CSSC Huangpu Wenchong Shipbuilding Company Limited (“Huangpu Wenchong”)	15%	
Guangzhou Wenchong Shipyard Co., Ltd. (“Wenchong Shipyard”)	15%	
Guangzhou Wenchuan Heavy Industrial Co., Ltd. (“Wenchuan Heavy Industrial”)	15%	
CSSC Industrial Internet Co., Ltd. (“CSSC Internet”)	15%	
Wah Shun International Marine Limited (“Wah Shun”)	16.50%	Other description
Wah Loong International Marine Limited (“Wah Loong”)	16.50%	Other description
Wan Sheng International Marine Limited (“Wan Sheng”)	16.50%	Other description
Wan Xiang International Marine Limited (“Wan Xiang”)	16.50%	Other description
Wan Xing International Marine Limited (“Wan Xing”)	16.50%	Other description
Wan Rui International Marine Limited (“Wan Rui”)	16.50%	Other description
Wan Yu International Marine Limited (“Wan Yu”)	16.50%	Other description
Zhanjiang Nanhai Ship Hi-Tech Services Ltd. (“Zhanjiang Nanhai”)	20%	
Guangzhou CSSC Wenchong Bingshen Facilities Co., Ltd. (“Wenchong Bingshen”)	20%	
Guangzhou Xingji Maritime Engineering Design Co., Ltd. (“Xingji”)	20%	
Guangzhou Wenchong Ship Engineering Co., Ltd. (“Wenchong Engineering”)	20%	
Other subsidiaries	25%	

Other description: Wah Shun, Wah Loong, Wan Sheng, Wan Xiang, Wan Xing, Wan Rui and Wan Yu are registered in Hong Kong and subject to Hong Kong profits tax with the tax rate of 16.50%.

#### **(4) *Preferential taxation treatment***

##### **1. *Value-added tax***

- (1) Export income: The Group is an enterprise engaged in production and operation. Tax relief, credit and rebate policy is applicable to all of its self-produced goods for export. The tax rebate rate is 13% for ship products and 9% for steel structure products.
- (2) Revenue from software: In accordance with the Circular of the State Administration of Taxation of the Ministry of Finance on the Value-added Tax Policy of Software Products (Cai Shui [2011] No. 100), for sales of software products developed and produced independently by certain subsidiaries of the Group, the portion of actual value-added tax burden in excess of 3% may be recovered upon payment in accordance with the relevant policy.
- (3) Some of the Group's subsidiaries are advanced manufacturing enterprises. Pursuant to the Announcement on the Policies for the Supertax and Deduction of VAT in Advanced Manufacturing Enterprises (Announcement of the Ministry of Finance and the State Taxation Administration No. 43 of 2023) promulgated by the Ministry of Finance and the State Taxation Administration, advanced manufacturing enterprises are allowed to deduct the VAT payable by 5% of the deductible input tax in the current period from 1 January 2023 to 31 December 2027.

##### **2. *Enterprise income tax***

- (1) Huangpu Wenchong obtained the Certificate of Hi-tech Enterprise (certificate no.: GR202444006517) on 28 November 2024, with a validity till 28 November 2027. Huangpu Wenchong paid its enterprise income tax at a rate of 15%.
- (2) Wenchong Shipyard obtained the Certificate of Hi-tech Enterprise (certificate no.: GR202244010062) on 2 December 2022, with a validity till 1 December 2025. Wenchong Shipyard paid its enterprise income tax at a rate of 15%.
- (3) Wenchuan Heavy Industrial obtained the Certificate of Hi-tech Enterprise (certificate no.: GR202444000148) on 19 November 2024, with a validity till 19 November 2027. Wenchuan Heavy Industrial paid its enterprise income tax at a rate of 15%.
- (4) CSSC Internet obtained the Certificate of Hi-tech Enterprise (certificate no.: GR202444009625) on 11 December 2024, with a validity till 11 December 2027. CSSC Internet paid its enterprise income tax at a rate of 15%.
- (5) Zhanjiang Nanhai, Wenchong Bingshen, Xingji and Wenchong Engineering are small low-profit enterprises. According to the Announcement of the Ministry of Finance and the State Taxation Administration No. 12 of 2023 "Announcement on Further Supporting the Development of Relevant Tax and Fee Policies for Small and Micro Enterprises and Individual Industrial and Commercial Households", from 1 January 2023 to 31 December 2027, the taxable income of small low-profit enterprises will be reduced by 25% of the taxable income and subject to a tax rate of 20%.



#### 14. Depreciation and amortisation

Item	Current period	Corresponding period of last year
Depreciation of fixed assets	174,321,080.50	181,629,598.49
Amortisation of intangible assets	16,489,485.89	16,705,424.13
Depreciation of right-to-use assets	45,782,980.95	43,935,983.70
Amortisation of long-term deferred expenses	9,729,504.34	4,981,148.76
Depreciation of investment properties	3,268,712.52	3,268,712.52
<b>Total</b>	<b>249,591,764.20</b>	<b>250,520,867.60</b>

Other explanations: The amount of depreciation expenses included in operating costs, selling expenses, general and administrative expenses and research and development expenses for the period is RMB223,372,773.97 (last period: RMB228,834,294.71), and the amount of amortisation expenses is RMB26,218,990.23 (last period: RMB21,686,572.89).

#### 15. Gains (or losses) on disposal of investments or properties

Losses from disposal of investments during the current period were RMB0. Losses from disposal of properties during the current period were RMB187,689.66 (gains from disposal of investments during the previous period is RMB756,086.90, gains from disposal of properties for the previous period is RMB0).

#### 16. Earnings per share

Basic earnings per share shall be calculated by profit or loss attributable to ordinary equity holders of the Group (the numerator) divided by the weighted average number of ordinary shares outstanding (the denominator) during the period.

The numerator of the diluted earnings per share attributable to ordinary shareholders is the Group's net profit for the period after adjustment of the following factors: (1) the recognised interest expense of dilutive potential ordinary shares for the period; (2) income or expense that would result from the conversion of dilutive potential ordinary shares; and (3) the related income tax effects of the above adjustments.

The denominator of diluted earnings per share is equal to the sum of: (1) the weighted average number of issued ordinary shares of the Group for calculation of basic earnings per share; and (2) the weighted average number of ordinary shares after conversion of the dilutive potential ordinary shares into ordinary shares.

In calculating the weighted average number of ordinary shares after conversion of dilutive potential ordinary shares into ordinary shares, the dilutive potential ordinary shares which were converted in previous periods are assumed to be converted at the beginning of current year and the dilutive potential ordinary shares which were converted during current period are assumed to be converted at the date of issue.

The calculation of basic earnings per share and diluted earnings per share are as follows:

<b>Item</b>	<b>No.</b>	<b>Current period</b>	<b>Corresponding period of last year</b>
Net profit attributable to shareholders of the Company	1	526,386,355.89	146,845,686.17
Non-recurring gains and losses attributable to shareholders of the Company	2	35,386,874.34	15,794,671.53
Net profit after deducting non-recurring gains and losses attributable to shareholders of the Company	3=1-2	490,999,481.55	131,051,014.64
Total number of shares at the beginning of the year	4	1,413,506,378.00	1,413,506,378.00
Shares increased due to transferring capital reserve into share capital or dividend distribution of shares (I)	5		
Shares increased due to issuance of new shares or debt for equity swap (II)	6		
Number of months from next month to the year-end regarding the increase of shares (II)	7		
Shares decreased due to share repurchase	8		
Number of months from the next month to the year-end regarding the decrease of shares	9		
Number of shares decreased due to capital reduction	10		
Number of months in the Reporting Period	11	6.00	6.00
Weighted average of ordinary shares outstanding	12	1,413,506,378.00	1,413,506,378.00

Item	No.	Current period	Corresponding period of last year
Weighted average number of ordinary shares outstanding following adjustments in relation to business combination under common control for the purposes of earnings per share after deduction of nonrecurring gains and losses	13	1,413,506,378.00	1,413,506,378.00
Basic earnings per share (I)	$14=1\div 12$	0.3724	0.1039
Basic earnings per share (II)	$15=3\div 13$	0.3474	0.0927
Potential diluted interests of ordinary shares recognised as expense	16		
Conversion fee	17		
Income tax rate	18	0.25	0.25
Increase in weighted average amount of ordinary shares increased due to warrant, share options, and convertible bonds, etc.	19		
Diluted earnings per share (I)	$20=[1+(16-17)\times (100\%-18)]\div (12+19)$	0.3724	0.1039
Diluted earnings per share (II)	$21=[3+(16-17)\times (100\%-18)]\div (13+19)$	0.3474	0.0927

## 17. Dividends

Final dividends for the year ended 31 December 2024 totaling RMB98,945,446.47 (last period: RMB15,548,570.16) were declared and paid during the six months ended 30 June 2025.

The Company intends to pay an interim dividend of RMB113,080,510.24 (tax inclusive) (last period: RMB16,962,076.54) for the six months ended 30 June 2025. The 2024 annual general meeting has considered and approved the Resolution on the Interim Dividend Arrangements for 2025. This profit distribution proposal falls within the scope of the Board's authority as delegated by the general meeting and does not need to be submitted to the general meeting of the Company for further consideration.

## 18. Segment information

### (1) Basis for determination of reportable segments and accounting policies

According to the Group's internal organizational structure, management requirements, and internal reporting system, the business operation of the Group can be divided into 4 reportable segments based on the different types of main products. The management of the Group evaluates operating results of these segments periodically in order to make decisions concerning resource distribution and operating result assessment. The reportable segments of the Group based on the provision of main products and services are shipbuilding, steel structure engineering, ship maintenance and others.

Segment reporting information disclosed is according to accounting policies and measurement basis used in reports presented by each segment reporting to the management. These accounting policies and measurement basis are consistent with those adopted in preparing financial statements.

### (2) Financial information of reportable segments

Item	Shipbuilding and related business	Steel structure engineering	Ship maintenance segment	Other segments	Inter-segment elimination	Total
Revenue from external transactions	9,426,285,700.78	97,972,885.20	451,035,798.79	197,342,356.34		10,172,636,741.11
Revenue from intra-segment transactions	3,609,505,451.29	96,390,184.79	1,899,698.66	57,943,151.48	-3,765,738,486.22	
Income from investments in associates and joint ventures		-6,335,944.64		364,956,122.39		358,620,177.75
Credit impairment loss	-566,536.69	-323,619.71		252,576.87		-637,579.53
Impairment losses on assets	-36,840,864.55					-36,840,864.55
Depreciation fee and amortisation fee	176,089,705.07	47,063,215.82	558,744.14	26,336,343.97	-456,244.80	249,591,764.20
Total profits	319,011,420.45	-81,992,026.83	320,087.53	435,330,880.52	-16,557,129.96	656,113,231.71
Income tax expense	50,488,707.56	-71,859.09	21,608.19	3,966,611.56		54,405,068.22
Net profit	268,522,712.89	-81,920,167.74	298,479.34	431,364,268.96	-16,557,129.96	601,708,163.49
Total assets	45,633,203,647.39	4,890,242,448.37	9,698,547.51	16,139,947,345.55	-10,360,779,231.04	56,312,312,757.78
Total liabilities	36,454,833,535.79	4,045,959,124.51	1,012,259.07	2,815,755,431.58	-8,119,843,332.60	35,197,717,018.35
Long-term equity investments in associates and joint ventures		12,914,092.93		5,750,218,093.76		5,763,132,186.69
Increase in other non-current assets excluding long-term equity investments	-144,459,213.12	70,234,983.96		-773,032,001.20	-279,822,875.40	-1,127,079,105.76
Capitalized expenditure	245,145,164.93	86,843.17		6,515,709.44	-23,335,213.20	228,412,504.34

**1) Revenue from external transactions by origin of revenue**

<b>Item</b>	<b>Current period</b>	<b>Corresponding period of last period</b>
Revenue from external transactions derived from China	6,817,152,661.25	5,440,717,421.83
Revenue from external transactions derived from other countries	3,355,484,079.86	3,287,818,641.82
<b>Total</b>	<b>10,172,636,741.11</b>	<b>8,728,536,063.65</b>

**2) Non-current assets by location of assets**

<b>Item</b>	<b>Ending balance</b>	<b>Beginning balance</b>
Non-current assets in China (excluding Hong Kong)	14,746,740,801.23	12,330,803,838.37
Hong Kong, China		
<b>Total</b>	<b>14,746,740,801.23</b>	<b>12,330,803,838.37</b>

Other explanations: Total non-current assets exclude financial assets and total deferred tax assets.

## §9 DOCUMENTS AVAILABLE FOR INSPECTION

The 2025 interim report will be available at the following addresses and websites:

HKEXnews website of The Stock Exchange of Hong Kong Limited	<a href="http://www.hkexnews.hk">www.hkexnews.hk</a>
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Website of the Shanghai Stock Exchange	<a href="http://www.sse.com.cn">www.sse.com.cn</a>
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Place for inspection of the interim report	Office of the Board of Directors, 15th Floor, Marine Tower, No.137 Gexin Road, Haizhu District, Guangzhou
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By order of the Board  
**CSSC Offshore & Marine Engineering (Group) Company Limited**  
**Luo Bing**  
*Chairman*

Guangzhou, 28 August 2025

*As at the date of this announcement, the Board comprises nine Directors, namely executive Directors Mr. Luo Bing and Mr. Chen Liping; non-executive Directors Mr. Gu Yuan, Mr. Ren Kaijiang and Mr. Yin Lu; and independent non-executive Directors Mr. Lin Bin, Mr. Nie Wei, Mr. Li Zhijian and Ms. Xie Xin.*