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ANNOUNCEMENT OF 2025 ANNUAL RESULTS

OVERVIEW AND OUTLOOK OF THE GROUP

The Board of Directors of the Company (the “**Board**”) hereby present the annual results of Chu Kong Shipping Enterprises (Group) Company Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 to the shareholders of the Company (the “**Shareholders**”). The Group recorded a consolidated revenue of HK\$2,551,156,000 (2024: HK\$2,741,286,000), representing a decrease of 6.9% as compared with last year, profit attributable to the Shareholders amounted to HK\$51,996,000 (2024: HK\$117,027,000), representing a decrease of 55.6% as compared with last year.

REVIEW

In 2025, frequent geopolitical conflicts and the continued rise in tariff barriers constrained the recovery of global trade. In addition, the structural weakening of Hong Kong as an international maritime centre, together with the continuous enhancement of the integrated transport network in the Greater Bay Area, exerted considerable pressure on the Group’s traditional logistics business and cross border waterway passenger transportation business. During the year, the Group continued to strengthen resource integration, leverage synergies and explore business development potential in depth, with the aim of creating greater value for investors. In the logistics business, the Group actively enhanced service quality and strengthened strategic cooperation with leading shipping companies. By expanding market development efforts, the Group achieved steady growth in container throughput and continuously enhanced its market competitiveness. In the passenger transportation business, the Group strengthened integrated resource coordination, enhanced service capability and jointly carried out marketing and promotional initiatives to develop high quality products. These efforts effectively improved the market recognition and industry positioning of the Group’s Hong Kong Victoria Harbour cruises, Hong Kong ferry services and Hong Kong International Airport service operations.

Accelerating resource integration to unleash new momentum for the logistics business. By strengthening cooperation with airlines, the Group became a first-tier agent of Hong Kong Airlines, resulting in a substantial 40% growth in its air-freight logistics business. Capitalising on opportunities arising from livelihood-related infrastructure development in Hong Kong and leveraging the port and shipping advantages in the Greater Bay Area, the Group successfully undertook multiple transportation projects for transitional housing, resettlement housing and sand-and-gravel engineering works, enabling the steady development of its engineering logistics business. By leveraging the resources of Tuen Mun Godown Wharf, the Group successfully expanded integrated services for bonded-goods storage and e-commerce live-streaming sales, supporting the stable and orderly growth of the warehousing logistics business. Through the launch of Greater Bay Area combined port routes in collaboration with partners, customs clearance and transshipment efficiency at multiple ports across the Greater Bay Area were effectively enhanced. Leveraging the strengths of its overseas freight network, the Group recorded a substantial 38% increase in cargo volume for its Singapore operations. During the year, the Group also established an associate to invest in the construction of Longtouzhai Port in Shaoguan City, Guangdong Province, while accelerating the construction of the Sanbu New Port to optimise its overall port layout. Chu Kong Logistics (Vietnam) Company Limited officially commenced operations, further strengthening the Group's Southeast Asian freight network covering Singapore, Thailand, Malaysia and Vietnam.

Leveraging platform capabilities to unlock new growth opportunities in the integrated passenger transportation business. The Group strengthened joint marketing efforts under an integrated platform approach, with several passenger-transport subsidiaries collaborating with external partners to launch bundled travel products. Through increased promotion on platforms such as Tiktok, Xiaohongshu, Ctrip and KLOOK, the Group effectively strengthened the Group's influence in the markets for Hong Kong Victoria Harbour cruises, Hong Kong ferry services and cross-border waterway passenger transportation. The Group further expanded its service presence at Hong Kong International Airport, successfully securing a number of service operation projects, thereby solidifying its position as a high-quality integrated service provider at the airport. In addition, the Group further enhanced service capacity and quality by commissioning multiple new fuel transport vessels and Hong Kong ferries, while accelerating the construction of new Victoria Harbour sightseeing cruises. These efforts continuously improved fuel supply capability and enhanced passengers' ferry travel experience. During the year, the Group also successfully completed multiple waterway service support projects and expanded into new areas of waterway services.

Strengthening technological leadership to drive new digital capabilities. The Group continued to advance its digitalisation initiatives at an accelerated pace, leveraging new technologies to drive development and enhance operational efficiency. DeepSeek functionality was incorporated into the Group's internal systems, enabling the establishment of a proprietary port and shipping knowledge base and the launch of the "Greater Bay Go Customer Service Assistant" intelligent agent, thereby enhancing customer service intelligence while ensuring data security. By applying big data technologies, the Group deeply integrated key logistics nodes, including customs brokers and shipping companies, to develop a one stop freight platform. The Group also integrated resources across cross border passenger transportation, Victoria Harbour cruises and Pearl River night cruises to build a "transportation + cultural tourism" ecosystem, and advanced the development of the "New Greater Bay Go Cultural Tourism Platform". In addition, leveraging optical character recognition and algorithmic analysis technologies, the Group developed a container weight data capture and identification system at its terminals, enabling accurate acquisition of container weight data and significantly improving terminal operational efficiency.

As the Group continued to enhance service capability and seize development opportunities to advance high-quality growth, it also strengthened internal management and control, enhanced standardised risk management, deepened cost management and implemented cost-reduction and efficiency-enhancement measures to ensure stable business operations. At the same time, the Group remained committed to the new development philosophy of “innovation, coordination, green, openness and sharing” and continued to deepen its green transformation, striving to achieve an optimal balance between economic benefits and social value. During the year, the Group and its subsidiaries were recognised for their performance in environmental, social and governance (“ESG”) practices and received multiple commendations from government departments, industry associations and business partners. These included the “Annual Excellent Partnership Award”, the “Good Citizen Award”, the “Outstanding Institution Award” and the “5-years Excellence Award”, reflecting the industry’s strong recognition of the Group’s sustainability efforts.

OUTLOOK

In 2026, the Group will remain committed to transformation and innovation, accelerating reform and development under the operational direction of “deepening our presence in Hong Kong and Macao, expanding overseas, strengthening our foundation and enhancing quality and efficiency”. The Group will maintain strong confidence in its development, reinforce strategic synergy and proactively embrace new economic models and emerging opportunities. By consolidating the competitive advantages of its Hong Kong businesses, the Group will strive to build a comprehensive logistics platform, a port terminal platform, an integrated passenger transportation platform and a “Belt and Road” platform, thereby creating new growth engines, establishing new competitive advantages, expanding development space and shaping a new development landscape.

Firstly, enhancing comprehensive logistics platform to drive higher development efficiency. The Group will focus on deepening the development of its duty-free goods warehousing business in Hong Kong, and actively increasing its market share in the bonded-goods warehousing and logistics segment. It will vigorously promote the synergistic development of warehousing logistics and air-freight logistics, with a view to delivering more competitive integrated air-freight logistics services and solutions. The Group will continue to proactively pursue major construction projects at the Northern Metropolis and Hong Kong International Airport, closely monitor development trends relating to the Lantau Tomorrow Vision, and strengthen its engineering logistics capabilities by advancing Modular Integrated Construction (MIC) projects. At the same time, the Group will enhance port and shipping cooperation, leverage its proprietary resources and service strengths to stabilise its core customer base and cargo sources, continuously optimise supporting service processes and quality, and further enhance customer loyalty and satisfaction.

Secondly, focusing on developing port terminal platform to drive high efficiency growth. By tailoring the functional positioning of each terminal within the Greater Bay Area port cluster, the Group aims to develop specialised and differentiated terminal service capabilities and strengthen its port logistics business through a “One Terminal One Strategy” approach. The Group will actively seize development opportunities arising from the launch of the direct shipping route between Yangpu Port in Hainan and Batam, seek port logistics cooperation opportunities within the Hainan Free Trade Port. In addition, the Group will monitor the construction progress of the Pinglu Canal in Guangxi Province, and actively seize new opportunities in port logistics. The Group will further deepen its port layout along the Beijiang and Xijiang rivers in Guangdong Province to improve its network system. At the same time, it will continue to expand integrated regional port operations and steadily enhance management efficiency.

Thirdly, focusing on developing integrated passenger transportation service platform to advance high quality growth. The Group will coordinate high-quality resources such as Hong Kong ferries and the Victoria Harbour cruise, and continue to collaborate with cross-border passenger operators to develop “cross-border transport + tourism” bundled products, achieving mutual traffic flow, resource connectivity and an overall enhancement in service standards. In addition, the Group will further leverage the advantage of passenger traffic flow, actively promote cooperation with external partners, and intensify efforts to tap into the development potential of traffic flow value. The Group will also actively participate in the development of the low altitude economy in the Greater Bay Area, launching integrated cultural tourism offerings that combine “Maritime Sightseeing + Low Altitude Performances”. At the same time, the Group will further integrate into the Hong Kong International Airport ecosystem and seek to secure additional high quality service projects. Through targeted marketing initiatives and the provision of high quality services, the Group will intensify efforts to expand new fuel supply businesses, establishing a new “water + land” fuel supply model.

Fourthly, focusing on developing the belt and road platform to strengthen growth momentum. By fully leveraging the strengths of its logistics networks in Singapore, Thailand, Malaysia and Vietnam, the Group will actively expand its overseas operations in Southeast Asia and strengthen cooperation with logistics service providers such as airlines and freight forwarders, thereby extending both the breadth and depth of its “Belt and Road” integrated logistics value chain. The Group will continue to intensify business expansion efforts and strive to further enhance the network layout of the “Belt and Road”. The Group will also accelerate its participation in warehousing logistics and terminal operations in major port cities along the “Belt and Road” through investments, leasing arrangements and cooperative operating models. By increasing investment in heavy assets, the Group will further strengthen development momentum and enhance long term growth capabilities. By leveraging the advantages of mature operational management experience in high-speed waterway passenger transportation business, self-owned ferries, the integrated service system, the Group will actively seek development opportunities of waterway passenger transport along the “Belt and Road”.

APPRECIATION

The Group would like to take this opportunity to express our heartfelt thanks to all of our investors and partners who have shown tremendous support to the Group, as well as to our management and staff who have worked hard to strive toward better results for the Group. We will “**strengthen confidence in development and shape a strategic blueprint**”, strive to create value for Shareholders, and make further contributions to the prosperity of the Greater Bay Area economy.

ANNUAL RESULTS

The Board is pleased to announce the consolidated results of the Group for the year ended 31 December 2025, together with the comparative figures for the corresponding period in 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	4	2,551,156	2,741,286
Cost of sales/services rendered		(2,394,214)	(2,501,218)
Gross profit		156,942	240,068
Other income		218,025	174,818
Other losses, net	8	(540)	(3,062)
General and administrative expenses		(305,672)	(298,326)
Operating profit		68,755	113,498
Finance income		7,289	15,117
Finance cost		(18,375)	(19,122)
Share of profits less losses of :			
- Joint ventures		(6,915)	12,178
- Associates		25,721	25,137
Profit before income tax	7	76,475	146,808
Income tax expense	9	(19,310)	(21,128)
Profit for the year		57,165	125,680
Attributable to:			
Equity holders of the Company		51,996	117,027
Non-controlling interests		5,169	8,653
		57,165	125,680
Earnings per share (HK cents)	11		
Basic and diluted		4.64	10.44

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year	57,165	125,680
Other comprehensive income for the year:		
<i>Item that will not be reclassified to profit or loss</i>		
Unlisted equity security at fair value through other comprehensive income – changes in fair value, net of HK\$nil tax effect	-	1,136
<i>Items that have been reclassified or may be reclassified subsequently to profit or loss</i>		
Currency translation differences, net of HK\$nil tax effect:		
- Subsidiaries	41,719	(50,626)
- Joint ventures and associates	11,870	(7,299)
Other comprehensive income for the year	53,589	(56,789)
Total comprehensive income for the year	110,754	68,891
Attributable to:		
Equity holders of the Company	100,519	66,412
Non-controlling interests	10,235	2,479
	110,754	68,891

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		3,147,539	2,901,884
Investment properties		17,018	17,187
Land use rights		438,116	391,649
Intangible assets		240,099	242,677
Investments in joint ventures		278,607	294,307
Investments in associates		318,448	125,876
Deferred income tax assets		2,102	1,306
Other non-current assets		19,681	64,284
		4,461,610	4,039,170
Current assets			
Inventories and spare parts		17,898	20,400
Trade and other receivables	5	648,778	600,128
Income tax recoverable		3,297	-
Bank deposits and cash and cash equivalents		963,550	845,459
		1,633,523	1,465,987
Total assets		6,095,133	5,505,157
EQUITY			
Share capital		1,415,118	1,415,118
Reserves		1,800,177	1,755,717
		3,215,295	3,170,835
Non-controlling interests		439,091	428,856
Total equity		3,654,386	3,599,691

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (*Continued*)
AS AT 31 DECEMBER 2025

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		89,160	84,360
Deferred income		793,095	697,782
Lease liabilities		82,736	38,556
Long term borrowings		240,212	100,920
Other payables		22,794	16,675
		1,227,997	938,293
Current liabilities			
Trade payables, accruals and other payables	6	595,187	509,599
Amounts due to the non-controlling interests		200,310	200,187
Income tax payables		11,022	16,223
Lease liabilities		13,585	23,757
Short-term borrowings		371,616	200,000
Current portion of long-term borrowings		21,030	17,407
		1,212,750	967,173
Total liabilities		2,440,747	1,905,466
Total equity and liabilities		6,095,133	5,505,157
Net current assets		420,773	498,814
Total assets less current liabilities		4,882,383	4,537,984

NOTES:

1. Statement of compliance

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622) and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by the way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the requirements of the Hong Kong Companies Ordinance. The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

3. Material accounting policies

(i) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRS Accounting Standards that are first effective for the current account period of the Group:

- Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*

The amendments do not have a material impact on the 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. Material accounting policies (Continued)

(ii) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these financial statements, the HKICPA has issued a number of new and amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1, *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

4. Revenue and segment information

Revenue consists of revenues from cargo transportation, cargo handling and storage, passenger transportation, fuel supply, and corporate and other businesses.

	2025	2024
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Cargo transportation	1,450,782	1,606,094
Cargo handling and storage	378,224	357,810
Passenger transportation	380,762	372,791
Fuel supply	320,322	382,747
Corporate and other businesses	21,066	21,844
	2,551,156	2,741,286

The chief operating decision-maker has been identified as the executive directors of the Company, who reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors of the Company consider the business from service perspectives and assess the performance of the Group and its joint ventures and associates which are organised into five main businesses:

- (i) Cargo transportation – Shipping agency, river trade cargo direct shipment and transshipment and container handling and trucking
- (ii) Cargo handling and storage – Wharf cargo and container handling, cargo consolidation and godown storage
- (iii) Passenger transportation – Passenger transportation agency services, travel agency operation and passenger carrier service and provision of ferry services and charter hire of vessels services
- (iv) Fuel supply – Oil trading and marine bunkering service
- (v) Corporate and other businesses – Investment holding and other businesses

The executive directors of the Company assess the performance of the operating segments based on their segment profit before income tax expense, which is measured in a manner consistent with that in the consolidated financial statements.

Sales between segments are carried out on terms equivalent to those that prevail with third parties. The revenue from external parties reported to the executive directors of the Company is measured in a manner consistent with that in the consolidated statement of profit or loss.

4. Revenue and segment information (Continued)

	Cargo Transportation	Cargo handling and storage	Passenger transportation	Fuel supply	Corporate and other businesses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 31 December 2025						
Total revenue	1,560,416	539,240	381,023	441,710	69,457	2,991,846
Inter-segment revenue	(109,634)	(161,016)	(261)	(121,388)	(48,391)	(440,690)
Revenue (from external customers)	1,450,782	378,224	380,762	320,322	21,066	2,551,156
Timing of revenue recognition						
At a point in time	-	-	304,462	320,322	1,657	626,441
Over time	1,450,782	378,224	76,300	-	19,409	1,924,715
	1,450,782	378,224	380,762	320,322	21,066	2,551,846
Segment profit/(loss) before income tax expense	8,251	40,120	21,633	8,014	(1,543)	76,475
Income tax (expense)/credit	(2,025)	(16,450)	(90)	(1,284)	539	(19,310)
Segment profit/(loss) after income tax expense	6,226	23,670	21,543	6,730	(1,004)	57,165
Segment profit/(loss) before income tax expense includes:						
Finance income	389	295	212	5	6,388	7,289
Finance cost	(1,152)	(6,321)	(1,486)	(13)	(9,403)	(18,375)
Depreciation and amortisation	(11,031)	(109,838)	(70,935)	(3,467)	(4,742)	(200,013)
Share of profits less losses of:						
Joint ventures	4,842	5,544	(17,301)	-	-	(6,915)
Associates	-	4,267	21,454	-	-	25,721

4. Revenue and segment information (Continued)

	Cargo Transportation	Cargo handling and storage	Passenger transportation	Fuel supply	Corporate and other businesses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Year ended 31 December 2024						
Total revenue	1,696,152	527,474	372,791	513,071	81,601	3,191,089
Inter-segment revenue	(90,058)	(169,664)	-	(130,324)	(59,757)	(449,803)
Revenue (from external customers)	1,606,094	357,810	372,791	382,747	21,844	2,741,286
Timing of revenue recognition						
At a point in time	-	-	308,435	382,747	1,971	693,153
Over time	1,606,094	357,810	64,356	-	19,873	2,048,133
	1,606,094	357,810	372,791	382,747	21,844	2,741,286
Segment profit before income tax expense	23,097	65,864	26,116	9,476	22,255	146,808
Income tax (expense)/credit	(2,764)	(18,638)	(1,970)	(960)	3,204	(21,128)
Segment profit after income tax expense	20,333	47,226	24,146	8,516	25,459	125,680
Segment profit before income tax expense includes:						
Finance income	855	5,267	2,136	11	6,848	15,117
Finance cost	(1,033)	(6,017)	(1,777)	(11)	(10,284)	(19,122)
Depreciation and amortisation	(8,192)	(109,594)	(43,077)	(2,864)	(2,935)	(166,662)
Share of profits less losses of:						
Joint ventures	3,920	7,905	353	-	-	12,178
Associates	-	4,122	21,015	-	-	25,137
Impairment loss on investment in an associate	-	-	(3,000)	-	-	(3,000)
Impairment loss on property, plant and equipment	-	(4,000)	-	-	-	(4,000)

4. Revenue and segment information (Continued)

	Cargo Transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Inter segment elimination HK\$'000	Total HK\$'000
As at 31 December 2025							
Total segment assets	686,198	3,342,312	1,726,864	202,499	1,851,621	(1,714,361)	6,095,133
Total segment assets include:							
Joint ventures	52,551	98,754	127,302	-	-	-	278,607
Associates	-	228,252	90,196	-	-	-	318,448
Additions to non-current assets (excluding deferred income tax assets)	8,489	465,531	126,850	16,742	6,422	-	624,034
Total segment liabilities	(518,834)	(1,171,552)	(1,094,576)	(92,464)	(1,277,682)	1,714,361	(2,440,747)

4. Revenue and segment information (Continued)

	Cargo Transportation HK\$'000	Cargo handling and storage HK\$'000	Passenger transportation HK\$'000	Fuel supply HK\$'000	Corporate and other businesses HK\$'000	Inter segment elimination HK\$'000	Total HK\$'000
As at 31 December 2024							
Total segment assets	705,575	3,002,783	1,629,625	180,664	1,633,560	(1,647,050)	5,505,157
Total segment assets include:							
Joint ventures	48,617	102,012	143,678	-	-	-	294,307
Associates	-	42,583	83,293	-	-	-	125,876
Additions to non-current assets (excluding deferred income tax assets)	5,555	395,710	724,054	11,817	4,540	-	1,141,676
Total segment liabilities	(493,384)	(1,036,053)	(948,137)	(61,589)	(1,013,353)	1,647,050	(1,905,466)

4. Revenue and segment information (Continued)

The Group's revenue is substantially derived from operations carried out in Mainland China and Hong Kong and customers are located in Mainland China and Hong Kong. Geographical segment information is not presented as the directors of Company consider that the nature of the provision of cargo and passenger transportation services, which are carried out in Mainland China and Hong Kong, preclude a meaningful allocation of operating profit to specific geographical segments.

The analysis of the Group's non-current assets by geographical location is as follows:

	2025 HK\$'000	2024 HK\$'000
Non-current assets excluding investments in joint ventures and associates, other financial asset and deferred income tax assets		
Hong Kong	2,132,952	2,063,143
Mainland China	1,709,820	1,490,254
	<hr/> 3,842,772	<hr/> 3,553,397
Joint ventures and associates		
Hong Kong	74,930	66,506
Singapore	27,283	25,598
Mainland China	490,930	325,308
Macao	3,912	2,771
	<hr/> 597,055	<hr/> 420,183
Other non-current assets	19,681	64,284
Deferred income tax assets	2,102	1,306
	<hr/> 4,461,610	<hr/> 4,039,170

5. Trade and other receivables

The normal credit periods granted by the Group to customers on open account range from seven days to three months from the date of invoice. The ageing analysis of trade receivables by invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 3 months	257,121	250,939
4 to 6 months	42,497	39,925
7 to 12 months	46,664	23,130
Over 12 months	39,568	53,098
	<hr/> 385,850	367,092
Less: loss allowance recognised	(11,650)	(10,516)
	<hr/> 374,200	<hr/> 356,576

6. Trade payables, accruals and other payables

The ageing analysis of trade payables by invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 3 months	260,851	226,052
4 to 6 months	17,215	8,116
7 to 12 months	4,738	1,633
Over 12 months	6,758	5,145
	<hr/> 289,562	240,946

7. Profit before tax

Profit before tax is arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
Amortisation of land use rights	10,569	10,660
Depreciation of property, plant and equipment	184,899	152,791
Depreciation of investment properties	595	1,153
Amortisation of intangible assets	3,950	2,058
Lease payments for short-term leases		
- vessels and barges	128,020	135,346
- buildings	10,238	9,932
Staff costs (including directors' emoluments)	573,616	569,656

8. Other losses, net

	2025 HK\$'000	2024 HK\$'000
Exchange losses, net	(2,036)	(754)
(Loss)/gain on disposals of property, plant and equipment	(179)	3,029
Gain on bargain purchase of a subsidiary	5,052	-
Gain on disposal of interest in a joint venture	-	6,042
Gain on deemed disposal of interest in a joint venture	3,360	-
Legal compensation expenses	(2,186)	-
Provision for impairment of trade receivables, net	(4,551)	(3,570)
Provision for impairment of other receivables	-	(809)
Impairment loss on investment in an associate	-	(3,000)
Impairment loss on property, plant and equipment	-	(4,000)

9. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the year. The People's Republic of China (“**PRC**”) corporate income tax has been calculated on the estimated assessable profit for the year at the income tax rate of the PRC entities of 25% (2024: 25%). Macao profits tax has been provided at the rate of 12% (2024: 12%) on the estimated assessable profit of the Macao entities for the year.

	2025	2024
	HK\$'000	HK\$'000
Current income tax		
- Hong Kong profits tax	1,867	7,918
- PRC corporate income tax	16,074	17,031
- Macao profits tax	1,093	1,530
- Over provision in prior years	(359)	(207)
Deferred income tax expense/(credit)	635	(5,144)
	19,310	21,128

10. Dividends

- (a) Dividends payable to equity shareholders of the Company attributable to the year

	2025	2024
	HK\$'000	HK\$'000
Interim dividend declared and paid of HK1 cent (2024: HK2 cents) per ordinary share	11,212	22,423
Final dividend proposed after the end of the reporting period of HK1.5 cents (2024: HK4 cents) per ordinary share	16,818	44,847

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) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025	2024
	HK\$'000	HK\$'000
Final dividend paid/payable for 2024 of HK4 cents (2023: HK5 cents) per ordinary share	44,847	56,058

On 31 March 2026, the Board resolve to propose a final dividend of HK1.5 cents per ordinary share (2024: HK4 cents per ordinary share) for the year ended 31 December 2025. This proposed dividend is not reflected as a dividend payable in the financial statements. During the year, the total dividends paid by the Company, including the final dividend for the year 2024 and the interim dividend for the year 2025, amounting to HK\$56,059,000 (2024: HK\$78,481,000).

11. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit attributable to equity holders of the Company (HK\$'000)	51,996	117,027
Weighted average number of ordinary shares in issue ('000)	1,121,167	1,121,167
Basic earnings per share (HK cents)	4.64	10.44

Diluted earnings per share for the years ended 31 December 2025 and 2024 are the same with basic earnings per share as there were no dilutive potential ordinary shares in issue.

12. Non-adjusting events after the reporting period

After the end of the reporting period, the directors of the Company proposed a final dividend, the details of which are disclosed in note 10.

13. Comparative figures

Certain comparative figures have been reclassified to conform to current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 31 December 2025, the Group recorded a consolidated revenue of HK\$2,551,156,000 representing a decrease of 6.9% over the same period last year. Profit for the year amounted to HK\$57,165,000, representing a decrease of 54.5% over the same period last year. Profit attributable to the Shareholders amounted to HK\$51,996,000, representing a decrease of 55.6% over the same period last year.

In 2025, the global trade environment faced considerable pressure as a result of frequent adjustments to international tariff policies and escalating geopolitical tensions. In addition, the weak performance of Hong Kong's navigation market, together with the continued adjustment of Mainland China's real estate sector which led to a contraction in demand for gravel bulk cargo and other break bulk cargoes, exerted a significant impact on the Group's freight transportation business. Meanwhile, with the opening of the Shenzhen–Zhongshan Link in 2024 and the further optimisation of the multidimensional transportation network in the Guangdong–Hong Kong–Macao Greater Bay Area, the Group's cross-border passenger transportation and related ancillary businesses also came under more intense competitive pressure.

Regarding the cargoes transportation sector, the Group's terminal navigation logistics business came under significant pressure during the year, with certain businesses experiencing substantial declines. During the year, container transportation volume reached 1,148,000 TEU, representing a year-on-year decrease of 13.3%. Break bulk cargoes transportation volume amounted to 272,000 tons, representing a year-on-year decrease of 68.4%, mainly due to the sluggish gravel bulk cargo market. In cargo handling business, container handling volume reached 1,098,000 TEU, representing a year-on-year increase of 4.2%, while break bulk cargo handling volume decreased by 9.0% year-on-year to 9,121,000 tons. Container hauling and trucking volume reached 155,000 TEU, representing a year-on-year decrease of 10.9%.

Regarding the passenger transportation sector, the Group's traditional cross border waterway passenger transportation business recorded a decline in passenger volume during the year, due to the diversion of passenger flows following the opening of the Shenzhen–Zhongshan Link and the relocation of the passenger terminal in Zhongshan. Hong Kong's local ferry business remained relatively stable, as the increase in inbound visitors partially offset the strengthened northbound consumption trend among Hong Kong residents. During the year, the total number of passengers for agency services was 1,693,000, representing a year-on-year decrease of 0.2%. The number of passengers for terminal services was 1,204,000, representing a year-on-year increase of 3.6%. The number of passengers for local ferry service was 11,167,000, representing a year-on-year decrease of 1.8%.

BUSINESS REVIEW (Continued)

I. TERMINAL NAVIGATION LOGISTICS BUSINESS

1. Cargo Transportation Business

Business Operation Indicators

Performance statistics of our major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	2025	2024	Change
Container transportation volume (TEU)	1,148,000	1,324,000	-13.3%
Break bulk cargoes transportation volume (revenue tons)	272,000	860,000	-68.4%
Volume of container hauling and trucking on land (TEU)	155,000	174,000	-10.9%

Subsidiaries

During the year, the Group's cargo transportation business faced severe challenges amid the slowdown in global trade growth, intensifying industry competition, and the structural weakening of Hong Kong's shipping functions. Chu Kong Transhipment & Logistics Company Limited ("CKTL") adopted a dynamic strategy to respond to market transformation, deeply exploring new business opportunities arising from supply chain restructuring. Through cost reduction and efficiency enhancement measures, the company solidified its operational foundation despite market headwinds and achieved substantial breakthroughs in several emerging and high value added business segments. During the year, the volume of container transportation for the year recorded 1,148,000 TEU, representing a year-on-year decrease of 13.3%. The volume of break bulk cargoes transportation for the year recorded 272,000 tons, representing a year-on-year decrease of 68.4%. The volume of container hauling and trucking on land for the year recorded 155,000 TEU, representing a year-on-year decrease of 10.9%.

CKTL is committed to building a new integrated logistics ecosystem. The company continued to deepen its cooperation with airlines and successfully became a first tier agent of Hong Kong Airlines, while expanding multiple high end logistics projects. Meanwhile, it actively developed e commerce logistics and warehousing logistics businesses by completing the construction of an e commerce warehouse, the upgrading of a Type 3A bonded warehouse, and the expansion of its temperature controlled warehouse, successfully attracting a number of high quality customers. In the engineering logistics segment, CKTL strengthened its development efforts and successively undertook large scale projects such as transitional housing, resettlement housing, and sewage treatment plants. In addition, the company collaborated with roll on/roll off vessel operators to provide sea freight booking services, further expanding its integrated international vehicle transportation logistics services. Looking ahead, CKTL will pursue organisational restructuring and efficiency driven development, advance business refinement and regional expansion, deepen efficiency management of barge routes, and strengthen the Pearl River Delta–Hong Kong feeder services and solid waste waterway transportation business. The company will also enhance the coordinated development of engineering logistics, warehousing, and air freight businesses, while actively expanding duty free warehousing in Hong Kong and exploring overseas markets.

2. Cargo Handling and Storage Business

Business Operation Indicators

Performance statistics of our major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	2025	2024 (Restated) (Note)	Change
Container handling volume (TEU)	1,098,000	1,054,000	4.2%
Break bulk cargoes handling volume (revenue tons)	9,121,000	10,022,000	-9.0%

Note: The restated figures for 2024 include the full year data of Beicun Port.

Subsidiaries

During the year, despite various unfavourable factors, the Group's subsidiaries strengthened collaboration and leveraged the advantages of the Group's integrated internal resources to vigorously expand factory logistics, integrated logistics, and engineering logistics businesses. As a result, the Group recorded an overall year on year increase in container handling volume. During the year, the container handling volume was 1,098,000 TEU, representing a year-on-year increase of 4.2%, while the break bulk cargoes handling volume during the year was 9,121,000 tons, representing a year-on-year decrease of 9.0%.

Subsidiaries (Continued)

Major business operation indicators by region are as follows:

Region	For the year ended 31 December					
	Container handling			Break bulk cargoes		
	volume (TEU)		Change	handling volume (revenue tons)		Change
	2025	2024		2025	2024	
Zhaoqing	237,000	199,000	19.1%	7,139,000	7,896,000	-9.6%
Foshan	250,000	254,000	-1.6%	199,000	131,000	51.9%
(Restated) (Note)						
Qingyuan	113,000	111,000	1.8%	452,000	405,000	11.6%
Zhuhai	171,000	184,000	-7.1%	80,000	101,000	-20.8%
Zhongshan	60,000	63,000	-4.8%	781,000	907,000	-13.9%
Hong Kong	267,000	243,000	9.9%	470,000	582,000	-19.2%

Note: The restated figures for 2024 include the full year data of Beicun Port in Foshan Region.

The Zhaoqing region, guided by the strategy of “each port with one specialty and each port with one policy”, focused on its principal responsibilities and core businesses, proactively identifying quality customers and strengthening upstream and downstream supply chain collaboration. The region vigorously developed factory logistics and integrated logistics businesses. During the year, the container handling volume achieved steady growth, reaching 237,000 TEU, representing a year-on-year increase of 19.1%. The break bulk cargoes handling volume recorded 7,139,000 tons, representing a year-on-year decrease of 9.6% due to market structural adjustments. Kangzhou Port continued to focus on construction material bulk cargo; although volume declined year on year, it remained an important bulk cargo terminal in the region. Zhaoqing New Port actively expanded engineering logistics and “bulk to container” conversion businesses, cooperating with logistics enterprises to handle sand, earthwork and other construction materials, further enriching the cargo structure. Sihui Port and Gaoyao Port continued to innovate in specialised cargo categories and business models, jointly enhancing the overall logistics service capability of the region.

Subsidiaries (Continued)

The Foshan region achieved a container handling volume of 250,000 TEU, representing a year-on-year decrease of 1.6%, and a break bulk cargoes handling volume of 199,000 tons, representing a year-on-year increase of 51.9% (as Beicun Terminal has become a subsidiary of the Group rather than a joint venture, the relevant data has accordingly been consolidated since January this year and adjusted the figures of 2024). Gaoming Port, building on its existing business foundation, deepened its engagement with key factories and major trading markets within the region. In collaboration with CKTL, the port successfully secured new cargo sources, including the Hong Kong MIC project, with break bulk cargo handling reaching 118,000 tons, representing a year on year increase of 168.2%. Beicun Terminal expanded its end to end import booking agency services and developed a full supply chain import business covering Thailand, Myanmar and Cambodia. This strengthened its position in the rice import segment and enhanced overall logistics efficiency. The rice import business recorded breakthrough growth, with container handling volume reaching 29,000 TEU, representing a year on year increase of 61.1%.

The Qingyuan region recorded container handling volume of 113,000 TEU, representing a year on year increase of 1.8%, and break bulk cargo handling volume of 452,000 tons, representing a year on year increase of 11.6%. In terms of domestic trade, Qingyuan Port continued to optimise its container business structure, proactively expanding cooperation with other domestic trade shipping companies and logistics enterprises to enrich its route network, effectively supporting the steady growth of domestic trade cargo volume. At the same time, Qingyuan Port worked in close collaboration with CKTL to vigorously develop bulk construction materials and e commerce related cargo sources. As a result, the region achieved breakthrough growth in foreign trade break bulk cargo, with a year on year increase of 63.3%.

The Zhuhai region recorded container handling volume of 171,000 TEU, representing a year on year decrease of 7.1%, and break bulk cargo handling volume of 80,000 tons, representing a year on year decrease of 20.8%. The decline in business volume was mainly attributable to the subdued overall market environment, the relocation of production capacity by major customers, and intensified competition from neighbouring ports leading to cargo diversion. Facing external market pressures, Doumen Port actively pursued new business opportunities, obtained new operating qualifications, and targeted the Hong Kong and Macao infrastructure markets. The port plans to develop a transshipment platform in the Xijiang estuary area to compensate for the shortfall in traditional bulk cargo sources. Civet Port continued to promote business diversification by expanding into projects such as bonded warehouse operations on top of its traditional business lines, further strengthening its risk resilience capabilities.

Subsidiaries (Continued)

The Zhongshan region's Huangpu Port recorded container handling volume of 60,000 TEU, representing a year on year decrease of 4.8%, and break bulk cargo handling volume of 781,000 tons, representing a year on year decrease of 13.9%. The decline in cargo volume was primarily attributable to external market fluctuations, the absence of certain periodic projects, and intensified regional competition. To address these challenges, Zhongshan Huangpu Port actively advanced the transformation of its business structure. On one hand, it continued to deepen its engagement with major customers and expand combined port services to increase the proportion of laden import and export containers. On the other hand, it vigorously developed integrated logistics and warehousing services, launching high value added businesses such as steel rail processing and home appliance logistics, gradually transforming into a more diversified and service oriented port.

The Hong Kong region recorded container handling volume of 267,000 TEU, representing a year on year increase of 9.9%, and break bulk cargo handling volume of 470,000 tons, representing a year on year decrease of 19.2%. During the year, CKTL actively expanded new businesses such as air freight logistics, warehousing and engineering logistics, and undertook multiple large scale engineering logistics projects, driving demand for container handling. At the same time, the company expanded its specialised warehousing services, including bonded warehouse and temperature controlled storage, to attract high value added cargo types. On the other hand, the rise of cross border e commerce in Hong Kong and the impact on traditional supply to Hong Kong business models strengthened the competitiveness of land transportation, leading to the diversion of certain break bulk cargo sources.

Joint Ventures and Associates

Sanbu Port recorded container handling volume of 166,000 TEU, representing a year on year increase of 8.5%, and break bulk cargo handling volume of 601,000 tons, representing a year on year increase of 26.3%. Sanbu Port actively strengthened customer relationship management, gained deeper insights into customer needs, and introduced new domestic-trade shipping services to enrich its route resources, thereby successfully offsetting the decline in cargo categories such as ceramics and timber. Building on the stable cargo volumes of its existing grain bulk-cargo customers, the port continued to expand into multiple new bulk-cargo sources, including sand and gravel, chemical stone, coal and petroleum by-products. Heshan Port was affected by the overall market environment and weaker foreign trade demand. In addition, the substantial reduction in imported timber containers led the port to record a decrease of container handling volume, and the declined in coil steel cargo also led to a decrease of break bulk handling volume.

II. PASSENGER TRANSPORTATION BUSINESS

Business Operation Indicators

Performance statistics of our major business operation indicators are as follows:

Indicators	For the year ended 31 December		
	Number of Passengers (in thousands)		
	2025	2024	Change
Number of passengers for agency services	1,693	1,697	-0.2%
Number of passengers for terminal services	1,204	1,162	3.6%
Number of passengers for local ferry transportation	11,167	11,372	-1.8%

Subsidiaries

The Group's cross-border waterway passenger transportation business has gradually recovered, with a slightly increase in business volume compared to last year. However, it has yet to return to pre-pandemic levels. During the year, the total number of passengers for agency services of Chu Kong Passenger Transport Company Limited ("CKPT") was 1,693,000, representing a year-on-year decrease of 0.2%, while the number of passengers for terminal services was 1,204,000, representing a year-on-year increase of 3.6%.

Regarding urban routes, CKPT resumed its role as the agent for the round trip Zhuhai–Hong Kong China Ferry Terminal route during the year. There were seven routes in operations during the year: six round-trip routes connecting Zhongshan, Nansha, Shenzhen Airport, Shunde, Pazhou and Zhuhai with the China Ferry Terminal, and one round-trip route connecting Shekou to the Hong Kong-Macau Ferry Terminal. Over the year, these routes transported 978,000 passengers, representing a year on year decrease of 4.2%.

Regarding airport routes, there are 6 routes currently in operation, linking Zhongshan, Nansha, Shekou, Shenzhen Airport, Pazhou and Humen. These routes handled 714,000 passengers over the year, representing a year-on-year increase of 5.5%. CKPT actively integrated internal and external resources and strengthened market development efforts. It jointly organised promotional activities with other companies within the Group's passenger transportation segment as well as local enterprises in Hong Kong, effectively enhancing intra group business synergy and supporting overall market development.

Subsidiaries (Continued)

CKPT continued to deepen its presence in the Hong Kong International Airport business development, with its self-service check in support services expanding steadily. The service coverage has been extended to the AsiaWorld Expo, the MTR Hong Kong Station and Airport 11Skies. During the year, the company successfully secured the airport enquiry counter service project, the transfer car park ancillary service project and the transfer car park operation project. In addition, CKPT successfully completed the logistical support tasks for the visit of the Shandong aircraft carrier formation to Hong Kong during the year. The mission received full recognition from the military authorities and generated strong media publicity outcomes.

Regarding local ferry services, the increasing trend of Hong Kong residents travelling to the Mainland for consumption led to changes in local leisure-travel patterns, resulting in reduced demand for outlying-island travel. Sun Ferry Services Company Limited (“**Sun Ferry**”) recorded the local ferry passenger volume reached 11,167,000 passengers, representing a year-on-year decrease of 1.8%. To respond to market changes, Sun Ferry actively promoted service innovation. It became the first local ferry operator to launch ticketing through a WeChat Mini Program, and collaborated with WeChat Pay to conduct joint marketing initiatives. The company also introduced shared massage chairs and proprietary vending machines, and adopted new food and beverage service models, effectively enhancing non ticket revenue. In addition, Sun Ferry continued to optimise its fleet structure. The new vessels “Xin Ming Zhu XI” and “Xin Ming Zhu XII” were successfully commissioned during the year, enabling the gradual replacement of ageing vessels, further strengthening navigational safety and reducing operational risks.

Regarding water cultural tourism business, Oriental Pearl Cruise Company Limited (“**Oriental Pearl**”) recorded a total passenger volume of 163,000, representing a year on year increase of 40.5%. During the year, Oriental Pearl launched a combined “Cross boundary Waterway + Victoria Harbour Cruise” product to enhance customer connectivity, and expanded its online sales channels through platforms such as Tiktok. Meanwhile, through cross sector collaboration and resource integration, the company continued to diversify its service offerings and revenue streams, including partnering with hotels to organise drone and fireworks shows, creating innovative high end entertainment experiences that received positive market feedback.

Joint Ventures and Associates

Benefiting from the continued recovery of air traffic at the Hong Kong International Airport, the number of passengers of SkyPier (operated by Hong Kong International Airport Ferry Terminal Services Limited) amounted to 739,000, representing a year-on-year increase of 9.2%. Affected by the Shenzhen-Zhongshan Link and the relocation of the passenger terminal in Zhongshan, the passenger transportation volume of the urban routes operated by Zhongshan-Hong Kong Passenger Shipping Co-op Co., Ltd. amounted to 505,000, representing a year-on-year decrease of 10.9%, while the passenger transportation volume of the airport ferry routes amounted to 86,000, representing a year-on-year decrease of 7.5%. Foshan Shunde Shungang Passenger Transportation Co-op Co., Ltd. suspended operations for a total of 146 days during the year. Its urban route passenger volume amounted to 66,000 passengers, representing a year on year decrease of 54.8%.

During the year, the shuttle bus business volume for the Hong Kong-Zhuhai-Macao Bridge which is jointly operated by Hong Kong-Zhuhai-Macao Bridge Shuttle Bus Co., Ltd., an associate of the Group achieved a passenger volume of 20,416,000 passengers during the year, representing a year-on-year increase of 4.3%.

III. FUEL SUPPLY BUSINESS

Regarding the fuel supply business, the overall demand for diesel decreased due to the downturn in the macroeconomic environment and the significant decline in the bunkering volume of the Group's cross boundary passenger ferries. Sun Kong Petroleum Company Limited ("**Sun Kong Petroleum**") completed diesel sales volume of 84,000 tonnes, representing a year on year decrease of 9.7%. Regarding the engine oil supply business, Sun Kong Petroleum continued to deepen its cooperation with internationally renowned lubricant suppliers, broadened the range of brands under its agency, and recorded a significant increase in engine oil agency transportation volume. To respond to market changes, Sun Kong Petroleum actively expanded its fuel supply business beyond the Group by attracting new customers through targeted marketing efforts, thereby scaling up its operations. At the same time, the company pursued business transformation and upgrading by extending into land based fuel supply services, gradually realising the shift from "waterborne bunkering" to "land based fuel supply". In addition, Sun Kong Petroleum strengthened its presence at Hong Kong boundary crossing control points, capitalising on the development opportunities brought about by the "bridge economy". The company prioritised the advancement of land based fuel supply services for the Hong Kong–Zhuhai–Macao Bridge, with the aim of securing new growth drivers and enhancing its overall competitiveness.

IV. CORPORATE AND OTHER BUSINESSES

As to the corporate and other businesses, Chu Ou Engineering and Technologies Company Limited ("**Chu Ou Engineering**"), recorded lower revenue during the year compared with the same period last year, primarily due to a year-on-year reduction in the workload of the Sands Group's water supply pipeline project. Looking forward, Chu Ou Engineering will continue to give full play to its technological advantages, on the basis of strengthening its existing business, it will pay close attention to the bidding projects of various government departments and enterprises in Macao, actively explore new long-term and stable projects to enhance its sustainable profitability.

During the year, the businesses of other subsidiaries, joint ventures and associates of the Group progressed well.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The capital structure of the Group was constantly monitored by the Company. The use of any capital instruments, including banking facilities, by each subsidiary was under the central coordination and arrangement of the Company.

The Group closely monitored its working capital and financial resources to maintain a solid financial position. As at 31 December 2025, the Group secured a total credit facilities of HK\$1,335,500,000 and RMB537,440,000 (equivalent to approximately HK\$595,040,000) (2024: 1,185,000,000 and RMB109,571,000 (equivalent to approximately HK\$118,327,000)) granted by bona fide banks.

As at 31 December 2025, the current ratio of the Group, calculated by dividing current assets by current liabilities, was 1.3 (2024: 1.5).

As at 31 December 2025, the Group's bank deposits and cash and cash equivalents amounted to HK\$963,550,000 (2024: HK\$845,459,000), which represented 15.8% (2024: 15.4%) of the total assets.

As at 31 December 2025, the gearing ratio of the Group, represented by bank borrowings divided by total equity and bank borrowings, was 14.8% (2024: 8.1%) and the debt ratio, representing total liabilities divided by total assets, was 40.0% (2024: 34.6%).

After considering its current cash and cash flows from operating activities, as well as the credit facilities available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for business expansion and general development purposes.

During the year, the Group did not use any other financial instruments for hedging purpose.

BANK LOANS AND PLEDGE OF ASSETS

Bank Loans	As at 31 December 2025	As at 31 December 2024
Banks located in Hong Kong (Note 1)		
- Hong Kong Dollar (Unsecured)	200,000,000	200,000,000
- Renminbi (Unsecured)	150,000,000 (equivalent to approximately HK\$166,080,000)	-
Banks located in Mainland China (Note 2)		
- Renminbi (Unsecured)	5,000,000 (equivalent to approximately HK\$5,536,000)	-
- Renminbi (Secured)	235,954,000 (equivalent to approximately HK\$261,242,000)	109,571,000 (equivalent to approximately HK\$118,327,000)

Note:

1. As at 31 December 2025, the Hong Kong dollar bank loans in Hong Kong were bearing floating interest rate and unsecured; while the Renminbi bank loans were bearing fixed interest rate and unsecured.
2. As at 31 December 2025, the bank loans in Mainland China were bearing floating interest rates, some of which were secured by certain land use rights, investment properties and property, plant and equipment of the Group; the rest were unsecured.

CURRENCY STRUCTURE

As at 31 December 2025, the Group deposited its cash and cash equivalents with several reputable banks, mainly of which were denominated in Hong Kong dollar and Renminbi with some in United States dollar and a small amount in Macao Pataca and in Euro.

CAPITAL COMMITMENTS

The Group's capital commitments outstanding at 31 December 2025 were HK\$297,880,000 (2024: HK\$501,178,000)

The Group has sufficient financial resources, which includes cash and cash equivalents, cash from operating activities and available banking facilities, for the payment of capital commitments.

SIGNIFICANT INVESTMENT

Save as disclosed in this announcement, there was no significant investment held by the Group for the year.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no material contingent liabilities (2024: Nil).

PURCHASE, REDEMPTION OR SALE OF THE COMPANY'S LISTED SECURITIES

No listed securities of the Company were purchased or sold by the Company or any of its subsidiaries for the year. The Company did not redeem any of its shares during the year.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Referring to the announcement of the Company dated 3 March 2025, the Group entered into an agreement with Baowu Group Zhongnan Iron and Steel Co., Ltd. ("**Baowu Group**") to establish Shaoguan Zhongnan Port and Shipping Co., Ltd. ("**Shaoguan Zhongnan**") on the same date. Pursuant to this agreement, the registered capital of Shaoguan Zhongnan is RMB340,000,000. The Group would contribute RMB166,600,000, and Baowu Group would contribute the remaining RMB173,400,000 as the registered capital of Shaoguan Zhongnan. After the establishment of Shaoguan Zhongnan, the Group and Baowu Group would hold 49% and 51% of the equity in Shaoguan Zhongnan, respectively. The Group has completed its capital contribution in June 2025.

Save as disclosed in this announcement, the Group had no other material acquisition or disposal of any subsidiaries, joint ventures and associates for the year.

EXCHANGE RISK

Currently, the ordinary operations, investments business and borrowings of the Group are concentrated in Guangdong Province and Hong Kong, with operating revenue and expenditure mainly denominated in HKD, as well as in RMB and USD. RMB revenue from Mainland China may be used for payment of expenses incurred in Mainland China and repayments of the loans denominated in RMB. HKD or USD revenue received in Mainland China may be remitted to the Group's bank accounts in Hong Kong through proper procedures as planned. So long as the linked exchange rate system in Hong Kong with USD is maintained, it is expected that the Group will not be subject to any significant exchange risk.

ADOPTION OF MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct prescribing standards and requirements no less than that required by the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct of Directors for conducting securities transactions. All directors of the Company (the “**Directors**”) have confirmed, following specific enquiry of all Directors that they have fully complied with the required standards set out in the Model Code in relation to such transactions during the accounting period covered by this announcement.

PUBLICATION OF RESULTS ON THE WEBSITES

The annual report of the Company for the year ended 31 December 2025 (the “**2025 Annual Report**”) containing all the information required by the Listing Rules will be published on the websites of the The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (www.hkexnews.hk) and the Company (www.cksd.com) in due course.

ANNUAL GENERAL MEETING OF THE COMPANY (“AGM”)

The AGM is to be held on 29 May 2026 (Friday) and the notice of the AGM will be published and despatched to the Shareholders with the prescribed time and in such manner as required by the Listing Rules.

FINAL DIVIDEND

The Board has declared an interim dividend of HK1 cent (2024: HK2 cents per ordinary share) per ordinary share for the year ended 31 December 2025, totaling HK\$11,212,000 (2024: 22,423,000) and was paid on 24 October 2025. The Board has proposed a final dividend of HK1.5 cents (2024: HK4 cents per ordinary share) per ordinary share for the year ended 31 December 2025 (the “**Final Dividend**”), totaling approximately HK\$16,818,000 (2024: HK\$44,847,000) to Shareholders whose names appeared on the register of members on 10 June 2026. The final dividend is expected to be paid in cash.

CLOSURE OF REGISTER MEMBERS

The register of members of the Company will be closed from 22 May 2026 (Friday) to 29 May 2026 (Friday), during which no transfer of shares will be effected. In order to ascertain Shareholders’ rights for the purpose of attending and voting at the AGM to be held on 29 May 2026 (Friday), all transfer documents, accompanied by relevant share certificates, must be lodged with the Company’s Share Registrar, Tricor Tengis Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on 21 May 2026 (Thursday) for registration.

The register of members of the Company will be closed from 8 June 2026 (Monday) to 10 June 2026 (Wednesday), both dates inclusive, during which no transfer of shares will be effected for the purpose of ascertaining the Shareholders entitled to the Final Dividend to be approved at the AGM. In order to qualify for the Final dividend, all transfer documents, accompanied by relevant share certificates, must be lodged with the Company's Share Registrar, Tricor Tengis Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on 5 June 2026 (Friday) for registration. The dividend warrants for the cash dividends are expected to be sent by ordinary mail to the Shareholders at their own risk on or around 29 June 2026 (Monday).

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has reviewed the accounting policies and principles adopted by the Group with the management, and discussed the relevant matters such as auditing, internal controls and financial reporting. The annual results for the year ended 31 December 2025 have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE

The Directors have adopted various policies to ensure compliance with the code provisions of the Corporate Governance Code (the "**Code**") under Appendix 14 to the Listing Rules. Save as disclosed below, the Directors consider that the Company has fully complied with the Code for the year ended 31 December 2025.

According to the provisions of the Code, a service term of over nine years is one of the key factors in determining the independence of an independent non-executive director. Mr. Chan Kay-cheung ("**Mr. Chan**") and Ms. Yau Lai Man ("**Ms. Yau**") have both served as independent non-executive Directors for over nine years. During their appointments, they have consistently provided independent viewpoints and opinions, contributing to the Company on matters concerning its businesses, operations, future development and strategy. After careful evaluation of their character, integrity, abilities, experience, and past performance, and taking into account their scope of responsibilities, level of involvement, and ability to make objective judgments, the Board and the nomination committee of the Company (the "**Nomination Committee**") believe that Mr. Chan and Ms. Yau's long services have not affected their ability to make independent judgments, and that they are able to continue to perform their duties objectively and effectively.

Rule B.2.3 of the Code stipulates that if an independent non-executive director has served for more than nine years, their re-appointment must be approved by shareholders through an independent resolution. The accompanying shareholder circular must explain the reasons why the board (or nomination committee) considers the director to be an independent person and should be re-elected, including the factors considered, the relevant decision-making process of the board (or nomination committee), and the content of the discussions. Mr. Chan retired by rotation at the annual general meeting held on 21 June 2023, and was eligible and willing to be re-elected at the said meeting. Mr. Chan was re-appointed by Shareholders through an independent resolution at the said meeting. Ms. Yau retired by rotation at the annual general meeting held on 22 May 2025, and was eligible and willing to be re-elected at the said meeting. Ms. Yau was reappointed by Shareholders through an independent resolution at the said meeting.

In accordance with the provisions concerning the term of office of independent non-executive directors in the 148th Amendment to the Main Board Listing Rules of the Hong Kong Stock Exchange, the Company has formulated corresponding transitional arrangements to gradually optimize its board structure. This plan aims to ensure that by the first annual general meeting to be held after 1 July 2028, a majority of the independent non-executive directors will have served less than nine years; and by the first annual general meeting to be held after 1 July 2031, no independent non-executive director on the board will have served a term of nine years or more. During the transitional period, if the Company decides to re-elect any independent non-executive Director with a term exceeding nine years, it will further disclose the Nomination Committee's evaluation process, focusing on how the individual's ability to make sustained objective contributions is assessed, and the Board's consideration of the relevant recommendations. The Company understands that the evaluation focuses on their substantive contribution capabilities, rather than merely meeting the formal independence requirements.

Pursuant to Article 88(i) of the articles of association of the Company (the “**Articles of Association**”), Mr. Chan will retire by rotation at the upcoming annual general meeting and is eligible and willing to be re-elected at that meeting. His re-election will be proposed to shareholders for consideration in the form of an independent resolution. This re-election is taking place during the six-year transition period of the aforementioned Listing Rules amendments. The Company will comply with the relevant disclosure requirements and provide a detailed explanation of the assessment process and basis of consideration by the Nomination Committee and the Board of Directors for Mr. Chan's re-election. The core of the Company's assessment will be his objective ability to contribute, rather than merely formal compliance with the independence guidelines.

Mr. Liu Guanghui (“**Mr. Liu**”, chairman of the Board), an executive Director, has resigned as the executive Director and chairman of the Board as well as chairman of the Nomination Committee (the “**Nomination Committee**”), member of the remuneration committee and the executive committee of the Company on 26 February 2026. Following the resignation of Mr. Liu, the position of chairman of the Board and chairman of the Nomination Committee are vacant, the Company is therefore not in compliance with Rule 3.27A of the Listing Rules.

The Board will make its best endeavours to identify appropriate person for appointment as the chairman of the Board and the chairman of Nomination Committee, as soon as practicable and within three months from the date of Mr. Liu's resignation.

Further details on the corporate governance of the Company will be published in the 2025 Annual Report.

DIRECTORS

With effect from 21 November 2025, Mr. Tang Yi Hoi, the independent non-executive Director, has been appointed as independent non-executive director of Xiamen Jihong Technology Co. Ltd. (stock code: 2603.HK).

Save as disclosed above, the Company is not aware of any change in the information of the Directors required to be disclosed pursuant to Rule 13.51B of the Listing Rules during the period since the interim report ended 30 June 2025.

As at the date of this announcement, the executive Directors are Mr. Zhou Jun and Mr. Hu Jun; non-executive Director is Ms. Zhong Yan; and independent non-executive Directors are Mr. Chan Kay-cheung, Ms. Yau Lai Man, Hon. Chen Chung-nin and Mr. Tang Yi Hoi.

By Order of the Board
Zhou Jun
Managing Director

Hong Kong, 31 March 2026