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**中遠海運國際(香港)有限公司**

COSCO SHIPPING INTERNATIONAL (HONG KONG) CO., LTD.

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00517)**

## **2025 ANNUAL RESULTS**

### **RESULTS AND OPERATION HIGHLIGHTS**

- Revenue increased by 2% to HK\$3,705,731,000, mainly due to the increase in revenues from coatings and ship trading agency segments.
- Gross profit increased by 6% to HK\$894,526,000, mainly due to the increase in gross profit of coatings segment and the increase in revenue from ship trading agency segment.
- Gross profit margin increased to 24%, mainly due to the increase of revenue contribution from higher-gross profit margin segments.
- Profit before income tax from core business of shipping services increased by 16% to HK\$727,377,000.
- Profit attributable to equity holders of the Company increased by 9% to HK\$771,064,000, mainly due to the increase in revenue and the share of profit of a joint venture, and the increase in net exchange gains.
- Basic and diluted earnings per share increased by 9% to 52.60 HK cents (2024: 48.38 HK cents). The Board has recommended the payment of a final dividend of 19 HK cents per share and recommended the payment of an additional special dividend of 10 HK cents per share. The proposed final dividend and proposed special dividend together with the interim dividend of 33 HK cents per share, total dividends per share for the year 2025 are 62 HK cents. The payout ratio (excluding the special dividend) is approximately 99%.
- The Group had net cash (represented by total non-current bank deposits, restricted bank deposits and current deposits and cash and cash equivalents) of HK\$5,816,862,000 as at 31 December 2025.

The board of directors (the “Board” or the “Director(s)”) of COSCO SHIPPING International (Hong Kong) Co., Ltd. (the “Company” or “COSCO SHIPPING International”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2025.

## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3	3,705,731	3,627,126
Cost of sales		<u>(2,811,205)</u>	<u>(2,781,557)</u>
<b>Gross profit</b>		<b>894,526</b>	845,569
Management fee income		104,303	94,570
Other income and gains/(losses) — net	4	39,262	(14,943)
Selling, administrative and general expenses	5	<u>(750,164)</u>	<u>(732,862)</u>
<b>Operating profit</b>		<b>287,927</b>	192,334
Finance income	6	<b>218,884</b>	273,980
Finance costs	6	<b>(1,634)</b>	(2,213)
Finance income — net	6	217,250	271,767
Share of profits of joint ventures		355,240	303,111
Share of profits of associates		<u>12,883</u>	<u>16,670</u>
<b>Profit before income tax</b>		<b>873,300</b>	783,882
Income tax expenses	7	<u>(82,163)</u>	<u>(67,605)</u>
<b>Profit for the year</b>		<b><u>791,137</u></b>	<b><u>716,277</u></b>
<b>Profit attributable to:</b>			
Equity holders of the Company		771,064	709,211
Non-controlling interests		<u>20,073</u>	<u>7,066</u>
		<b><u>791,137</u></b>	<b><u>716,277</u></b>
<b>Earnings per share attributable to equity holders of the Company</b>			
— basic and diluted, HK cents	8	<b><u>52.60</u></b>	<b><u>48.38</u></b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
<b>Profit for the year</b>	<u>791,137</u>	<u>716,277</u>
<b>Other comprehensive income/(losses)</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Share of currency translation differences of joint ventures	20,774	(11,519)
Share of statutory reserves of subsidiaries, a joint venture and an associate, net of tax	4,620	4,751
Currency translation differences	43,363	(50,142)
<b>Items that will not be reclassified to profit or loss:</b>		
Fair value gains on financial assets at fair value through other comprehensive income, net	<u>37,950</u>	<u>19,823</u>
<b>Other comprehensive income/(losses) for the year</b>	<u>106,707</u>	<u>(37,087)</u>
<b>Total comprehensive income for the year</b>	<u>897,844</u>	<u>679,190</u>
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Company	868,074	678,158
Non-controlling interests	<u>29,770</u>	<u>1,032</u>
	<u>897,844</u>	<u>679,190</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		349,506	359,764
Property, plant and equipment		196,192	195,902
Right-of-use assets		38,037	42,257
Investment properties		136,207	136,367
Investments in joint ventures		874,368	759,695
Investments in associates		246,565	166,139
Financial assets at fair value through other comprehensive income		122,722	84,772
Deferred income tax assets		29,611	25,131
Non-current bank deposits		1,023,753	—
		<u>3,016,961</u>	<u>1,770,027</u>
<b>Current assets</b>			
Inventories		450,278	401,734
Trade and other receivables	10	1,233,953	1,213,271
Current income tax recoverable		11,482	5,061
Restricted bank deposits		5,536	5,399
Current deposits and cash and cash equivalents		4,787,573	5,938,078
		<u>6,488,822</u>	<u>7,563,543</u>
<b>Total assets</b>		<u>9,505,783</u>	<u>9,333,570</u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital		146,597	146,597
Reserves		7,795,108	7,725,989
		<u>7,941,705</u>	<u>7,872,586</u>
<b>Non-controlling interests</b>		<u>327,029</u>	<u>336,753</u>
<b>Total equity</b>		<u>8,268,734</u>	<u>8,209,339</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	11	7,263	11,808
Deferred income tax liabilities		81,396	77,334
		<u>88,659</u>	<u>89,142</u>
<b>Current liabilities</b>			
Trade and other payables	11	782,277	807,372
Contract liabilities	11	344,618	203,303
Current income tax liabilities		16,243	20,619
Lease liabilities	11	5,252	3,795
		<u>1,148,390</u>	<u>1,035,089</u>
<b>Total liabilities</b>		<u>1,237,049</u>	<u>1,124,231</u>
<b>Total equity and liabilities</b>		<u>9,505,783</u>	<u>9,333,570</u>

## NOTES

### 1 GENERAL INFORMATION

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

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

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

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income (“FVOCI”) and investment properties, which are carried at fair value.

#### (i) Adoption of amendments to existing standards

In 2025, the Group has adopted the following amendments to existing standard issued by the HKICPA which are effective for the Group’s financial year beginning 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability
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The adoption of the above amendments to existing standard had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

#### (ii) New and amendments to HKFRS Accounting Standards issued but not yet effective

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

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

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

### ***HKFRS 18 — Presentation and Disclosure in Financial Statements***

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

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early adoption permitted. The adoption of HKFRS 18 is not expected to have material impact on the Group's financial performance and financial positions, but is expected to affect the presentation of the consolidated income statement and consolidated statement of comprehensive income.

## **3 REVENUE AND SEGMENT INFORMATION**

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

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Sale of coatings	<b>1,633,405</b>	1,344,147
Sale of marine equipment and spare parts	<b>1,681,171</b>	1,814,163
Commission income from ship trading agency	<b>153,719</b>	107,053
Commission income from insurance brokerage	<b>223,469</b>	220,994
Intelligent shipping services	<b>4,833</b>	1,325
General trading	<b>9,134</b>	139,444
	<b><u>3,705,731</u></b>	<u>3,627,126</u>

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

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

Others mainly comprise the holding of the Group’s financial assets at FVOCI, the results of a subsidiary namely Sinfeng Marine Services Pte. Ltd. (“Sinfeng”) and holding of investments in an associate, namely 上海吉遠綠色能源有限公司 (Shanghai JOYFuel Green Energy Co., Ltd.\*).

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

	Year ended and as at 31 December 2025									
	Shipping services					General trading	Others	Inter-segment elimination	Total	
	Marine equipment and spare parts	Ship trading agency	Insurance brokerage	Intelligent shipping services	Total					
	Coatings	and spare parts	agency	brokerage	shipping services	Total				
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Profit or loss items:</b>										
Segment revenue	1,633,405	1,681,171	153,719	224,666	6,199	3,699,160	9,134	—	(2,563)	3,705,731
Inter-segment revenue	—	—	—	(1,197)	(1,366)	(2,563)	—	—	2,563	—
Revenue from external customers	<u>1,633,405</u>	<u>1,681,171</u>	<u>153,719</u>	<u>223,469</u>	<u>4,833</u>	<u>3,696,597</u>	<u>9,134</u>	<u>—</u>	<u>—</u>	<u>3,705,731</u>
Segment operating profit/(loss)	77,816	56,177	103,433	139,088	(28,062)	348,452	(12,252)	(980)	—	335,220
Finance income	1,746	9,756	2,161	11,367	136	25,166	4,073	1,877	—	31,116
Finance costs	(562)	(801)	(5)	(169)	—	(1,537)	(68)	(9)	—	(1,614)
Share of profits of joint ventures	351,396	2,623	1,221	—	—	355,240	—	—	—	355,240
Share of profits/(losses) of associates	—	—	56	—	—	56	14,791	(1,964)	—	12,883
Segment profit/(loss) before income tax	430,396	67,755	106,866	150,286	(27,926)	727,377	6,544	(1,076)	—	732,845
Income tax (expenses)/credit	(14,128)	(15,564)	(24,711)	(26,832)	5,679	(75,556)	—	—	—	(75,556)
Segment profit/(loss) after income tax	<u>416,268</u>	<u>52,191</u>	<u>82,155</u>	<u>123,454</u>	<u>(22,247)</u>	<u>651,821</u>	<u>6,544</u>	<u>(1,076)</u>	<u>—</u>	<u>657,289</u>
<b>Balance sheet items:</b>										
Total segment assets	2,026,216	1,072,052	262,598	992,999	14,168	4,368,033	590,997	244,412	(5,573)	5,197,869
Total segment assets include:										
— Joint ventures	854,380	12,545	7,443	—	—	874,368	—	—	—	874,368
— Associates	—	—	1,913	—	—	1,913	169,411	75,241	—	246,565
Total segment liabilities	<u>409,487</u>	<u>269,638</u>	<u>48,887</u>	<u>415,179</u>	<u>8,458</u>	<u>1,151,649</u>	<u>365,072</u>	<u>2,552</u>	<u>(5,573)</u>	<u>1,513,700</u>
<b>Other items:</b>										
Depreciation and amortisation, net of amount capitalised	(17,007)	(2,843)	(1,293)	(13,075)	(793)	(35,011)	(2,474)	—	—	(37,485)
(Provision)/reversal of provision for impairment of trade receivables, net	(17,510)	(1,405)	—	—	—	(18,915)	11,281	—	—	(7,634)
Provision for impairment of other receivables	—	—	—	—	—	—	(69)	—	—	(69)
(Provision)/reversal of provision for impairment of inventories, net	(124)	—	—	—	—	(124)	440	—	—	316
Subsidy income	4,191	383	—	2,183	3,575	10,332	119	—	—	10,451
Additions to non-current assets (other than financial assets at FVOCI, deferred income tax assets and non-current bank deposits)	<u>11,599</u>	<u>2,835</u>	<u>1,701</u>	<u>1,322</u>	<u>2,718</u>	<u>20,175</u>	<u>33</u>	<u>—</u>	<u>—</u>	<u>20,208</u>

Year ended and as at 31 December 2024

	Shipping services					Total	General trading	Others	Inter-segment elimination	Total
	Coatings	Marine equipment and spare parts	Ship trading agency	Insurance brokerage	Intelligent shipping services					
<b>Profit or loss items:</b>										
Segment revenue	1,344,147	1,814,163	107,053	221,936	3,425	3,490,724	139,444	—	(3,042)	3,627,126
Inter-segment revenue	—	—	—	(942)	(2,100)	(3,042)	—	—	3,042	—
Revenue from external customers	<u>1,344,147</u>	<u>1,814,163</u>	<u>107,053</u>	<u>220,994</u>	<u>1,325</u>	<u>3,487,682</u>	<u>139,444</u>	<u>—</u>	<u>—</u>	<u>3,627,126</u>
Segment operating profit/(loss)	27,884	100,670	60,909	133,121	(23,706)	298,878	(16,615)	5,827	—	288,090
Finance income	2,499	12,108	3,741	9,119	278	27,745	5,088	2,237	—	35,070
Finance costs	(630)	(1,065)	(5)	(324)	—	(2,024)	(146)	(9)	—	(2,179)
Share of profits of joint ventures	299,998	2,401	712	—	—	303,111	—	—	—	303,111
Share of profits/(losses) of associates	—	—	90	—	—	90	16,599	(19)	—	16,670
Segment profit/(loss) before income tax	329,751	114,114	65,447	141,916	(23,428)	627,800	4,926	8,036	—	640,762
Income tax expenses	(8,927)	(20,982)	(12,535)	(25,508)	—	(67,952)	(279)	—	—	(68,231)
Segment profit/(loss) after income tax	<u>320,824</u>	<u>93,132</u>	<u>52,912</u>	<u>116,408</u>	<u>(23,428)</u>	<u>559,848</u>	<u>4,647</u>	<u>8,036</u>	<u>—</u>	<u>572,531</u>
<b>Balance sheet items:</b>										
Total segment assets	1,902,744	1,183,879	260,184	776,361	28,965	4,152,133	575,715	138,790	(787)	4,865,851
Total segment assets include:										
— Joint ventures	742,194	11,107	6,394	—	—	759,695	—	—	—	759,695
— Associates	—	—	1,810	—	—	1,810	160,569	3,760	—	166,139
Total segment liabilities	<u>391,526</u>	<u>283,916</u>	<u>49,016</u>	<u>287,218</u>	<u>1,388</u>	<u>1,013,064</u>	<u>34,536</u>	<u>1,071</u>	<u>(787)</u>	<u>1,047,884</u>
<b>Other items:</b>										
Depreciation and amortisation, net of amount capitalised	(15,608)	(1,850)	(764)	(13,064)	(63)	(31,349)	(4,059)	—	—	(35,408)
(Provision)/reversal of provision for impairment of trade receivables, net	(5,360)	231	—	—	—	(5,129)	33,778	—	—	28,649
Provision for impairment of other receivables	—	—	—	—	—	—	(3,637)	—	—	(3,637)
Provision for impairment of inventories, net	(5,473)	—	—	—	—	(5,473)	(4,318)	—	—	(9,791)
Subsidy income	2,180	511	—	18	—	2,709	141	—	—	2,850
Additions to non-current assets (other than financial assets at FVOCI and deferred income tax assets)	<u>6,437</u>	<u>3,369</u>	<u>1,481</u>	<u>5,156</u>	<u>96</u>	<u>16,539</u>	<u>150</u>	<u>—</u>	<u>—</u>	<u>16,689</u>

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

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Profit before income tax for reportable segments	<b>733,921</b>	632,726
(Loss)/profit before income tax for others	<b>(1,076)</b>	8,036
	<hr/>	<hr/>
Profit before income tax for all segments	<b>732,845</b>	640,762
Elimination of segment income from corporate headquarters	<b>(891)</b>	(659)
Elimination of segments' finance income from corporate headquarters	<b>(14,494)</b>	—
Corporate finance income	<b>202,262</b>	238,910
Corporate finance costs	<b>(20)</b>	(34)
Corporate net exchange gains/(losses)	<b>13,062</b>	(30,978)
Corporate expenses, net of income	<b>(59,464)</b>	(64,119)
	<hr/>	<hr/>
Profit before income tax for the Group	<b>873,300</b>	783,882
Income tax expenses for all segments	<b>(75,556)</b>	(68,231)
Corporate income tax (expenses)/credit	<b>(6,607)</b>	626
	<hr/>	<hr/>
Profit after income tax for the Group	<b>791,137</b>	716,277

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

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Total assets for reportable segments	<b>4,959,030</b>	4,727,848
Total assets for others	<b>244,412</b>	138,790
Elimination of inter-segment receivables	<b>(5,573)</b>	(787)
	<hr/>	<hr/>
Total assets for all segments	<b>5,197,869</b>	4,865,851
Corporate assets (mainly deposits and cash and cash equivalents)	<b>5,111,099</b>	4,816,568
Elimination of receivables between corporate headquarters and segments	<b>(803,185)</b>	(348,849)
	<hr/>	<hr/>
Total assets for the Group	<b>9,505,783</b>	9,333,570

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total liabilities for reportable segments	1,516,721	1,047,600
Total liabilities for others	2,552	1,071
Elimination of inter-segment payables	<u>(5,573)</u>	<u>(787)</u>
Total liabilities for all segments	1,513,700	1,047,884
Corporate liabilities	526,534	425,196
Elimination of payables between corporate headquarters and segments	<u>(803,185)</u>	<u>(348,849)</u>
Total liabilities for the Group	<u><u>1,237,049</u></u>	<u><u>1,124,231</u></u>

The Company is domiciled in Hong Kong. The Group's revenue from external customers derived from Hong Kong and places other than Hong Kong (principally the PRC) are HK\$1,143,585,000 (2024: HK\$1,344,424,000) and HK\$2,562,146,000 (2024: HK\$2,282,702,000) respectively.

The total of non-current assets, other than financial assets at FVOCI, deferred income tax assets and non-current bank deposits, located in Hong Kong and places other than Hong Kong are HK\$1,150,697,000 (2024: HK\$1,066,631,000) and HK\$690,178,000 (2024: HK\$593,493,000) respectively.

#### 4 OTHER INCOME AND GAINS/(LOSSES) — NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income/(expenses):		
— Rental income	3,187	3,024
— Direct operating expenses for generating rental income	(60)	(73)
— Dividend income from financial assets at FVOCI	<u>5,861</u>	<u>7,272</u>
Other income — net	<u><u>8,988</u></u>	<u><u>10,223</u></u>
Other gains/(losses):		
— Net gains on disposal of property, plant and equipment	645	3,042
— Net gains on dissolution of a subsidiary ( <i>note</i> )	15,185	—
— Fair value losses on investment properties	(3,227)	(7,359)
— (Provision)/reversal of provision for impairment of trade receivables, net ( <i>note 10(b)</i> )	(7,634)	28,649
— Provision for impairment of other receivables, net	(69)	(3,637)
— Reversal of provision/(provision) for impairment of inventories, net	316	(9,791)
— Net exchange gains/(losses)	12,683	(42,122)
— Subsidy income	10,451	2,850
— Others	<u>1,924</u>	<u>3,202</u>
Other gains/(losses) — net	<u><u>30,274</u></u>	<u><u>(25,166)</u></u>
Other income and gains/(losses) — net	<u><u>39,262</u></u>	<u><u>(14,943)</u></u>

*Note:* COSCO Kansai Paint & Chemicals (Tianjin) Co., Ltd. was dissolved on 22 December 2025.

## 5 SELLING, ADMINISTRATIVE AND GENERAL EXPENSES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Selling expenses	184,214	187,004
Depreciation of property, plant and equipment	9,618	3,025
Amortisation of intangible assets	11,869	11,686
Depreciation of right-of-use assets	5,597	6,691
Expenses related to short-term leases	38,751	33,582
Employee benefit expenses included in administrative expenses	387,734	383,252
Auditors' remuneration	5,006	5,441
Others	<u>107,375</u>	<u>102,181</u>
	<u><u>750,164</u></u>	<u><u>732,862</u></u>

## 6 FINANCE INCOME — NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income from:		
— a fellow subsidiary	8,653	12,532
— bank deposits	<u>210,231</u>	<u>261,448</u>
Total finance income	<u>218,884</u>	<u>273,980</u>
Interest expenses on lease liabilities	(581)	(725)
Other finance charges	<u>(1,053)</u>	<u>(1,488)</u>
Total finance costs	<u><u>(1,634)</u></u>	<u><u>(2,213)</u></u>
Finance income — net	<u><u>217,250</u></u>	<u><u>271,767</u></u>

## 7 INCOME TAX EXPENSES

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

The PRC enterprise income tax has been calculated on the estimated assessable profit derived from the Group's operations in the PRC for the year at 15% to 25% (2024: 25%).

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

## Pillar Two income taxes

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
— current year		
— Hong Kong profits tax	25,920	30,890
— PRC enterprise income tax	45,353	25,092
— other overseas taxation	7,847	7,758
— under-provision/(over-provision) in prior years		
— Hong Kong profits tax	164	(673)
— PRC enterprise income tax	(378)	371
— other overseas taxation	—	42
Deferred income tax charge — net	<u>3,257</u>	<u>4,125</u>
Income tax expenses	<u><u>82,163</u></u>	<u><u>67,605</u></u>

## 8 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit attributable to equity holders of the Company of HK\$771,064,000 (2024: HK\$709,211,000) and the weighted average number of ordinary shares outstanding during the year of 1,465,971,429 shares (2024: 1,465,971,429 shares).

There were no potential dilutive ordinary shares in existence for both years.

## 9 DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend paid of HK\$0.33 (2024: HK\$0.265) per ordinary share	483,771	388,482
Final dividend proposed of HK\$0.19 (2024: HK\$0.215) per ordinary share	278,534	315,184
Special dividend proposed of HK\$0.10 (2024: nil) per ordinary share	<u>146,597</u>	<u>—</u>
	<u><u>908,902</u></u>	<u><u>703,666</u></u>

At the board meeting held on 25 March 2026, the directors of the Company proposed a final dividend of HK\$0.19 and a special dividend of HK\$0.10 per ordinary share for the year ended 31 December 2025. These proposed dividends have not been recognised as a liability in the financial statements for the year ended 31 December 2025, but will be reflected as an appropriation of retained profits for the year ending 31 December 2026.

## 10 TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	463,162	549,133
Less: provision for impairment ( <i>note (b)</i> )	<u>(33,308)</u>	<u>(25,053)</u>
Trade receivables — net ( <i>note (a)</i> )	429,854	524,080
Bills receivable, prepayments, deposits and other receivables and amounts due from related parties, net of provision for impairment	<u>804,099</u>	<u>689,191</u>
	<u><b>1,233,953</b></u>	<u><b>1,213,271</b></u>

### Notes:

- (a) As at 31 December, the ageing analysis of trade receivables (including amounts due from related parties which are trading in nature) based on invoice date and after provision for impairment is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current – 90 days	305,056	363,793
91 days – 180 days	81,455	87,919
Over 180 days	<u>43,343</u>	<u>72,368</u>
	<u><b>429,854</b></u>	<u><b>524,080</b></u>

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

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	25,053	54,286
Currency translation differences	734	(568)
Provision/(reversal of provision) for impairment, net ( <i>note 4</i> )	7,634	(28,649)
Amount written off	<u>(113)</u>	<u>(16)</u>
At 31 December	<u><b>33,308</b></u>	<u><b>25,053</b></u>

## 11 TRADE AND OTHER PAYABLES, CONTRACT LIABILITIES AND LEASE LIABILITIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables ( <i>note (a)</i> )	462,389	494,836
Bills payable, other payables, accrued liabilities and amounts due to related parties	<u>319,888</u>	<u>312,536</u>
	782,277	807,372
Contract liabilities ( <i>note (b)</i> )	344,618	203,303
Lease liabilities ( <i>note (c)</i> )	<u>12,515</u>	<u>15,603</u>
	<u><u>1,139,410</u></u>	<u><u>1,026,278</u></u>

### Notes:

- (a) As at 31 December, the ageing analysis of trade payables (including amounts due to related parties which are trading in nature) based on invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current – 90 days	359,695	423,110
91 days – 180 days	46,084	40,441
Over 180 days	<u>56,610</u>	<u>31,285</u>
	<u><u>462,389</u></u>	<u><u>494,836</u></u>

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	<u><u>201,715</u></u>	<u><u>211,324</u></u>

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	5,252	3,795
From the second to fifth year inclusive	<u>7,263</u>	<u>11,808</u>
	<u><u>12,515</u></u>	<u><u>15,603</u></u>

## **OVERALL ANALYSIS OF RESULTS**

In 2025, profit attributable to equity holders of the Company was HK\$771,064,000 (2024: HK\$709,211,000), increased by 9% year-on-year, while the basic and diluted earnings per share was 52.60 HK cents (2024: 48.38 HK cents), increased by 9% year-on-year. It was mainly due to the increase in revenue and the share of profit of a joint venture, Jotun COSCO, and the increase in net exchange gains.

## **FINANCIAL REVIEW**

### **Revenue**

During the year, the Group's revenue was HK\$3,705,731,000 (2024: HK\$3,627,126,000), increased by 2% year-on-year. Revenue from the core business of shipping services was HK\$3,696,597,000 (2024: HK\$3,487,682,000), increased by 6% year-on-year, and accounted for 99.8% (2024: 96%) of the Group's revenue, mainly due to the increase in revenues from coatings and ship trading agency segments. Revenue from the general trading segment was HK\$9,134,000 (2024: HK\$139,444,000), decreased by 93% year-on-year, and accounted for 0.2% (2024: 4%) of the Group's revenue.

### **Gross Profit and Gross Profit Margin**

During the year, the Group's gross profit was HK\$894,526,000 (2024: HK\$845,569,000), increased by 6% year-on-year, mainly due to the increase in gross profit of coatings segment and the increase in revenue from ship trading agency segment. The Group's gross profit margin was 24% (2024: 23%), increased by 1 percentage point year-on-year, mainly due to the increase in revenue contribution from higher-gross profit margin segments.

### **Management Fee Income**

During the year, management fee income arising from the provision of management services by the Company in relation to the day-to-day business operations and management of COSCO SHIPPING (Hong Kong) Co., Limited ("COSCO SHIPPING (Hong Kong)") and its subsidiaries (other than those relating to the Group and Piraeus Port Authority S.A.) was HK\$104,303,000 (2024: HK\$94,570,000), increased by 10% year-on-year, mainly due to the increase in administrative and general expenses related to COSCO SHIPPING (Hong Kong) and its subsidiaries mentioned above.

### **Other Income and Gains — Net**

During the year, other income and gains — net was HK\$39,262,000 (2024: net losses of HK\$14,943,000), turnaround from losses to gains, mainly due to the net exchange gains and net gains on dissolution of a subsidiary.

## **Selling, Administrative and General Expenses**

During the year, selling, administrative and general expenses were HK\$750,164,000 (2024: HK\$732,862,000), increased by 2% year-on-year, mainly due to the increase in depreciation and expenses related to short-term leases.

## **Operating Profit**

The Group's operating profit was HK\$287,927,000 (2024: HK\$192,334,000), increased by 50% year-on-year, mainly due to the increase in revenue and gross profit.

## **Finance Income**

Finance income, which primarily represented interest income on the Group's bank deposits, was HK\$218,884,000 (2024: HK\$273,980,000), decreased by 20% year-on-year, mainly due to the decrease in interest rates of deposits.

## **Finance Costs**

Finance costs, which mainly represented interest expenses on lease liabilities and other finance charges, were HK\$1,634,000 (2024: HK\$2,213,000), decreased by 26% year-on-year.

## **Share of Profits of Joint Ventures**

The Group's share of profits of joint ventures was HK\$355,240,000 (2024: HK\$303,111,000), increased by 17% year-on-year. This item primarily represented the share of profits of Jotun COSCO of HK\$337,553,000 (2024: HK\$288,324,000) and of Nasurfar Changshu of HK\$13,843,000 (2024: HK\$11,674,000), which were included in the coatings segment.

## **Share of Profits of Associates**

The Group's share of profits of associates was HK\$12,883,000 (2024: HK\$16,670,000), decreased by 23% year-on-year. This item primarily represented the share of profit of Zhejiang Four Brothers Rope of HK\$10,087,000 (2024: HK\$10,010,000), which was included in the general trading segment.

## **Income Tax Expenses**

During the year, the Group's income tax expenses were HK\$82,163,000 (2024: HK\$67,605,000), increased by 22% year-on-year. The ratio of income tax expenses to profits before income tax, excluding the share of profits of joint ventures and associates, increased from 15% in 2024 to 16%, mainly due to the increase in revenue.

## **Profit Attributable to Equity Holders of the Company**

Profit attributable to equity holders of the Company was HK\$771,064,000 (2024: HK\$709,211,000), increased by 9% year-on-year.

## **CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES**

The Group adopts a prudent but flexible approach towards financial management which aims at maintaining a healthy statement of financial position, a low level of borrowings and adequate liquidity. The Board believes this approach can ensure sufficient financial resources available for merger and acquisition opportunities that fits in well with the Group's strategic direction, and is therefore in line with the Group's long-term development target.

The Group's main sources of liquidity comprises cash, bank balances and non-committed unutilised banking facilities. The liquidity is primarily for financing of general working capital requirements, dividend payments and future capital expenditure. As at 31 December 2025, current deposits and cash and cash equivalents held by the Group accounted for 74% (2024: 79%) of the Group's total current assets.

As at 31 December 2025, the Group's total assets increased by 2% to HK\$9,505,783,000 (2024: HK\$9,333,570,000). Total liabilities increased by 10% to HK\$1,237,049,000 (2024: HK\$1,124,231,000). The Group remained cautious about potential credit risks that surrounded the shipping services industry. All business units focused on internal management, receivables management, working capital management and cost control.

Net asset value attributable to shareholders was HK\$7,941,705,000 (2024: HK\$7,872,586,000). Net asset value per share, calculated based on the 1,465,971,429 shares outstanding at the end of the year (2024: 1,465,971,429 shares), was HK\$5.42 (2024: HK\$5.37), which increased slightly as compared to the end of 2024.

As at 31 December 2025, the Group's total short-term borrowings were nil (2024: nil). The Group's total cash on hand (representing total restricted bank deposits and current deposits and cash and cash equivalents) decreased by 19% to HK\$4,793,109,000 (2024: HK\$5,943,477,000) and total non-committed unutilised standby banking facilities decreased by 38% to HK\$292,499,000 (2024: HK\$470,029,000). The gearing ratio, which represented total borrowings over total assets, was nil (2024: nil).

### **Debt Analysis**

As at 31 December 2025, the Group's total borrowings were nil (2024: nil).

The Group had restricted bank deposits of HK\$5,536,000 (2024: HK\$5,399,000), representing deposits placed to meet the statutory requirement of its insurance brokerage business in the PRC.

Considering the Group's current level of cash and bank balances, funds generated internally from operations, the unutilised banking facilities available and a low debt level, the Board is confident that the Group will have sufficient resources to meet its foreseeable capital expenditures and liquidity requirements.

## **TREASURY POLICY**

The Group operates principally in Hong Kong, the PRC and overseas, and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi and United States dollars. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group managed its foreign exchange exposure through matching its operating costs and borrowings against its trade receivables. Nevertheless, the Group is still exposed to relevant foreign exchange risk in respect of Renminbi and United States dollars exchange rate fluctuations such that the Group's profit might be impacted accordingly.

The Group continued to monitor and adjust its debt portfolio from time to time in light of market conditions, the objective of which is to reduce potential interest rate risk exposure, improve debt structure and lower interest expenses.

As for cash management, the Group selects suitable cash investment instruments based on the balance among security, return and liquidity to ensure sufficient funds are available and an appropriate level of liquidity is maintained to meet all its obligations during different periods of the shipping cycle.

The Group maintained a healthy cash position. As at 31 December 2025, the Group had net cash, which represented total non-current bank deposits, restricted bank deposits and current deposits and cash and cash equivalents, of HK\$5,816,862,000 (2024: HK\$5,943,477,000). To enhance the Group's finance income and to ensure availability of cash at appropriate times to meet the Group's commitments and needs, the Group, on the basis of balancing risk, return and liquidity, invested in a mixture of stable and conservative financial products, including overnight deposits, term deposits and offshore fixed deposits. Cash and deposits of the Group were placed with highly reputable financial institutions in Hong Kong, the PRC, Singapore, Japan, Germany and the United States. During the year, the Group strengthened its funds management and had actively negotiated with banks to strive for higher deposit yields for the huge sum of liquid funds on hand. The Group achieved a 3.72% rate of return on the Group's cash for the year (2024: 4.49%), representing a decrease of 77 basis points year-on-year. The Group had no financial instruments for interest rate hedging purposes.

## **MAJOR CUSTOMERS AND SUPPLIERS**

For the year ended 31 December 2025, the Group's sales to the largest customer and aggregate sales to the five largest customers accounted for 5% and 20% respectively (2024: 5% and 19% respectively) of the total revenue of the Group, while purchases from the largest supplier and aggregate purchases from the five largest suppliers accounted for 5% and 17% respectively (2024: 4% and 18% respectively) of the total cost of sales of the Group.

None of the Directors or their associates had interests in any of the five largest customers and suppliers.

Save as disclosed above, to the knowledge of the Directors, none of the shareholders of the Company (the "Shareholders") owning more than 5% of the Company's shares had interests in the five largest customers and suppliers.

## EMPLOYEES

As at 31 December 2025, excluding joint ventures and associates, the Group had 808 (2024: 809) employees, of which 205 (2024: 201) were Hong Kong employees. During the year, total employee benefit expenses, including directors' emoluments and provident funds, were HK\$529,438,000 (2024: HK\$522,270,000). Employees were remunerated on the basis of their performance and experience. Remuneration packages include salary and a year-end discretionary bonus, which are determined with reference to market conditions and individual performance. During the year, all of the Hong Kong employees have participated in the Mandatory Provident Fund Scheme or recognised occupational retirement scheme.

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

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

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

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

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

## **FINAL AND SPECIAL DIVIDENDS**

The Board has recommended the payment of a final dividend of 19 HK cents (2024: 21.5 HK cents) per share for the year ended 31 December 2025 and the payment of an additional special dividend of 10 HK cents. This payment of special dividend is determined based on the Group's breakthrough development in restructuring of the field of digitalisation of shipping services, reflecting the Board's strong confidence in the Company's future development prospects, as well as the Group's continued breakthrough in core business operating performance and ample financial reserves. The proposed final and special dividends will be payable on 15 July 2026 to Shareholders whose names appear on the register of members of the Company (the "Register of Members") on 30 June 2026 subject to the Shareholders' approval in annual general meeting of the Company to be held on 29 May 2026 (the "AGM"). The proposed final dividend and the proposed special dividend together with the interim dividend of 33 HK cents per share (2024: 26.5 HK cents), total dividends per share for the year 2025 are 62 HK cents (2024: 48 HK cents).

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of ascertaining shareholders' right to attend and vote at the AGM, the Register of Members will be closed from 26 May 2026 to 29 May 2026, both days inclusive, during which no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited (the "Branch Share Registrar") at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 22 May 2026.

For the purpose of ascertaining shareholders' entitlement to the proposed final and special dividends, the Register of Members will be closed from 25 June 2026 to 30 June 2026, both days inclusive, during which no transfer of shares of the Company will be registered. In order to qualify the proposed final dividend for the year ended 31 December 2025 and the proposed special dividend, all transfer documents accompanied by the relevant share certificate(s) must be lodged with the Branch Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 24 June 2026.

## **REVIEW OF BUSINESS OPERATIONS**

In 2025, the global shipping industry continued to navigate through a complex and volatile macroeconomic landscape. Geopolitical shifts, the rise of trade protectionism, regional supply chain restructuring, and increasingly stringent global environmental regulations presented multiple challenges and uncertainties for the industry.

In the shipbuilding market, despite the imposition of high port entry fees by the United States on vessels owned, operated or manufactured by China under Section 301 of the Trade Act of 1974 temporarily dampened order intake sentiment among Chinese shipbuilders' and resulting in a phased diversion of some orders. Nonetheless, with both China and the United States suspending such fees

concurrently for a one-year period starting from 10 November 2025, newbuild vessel orders quickly flowed back to China, highlighting the comprehensive competitiveness of the industry. China's shipbuilding sector continued to outperform globally in terms of three major indicators, retaining its world-leading position for 16 consecutive years. In China, shipbuilding completions amounted to 53.69 million dead weight tonnages ("DWT") for the year, marking an 11.4% year-on-year increase and accounting for 56.1% of the global market total. Newbuild vessel orders in the shipbuilding industry reached 107.82 million DWT, capturing 69% of the global market share. This implied that Chinese shipbuilders delivered 7 out of every 10 new vessels ordered worldwide. As of the end of 2025, orders backlog amounted to 274.42 million DWT, marking a 31.5% year-on-year increase and accounting for 66.8% of the global market hitting at a new historical high.

Benefiting from the growth in shipbuilding completions and new vessel deliveries in China, the newbuild vessel market remained in an expansionary cycle, fostering a solid business foundation for the shipping services industry. Leveraging the prolonged shipbuilding delivery cycle and the effective execution of its strategic initiatives, the Group's core shipping services business achieved a record-high profit before income tax in 2025, representing a year-on-year increase of 16%. Profit attributable to equity holders of the Company also climbed to its highest level since 2011.

## **1. Core Business — Shipping Services**

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

During the year, revenue from the Group's shipping services was HK\$3,696,597,000 (2024: HK\$3,487,682,000), representing a year-on-year increase of 6%. Profit before income tax from shipping services was HK\$727,377,000 (2024: HK\$627,800,000), representing a year-on-year increase of 16%.

### **1.1 Ship Trading Agency Services**

The Group's ship trading agency business is principally engaged in the provision of agency services relating to shipbuilding, ship trading and chartering for shipping enterprises. During the year, the Group's revenue from the ship trading agency segment was HK\$153,719,000 (2024: HK\$107,053,000), up 44% year-on-year. Segment profit before income tax was HK\$106,866,000 (2024: HK\$65,447,000), up 63% year-on-year. This was mainly due to significant year-on-year growth in newbuilding deliveries, which drove up commission income.

During the year, the Group's total number of newbuild vessels delivery was 52 (2024: 32), aggregating 3,520,000 DWT (2024: 1,919,272 DWT). A total number of 178 (2024: 89) newbuild vessels have been ordered, aggregating 19,843,600 DWT (2024: 8,401,500 DWT). In addition, the sale and purchase of a total of 27 (2024: 23) second-hand vessels were recorded, aggregating 1,358,680 DWT (2024: 1,169,600 DWT).

## **1.2 Insurance Brokerage Services**

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

During the year, the Group's revenue from the insurance brokerage service segment was HK\$223,469,000 (2024: HK\$220,994,000), up 1% year-on-year. Segment profit before income tax was HK\$150,286,000 (2024: HK\$141,916,000), up 6% year-on-year. This was mainly due to the continuous expansion of its client base and market share, alongside substantial hike in premium rates in hull insurance, protection & indemnity (P&I) insurance, and war risk insurance amid the instability in international political relations and the maritime environment, which in turn drove up commission income during the year.

## **1.3 Supply of Marine Equipment and Spare Parts**

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

During the year, the Group's revenue from marine equipment and spare parts segment was HK\$1,681,171,000 (2024: HK\$1,814,163,000), representing a year-on-year decrease of 7%. Segment profit before income tax was HK\$67,755,000 (2024: HK\$114,114,000), representing a year-on-year decrease of 41%. This was mainly due to continuous volatility in the shipping market, compounded by negative impact of tariff trade wars, which prompted key customers to cap purchase volumes and adopt a more prudent approach to procurement pricing, which in turn weighed on gross margins.

## **1.4 Production and Sale of Coatings**

The coating business of the Group primarily includes the production and sale of container coatings, industrial heavy-duty anti-corrosion coatings and marine coatings. COSCO Kansai Paint & Chemicals (Zhuhai) Co., Ltd. ("COSCO Kansai (Zhuhai)"), 中遠關西塗料(上海)有限公司 (COSCO Kansai Paint (Shanghai) Co., Ltd.\*) ("COSCO Kansai Paint (Shanghai)") and 中遠關西塗料化工(上海)有限公司 (COSCO Kansai Paint & Chemicals (Shanghai) Co., Ltd.\*) ("COSCO Kansai (Shanghai)") (collectively referred to as "COSCO Kansai Companies") are non-wholly owned subsidiaries of the Company. COSCO Kansai (Zhuhai) and COSCO Kansai

Paint (Shanghai), which have their own plants, are principally engaged in the production and sales of coatings, while COSCO Kansai (Shanghai) is primarily engaged in the sales of coatings. Jotun COSCO, a 50/50 joint venture formed by the Company and Jotun A/S, Norway, an international coatings supplier, is principally engaged in the production and sales of marine coatings. Nasurfar Changshu, in which the Company held 33% equity interest, is principally engaged in research and development, production and sales of biomaterial application products, including surfactants, coating raw materials and additives, as well as resin modifiers, etc..

During the year, revenue from coatings segment of the Group was HK\$1,633,405,000 (2024: HK\$1,344,147,000), representing a year-on-year increase of 22%. Segment profit before income tax was HK\$430,396,000 (2024: HK\$329,751,000), representing a year-on-year increase of 31%.

For container coatings, affected by the continued decline in new container prices, China's container manufacturing volume in 2025 is estimated at approximately 5.81 million Twenty-foot Equivalent Units (TEUs), a year-on-year decrease of 25%. Despite the overall market decline, COSCO Kansai Companies actively expanded its container coating business, achieving a counter-trend growth in orders. During the year, sales of container coatings increased by 56% year-on-year to 63,943 tonnes (2024: 40,909 tonnes).

The sales volume of industrial heavy-duty anti-corrosion coatings (including workshop primer) decreased by 21% year-on-year to 17,394 tonnes (2024: 21,925 tonnes), mainly due to intensifying competition in the industry. Notwithstanding the volume decline, COSCO Kansai Companies has actively expanded the application scope of anti-corrosion coatings, expanding its customer base.

For marine coatings, the sales volume of Jotun COSCO's marine coatings amounted to 150,052,000 litres (equivalent to approximately 202,570 tonnes) (2024: 123,704,000 litres (equivalent to approximately 166,898 tonnes)), up 21% year-on-year. Among them, the sales volume of coatings for newbuild vessels reached 107,688,000 litres (2024: 80,639,000 litres), up 34% year-on-year. The sales volume of coatings for repair and maintenance was 42,364,000 litres (2024: 43,065,000 litres), down 2% year-on-year. During the year, the Group's share of profit from Jotun COSCO was HK\$337,553,000 (2024: HK\$288,324,000), up 17% year-on-year. This was mainly due to the increase in marine coatings sales volume amid continued robust newbuilding vessel deliveries, and an improvement in the gross profit margins driven by effective cost control measures.

During the year, the Group's share of profit from Nasurfar Changshu was HK\$13,843,000 (2024: HK\$11,674,000), representing a significant year-on-year increase of 19%, which was mainly attributable to the expansion of business scale as a result of the buoyant marine coatings and container coatings markets and the commissioning of new production capacity.

## **1.5 Intelligent Shipping Services**

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

During the year, revenue of COSCO SHIPPING Smart-Sailing was HK\$4,833,000 (2024: HK\$1,325,000) and the loss before income tax was HK\$27,926,000 (2024: loss before income tax of HK\$23,428,000). The loss was mainly due to the expenses incurred on research and development of products.

## **2. General Trading**

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

During the year, revenue from the general trading segment of the Group was HK\$9,134,000 (2024: HK\$139,444,000). The Group has gradually phased out from the asphalt operation, the sales volume of asphalt being the balance of stock, was 1,681 tonnes (2024: 42,344 tonnes). Segment profit before income tax was HK\$6,544,000 (2024: HK\$4,926,000).

During the year, the Group's share of profit from Zhejiang Four Brothers Rope was HK\$10,087,000 (2024: HK\$10,010,000), representing a year-on-year increase of 1%, which was mainly due to the increase in overall gross profit margin.

## **Others**

Reference is made to the announcements of the Company dated 14 November 2024, 26 March 2025 and 27 August 2025 respectively, Sinfeng, an indirect wholly-owned subsidiary of the Company, was served with a claim lodged by a third party commercial bank against Sinfeng at General Division of the High Court of the Republic of Singapore ("Singapore Court") on 7 November 2024.

The trial hearing took place from 3 to 13 March 2026 and the Singapore Court has given directions for the parties' closing submissions. However, based on the assessment, the litigation has no material adverse impact on the business or daily operation of the Group as a whole and has no significant financial impact on the Group.

## EVENTS AFTER THE BALANCE SHEET DATE

On 5 January 2026, the Company, COSCO SHIPPING Technology and COSCO SHIPPING Smart-Sailing entered into the capital increase agreement (“Capital Increase Agreement”), pursuant to which the Company and COSCO SHIPPING Technology shall make additional capital contribution to COSCO SHIPPING Smart-Sailing in the following manner: (a) the Company shall transfer all its 100% equity interests in Yuantong Marine Service Co. Limited (“Yuantong”) (a wholly-owned subsidiary of the Company) to COSCO SHIPPING Smart-Sailing; and (b) COSCO SHIPPING Technology shall transfer the SMART SAILING Platform (the SMART SAILING Platform launched by COSCO SHIPPING Technology, being technological products designed and developed by COSCO SHIPPING Technology) and make a cash contribution of RMB213,010,416 to COSCO SHIPPING Smart-Sailing. Upon completion of the capital increase of COSCO SHIPPING Smart-Sailing (the “Capital Increase”), the Company’s equity interests in COSCO SHIPPING Smart-Sailing will increase from 51% to 80% whereas COSCO SHIPPING Technology’s equity interests in COSCO SHIPPING Smart-Sailing will decrease from 49% to 20%; COSCO SHIPPING, being the ultimate holding company of the Company, is a connected person of the Company. COSCO SHIPPING Technology, being a subsidiary and hence an associate of COSCO SHIPPING, is therefore a connected person of the Company at the issuer level. Given that (i) COSCO SHIPPING Smart-Sailing is a non-wholly owned subsidiary of the Company and (ii) COSCO SHIPPING Technology is a connected person of the Company at the issuer level holding more than 10% of the equity interests in COSCO SHIPPING Smart-Sailing, COSCO SHIPPING Smart-Sailing is a connected subsidiary of the Company under Rule 14A.16(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and hence a connected person of the Company. Accordingly, the Injection (being a disposal of 100% equity interest in Yuantong by the Company and an acquisition of the same by COSCO SHIPPING Smart-Sailing) constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Injection exceeds 5% but is less than 25%, the Injection constitutes (i) a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and (ii) a non-exempt connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. The capital contribution of COSCO SHIPPING Technology by way of transfer of the SMART SAILING Platform and cash contribution to COSCO SHIPPING Smart-Sailing, a subsidiary of the Company, constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of such capital contribution exceed 0.1% but are less than 5%, such capital contribution is only subject to the reporting and announcement requirements but is exempt from the Independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules. The Acquisition (being an acquisition by the Company of further equity interests in COSCO SHIPPING Smart-Sailing as a result of the Capital Increase) constitutes a transaction between the Company and COSCO SHIPPING Technology, a connected person of the Company, and hence a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes (i) a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules; and (ii) a non-exempt connected transaction of the Company and is subject to the

reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. For details, please refer to the announcement of the Company dated 5 January 2026 and the circular of the Company dated 13 February 2026. The resolution of Capital Increase Agreement and the transactions contemplated thereunder was approved by the affirmative votes of the Shareholders at the special general meeting of the Company held on 12 March 2026.

## **PROSPECTS**

According to the latest forecast by the International Monetary Fund (IMF), global trade volume growth is projected to decline from 4.1% in 2025 to 2.6% in 2026, impacted by factors such as shifts in trade policies and trade front-loading effects.

The shipping industry will continue to be affected by uncertainties regarding security conditions along the Red Sea route and geopolitical risks, with effective capacity on the Asia-Europe trade corridor remains under pressure. The European Union (EU) carbon tariff and the International Maritime Organisation (IMO) 2030 Carbon Intensity Indicator (CII) have been officially incorporated into the shipping sector, placing urgent green transition requirements on shipowners. Meanwhile, a significant volume of new build orders will be delivered over the next two years, which will lead to a substantial increase in shipping capacity. The shipping industry accelerating its restructuring toward greener and smarter transformation, creating structural opportunities for enterprises with technological and service advantages.

2026 marks the inaugural year of the 15th Five-Year Plan and a pivotal strategic period for COSCO SHIPPING International to pursue high-quality development. The Group has recently completed the deep integration of its marine equipment and spare parts supply business with the intelligent shipping services business. Building upon the foundation of its marine spare parts business, it will leverage digital empowerment and innovative integrated digital solutions to expand low-carbon service scenarios. This approach will continuously develop new quality productive forces in shipping services, significantly enhance core competitive advantages, and unleash cross-business synergies.

Looking ahead, China's shipbuilding industry is expected to maintain a sound momentum of high-quality and prosperous development during the 15th Five-Year Plan period. As market focus shifts toward areas such as green and low-carbon transformation, R&D for high-tech vessels, breakthroughs in higher-end markets, and digital intelligent development, the large-scale expansion of shipping capacity will present substantial growth opportunities for the Group's shipping services business volume. Furthermore, the unfolding demand for digital-intelligent upgrading and green retrofitting of existing fleets will also open up newly expanded markets for the Group.

COSCO SHIPPING International will actively align with national strategies and industry trends, and accelerate the development of its “1+3+N” technological innovation systems to lay a solid foundation, thereby positioning itself as a technology-driven shipping service company. By focusing on two key growth pillars, digital intelligence and green and low-carbon development, the Company will unleash its endogenous growth drivers through deepening reform and innovation, strengthening the integration of industry, academia, research, and application, thereby striving to achieve leapfrog development during the 15th Five-Year Plan period.

By business segments the ship trading agency service business and the marine coatings business will continue to benefit from the upturn cycle in China’s shipbuilding completions and new vessel deliveries in the foreseeable future; and the expansion of new shipping capacity will also create new growth opportunities for all segments of the Group’s core shipping services business.

### **SCOPE OF WORK OF SHINEWING (HK)**

The figures in respect of the Group’s consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, SHINEWING (HK) CPA Limited (“SHINEWING (HK)”), to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by SHINEWING (HK) in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by SHINEWING (HK) on the preliminary announcement.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025.

### **CORPORATE GOVERNANCE**

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

The Board believed that the Company has complied with all the code provisions of the Corporate Governance Code (“CG Code”) set out in Appendix C1 to the Listing Rules during the year ended 31 December 2025, except that (A) Ms. Zhang Xueyan, the Non-executive Director was unable to attend the annual general meeting of the Company held on 30 May 2025 (the “2025 AGM”) due to other business commitment and Mr. Ma Xianghui, the Non-executive Director was unable to attend the special general meeting of the Company held on 23 December 2025 (the “2025 SGM”) due to other business commitment, which deviated from the code provision C.1.5 of the CG Code and (B) the roles of Chairman and Managing Director are currently performed by the same individual, Mr. Zhu Changyu, which deviated from the code provision C.2.1 of the CG Code. Regarding the deviation from the code provision C.1.5 of the CG Code, despite the absence of Ms. Zhang Xueyan at the 2025 AGM and Mr. Ma Xianghui at the 2025 SGM, they communicated with the Chairman and/or the senior management of the Company to discuss feedback received from the Shareholders after the general meetings in a bid to develop better and balanced understanding of the views of the Shareholders. Regarding the deviation from code provision C.2.1 of the CG Code, although the roles of the Chairman and the Managing Director of the Company are performed by the same individual, the Board believes that the roles of the Chairman and Managing Director being performed by the same individual will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) all the Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among others, that he/she acts for the benefit and in the best interests of the Company; (ii) the balance of power and authority is ensured by the operations of the Board; and (iii) the overall strategy and other key business, financial and operational policies of the Company are made collectively after thorough discussion at both the Board and senior management of the Company. Save as mentioned above, there is no other matter deviated from the CG Code. The Company aims to continually review and enhance its corporate governance practices in light of best practices.

The audit committee of the Company (the “Audit Committee”) is comprised of three Independent Non-executive Directors and the chairman of which is a certified public accountant. The main duties of the Audit Committee include reviewing the accounting policies and the Company’s financial reporting; monitoring the performance of both the internal and external auditors; reviewing and examining the effectiveness of the financial reporting, the risk management and internal control systems; ensuring compliance with applicable statutory accounting and reporting requirements. The Audit Committee has discussed the internal controls and financial reporting matters with management of the Company and reviewed the results announcement and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

The Company has received from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the Independent Non-executive Directors to be independent.

The Company has adopted a code of conduct regarding securities transactions of Directors and employees (the “Securities Code”) no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of the Listed Issuers (the “Model Code”) contained in Appendix C3 to the Listing Rules. In order to ensure the Directors’ dealings in the securities of the Company are conducted in accordance with the Model Code and the Securities Code, a committee was set up to deal with such transactions. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code and the Securities Code during the year ended 31 December 2025, all Directors confirmed that they had complied with the required standards set out in the Model Code and the Securities Code during the year.

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

25 March 2026

*As at the date of this announcement, the Board comprises seven directors with Mr. Zhu Changyu<sup>1</sup> (Chairman and Managing Director), Mr. Ma Xianghui<sup>2</sup>, Ms. Zhang Xueyan<sup>2</sup>, Mr. Wang Yong<sup>1</sup>, Mr. Tsui Yiu Wa, Alec<sup>3</sup>, Mr. Jiang, Simon X.<sup>3</sup> and Mr. Kwong Che Keung, Gordon<sup>3</sup>.*

<sup>1</sup> *Executive Director*

<sup>2</sup> *Non-executive Director*

<sup>3</sup> *Independent Non-executive Director*

\* *for identification purposes only*