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WINSWAY 易大宗
E-COMMODITIES HOLDINGS LIMITED
易大宗控股有限公司
(Incorporated in the British Virgin Islands with limited liability)
(Stock Code: 1733)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (“**Directors**”) of E-Commodities Holdings Limited (the “**Company**”) is pleased to present the audited consolidated financial results of the Company and its subsidiaries (the “**Group**”, “**E-Commodities**”, “**we**” or “**us**”) for the year ended 31 December 2025 together with comparative figures in 2024.

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2025 was HK\$25,241 million.
- Gross profit for the year ended 31 December 2025 was HK\$900 million.
- Profit for the year ended 31 December 2025 was HK\$315 million.
- Profit attributable to equity shareholders of the Company for the year ended 31 December 2025 was HK\$316 million.
- Both basic and diluted earnings per share of the Company (the “**Share**”) for the year ended 31 December 2025 were HK\$0.120.
- An annual dividend in cash of HK\$0.030 per Share or approximately HK\$79 million has been declared for the year ended 31 December 2025.
- Total equity for the year ended 31 December 2025 was HK\$9,456 million.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2025

(Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
Revenue	3	25,241,324	39,166,191
Cost of sales		<u>(24,340,877)</u>	<u>(37,648,582)</u>
Gross profit		900,447	1,517,609
Administrative expenses		(639,586)	(745,242)
Other income	4	<u>60,715</u>	<u>234,971</u>
Profit from operations		<u>321,576</u>	<u>1,007,338</u>
Finance income		65,567	64,360
Finance costs		<u>(187,161)</u>	<u>(168,405)</u>
Net finance costs	5(a)	<u>(121,594)</u>	<u>(104,045)</u>
Share of profits of associates		104,594	85,157
Share of profits of joint ventures		<u>16,402</u>	<u>92,740</u>
Profit before taxation	5	320,978	1,081,190
Income tax	6	<u>(5,838)</u>	<u>(97,239)</u>
Profit for the year		<u>315,140</u>	<u>983,951</u>
Attributable to:			
Equity shareholders of the Company		315,681	921,528
Non-controlling interests		<u>(541)</u>	<u>62,423</u>
Profit for the year		<u>315,140</u>	<u>983,951</u>
Earnings per share	7		
Basic and diluted (HK\$)		<u>0.120</u>	<u>0.346</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

(Expressed in Hong Kong dollars)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year	<u>315,140</u>	<u>983,951</u>
Other comprehensive income for the year (after tax and reclassification adjustments):		
Item that will not be reclassified to profit or loss:		
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	5,106	(54,849)
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation:	<u>139,974</u>	<u>(201,394)</u>
Other comprehensive income for the year	<u>145,080</u>	<u>(256,243)</u>
Total comprehensive income for the year	<u>460,220</u>	<u>727,708</u>
Attributable to:		
Equity shareholders of the Company	458,898	690,193
Non-controlling interests	<u>1,322</u>	<u>37,515</u>
Total comprehensive income for the year	<u>460,220</u>	<u>727,708</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2025

(Expressed in Hong Kong dollars)

		At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Non-current assets			
Property, plant and equipment	8	3,863,317	3,642,781
Investment property	8	214,411	215,600
Right-of-use assets		978,794	1,088,373
Construction in progress		148,074	213,172
Intangible assets		219,188	243,054
Interest in associates		853,280	815,885
Interest in joint ventures		189,715	203,186
Other investments in equity securities		61,795	57,092
Deferred tax assets		222,788	134,491
Other non-current assets	9	<u>433,156</u>	<u>424,778</u>
Total non-current assets		<u>7,184,518</u>	<u>7,038,412</u>
Current assets			
Inventories	10	2,533,856	2,032,906
Trade and other receivables	11	4,020,155	4,379,085
Restricted bank deposits		2,345,133	1,988,320
Cash and cash equivalents		<u>2,070,042</u>	<u>1,996,015</u>
Total current assets		<u>10,969,186</u>	<u>10,396,326</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)**at 31 December 2025**(Expressed in Hong Kong dollars)*

		At 31 December 2025 <i>HK\$'000</i>	At 31 December 2024 <i>HK\$'000</i>
Current liabilities			
Secured bank loans		2,997,400	2,100,180
Trade and other payables	12	4,991,964	4,955,836
Contract liabilities		132,871	323,071
Lease liabilities		105,052	202,936
Income tax payable		121,554	146,899
Total current liabilities		<u>8,348,841</u>	<u>7,728,922</u>
Net current assets		<u>2,620,345</u>	<u>2,667,404</u>
Total assets less current liabilities		<u>9,804,863</u>	<u>9,705,816</u>
Non-current liabilities			
Secured bank loans		44,008	191,345
Lease liabilities		225,808	314,476
Deferred income		23,410	25,350
Deferred tax liabilities		55,201	73,672
Total non-current liabilities		<u>348,427</u>	<u>604,843</u>
NET ASSETS		<u>9,456,436</u>	<u>9,100,973</u>
CAPITAL AND RESERVES			
Share capital	13(b)	5,389,760	5,410,638
Reserves		3,675,143	3,250,912
Total equity attributable to equity shareholders of the Company		<u>9,064,903</u>	<u>8,661,550</u>
Non-controlling interests		<u>391,533</u>	<u>439,423</u>
TOTAL EQUITY		<u>9,456,436</u>	<u>9,100,973</u>

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Hong Kong dollars unless otherwise indicated)

1 CORPORATE INFORMATION

E-Commodities Holdings Limited (the “**Company**”) was incorporated in the British Virgin Islands (“**BVI**”) on 17 September 2007 with limited liability under the Business Companies Act of the British Virgin Islands (2004). The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in the trading of coal and other products and the rendering of integrated supply chain services.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards (“**IFRSs**”) as issued by the International Accounting Standards Board (“**IASB**”). These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Material accounting policies adopted by the group are disclosed below.

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial information for the year ended 31 December 2025 comprises the Company and its subsidiaries (together referred to as the “**Group**”) and the Group’s interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Investments in equity securities; and
- derivative financial instruments.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Changes in accounting policies

The IASB has issued the following amendments to IFRS Accounting Standards that are first effective for the current accounting period of the Group:

- Amendments to IAS 21, The effects of changes in foreign exchange rates: Lack of exchangeability.

The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The Group is principally engaged in trading of coal and other products and rendering of integrated supply chain services. Revenue represents the sales value of goods sold, net of value added tax and other sales taxes and is after any trade discounts, and revenue from rendering of integrated supply chain services.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of IFRS 15		
Disaggregated by major products or service lines		
– Coal	19,461,514	33,848,161
– Rendering of integrated supply chain services	3,406,574	3,951,002
– Oil and petrochemical products	2,092,131	1,135,268
– Coke	154,897	–
– Iron ore	98,116	179,538
– Others	28,092	52,222
	<u>25,241,324</u>	<u>39,166,191</u>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in notes 3(b)(i) and 3(b)(iii) respectively.

The Group's customer base is diversified and includes one customer with whom transaction has exceeded 10% of the Group's revenues. In 2025 revenues from this customer amounted to approximately HK\$2,626,577,000 (2024: HK\$4,618,683,000).

(b) Segment reporting

The Group manages its businesses by divisions, which are organized by a mixture of both business lines and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Trading of coal and other products: this segment generates income from trading of coal and other products to external customers.
- Rendering of integrated supply chain services: this segment constructs, manages and operates mining equipment, processing factories and logistics parks and generates income from rendering of mining, consigned processing and logistics services to customers.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets and current assets with the exception of deferred tax assets. Segment liabilities include all the liabilities with the exception of income tax payables and deferred tax liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment profit includes the Group's share of profit or loss arising from the activities of the Group's associates and joint ventures. However, other than reporting intersegment sales of coal and other products and logistics services, assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The measure used for reporting segment profit is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning inter-segment sales, the Group's share of associates and joint ventures, interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment/reversal of impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 is set out below.

	Trading of		Rendering of integrated		Total	
	coal and other products		supply chain services			
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Disaggregated by timing of revenue recognition						
Point in time	21,834,750	35,215,189	1,827,387	3,044,926	23,662,137	38,260,115
Over time	-	-	1,579,187	906,076	1,579,187	906,076
Revenue from external customers	21,834,750	35,215,189	3,406,574	3,951,002	25,241,324	39,166,191
Intersegment revenue	-	-	498,724	969,155	498,724	969,155
Reportable segment revenue	21,834,750	35,215,189	3,905,298	4,920,157	25,740,048	40,135,346
Reportable segment profit (adjusted EBITDA)	196,963	358,142	744,957	1,265,376	941,920	1,623,518
Interest income	33,542	33,462	32,025	30,898	65,567	64,360
Interest expense	(58,790)	(89,963)	(39,444)	(46,695)	(98,234)	(136,658)
Depreciation and amortisation	(55,720)	(56,183)	(487,568)	(418,227)	(543,288)	(474,410)
Impairment of non-current assets	-	-	-	-	-	-
Reversal of provision for impairment losses on trade and other receivables	43,732	31,899	208	4,228	43,940	36,127
Reportable segment assets (including interest in associates and joint ventures)	11,944,354	11,333,992	7,389,965	7,296,415	19,334,319	18,630,407
Additions to non-current segment assets during the year	128,943	359,647	404,417	2,028,767	533,360	2,388,414
Reportable segment liabilities	8,226,795	6,446,609	1,697,121	2,996,745	9,923,916	9,443,354

(ii) *Reconciliations of reportable segment revenue, profit or loss, assets and liabilities*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue		
Reportable segment revenue	25,740,048	40,135,346
Elimination of intersegment revenue	<u>(498,724)</u>	<u>(969,155)</u>
Consolidated revenue	<u><u>25,241,324</u></u>	<u><u>39,166,191</u></u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit		
Reportable segment profit	941,920	1,623,518
Depreciation and amortisation	(543,288)	(474,410)
Reversal of provision for impairment losses on trade and other receivables	43,940	36,127
Net finance costs	<u>(121,594)</u>	<u>(104,045)</u>
Consolidated profit before taxation	<u><u>320,978</u></u>	<u><u>1,081,190</u></u>
	At 31 December 2025 <i>HK\$'000</i>	At 31 December 2024 <i>HK\$'000</i>
Assets		
Reportable segment assets	19,334,319	18,630,407
Deferred tax assets	222,788	134,491
Elimination of intersegment receivables	<u>(1,403,403)</u>	<u>(1,330,160)</u>
Consolidated total assets	<u><u>18,153,704</u></u>	<u><u>17,434,738</u></u>
Liabilities		
Reportable segment liabilities	9,923,916	9,443,354
Income tax payable	121,554	146,899
Deferred tax liabilities	55,201	73,672
Elimination of inter-segment payables	<u>(1,403,403)</u>	<u>(1,330,160)</u>
Consolidated total liabilities	<u><u>8,697,268</u></u>	<u><u>8,333,765</u></u>

(iii) *Geographic information*

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets other than other investment in equity securities and deferred tax assets (“**specified non-current assets**”). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based (i) on the physical location of the asset in the case of investment property and property, plant and equipment, (ii) the location of the operation to which they are allocated in the case of intangible assets, or (iii) the location of operations in the case of interests in associates and joint ventures.

	Revenues from external customers		Specified non-current assets	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The PRC (including Hong Kong, Macau and Taiwan)	17,943,221	31,035,530	4,548,539	4,532,359
Indonesia	1,853,381	2,633,338	–	–
Mongolia	1,395,097	1,089,654	2,110,044	2,211,267
Malaysia	922,557	1,580,972	–	–
South Korea	919,231	1,045,207	–	–
Vietnam	628,224	384,048	–	–
India	592,705	776,320	–	–
Canada	372,211	–	112,172	–
Japan	361,006	502,576	43,090	41,728
Others	253,691	118,546	86,090	61,475
	<u>25,241,324</u>	<u>39,166,191</u>	<u>6,899,935</u>	<u>6,846,829</u>

4 OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net realised and unrealised gain on derivative financial instruments and structured deposits products (<i>note</i>)	50,728	171,051
Gain on disposal of property, plant and equipment, construction in progress and intangible assets	4,247	12,490
Government grants	12,125	45,274
Others	<u>(6,385)</u>	<u>6,156</u>
	<u>60,715</u>	<u>234,971</u>

Note: Net realised and unrealised gain on derivative financial instruments mainly represented the net gain or loss from commodity futures contracts entered into by the Group during the year ended 31 December 2025 and 2024.

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after (crediting)/charging:

(a) Net finance costs

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income on financial assets measured at amortised cost	<u>(65,567)</u>	<u>(64,360)</u>
Finance income	----- (65,567)	----- (64,360)
Interest on secured bank loans and other borrowings	51,778	52,345
Interest on discounted bank acceptance bills	26,884	53,965
Interest on lease liabilities	<u>19,572</u>	<u>30,348</u>
Total interest expense	98,234	136,658
Foreign exchange loss, net	74,295	8,674
Bank and other charges	<u>14,632</u>	<u>23,073</u>
Finance costs	----- <u>187,161</u>	----- <u>168,405</u>
Net finance costs	<u>121,594</u>	<u>104,045</u>

(b) Staff costs

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Salaries, wages, bonus and other benefits	794,411	809,031
Contributions to defined contribution retirement plan	<u>51,796</u>	<u>41,519</u>
	<u><u>846,207</u></u>	<u><u>850,550</u></u>

(c) Other items

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Amortisation and depreciation (<i>note</i>)		
– property, plant and equipment and investment property	452,407	349,878
– right-of-use assets	66,342	100,437
– intangible assets	24,539	24,095
(Reversal of provision)/provision for impairment losses on trade and other receivables	(43,940)	(36,127)
– trade receivables	(26,271)	(39,252)
– other receivables	(17,669)	3,125
Cost of inventories (<i>note</i>)	<u><u>21,237,378</u></u>	<u><u>34,354,448</u></u>

Note: Cost of inventories includes HK\$9,203,000 (2024: HK\$11,418,000) and HK\$11,731,000 (2024: HK\$13,645,000) for the year ended 31 December 2025 relating to staff costs, depreciation and amortisation which amount is also included in the respective total amount disclosed separately above or in note 5(b) for each type of these expenses.

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Taxation in the consolidated statements of profit or loss represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax – Hong Kong		
Provision for the year	9,887	12,302
Current tax – Overseas		
Provision for the year	104,303	160,633
Under-provision in respect of prior years	(1,584)	7,910
Deferred Tax		
Origination and reversal of temporary differences	<u>(106,768)</u>	<u>(83,606)</u>
	<u>5,838</u>	<u>97,239</u>

Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI.

The provision for Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year.

The provision for PRC current income tax is based on a statutory rate of 25% (2024: 25%) of the assessable profit as determined in accordance with the relevant income tax rules and regulations of the PRC.

According to Cai Shui [2020] No. 31 Notice on Preferential Corporate Income Tax Policies for the Hainan Free Trade Port and Cai Shui [2025] No. 3 Notice on Continuation of Preferential Corporate Income Tax Policies for the Hainan Free Trade Port, certain subsidiaries of the Group are entitled to a preferential tax rate of 15% from 1 January 2021 to 31 December 2027.

Pursuant to Cai Shui [2011] No. 58 Notice on Issues Concerning Relevant Tax Policies to In-depth Implementation of the Western Development Strategy, Announcement [2012] No. 12 Public Announcement on Corporate Income Tax Issues Relating to In-depth Implementation of the Western Development Strategy and Announcement [2020] No. 23 Public Announcement on Continuation of Corporate Income Tax Policy Relating to the Western Development Strategy, certain subsidiaries of the Group, being enterprises engaged in state encouraged industries established in the specified western regions, are taxed at a preferential income tax rate of 15% till 31 December 2030.

The PRC Corporate Income Tax Law allows enterprises to apply for certificate of “High and New Technology Enterprise” (“**HNTE**”), which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria. One subsidiary is qualified as a HNTE. Accordingly, the subsidiary is entitled to the preferential tax rate of 15% for the years ended 31 December 2024 and 2025. The Company obtained its certificate of HNTE on 29 October 2024 and is subject to income tax at 15% from 1 January 2024 to 31 December 2026.

Taxation for other overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries. As disclosed in note 6(c), the group is also liable to Pillar Two income taxes.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit before taxation	<u>320,978</u>	<u>1,081,190</u>
Notional tax on profit before taxation, calculated at the rates applicable to profit in the jurisdictions concerned	26,364	113,216
Tax effect of non-taxable income	(27,921)	(34,197)
Tax effect of non-deductible expenses	8,731	3,438
Tax effect of utilization of previously unrecognised tax losses	–	(5,393)
Tax effect of unused tax losses and other temporary differences not recognised	9,546	12,265
Under-provision in respect of prior years	(1,584)	7,910
Effect on deferred tax balances at 1 January resulting from a change in tax rate	<u>(9,298)</u>	<u>–</u>
Actual tax expense	<u>5,838</u>	<u>97,239</u>

(c) Pillar Two income taxes

The Company is part of a multinational enterprise Group which is subject to the Global Anti-Base Erosion Model Rules (“**Pillar Two model rules**”) published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland. The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax, and the top-up tax relates to the Group's operations in Singapore, there is no significant impact on current tax for the year ended 31 December 2025.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on profit attributable to equity shareholders of the Company of HK\$315,681,000 (2024: HK\$921,528,000) and the weighted average number of ordinary shares of 2,641,394,000 ordinary shares (2024: 2,663,314,000 shares) in issue during the year ended 31 December 2025, calculated as follows:

Weighted average number of ordinary shares (basic):

	2025 '000	2024 '000
Issued ordinary shares at 1 January	2,696,547	2,705,997
Effect of purchase of own shares	(21,424)	(8,954)
Effect of purchase of shares held by the employee share trusts (<i>note</i>)	(33,729)	(33,729)
	<u>2,641,394</u>	<u>2,663,314</u>
Weighted average number of ordinary shares (basic) as at 31 December	<u>2,641,394</u>	<u>2,663,314</u>

Note: The shares held by the employee share trusts are regarded as treasury shares.

(b) Diluted earnings per share

For the year ended 31 December 2025 and 2024, basic and diluted earnings per share was the same as there were no potentially dilutive ordinary shares in issue during the period.

8 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

(a) Reconciliation of carrying amount

	Land and buildings HK\$'000	Plant and machinery HK\$'000	Railway special assets HK\$'000	Motor vehicles HK\$'000	Office and other equipment HK\$'000	Sub-total HK\$'000	Investment property HK\$'000	Total HK\$'000
Cost:								
At 1 January 2024	1,797,744	695,448	365,133	1,133,106	551,013	4,542,444	228,300	4,770,744
Additions	296,660	235,119	32	47,876	92,297	671,984	-	671,984
Acquisition of a subsidiary	17,453	662,157	-	6,610	5,335	691,555	-	691,555
Transferred from construction in progress	242,723	88,498	74,661	8,572	6,940	421,394	-	421,394
Reclassification	-	-	-	-	79,958	79,958	-	79,958
Disposals	(19,576)	(163,758)	-	(9,320)	(5,965)	(198,619)	-	(198,619)
Exchange adjustments	(36,928)	(22,236)	(9,497)	(13,646)	(20,814)	(103,121)	(4,040)	(107,161)
At 31 December 2024 and 1 January 2025	2,298,076	1,495,228	430,329	1,173,198	708,764	6,105,595	224,260	6,329,855
Additions	51,874	222,654	619	36,687	80,206	392,040	-	392,040
Acquisition of subsidiaries	43,292	-	-	1,486	4,063	48,841	-	48,841
Transferred from construction in progress	117,509	19,244	(919)	17,617	13,640	167,091	-	167,091
Reclassification	-	-	-	-	133,478	133,478	-	133,478
Disposals	(1,794)	(10,159)	(1,264)	(25,255)	(5,656)	(44,128)	-	(44,128)
Exchange adjustments	58,609	16,710	7,456	(29,156)	22,327	75,946	5,649	81,595
At 31 December 2025	2,567,566	1,743,677	436,221	1,174,577	956,822	6,878,863	229,909	7,108,772
Accumulated depreciation and impairment losses:								
At 1 January 2024	762,081	363,505	271,448	426,151	348,867	2,172,052	3,738	2,175,790
Charge for the year	72,473	87,345	11,647	107,234	66,098	344,797	5,081	349,878
Reclassification	-	-	-	-	33,490	33,490	-	33,490
Written back on disposal	(1,089)	(31,760)	-	(6,274)	(2,638)	(41,761)	-	(41,761)
Exchange adjustments	(18,221)	(7,153)	(6,339)	(5,743)	(8,308)	(45,764)	(159)	(45,923)
At 31 December 2024 and 1 January 2025	815,244	411,937	276,756	521,368	437,509	2,462,814	8,660	2,471,474
Charge for the year	84,124	158,795	7,659	92,460	102,842	445,880	6,527	452,407
Reclassification	-	-	-	-	58,254	58,254	-	58,254
Written back on disposal	(644)	(5,723)	(48)	(13,006)	(4,816)	(24,237)	-	(24,237)
Exchange adjustments	48,019	6,574	14,947	(6,036)	9,331	72,835	311	73,146
At 31 December 2025	946,743	571,583	299,314	594,786	603,120	3,015,546	15,498	3,031,044
Net book value:								
At 31 December 2025	1,620,823	1,172,094	136,907	579,791	353,702	3,863,317	214,411	4,077,728
At 31 December 2024	1,482,832	1,083,291	153,573	651,830	271,255	3,642,781	215,600	3,858,381

Note: At 31 December 2025, property, plant and equipment of the Group of HK\$873,301,000 (2024: HK\$823,626,000) have been pledged as collateral for the Group's borrowings, bills payable (see note 12) and lease liabilities.

(b) **The analysis of net book value of property held for own use**

	At 31 December 2025 <i>HK\$'000</i>	At 31 December 2024 <i>HK\$'000</i>
The PRC (including Hong Kong, Macau and Taiwan)	1,411,459	1,335,252
Other countries	<u>209,364</u>	<u>147,580</u>
Aggregate net book value	<u><u>1,620,823</u></u>	<u><u>1,482,832</u></u>

As at 31 December 2025, the Group was in the process of applying for the ownership certificate for certain buildings with an aggregate net book value amounting to HK\$96,388,000 (2024: HK\$237,276,000). The directors of the Company are of the opinion that the Group is entitled to lawfully and validly occupy and use of the above mentioned buildings.

(c) **Investment property**

The Group leases out investment property through operating leases. The leases typically run for an initial period of 1 year. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating lease in place at the reporting date will be receivable by the Group in future periods as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 year	<u><u>4,527</u></u>	<u><u>1,971</u></u>

9 OTHER NON-CURRENT ASSETS

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Loan to a joint venture (<i>note</i>)	388,309	361,652
Advance payments for property and equipment and construction in progress	<u>44,847</u>	<u>63,126</u>
	<u><u>433,156</u></u>	<u><u>424,778</u></u>

Note:

In 2023 and 2024, the Group entered into certain loan agreements (“**the Previous Loan Agreement**”) with one of the Group’s joint ventures (the “**Joint Venture**”) of which the ultimate owner of the other shareholder on the Joint Venture operates logistic services in Mongolia. The maximum cap under the Previous Loan Agreement is US\$45,000,000 (equivalent to approximately HK\$350,500,000), with the maturity date of 2031 and interest rate of 7% per annum. Meanwhile the respective loan was be simultaneously provided to a fellow subsidiary of the other shareholder of the Joint Venture with identical terms to finance its purchase of logistics facilities. According to the agreements, the purchased logistics facilities would be pledged to the Joint Venture and eventually pledged to the Group as collateral of the loan. The Group entered into a further loan agreement (the “**2025 Loan Agreement**”) with Joint Venture in 2025. The terms of 2025 Loan Agreement were identical to those of the Previous Loan Agreement, with a maximum cap of US\$9,000,000 (equivalent to approximately HK\$70,050,000).

In 2025, the Group has recovered the principal and interest under the Loan Agreements US\$7,514,000 (equivalent to approximately HK\$58,482,000) from the Joint Venture. As at 31 December 2025, the principal amount of the loan under the Loan Agreements to the Joint Venture amounted to US\$44,464,000 (equivalent to HK\$346,073,000), and the accrued interest amounted to US\$5,427,000 (equivalent to HK\$42,236,000).

10 INVENTORIES

Inventories in the consolidated statement of financial position comprise:

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Coal	2,346,872	1,950,968
Others	<u>186,984</u>	<u>81,938</u>
	<u><u>2,533,856</u></u>	<u><u>2,032,906</u></u>

At 31 December 2025, inventory of the Group of HK\$538,371,000 (2024: HK\$224,968,000) have been pledged as collateral for the Group’s borrowings, bills payable (see note 12).

11 TRADE AND OTHER RECEIVABLES

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Trade receivables, net of loss allowance	1,676,576	1,708,867
Bank acceptance bills	657,966	1,108,107
Other debtors	<u>65,618</u>	<u>166,769</u>
Financial assets measured at amortised cost	2,400,160	2,983,743
Deposits and prepayments	1,035,542	819,419
Other tax recoverable	510,111	376,329
Derivative financial instruments (<i>note</i>)	74,342	87,414
Investment in structured deposit products	<u>–</u>	<u>112,180</u>
	<u>4,020,155</u>	<u>4,379,085</u>

Note: As at 31 December 2025 and 2024, derivative financial instruments mainly represented the fair value of commodity futures contracts entered into by the Group.

At 31 December 2025, trade receivables and bank acceptance bills of the Group of HK\$720,953,000 (2024: HK\$878,163,000) have been pledged as collateral for the Group's borrowings and bills payable (see note 12).

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Within 3 months	1,585,513	1,689,914
3 to 6 months	89,662	18,953
6 to 12 months	<u>1,401</u>	<u>–</u>
	<u>1,676,576</u>	<u>1,708,867</u>

The credit terms for trade debtors are generally within 90 days.

12 TRADE AND OTHER PAYABLES

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Trade and bills payables	4,203,400	3,570,629
Payables in connection with construction projects	29,092	119,912
Payables for purchase of equipment and motor vehicles	156,865	357,604
Payables for staff related costs (<i>note</i>)	211,839	301,917
Payables for other taxes	110,923	58,151
Dividends payable	22,630	217,781
Others	<u>257,215</u>	<u>329,842</u>
Financial liabilities measured at amortised cost	<u>4,991,964</u>	<u>4,955,836</u>

Note: Included bonus payable to senior management amounting to approximately HK\$95,194,000 (2024: HK\$160,075,000).

The Group's bills payable are analysed as follows:

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Secured by restricted bank deposits, bank acceptance bills and structured deposits	2,133,718	1,970,417
Secured by restricted bank deposits, property, plant and equipment, land use rights and inventories	627,780	218,185
Credit guarantee and restricted bank deposits	<u>278,908</u>	<u>37,942</u>
	<u>3,040,406</u>	<u>2,226,544</u>

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	At 31 December 2025 HK\$'000	At 31 December 2024 HK\$'000
Within 3 months	3,145,007	2,802,014
More than 3 months but less than 6 months	1,002,213	648,452
More than 7 months but less than 1 year	49,330	94,623
More than 1 year	<u>6,850</u>	<u>25,540</u>
	<u>4,203,400</u>	<u>3,570,629</u>

13 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

(i) Dividends payable to equity shareholders attributable to the year

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend declared of HK\$ nil per ordinary share (2024: HK\$0.073)	–	195,715
Final dividend proposed after the end of the reporting period of HK\$0.030 per ordinary share (2024: HK\$0.013)	<u>78,920</u>	<u>34,667</u>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(b) Share capital

	2025 No. of shares '000	2024 No. of shares '000
Authorised:		
Ordinary shares with no par value	<u>6,000,000</u>	<u>6,000,000</u>

	2025		2024	
	No. of shares '000	<i>HK\$'000</i>	No. of shares '000	<i>HK\$'000</i>
Ordinary shares, issued and fully paid:				
Existing shares at 1 January	2,696,547	5,410,638	2,705,997	5,420,519
Cancellation of repurchased shares (note)	<u>(23,458)</u>	<u>(20,878)</u>	<u>(9,450)</u>	<u>(9,881)</u>
At 31 December	<u>2,673,089</u>	<u>5,389,760</u>	<u>2,696,547</u>	<u>5,410,638</u>

Note: During the year ended 31 December 2025, the Company cancelled in aggregate of 23,458,000 (2024: 9,450,000) of its own shares which were purchased from the open market.

CHAIRMAN'S STATEMENT

Dear Shareholders and colleagues,

The year 2025 marked a period of profound adjustment for the commodities sector. The external environment remained highly complex and volatile with market demand and pricing mechanisms undergoing continuous restructuring. These conditions placed significant pressure on the industry participants' business operations. While our performance this year was not as remarkable as in the past, our team remained dedicated, ensuring stable operations and maintaining business continuity in a highly volatile market, thereby laying a solid foundation for the Company's long-term development.

I hereby would like to extend my sincere gratitude to every member of the "E-Commodities Family" who has forged ahead under pressure, as well as to all shareholders for your trust and companionship, your support has given us the confidence and courage to navigate through market cycles. This year, we remained committed to our promise of rewarding shareholders by maintaining a stable dividend policy, and proposed to declare a final dividend of approximately HK\$79 million for 2025.

Industry Review

In 2025, the steel industry and coking coal market exhibited distinct characteristics of transformation. The price benchmarks shifted sharply downwards, profit margins across trading links were severely compressed, and operational challenges intensified significantly:

The steel industry continued the pattern of strong supply and weak demand. According to data from the National Bureau of Statistics of China, the annual crude steel production amounted to 961 million tonnes, representing a year-on-year decrease of approximately 4.40%; and the consumption of apparent crude steel was 829 million tonnes, representing a year-on-year decrease of approximately 7.10% and a reduction of roughly 20.90% as compared to the peak in 2020. The demand structure underwent significant adjustments, with the share of steel used in the construction sector falling to approximately 49.00%, while that used in the manufacturing sector rose to approximately 51.00%. Sectors such as automotive, shipbuilding, new energy, and new infrastructure became the primary drivers of demand. Steel exports reached 119 million tonnes for the year, representing a year-on-year increase of nearly 7.50%. However, the average export price was USD694 per tonne, representing a year-on-year decrease of approximately 8.10%, characterized by "rising volumes but falling prices".

The coking coal market experienced significant volatility throughout the year, with a significant downward shift in the price benchmark, presenting severe challenges for trading operations. From the beginning to the middle of the year, price continued to bottom out. The price of coking coal fell persistently from nearly RMB2,000 per tonne at the beginning of the year, with the major futures contract recording a maximum decline of approximately 39.01%, hitting a new low since 2017. While policy stimulus in the third quarter drove a short-lived rebound, the market resumed its downward trend in the fourth quarter and retested its lows at the end of the year, with the average coking coal market price standing at around RMB1,304 per tonne in December. Sharp price fluctuations reflected the high degree of uncertainty in the market. The sustained downturn in the price benchmark squeezed trading intermediaries from both upstream and downstream, severely narrowing profit margins and posing significant challenges to traditional trading models.

Restructuring of industrial chain profits and transformation of inventory strategies. Downstream steel mills wielded the pricing power, which narrowed the profit margins at the upstream resource end, squeezing trading intermediaries from both sides and resulting in extremely thin profit margins. Meanwhile, downstream enterprises generally adopted low-inventory, rapid-turnover strategies, intensifying risks in the trading and distribution segments and significantly increasing pressure on capital turnover. Consequently, the industry placed markedly higher requirements on risk control capabilities, operational efficiency, and capital security.

Business Performance

Amidst a challenging market environment, the Group recorded a revenue of HK\$25,241 million and a net profit of HK\$315 million for the year. The changes in performance were primarily attributable to the significant volatility in the coking coal market throughout the year, a significant downturn in the price benchmark, and a restructuring of industrial chain profits, causing the intermediary trading and logistics segments to suffer from margin compression on both sides, thereby drastically squeezing profit margins. The performance of each business segment is as follows:

Supply Chain Trading Segment: During the year, the Group completed coal sales of 17.25 million tonnes, and sold 8.69 million tonnes of Mongolian coal through a joint venture, Xianghui Energy (Xiamen) Co., Ltd. * (象暉能源 (廈門) 有限公司) (“**Xianghui Energy**”). In response to a market environment characterized by drastic price fluctuations throughout the year, we implemented a dual-engine strategy: First, we optimized the product mix and strengthened research and development in coal blending technology to enhance our service capability for high-quality prepared coal, thereby building a differentiated competitive advantage. Second, we coordinated efforts across domestic and overseas markets, steadily expanding our overseas footprint and lifting the share of overseas sales in total supply chain trading revenue to approximately 25.34%. In response to the new normal of trading defined by “low margins, high risks, and fast turnover”, we simultaneously intensified risk control measures, and flexibly utilized futures instruments to hedge against the impact of price volatility, thereby assisting partners in accurately matching spot and futures positions to mitigate operational risks. Against the backdrop of profit contraction across the industry, we achieved risk sharing and mutual benefits with partners through providing value-added services, thereby solidifying core customer relationships.

Integrated Supply Chain Services Segment: In 2025, the competitive landscape at Sino-Mongolia ports underwent profound changes. The clearance capacity of Gants Mod port continued to improve, while infrastructure enhancement of other ports including Ceke port and Mandula port was accelerated, the resulting increase in transport capacity led to a decline in profits across various segments of cross-border transportation, which has become an inevitable industry-wide and structural trend. During the year, the Company delivered mining services volume of 36.83 million m³, domestic transportation volume of 11.22 million tonnes, and washing and processing volume of 6.70 million tonnes. Through our subsidiaries, joint ventures and associates, we achieved cross-border transportation volume of 9.71 million tonnes and participated in port storage handling of 16.86 million tonnes. Amid industry-wide margin compression and heightened competition, the Company's business volume remained relatively stable, which fully validated the anti-cyclical capability and operational resilience of the integrated supply chain closed-loop service model built over many years. In the future, the Company intends to continue exploring ways to adapt to the new competitive landscape among the ports by implementing a strategy of "optimizing layout and multi-point support": consolidating the foundation of Gants Mod port to maintain existing service advantages; assessing the opportunities to increase the share of operations of Ceke port and Mandula port to form incremental support; and exploring to build a balanced cross-border supply chain system to reduce dependence on any single port, thereby enhancing our overall risk resistance and long-term profitability stability.

Service Capability Development and Sustainable Growth

In 2025, building on a foundation of stable operations, the Company achieved breakthroughs in its service capabilities: we successfully obtained the qualification for a coking coal delivery warehouse from the Dalian Commodity Exchange, providing the market with risk management tools and a standard pricing reference; we advanced the establishment of a supervised warehouse for copper concentrate at Gants Mod port, achieving breakthroughs in bonded storage and multi-category operations; and we steadily progressed with pilots for smart logistics and unmanned transportation, enhancing operational efficiency and long-term competitiveness.

The Company has always embedded responsibility and sustainability into its development gene. In 2025, we made comprehensive progress in our ESG development: integrating green and low-carbon principles throughout entire supply chain services, ensuring safety and compliance across every aspect of our operations and management, and putting employee care and social responsibility into practice. We safeguard the ecosystem, our partners and shareholder value through more transparent governance, greener operations and more compassionate social responsibility.

Outlook: Holding the Bottom Line, and Building Momentum for Recovery

The profound market adjustment in 2025 presented a systemic challenge for the entire industry. The downward shift in the price benchmark, shrinking profit margins, and intensified volatility risk posed challenges to the risk control capabilities and operational efficiency of every market player. In the future, the Company will continue to adhere to a steady, prudent and sustainable business strategy to optimize resource allocation, strengthen risk control, enhance operational efficiency, focus on core ports and core customers, and deepen services across the entire coal supply chain.

Industry cycles are bound to ebb and flow, yet improved supply-demand dynamics and market recovery are foreseeable. We believe that our resilience and capability building at the bottom of the cycle will accumulate stronger momentum for the next upswing. The Company will deliver tangible operating results to reward the trust and support of all shareholders.

May we join hands and hearts to traverse mountains and seas, and build a long-lasting brilliance for E-Commodities together!

Cao Xinyi

Chairman

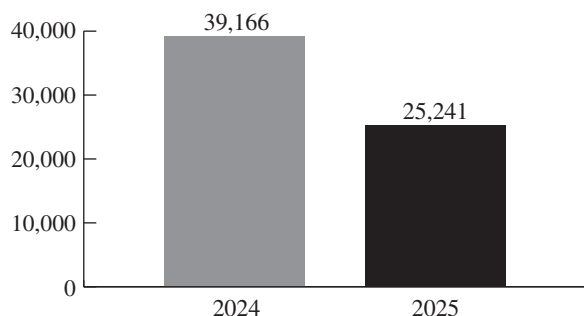
E-Commodities Holdings Limited

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND OPERATING RESULTS

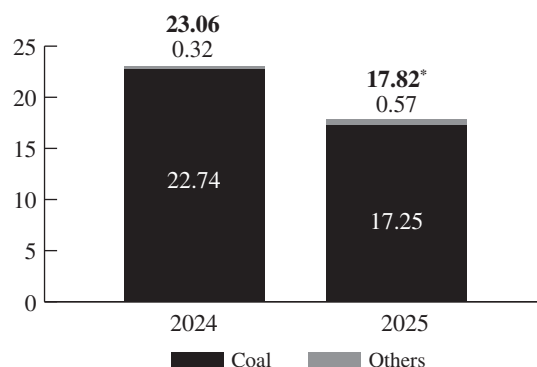
The following discussion and analysis should be read together with the Group’s financial information and the notes thereto. The Group’s financial statements have been prepared in accordance with all IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

I. Overview

Revenue (in HK\$ million)

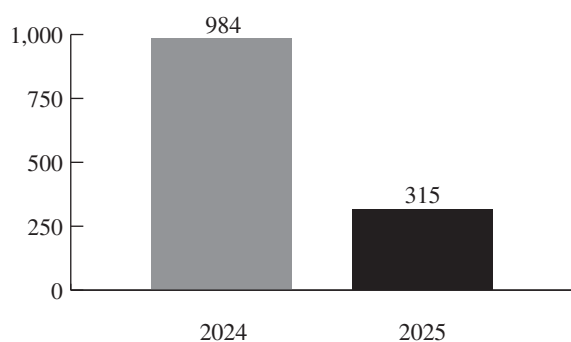


Supply Chain Trading Volume (million tonnes)

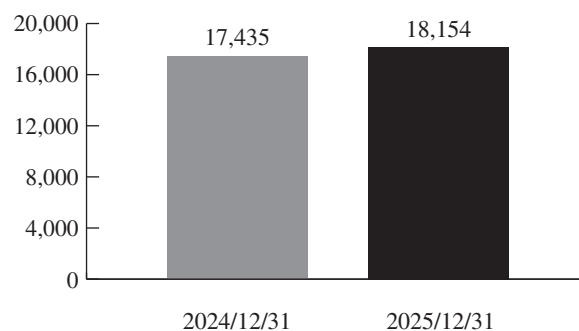


* Excluding sales volume of approximately 8.69 million tonnes of Mongolian coal executed through our associate Xianghui Energy.

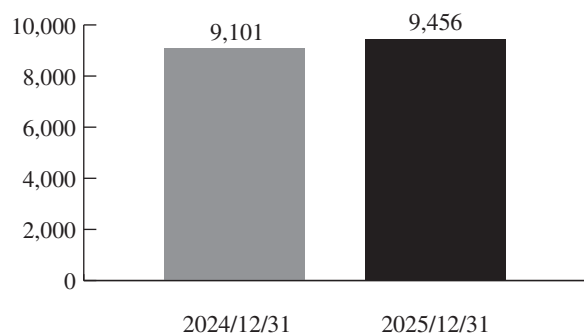
Net Profit (in HK\$ million)



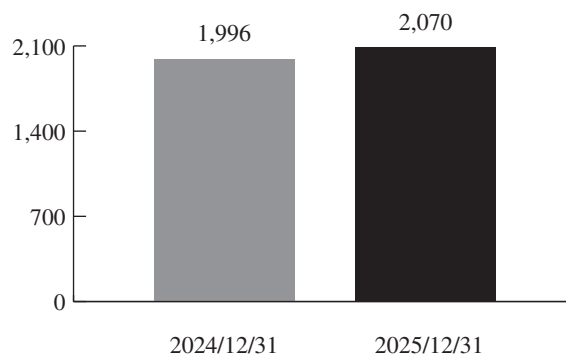
Total Assets (in HK\$ million)



Total Equity (in HK\$ million)



Cash and Cash Equivalents (in HK\$ million)



II. Financial Review

1. Revenue Overview

The year 2025 marked a period of profound adjustment for the commodities sector. The external environment remained highly complex and volatile with market demand and pricing mechanisms undergoing continuous restructuring. These conditions placed significant pressure on the industry participants' business operations. The steel industry remained a mismatch of strong supply and weak demand, with year-on-year declines in both crude steel output and consumption, as demand shifted from construction to manufacturing, particularly in automotive, shipbuilding, new energy, and new infrastructure. The coking coal market experienced significant volatility throughout the year, with a significant downward shift in the price benchmark. Steel mills held pricing power, margins at the upstream resource side narrowed, and midstream traders were squeezed from both ends, resulting in extremely thin profit margins. Meanwhile, downstream enterprises adopted low-inventory and fast-turnover strategies, intensifying risks in trading and increasing the need for effective risk management and operational efficiency. Despite these challenges, the Group recorded consolidated revenue of HK\$25,241 million, representing a decrease of 35.55% compared to HK\$39,166 million in 2024. This decrease was mainly due to a year-on-year decline in coking coal prices and a corresponding decrease in coal trading volume, resulting in a 42.50% drop in coal trading revenue compared to the same period last year.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Disaggregated by major products or service lines		
– Coal	19,461,514	33,848,161
– Rendering of integrated supply chain services	3,406,574	3,951,002
– Oil and petrochemical products	2,092,131	1,135,268
– Coke	154,897	–
– Iron ore	98,116	179,538
– Others	28,092	52,222
	<u>25,241,324</u>	<u>39,166,191</u>

In 2025, sales revenue generated from outside of the PRC (including Hong Kong, Macau and Taiwan) was HK\$7,298 million, and the percentage to the total revenue rose to 28.90% in 2025 from 20.76% in 2024, showing the great effort of the Group in global market expansion and market diversification. In 2025, the Group's oversea business geographic coverage includes Indonesia, Mongolia, Malaysia, South Korea, Vietnam, India, Canada, Japan and others.

	Revenues from external customers	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The PRC (including Hong Kong, Macau and Taiwan)	17,943,221	31,035,530
Indonesia	1,853,381	2,633,338
Mongolia	1,395,097	1,089,654
Malaysia	922,557	1,580,972
South Korea	919,231	1,045,207
Vietnam	628,224	384,048
India	592,705	776,320
Canada	372,211	-
Japan	361,006	502,576
Others	253,691	118,546
	<u>25,241,324</u>	<u>39,166,191</u>

In 2025, the sales from our top five customers accounted for 39.90% of our total sales, whereas the same ratio was 44.92% in 2024. These customers are mainly large-scale, state-owned steel groups in China, all being leading companies in the industry.

Supply Chain Trading

In 2025, the Group's supply chain trading business segment recorded a revenue of HK\$21,834 million, representing approximately 86.50% of the total revenue. This segment generates income by providing commodities trading services to our end customers, covering diversified commodities including, among others, coal products, oil and petrochemical products, coke and iron ore.

The revenue generated from coal products decreased by approximately 42.50% from approximately HK\$33,848 million in 2024 to approximately HK\$19,462 million in 2025. This was primarily due to:

- 1) the market remained under sustained pressure, and the benchmark price of coking coal continued its downward trend, with the average price of tier-one premium coking coal falling by approximately 26.62% year-on-year;
- 2) against the price discrepancies between domestic and international coal markets, China's import volume of seaborne coking coal (excluding cargoes sourced from Mongolia) decreased by approximately 9.96% year-on-year. The Group has adopted a prudent procurement strategy to strictly control risks and prioritize quality sales.

Nevertheless, the Group confronted market price fluctuations by implementing a dual-engine strategy actively optimizing its product structure and strengthening research and development in coal blending technology to enhance its service capability for high-quality prepared coal, thereby building a differentiated competitive advantage. The Group also coordinated efforts in both domestic and international markets to steadily expand its overseas presence, with the share of sales in non-PRC market in total trade revenue rising from 20.03% to 25.34% over the corresponding period last year. Meanwhile, the Group strengthened risk control by proactively and flexibly utilizing futures instruments to hedge against price fluctuations, thereby assisting partners in accurately matching spot and futures positions to mitigate operational risks.

Integrated Supply Chain Services

In 2025, our integrated supply chain services business segment recorded a revenue of HK\$3,407 million, representing approximately 13.50% of the total revenue, a decrease of approximately 13.77% compared to HK\$3,951 million in 2024. The decrease was mainly attributable to significant changes in the competitive landscape at the China-Mongolia border. Continuous improvements in port clearance capability and an increase in transport capacity have led to a decline in market prices across various segments of cross-border transportation, which has become an inevitable industry-wide and structural trend. In addition, the average annual price of Mongolia 5# raw coal at the Gants Mod port in 2025 stood at RMB909 per tonne, a year-on-year decrease of approximately 28.61%. Such decline in coal prices affected customers' purchasing intentions and slowed their procurement pace, which in turn impacted the pricing levels of related services.

In 2025, the competitive landscape at China-Mongolia ports underwent profound changes. With the continuous improvement in the clearance capacity of Gants Mod port and the ongoing infrastructure enhancements at other ports such as Ceke port and Mandula port, the overall transportation capacity in the industry increased significantly, leading to increasingly fierce market competition and narrowing profit margins across all segments of cross-border transportation.

Against the backdrop of overall profit contraction and intensified competition within the industry, the Company's business volume remained relatively stable, fully demonstrating the anti-cyclical capability and operational resilience of the integrated supply chain closed-loop service model built over many years. During the year, the Company recorded mining services volume of 36.83 million m³, domestic transportation volume of 11.22 million tonnes, and washing and processing volume of 6.70 million tonnes. Through our subsidiaries, joint ventures and associates, we achieved cross-border transportation volume of 9.71 million tonnes and participated in port storage handling of 16.86 million tonnes.

In the future, the Company will proactively adapt to the new competitive landscape among the ports by implementing a strategy of “optimizing layout and multi-point support”: consolidating the foundation of Gants Mod port to maintain existing service advantages; increasing the share of operations of other ports including but not limited to Ceke and Mandula port to form incremental support; and building a balanced cross-border supply chain system to reduce dependence on any single port, thereby enhancing overall risk resistance and long-term profitability stability.

Business Prospects

Despite industry-wide margin compression, the Group has demonstrated exceptional resilience and operational agility throughout 2025, successfully navigating a challenging market environment while maintaining its market shares. Building on this foundation, we will advance a dual-driven strategy in 2026 focused on customer-centric service excellence and enhanced risk management, underpinned by intelligent operations and full-chain integration. Specifically, we will deepen and expand its supply chain trading business by vertically elevating customer service capabilities across all touchpoints, horizontally diversifying its product portfolio to capture emerging market opportunities, and fortifying strategic alliances with key collaborators to secure competitive supply channels. Simultaneously, we will accelerate exploring upstream mining services in strategic Mongolian regions, systematically extend its proven full-chain service model to additional China-Mongolia border ports, and deliver enhanced value-added services to suppliers and buyers across the entire supply chain ecosystem. While consolidating our dual-core business pillars of supply chain trading and integrated supply chain services, we will further advance our market positioning through systematic intelligent transformation initiatives encompassing smart mining operations, intelligent transportation systems, and integrated PV-storage-charging infrastructure, thereby leveraging technological upgrading as a key enabler to enhance operational efficiency and strengthen competitive advantages across all core business segments.

2. *Cost of Sales and Procurement*

Cost of sales in 2025 was approximately HK\$24,341 million, representing a decrease of 35.35% compared to HK\$37,649 million in 2024. As procurement costs constitute the main costs in supply chain trading, the decrease in cost of sales was mainly due to the lower coal trading volume and the decline in coking coal prices. In 2025, the procurement volume was approximately 17.91 million tonnes compared to approximately 20.89 million tonnes in 2024, representing a decrease of 14.27%.

Procurement	2025		2024	
	Procurement volume '000 tonnes	Procurement amounts HK\$'000	Procurement volume '000 tonnes	Procurement amounts HK\$'000
Coal	17,288	17,936,856	20,565	29,127,349
Oil and petrochemical products	333	2,088,896	126	1,163,736
Coke	164	211,788	–	–
Iron ore	121	86,408	203	175,841
	<u>17,906</u>	<u>20,323,948</u>	<u>20,894</u>	<u>30,466,926</u>

In 2025, the total procurement amount was HK\$20,324 million, of which the top five suppliers accounted for 33.90%. No Director or their close associates (as defined under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or shareholders of the Company owning more than 5% of the issued shares in the Company, has any interest in suppliers.

3. *Gross Profit*

The Group recorded a gross profit of HK\$900 million in 2025, representing a decrease of 40.71% compared to a gross profit of HK\$1,518 million recorded in 2024. In response to the market downturn, the Group actively managed risks by using futures to hedge against risks, achieving an overall business gross profit (including futures-end profits) of approximately HK\$958 million in 2025.

- 1) **Supply chain trading segment** recorded a gross profit (including futures-end profits) of HK\$490 million, a decrease of 38.36% year-on-year, representing approximately 51.15% of the total gross profit (including futures-end profits). The decrease was mainly due to:
 - (i) the coking coal market experienced significant volatility in 2025. Downstream customers maintained low inventory levels and rapid turnover strategies, with subdued procurement appetite. The Company proactively adopted a prudent procurement approach, carefully selecting sales opportunities while strictly managing risk. Therefore, the volume of supply chain trading business decreased year-on-year.

- (ii) coking coal prices trended lower overall with a significant downturn in the pricing benchmark, showing the market uncertainty. The profit restructuring across the entire industry chain resulted in the intermediate trading segment experiencing compression from two-sides, thus narrowing profit margins.
- 2) **Integrated supply chain services segment** recorded a gross profit of HK\$468 million, a decrease of 46.21% year-on-year, representing approximately 48.85% of the total gross profit (including futures-end profits). The decrease was mainly due to:
- (i) continuous improvement of infrastructure construction at the China-Mongolia ports, the industry's transportation capacity supply increased, and the competition at the ports has intensified, leading to a decline in service fees across various stages of cross-border transportation;
- (ii) the coal market price weakened and such decline affected customers' procurement appetite and cargo freight demand, which in turn impacted the pricing of related services. As described in the "Revenue Overview" above, given the weak market demand and the declines in both coal prices and service fees, the gross profit of supply chain services decreased year-on-year.

In the face of a challenging market environment, the Company maintained its commitment to prudent operations, actively optimized its product and service mix, steadily expanded its global footprint, continuously enhanced its integrated synergy advantages, and deepened the development of its upstream and downstream industrial ecosystem, thereby solidifying its foundation against the market headwind.

4. *Administrative Expenses*

The Group recorded administrative expenses of HK\$640 million in 2025, representing a decrease of 14.09% compared to HK\$745 million of administrative expenses incurred in 2024. This was mainly due to the 11.89% decrease in staff costs.

	2025	2024
	HK\$'000	HK\$'000
Staff costs	419,671	476,327
(Reversal of provision)/Provision for impairment losses on trade and other receivables	(43,940)	(36,127)
Others	263,855	305,042
	<u>639,586</u>	<u>745,242</u>

5. *Other Income*

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net realised and unrealised gain on derivative financial instruments and structured deposits products (<i>note</i>)	50,728	171,051
Gain on disposal of property, plant and equipment, construction in progress and intangible assets	4,247	12,490
Government grants	12,125	45,274
Others	(6,385)	6,156
	<u>60,715</u>	<u>234,971</u>

Note: Net realised and unrealised gain on derivative financial instruments and structured deposits products mainly represented the net gain or loss from commodity futures contracts entered into by the Group for the years ended 31 December 2025 and 2024 respectively.

6. *Net Finance Costs*

The Group recorded net finance costs of HK\$122 million in 2025, compared to net finance costs of HK\$104 million in 2024, representing an increase of 17.31% compared with the amount for 2024, mainly because of the increase of finance costs. Finance costs increased by 11.14% compared with the amount for 2024. Such an increase was primarily due to unrealised exchange losses arising from exchange rate fluctuations in respect of intercompany balances between domestic and overseas subsidiaries.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income on financial assets measured at amortised cost	<u>(65,567)</u>	<u>(64,360)</u>
Finance income	----- (65,567)	----- (64,360)
Interest on secured bank loans	51,778	52,345
Interest on discounted bills receivable	26,884	53,965
Interest on lease liabilities	<u>19,572</u>	<u>30,348</u>
Total interest expense	----- 98,234	----- 136,658
Foreign exchange loss, net	74,295	8,674
Bank and other charges	<u>14,632</u>	<u>23,073</u>
Finance costs	----- 187,161	----- 168,405
Net finance costs	<u>121,594</u>	<u>104,045</u>

7. *Profit for the Year*

The Group's profit for the year 2025 was HK\$315 million, representing a decrease of 67.99% compared with HK\$984 million in 2024. For the details of reasons for such decrease, please refer to the subsections headed "Revenue Overview" and "Gross Profit" above.

8. *Profit Attributable to Equity Shareholders of the Company and Earnings Per Share*

The profit attributable to equity shareholders of the Company was HK\$316 million in 2025, representing a decrease of 65.73% compared with the profit attributable to equity shareholders of the Company of HK\$922 million in 2024. For details of reasons for such decrease, please refer to the subsection headed "Revenue Overview and Gross Profit" above.

Both basic and diluted earnings per share of the Company were HK\$0.120 for 2025, in comparison, both basic and diluted earnings per share for 2024 were HK\$0.346.

For the year ended 31 December 2025 and 2024, basic and diluted earnings per share was the same as there were no potentially dilutive ordinary shares in issue during the period.

9. *Bank Loans*

The total amount of bank loans owed by the Group at the end of 2025 was HK\$3,041 million. Interest rates on these loans range from 1.05% to 5.49% per annum, whereas the range in 2024 was from 0.72% to 6.56%.

10. *Major Financial Indicators*

The following table sets forth the Group's major financial indicators as at the dates and for the years indicated:

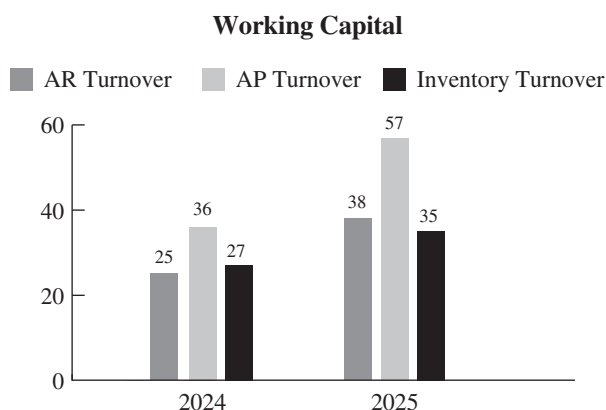
	As of and for the year ended December 31,	
	2025	2024
Gross profit margin ⁽¹⁾	3.57%	3.87%
EBITDA margin ⁽²⁾	3.43%	3.78%
Return on equity ⁽³⁾	3.56%	10.74%
Gearing ratio ⁽⁴⁾	47.91%	47.80%
EBITDA/interest expense ⁽⁵⁾	8.80	10.84
DEBT/EBITDA ⁽⁶⁾	<u>3.90</u>	<u>1.90</u>

Notes:

- (1) Calculated as gross profit divided by revenue for the year.
- (2) Calculated as earnings before interest, tax, depreciation and amortization (“**EBITDA**”) divided by revenue for the year.
- (3) Calculated as profit attributable to equity shareholders divided by average shareholders' equity as of the end of the year.
- (4) Calculated as total liabilities divided by total assets as of the end of the year.
- (5) Calculated as EBITDA for the year divided by interest expense for the year.
- (6) Calculated as total debt divided by EBITDA for the year.

11. Working Capital

Our accounts receivable turnover days, accounts payable turnover days, and inventory turnover days were 38 days, 57 days, and 35 days, respectively, in 2025. As a result, the overall cash conversion cycle was approximately 16 days in 2025 the same level as in 2024.



12. Pledge of Assets

At 31 December 2025, bank loans amounting to HK\$1,190 million (31 December 2024: HK\$936 million) together with bills payable amounting to HK\$279 million (31 December 2024: HK\$38 million) had been secured by credit guarantee with an aggregate guaranteed amount of HK\$1,379 million (31 December 2024: HK\$959 million) provided by subsidiaries of the Group and restricted bank deposits with an aggregate carrying value of HK\$90 million (31 December 2024: HK\$15 million).

At 31 December 2025, bank loans amounting to HK\$1,452 million (31 December 2024: HK\$712 million) together with bills payable amounting to HK\$628 million (31 December 2024: HK\$218 million) had been secured by restricted bank deposits with an aggregate carrying value of HK\$252 million (31 December 2024: HK\$70 million), property, plant and equipment with an aggregate carrying value of HK\$860 million (31 December 2024: HK\$782 million), land use rights with an aggregate carrying value of HK\$555 million (31 December 2024: HK\$121 million), and inventories with an aggregate carrying value of HK\$538 million (31 December 2024: HK\$225 million), and accounts receivable HK\$34 million (31 December 2024: HK\$nil).

At 31 December 2025, bank loans amounting to HK\$399 million (31 December 2024: HK\$644 million), together with bills payable amounting to HK\$2,133 million (31 December 2024: HK\$1,970 million), had been secured by trade and bills receivable HK\$687 million (31 December 2024: HK\$878 million), restricted bank deposits HK\$1,933 million (31 December 2024: HK\$1,718 million), and structured deposits HK\$nil (31 December 2024: HK\$112 million).

At 31 December 2025, lease liabilities amounting to HK\$33 million (31 December 2024: HK\$73 million) had been secured by property, plant and equipment with an aggregate carrying value of HK\$14 million (31 December 2024: HK\$41 million), land use rights with an aggregate carrying value of HK\$50 million (31 December 2024: HK\$40 million).

13. Cash Flow

In 2025, the Group had a net cash inflow from operating activities of HK\$305 million compared to HK\$640 million cash inflow during 2024. The net cash inflow in 2025 was mainly attributable to profit in cash from operating activities.

In 2025, the Group had a net cash outflow from investing activities of HK\$437 million compared to HK\$910 million cash outflow during 2024. The cash outflow from investing activities in 2025 was approximately HK\$856 million which was mainly attributable to an expenditures of approximately HK\$793 million relating to mining equipment, construction of supporting facilities for domestic and overseas logistics parks, construction of coal washing plants and expenditure on coal washing equipment, as well as other investments. The cash inflow from investing activities in 2025 was approximately HK\$419 million, which was attributable to a cash inflow from (i) receipt from the future side of the spot and futures combined business and other investments of approximately HK\$176 million, (ii) receipt of dividends from associates, joint ventures and other investments of approximately HK\$107 million, and (iii) receipt of loan principal and interest repayments from joint ventures of approximately HK\$58 million.

In 2025, the Group had a net cash inflow from financing activities of HK\$181 million compared to HK\$652 million cash outflow during 2024. The net cash inflow from financing activities in 2025 was mainly attributable to (i) the net cash inflow from bank borrowings and finance leases of approximately HK\$562 million, (ii) the payment of dividends of approximately HK\$231 million.

III. Working Capital and Financial Policy

The Group managed its funds by pre-planning and real-time monitoring measures. The Group raised funds through operational activities, domestic and foreign bank financing, finance leasing, accounts receivable factoring, and bond financing to ensure business operations, repayment of loans, and capital expenditures. In 2025, the primary financing methods of the Group will include, but are not limited to, bank working capital loans, bills receivable discounting, finance leasing, accounts receivable factoring, and financing from other banks, state-owned enterprises, and financial institutions.

The Group has always adopted prudent and stable fund management methods. Internally, by managing the quota for the deployment of funds for each business department, we monitored the level of inventory, prepayment and receivables, and advance payment from customers, so as to improve the turnover rate of funds and reduce the daily working capital occupation of the business. Payment by finance leasing was given priority in purchase of assets once applicable.

The main currencies of the Group's business and operation were United States dollars ("USD") and Renminbi ("RMB"). For the business for which purchases were made in USD and sales were made in RMB, the Group paid close attention to the exchange rate of USD to RMB. In the fluctuation of foreign exchange rate of USD to RMB, the Group used foreign exchange derivatives to avoid exchange rate fluctuation risks and lock in business profits.

IV. Risk Factors

The operation of the Group involves certain risks, some of which are beyond our control. The risks set out below are those that the Company currently believes may materially affect its performance and/or financial condition. However, this should not be taken as an exhaustive list as there may be additional risks and uncertainties not currently known to the Company, or those which are currently deemed to be immaterial, but may become material in the future and which may adversely affect the Group's business, results of operations, financial condition and prospects.

1. Volatility of Commodities Prices

The market prices of commodities are volatile and are affected by numerous factors that are beyond our control. These include international and domestic supply and demand, the level of consumer product demand, international and domestic economic trends, customs policies, global or regional political events and international events, as well as a range of other market forces. The combined effects of any or all of these factors on commodities prices are impossible for us to predict. There can be no assurance that global and domestic commodities prices will continue to remain at a profitable level. Under the circumstances that our business fails to remain at a profitable level, there would be material and adverse effect on our financial condition.

By leveraging the professional expertise of its market-sensitive team, The Company has established a sound risk early warning mechanism through closely monitoring macroeconomic conditions and coal industry dynamics, thereby optimizing procurement and inventory management strategies. Meanwhile, the company adopts risk hedging instruments such as a combination of futures and spot trading to enhance proactive price risk management capabilities and mitigate the impact of commodity price fluctuations.

2. *Dependence upon the Steel Industry*

The revenue of the Company was mainly generated from supply chain trading services of coking coal products, which are heavily dependent on the demand for coking coal by steel mills and coke plants in China. The steel industry's demand for metallurgical coal is affected by a number of factors including the cyclical nature of that industry's business, technological developments in the steel-making process and the availability of substitutes for steel such as aluminum, composites and plastics. A decline in demand for coking coal by domestic steel mills and coke plants would directly reduce the volume and revenue of the Company's supply chain trading business.

To mitigate such risks, the Company adheres to a global diversification strategy and continuously expands international trading business outside China. Over the years, the Company has established cooperative and stable relationships with customers in many countries, including but not limited to Indonesia, Mongolia, Malaysia, South Korea, Vietnam, India, Canada and Japan. At the same time, the Company closely monitor policy developments and demand fluctuations across overseas markets, flexibly adapt to evolving market environments, and take timely preventive measures to enhance its global operational stability.

3. *Liquidity risk*

Our policy is to regularly monitor the Group's liquidity requirements and compliance with lending covenants, to ensure that the Group maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term. If such risks were to materialize, they may adversely affect the Group's cash flow position, financing capability, and overall financial condition, thereby impacting the Company's operational results.

The Group is actively expanding new financing from banks, state-owned enterprises, and other financial institutions, while maintaining its existing financing foundation, to meet the funding needs of its business development.

4. *Currency risk*

Over 51.58% of the Group's revenue in 2025 was denominated in RMB. Over 79.60% of the Group's purchase costs, and some of our operating expenses, are denominated in USD. Fluctuations in exchange rates may adversely affect the value of the Group's net assets, earnings or any declared dividends as RMB is translated or converted into USD or Hong Kong dollars. Any unfavourable movement in the exchange rate may lead to an increase in the costs of the Group or a decline in sales, which could materially affect the Group's results of operations.

The Group has been closely monitoring foreign exchange risk exposures and timely deploying hedging instruments such as foreign exchange forward contracts to manage and mitigate the adverse impact of exchange rate fluctuations on the Group's operating results and financial position.

5. *Fair value measurement*

The Group's financial assets and liabilities are carried at fair value. Fair value of forward exchange contracts of derivative financial instruments held by the Group is determined by discounting the contractual forward price and deducting the current spot rate. The discount rate used is derived from the relevant government yield curve as at the end of the reporting period plus an adequate constant credit spread. Changes in market interest rates, foreign exchange rates, and other valuation parameters may lead to fluctuations in the fair value of these financial instruments. Any material adverse changes in such fair values may lead to fair value losses, thereby affecting the Group's operating results. The Group uses derivative instruments primarily for hedging purposes rather than speculative trading.

To mitigate such risks, The Company has maintained a robust and comprehensive risk management framework, with clearly defined decision-making mechanism, internal controls and monitoring procedures for all hedging activities. In addition, the Group continuously reviews its valuation models and optimises its financial structure and strengthens its overall risk resilience to mitigate the impact of fair value fluctuations on its operating results and financial stability.

V. HUMAN RESOURCES

1. *Employee Overview*

The Group aims to set up a performance-oriented compensation and benefit system while balancing the internal and external market competitiveness of different positions. As at 31 December 2025, the Group has subsidiaries and branch offices in PRC (including Hong Kong and Macau), Singapore, Mongolia and other countries and regions. The Group has entered into formal employment contracts with all employees and pays all mandatory social insurances in full in the relevant countries and regions in strict compliance with the applicable laws and regulations.

As at 31 December 2025, there were 2,601 full-time employees in the Group (excluding 881 dispatch staff from domestic subsidiaries). The breakdown of employee categories is as follows:

Functions	2025		2024	
	No. of Employees	Percentage	No. of Employees	Percentage
Management, Administration and Finance	189	7%	199	9%
Sales & Marketing	125	5%	135	6%
Front line production, transportation operation workers	2,287	88%	1,956	85%
	<u>2,601</u>	<u>100%</u>	<u>2,290</u>	<u>100%</u>

2. *Employee Education Overview*

Qualifications	2025		2024	
	No. of Employees	Percentage	No. of Employees	Percentage
Master & above	144	6%	141	6%
Bachelor	721	28%	690	30%
Diploma	235	9%	289	13%
Middle-school (secondary school) and below	1,501	57%	1,170	51%
	<u>2,601</u>	<u>100%</u>	<u>2,290</u>	<u>100%</u>

3. *Training Overview*

The Group considers training to be an invaluable process to provide employees with information, new skills, and professional development opportunities. During the year ended 31 December 2025, the Group held various training programs totaling 5,706 hours, and over 48,225 attendances were recorded for these programs a year-on-year increase mainly due to the inclusion of TTJV Co. LLC, which the Group fully acquired in August 2024, in its HR data reporting for the year.

The Group also holds an orientation program for newly admitted employees. The program covers modules such as, among other things, introduction to corporate culture, briefing about of Group regulations and understanding of safety and operational guidelines.

The Group has also sponsored professional training programs such as an EMBA program, Chartered Professional Accountant program, Hong Kong Chartered Secretary program, and so forth to employees and management staff at different levels.

Training Overview

Training Courses	2025		2024	
	No. of hours	No. of participants	No. of hours	No. of participants
Safety	1,022	19,914	345	5,378
Management & Leadership	1,626	15,291	142	2,735
Operation Excellence	3,058	13,020	511	4,677
	<u>5,706</u>	<u>48,225</u>	<u>998</u>	<u>12,790</u>

VI. Health, Safety and Environment

The Group attaches great importance on the health and safety of employees and understands the importance of environment protection. The Lost Time Injury Frequency Rate (LTIFR), Fatality Incident Rate (FTIR) and Total Recordable Case Frequency (TRCF) are key indicators to measure how we achieve our commitment.

In accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Listing Rules published by the Stock Exchange on 19 April 2024, the Group has engaged an independent professional third party to work in consultation for its 2025 report on environmental, social and governance (“ESG”) matters. Such third-party consultant has started its consultation and training accordingly, to the Directors and ESG relevant staff, on ESG policy changes, compliance requirements, suggested work procedures, and others. Further details will be disclosed in the 2025 ESG report of the Group.

VII. Final Dividends

In accordance with the dividend policy adopted by the Group, dividends shall, in principle, be distributed at 25% of the profit attributable to equity shareholders of the current year, while maintaining sufficient cash reserves to meet its funding requirements, future growth and equity value. Meanwhile, the distribution shall take into account the Group’s financial performance, business conditions and strategies for the current year, future operations and revenue, funding requirements and expenditure plans, among other key factors. Dividends may be distributed in such form as the board of directors deems appropriate, including cash or scrip shares or other forms.

A final dividend in cash of HK\$0.030 per share (2024: HK\$0.013 per share), totalling approximately HK\$79 million, has been declared for the year ended 31 December 2025. The final dividend would be payable to the shareholders of the Company subject to the approval of the shareholders of the Company at the forthcoming annual general meeting. The final dividend is expected to be paid by no later than 16 September 2026. The dates for closure of register of members of the Company for ascertaining shareholders' entitlement to the final dividend will be further announced.

VIII. Compliance With the CG Code

Throughout the year ended 31 December 2025, the Company complied with the code provisions (the “**Code Provisions**”) under the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the “**CG Code**”), except for the deviation from the Code Provision C.2.1 which requires that the roles of chairman and chief executive should be separate and not performed by the same individual. Key corporate governance principles and practices of the Company as well as details relating to the foregoing deviation are summarized below.

Ms. Cao Xinyi, the chairman of the Board (the “**Chairman**”), was appointed as the chief executive officer of the Company (“**CEO**”) on 18 July 2019. The Board believes that, considering Ms. Cao Xinyi's length of employment and experience in the business and operations of the Group and her professional financial knowledge, vesting the roles of both the Chairman and the CEO in Ms. Cao Xinyi can provide the Group with consistent leadership, facilitate the execution of the Group's business strategies and boost effectiveness of its operations. In addition, under the supervision of the Board (which consists of 4 executive Directors, 1 non-executive Director and 3 independent non-executive Directors) and Board committees (only 2 executive Directors served on the Board committees and other members of which are all independent non-executive Directors), the Board is appropriately structured with a balance of power to provide sufficient checks to protect the interests of the Company and the shareholders of the Company as a whole. Therefore, the Board considers that the deviation from the Code Provision C.2.1 is appropriate in such circumstances.

Except for the deviation mentioned above from the CG Code, the Company fully complied with all the Code Provisions throughout the year ended 31 December 2025.

IX. Model Code for Securities Transactions by Directors of the Company

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (“**Model Code**”) as its own code of conduct for dealing in securities of the Company by the directors of the Company (the “**Directors**”). Having made specific enquiries of all the Directors, each Director has confirmed that he/she has complied with the required standards set out in the Model Code throughout the year of 2025.

X. Purchase, Sale or Redemption of the Company's Listed Securities

As at 31 December 2025, the Company had a total of 2,673,088,962 Shares in issue. The Company repurchased 22,758,000 and 700,000 Shares on the Stock Exchange in March and April 2025 respectively, all the repurchased Shares have been cancelled in April 2025. As at 31 December 2025, 3,306,000 Shares were held by the Company as treasury shares. The Company has not yet determined on the intended use of such treasury Shares and will utilize them as permitted under the Listing Rules and applicable laws and regulations subject to market conditions and its capital management needs.

XI. Other Information and Events Subsequent to the Reporting Date

Provision of Counter-Guarantees

Counter-Guarantee in April 2025

On 8 April 2025, Xianghui Energy and the designated bank entered into a facility agreement, pursuant to which the designated bank granted to Xianghui Energy the banking facilities in the principal amount of up to RMB200 million. In connection with such banking facilities, Xiamen Xiangyu Joint Stock Company Limited (the “**Xiangyu Joint Stock**”) agreed to provide a corporate guarantee in favour of the designated bank in respect of all the liabilities and obligations of Xianghui Energy thereof and executed a bank guarantee contract in relation thereto. Xianghui Energy is owned by the Company and Xiangyu Joint Stock as to 49% and 51%, respectively.

On 11 April 2025, the Company and Xiangyu Joint Stock entered into a counter-guarantee contract, pursuant to which the Company agreed to provide such counter-guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of RMB107.8 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee contract provided by Xiangyu Joint Stock in favour of the designated bank in relation to the banking facilities (the “**Counter-Guarantee in April 2025**”).

For further details of the Counter-Guarantee in April 2025, please refer to the announcement of the Company dated 11 April 2025.

Counter-Guarantee in May 2025

On 29 May 2025, Xianghui Energy (Ejin Banner) Co., Ltd. (象暉能源(額濟納旗)有限公司) (“**Xianghui Energy (Ejin Banner)**”), a wholly-owned subsidiary of Xianghui Energy, and the designated bank entered into a facility agreement, pursuant to which the designated bank granted to Xianghui Energy (Ejin Banner) the banking facilities in the principal amount of up to RMB50 million. In connection with such banking facilities, Xiangyu Joint Stock agreed to provide a corporate guarantee in favour of the designated bank in respect of all the liabilities and obligations of Xianghui Energy (Ejin Banner) thereof and executed a bank guarantee contract in relation thereto.

On 30 May 2025, the Company and Xiangyu Joint Stock entered into a counter-guarantee contract, pursuant to which the Company agreed to provide such counter-guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of RMB26.95 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee contract provided by Xiangyu Joint Stock in favour of the designated bank in relation to the banking facilities (the “**Counter-Guarantee in May 2025**”).

For further details of the Counter-Guarantee in May 2025, please refer to the announcement of the Company dated 30 May 2025.

Counter-Guarantees in September 2025

In connection with certain banking facilities extended by the relevant designated banks to (i) Xianghui Energy (Bayan Nur City) Co., Ltd. * (象暉能源(巴彥淖爾市)有限公司) (“**Xianghui Energy (Bayan Nur City)**”) in the principal amount of RMB50 million; and (ii) Xianghui Energy (Bayan Nur City) in the principal amount of RMB200 million; (iii) Xianghui Energy (Darhan Muming’an) Co., Ltd.* (象暉能源(達茂旗)有限責任公司) (“**Xianghui Energy (Darhan Muming’an)**”) in the principal amount of RMB60 million, Xiangyu Joint Stock agreed to provide the relevant corporate guarantees in favour of the respective designated banks in respect of all the liabilities and obligations of Xianghui Energy (Bayan Nur City) and Xianghui Energy (Darhan Muming’an), respectively, and therefore, executed the bank guarantee contracts in relation thereto.

On 8 September 2025, the Company and Xiangyu Joint Stock entered into (i) a counter-guarantee contract (the “**Counter-Guarantee I in September 2025**”), pursuant to which the Company agreed to provide the Counter-Guarantee I in September 2025 in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of up to RMB26.95 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee provided by Xiangyu Joint Stock in favour of the designated bank in relation to the relevant banking facilities; and (ii) a counter-guarantee contract (the “**Counter-Guarantee II in September 2025**”), pursuant to which the Company agreed to provide the Counter-Guarantee II in September 2025 in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of up to RMB107.8 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee provided by Xiangyu Joint Stock in favour of the designated bank in relation to the relevant banking facilities, and to terminate and supersede the previous counter-guarantee granted in favour of Xiangyu Joint Stock on 25 October 2024 in relation to the banking facilities extended by the same designated bank; and (iii) a counter-guarantee contract (the “**Counter-Guarantee III in September 2025**”), pursuant to which the Company agreed to provide the Counter-Guarantee III in September 2025 in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of up to RMB32.34 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee provided by Xiangyu Joint Stock in favour of the designated bank in relation to the relevant banking facilities.

For further details of the Counter-Guarantee I in September 2025, Counter-Guarantee II in September 2025, and Counter-Guarantee III in September 2025, please refer to the announcement of the Company dated 8 September 2025.

Counter-Guarantee in January 2026

In connection with the banking facilities extended to Xianghui Energy by the designated bank and the relevant bank guarantee provided by Xiangyu Joint Stock in relation thereto, on 27 January 2026, the Company and Xiangyu Joint Stock entered into a counter-guarantee contract, pursuant to which the Company agreed to provide such counter-guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, for an aggregate amount of RMB161.7 million representing proportionate guaranteed amount together with any compensation payments made to the designated bank, any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee provided by Xiangyu Joint Stock in favour of the designated bank in relation to the relevant banking facilities (the “**Counter-Guarantee in January 2026**”).

For further details of the Counter-Guarantee in January 2026, please refer to the announcement of the Company dated 27 January 2026.

The Cooperation with Bridge Mining

On 5 November 2025, the Company entered into a cooperation agreement (the “**Cooperation Agreement**”) with Bridge Mining Pte. Ltd. (the “**Bridge Mining**”) to establish a strategic alliance through the Cooperation Agreement. Bridge Mining has extensive undeveloped coal projects located in the South Gobi region of Mongolia (“**Terra Mine**”), primarily producing high-quality coking coal that is low-sulfur, low-ash, low volatile matter, high coke strength and easy to beneficiate. Under the Cooperation Agreement, both parties agreed to collaborate on integrated coal mining, logistics, and off-take services (the “**Cooperation**”), with an expected minimum monthly off-take supply volume of 100,000 tonnes of coal products. The parties expected to expand the strategic alliance and further develop upstream resource cooperation along with complementary washing and processing operations in Mongolia. On 3 December 2025, the Company entered into a settlement agreement and a payment agreement with Xianghui Energy (Singapore) Pte. Ltd. (“**Xianghui Energy SG**”), a subsidiary of Xianghui Energy, under which Xianghui Energy SG agreed to settle the amount payable by a subsidiary of Bridge Mining, in relation to the relevant mining and transportation services provided by the Group, directly to the Company through a corresponding set-off mechanism, constituting continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For further details, please refer to the announcements of the Company dated 5 November and 3 December 2025.

XII. Review of Annual Results

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2025.

XIII. Disclosure of Information on the Stock Exchange's Website

This annual results announcement is published on the websites of the Company (www.e-comm.com) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2025 will be available on the above websites in due course.

By Order of the Board
E-Commodities Holdings Limited
Cao Xinyi
Chairman

Hong Kong, 27 March 2026

As at the date of this announcement, the executive directors of the Company are Ms. Cao Xinyi, Mr. Wang Yaxu, Mr. Zhao Wei and Ms. Chen Xiuzhu; the non-executive director of the Company is Ms. Feng Tong and the independent non-executive directors of the Company are Mr. Ng Yuk Keung, Mr. Wang Wenfu and Mr. Gao Zhikai.

* *For identification purpose only*