



2025 ANNUAL REPORT



JINHUI HOLDINGS COMPANY LIMITED

Stock Code: 137

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ng Siu Fai, *Chairman*

Ng Kam Wah Thomas, *Managing Director*

Ng Ki Hung Frankie

Ho Suk Lin

Independent Non-executive Directors

Cui Jianhua

Tsui Che Yin Frank

William Yau

AUDIT COMMITTEE

Tsui Che Yin Frank, *Chairman*

Cui Jianhua

William Yau

REMUNERATION COMMITTEE

Cui Jianhua, *Chairman*

Tsui Che Yin Frank

William Yau

NOMINATION COMMITTEE

Cui Jianhua, *Chairman*

Tsui Che Yin Frank

William Yau

COMPANY SECRETARY

Ho Suk Lin

AUDITOR

Grant Thornton Hong Kong Limited

Certified Public Accountants

Registered Public Interest Entity Auditor in accordance with the Accounting and Financial Reporting Council Ordinance

SHARE LISTING

The Company's shares are listed on the Hong Kong Stock Exchange (stock code: 137)

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

SHARE REGISTRAR

Tricor Investor Services Limited
17/F
Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

26th Floor
Yardley Commercial Building
1-6 Connaught Road West
Hong Kong

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WEBSITE

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Chairman's Statement

The Board is pleased to present the annual report of **Jinhui Holdings Company Limited** for the financial year 2025.

Dry bulk freight rates in 2025 were marked by volatility but showed resilience, supported by strong commodity demand (iron ore, coal, grains) despite geopolitical disruptions, seasonal swings and impact of trade policy. Rates fluctuated sharply across vessel classes throughout the year. The Baltic Dry Index decreased by 4% year-on-year on average over the last year. In light of these market conditions, the Group operated the majority of its fleet's vessels under long term contracts while retaining exposure to the spot market.

The Group continues to implement its fleet renewal strategy, with a focus on enhancing operational efficiency and reducing environmental impact. Older vessels are being replaced with modern, fuel-efficient ships that align with global sustainability objectives. This proactive approach not only strengthens fleet performance but also underscores our commitment to environmentally responsible shipping. During the year, the Group completed the disposal and delivery of eight Supramaxes with average age of sixteen years. The Group entered into shipbuilding contracts with a reputable shipyard for the construction of four Ultramax newbuildings, scheduled for delivery in 2028. Together with two shipbuilding contracts signed in 2024, the Group has a total of six committed Ultramax newbuildings as at 31 December 2025.

The Group achieved a revenue from chartering freight and hire of HK\$1,228,413,000 for the year 2025, representing a slightly decrease of 0.9% compared to HK\$1,239,419,000 for the year 2024. Overall, the revenue remained relatively stable. As part of the Group's ongoing fleet renewal and commitment to a low-carbon transition, eight aging Supramaxes, averaging sixteen years of age, were sold and delivered during the year. Average daily time charter equivalent rate earned by the Group's fleet was US\$14,182 (approximately HK\$111,000) for the year 2025 as compared to US\$14,741 (approximately HK\$115,000) for the year 2024.

For the year 2025, the Group generated a consolidated operating profit before depreciation and amortization amounted to HK\$598,999,000 for 2025 as compared to HK\$543,361,000 for 2024. The Group reported a consolidated net profit of HK\$72,491,000 in 2025, representing a decrease from HK\$142,183,000 recorded in the prior year. The current year's results included a non-recurring net loss of HK\$71,832,000 arising from the disposal of eight Supramaxes. The net profit attributable to shareholders of the Company for the year ended 31 December 2025 was HK\$29,139,000 as compared to net profit of HK\$59,217,000 reported for the year 2024. Basic earnings per share for the year was HK\$0.055, compared to HK\$0.112 for the year 2024.

As of 31 December 2025, the Group operated twenty-three vessels, including eighteen owned vessels and five chartered-in vessels. Among the owned vessels were two that have been arranged under sale and leaseback agreements.

We continue to maintain a healthy financial position under the existing challenging environment. The Board will continuously review the dividend policy going forward, with the aim of returning steady capital to shareholders should the Company's financial position and future strategy allow.



Chairman's Statement

On behalf of the Board of Directors of the Company, I would like to first express our heartfelt appreciation to our seafarers as well as all customers and stakeholders for their ongoing support. Going forward, we will continue to operate with a conservative yet nimble mindset, and be ready to act in the best interest of our shareholders under all kinds of scenarios. We will continue to exercise our best efforts to be a trustworthy business partner. I would also like to take this opportunity to express my gratitude to my colleagues on the Board for their valuable contribution and to the employees for their hard work, commitment and dedication throughout the year.

By Order of the Board

Ng Siu Fai

Chairman

Hong Kong, 18 March 2026



Strategies and Business Profile

The Company was incorporated with limited liability in Hong Kong on 23 April 1991 and listed on the Hong Kong Stock Exchange (stock code: 137) on 6 December 1991. It serves as the holding company for various subsidiaries involved in ship ownership and chartering. Following a reorganization in June 1994, Jinhui Shipping and Transportation Limited became the immediate holding company of the shipping group. In order to generate international interest in Jinhui Shipping, it has been listed on the Oslo Stock Exchange (Euronext Oslo Børs), Norway (stock code: JIN) since October 1994.

STRATEGIES

The Group operates a diverse fleet of dry bulk carriers, encompassing a wide range of sizes from Supramax to Capesize. The Group believes that operating a versatile and diverse fleet could bring significant economic benefits to the Group. The Group will focus on taking decisive actions when opportunities arise, while maintaining a strong financial position and moderate leverage, as well as adjusting our fleet profile and size in a flexible and responsive manner. We will focus further on prudence and stability as our core objectives going forward and seek to be a preferred vessel provider for customers.

On the commercial side, our strategy is to maintain a flexible chartering policy to achieve an optimal balance between longer term time charterparties which generate a robust cash inflow, and spot exposure which allows the Group to take advantage of any upside in future charter rates. We will also further boost up our risk management efforts with the objective to minimize potential counterparty risks.

SHIPPING BUSINESS

The Group operates its worldwide shipping activities through Jinhui Shipping, an approximately 55.69% direct subsidiary of the Company as at date of this annual report.

The Group's shipping activities began in the mid 1980's, principally in the form of chartering dry bulk carriers worldwide. The Group masterminds a meticulous and complex shipping operation linking suppliers with end users around the world. Its chief task is to identify the exact requirements of customers and use suitable vessels to carry bulk cargoes for specific voyages or periods of time.

The Group operates a modern fleet of dry bulk carriers which are either used for carrying cargoes or time chartered-out to other shipping operators whichever is expected to bring a higher economic benefit to the Group.

The key success factors in the ship chartering business are timing, performance and relationship. Ship charterers have to know their customers and suppliers well, building up mutual trust and respect. It is in this important area that the Group has always excelled, helping to cement contracts and maintain reasonable business flow even during difficult periods when the economy is weak.



Strategies and Business Profile

SHIPPING BUSINESS *(Continued)*

It is the Group's policy to comply with all applicable environmental rules and regulations in its shipping operations as well as in its daily working environment to avoid the emission of noxious substances into the environment. The Group's owned vessels are well maintained and we place great emphasis on the operation in compliance with safety and environmental laws and regulations including but not limited to ISM Code, ISPS Code, MLC Code, MARPOL and other applicable rules regulated by IMO. We ensure all seafarers on board are trained and certificated in accordance with STCW Convention. Our owned vessels are also subject to the laws, regulations and rules of each country and port they visit. We have developed policies and procedures intended to ensure our compliance with these laws, regulations and rules. With the increasing attention towards environmental issues in the shipping industry, we are committed to operate our business in an environmentally and socially responsible manner, heading to the target of decarbonization.



Strategies and Business Profile

SHIPPING BUSINESS *(Continued)*

Owned Vessels

As at 31 December 2025, the Group had eighteen owned vessels and 432 seafarers employed on board.

Name	Built	Builder	DWT(MT)
JIN CHENG	2012	Imabari	181,279
JIN MEI	2008	Shanghai Waigaoqiao	178,021
JIN LI	2019	Jiangsu Hantong	81,567
JIN HENG	2014	Jiangsu Hantong	63,518
JIN PING	2014	Jiangsu Hantong	63,485
JIN CHAO	2014	Jiangsu Hantong	63,469
JIN RUI	2014	Jiangsu Hantong	63,435
JIN QUAN	2017	Dalian Cosco KHI	61,441
JIN XIANG	2012	Oshima	61,414
JIN HONG	2011	Oshima	61,414
JIN YUE	2010	Shanghai Shipyard	56,934
JIN AO	2010	Shanghai Shipyard	56,920
JIN WAN	2009	Shanghai Shipyard	56,897
JIN BI*	2012	Jiangsu Hantong	56,361
JIN AN	2007	Kawasaki	55,866
JIN XING	2007	Oshima	55,496
JIN YI	2007	Oshima	55,496
JIN YUAN	2007	Oshima	55,496
			1,328,509

* In December 2025, the Group entered into an agreement for the disposal of the vessel at a consideration of US\$14,400,000, approximately HK\$112,320,000. The agreement was subsequently cancelled in January 2026 as one of the contractual clauses could not be fulfilled.



Strategies and Business Profile

SHIPPING BUSINESS *(Continued)*

Ordered Vessels

As at 31 December 2025, the Group committed to acquire six newbuildings under construction.

Name	Builder	DWT(MT)	Expected delivery
JIN HAN	Jiangsu Hantong	63,500	2026
JIN MING	Jiangsu Hantong	63,500	2027
JIN FENG	Jiangmen Nanyang	64,500	2028
JIN FU	Jiangmen Nanyang	64,500	2028
JIN SHENG	Jiangmen Nanyang	64,500	2028
JIN YAO	Jiangmen Nanyang	64,500	2028
		385,000	

Chartered-in Vessels

The Group had two long-term chartered-in vessels as at the date of this annual report.

Name	Built	DWT(MT)	Charter-in date
TAHO CIRCULAR	2022	84,484	Jun 2022
TRUE NEPTUNE	2017	207,672	Jan 2025
		292,156	



Highlights

While the Group's expertise remains in Asia, by deploying a flexible and responsive sales strategy as well as an efficient fleet of vessels, the Group managed to serve a balancing portfolio of customers geographically during the year.

Loading Ports Analysis

	2025	2024
<i>(Expressed as a percentage of revenue)</i>	%	%
Asia excluding China	27.4	47.7
China	23.9	24.1
Africa	23.7	5.9
South America	12.0	11.3
Australia	10.3	6.6
North America	2.2	3.4
Europe	0.5	1.0
	100.0	100.0

Discharging Ports Analysis

	2025	2024
<i>(Expressed as a percentage of revenue)</i>	%	%
China	41.7	42.6
Asia excluding China	27.3	35.4
Africa	21.8	14.5
South America	4.7	1.3
North America	2.2	4.2
Australia	1.4	–
Europe	0.9	2.0
	100.0	100.0

Types of Cargoes carried by the Group's Fleet

	2025		2024	
	Metric Tonnes <i>(in '000)</i>	%	Metric Tonnes <i>(in '000)</i>	%
Minerals	6,526	54.8	9,407	59.5
Coal	1,595	13.4	2,813	17.8
Steel products	925	7.8	1,738	11.0
Agricultural products	706	5.9	611	3.9
Cement	672	5.6	364	2.3
Fertilizer	249	2.1	234	1.4
Others	1,232	10.4	636	4.1
	11,905	100.0	15,803	100.0



Highlights

KEY PERFORMANCE INDICATORS FOR SHIPPING BUSINESS

	2025 HK\$'000	2024 HK\$'000
Average daily time charter equivalent rate ¹	111	115
Daily vessel running cost ²	45	44
Daily vessel depreciation ³	25	26
	70	70
Average utilization rate ⁴	98%	98%

As of 31 December 2025, the Group operated twenty-three vessels, including eighteen owned vessels and five chartered-in vessels. Among the owned vessels were two that have been arranged under sale and leaseback agreements in 2025. As of 31 December 2024, the Group operated a total of thirty-three vessels, consisting of twenty-five owned vessels and eight chartered-in vessels. The Group achieved a revenue of HK\$1,228,413,000 for the year 2025, representing a slightly decrease of 0.9% compared to HK\$1,239,419,000 for the year 2024. Average daily time charter equivalent rate earned by the Group's fleet was US\$14,182 (approximately HK\$111,000) for the year 2025 as compared to US\$14,741 (approximately HK\$115,000) for the year 2024. Daily vessel running cost of the Group's owned vessels increased from US\$5,606 (approximately HK\$44,000) for the year 2024 to US\$5,895 (approximately HK\$45,000) for the year 2025 due to higher crew cost and the expenditure on spare parts for vessels, driven by an increase in operational demands and the need for maintenance to ensure optimal performance. In response to these rising expenses, we are committed to implementing stringent cost-control measures and enhancing operational efficiency. Our goal is to maintain a highly competitive cost structure that aligns with industry standards and positions us favorably against other market participants. Daily vessel depreciation of the Group's owned vessels decreased from US\$3,343 (approximately HK\$26,000) for the year 2024 to US\$3,194 (approximately HK\$25,000) for the year 2025. The average fleet utilization rate of the Group's fleet is 98% for the years of 2025 and 2024. We will continue with our cost reduction effort, striving to maintain a highly competitive cost structure when stacked against other market participants.

Notes:

1. Average daily time charter equivalent rate is calculated as the time charter revenue, and voyage revenue less voyage expenses divided by the number of available days in the year.
2. Daily vessel running cost is calculated as the aggregate of crew expenses, insurance, consumable stores, spare parts, repairs and maintenance and other vessels' miscellaneous expenses divided by ownership days in the year.
3. Daily vessel depreciation is calculated as the aggregate of vessels' depreciation charge divided by ownership days in the year.
4. Average utilization rate is calculated as the number of operating days divided by the number of available days in the year.



Highlights

FIVE-YEAR FINANCIAL SUMMARY

	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Key Items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income					
Revenue	1,228,413	1,239,419	638,573	1,189,232	1,022,335
Net profit (loss) for the year	72,491	142,183	(461,805)	(70,179)	1,498,072
Other comprehensive income (loss)	(6,532)	(18,339)	(13,299)	(22,607)	17,067
Total comprehensive income (loss) for the year	65,959	123,844	(475,104)	(92,786)	1,515,139
Total comprehensive income (loss) for the year attributable to:					
Shareholders of the Company	24,704	48,915	(278,668)	(58,184)	837,064
Non-controlling interests	41,255	74,929	(196,436)	(34,602)	678,075
	65,959	123,844	(475,104)	(92,786)	1,515,139
Other Financial Information					
Basic earnings (loss) per share	HK\$0.055	HK\$0.112	HK\$(0.512)	HK\$(0.086)	HK\$1.559



Highlights

FIVE-YEAR FINANCIAL SUMMARY (Continued)

	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Key Items in the Consolidated Statement of Financial Position					
Non-current assets	3,289,793	3,744,971	3,213,591	3,714,794	3,592,612
Current assets	1,145,098	505,906	768,939	720,555	929,599
Current liabilities	(446,041)	(475,810)	(513,500)	(510,244)	(695,645)
Non-current liabilities	(992,069)	(832,915)	(650,722)	(605,981)	(345,073)
Net assets	2,996,781	2,942,152	2,818,308	3,319,124	3,481,493
Issued capital	381,639	381,639	381,639	381,639	381,639
Reserves	1,287,494	1,262,790	1,213,875	1,503,149	1,593,150
Equity attributable to shareholders of the Company	1,669,133	1,644,429	1,595,514	1,884,788	1,974,789
Non-controlling interests	1,327,648	1,297,723	1,222,794	1,434,336	1,506,704
Total equity	2,996,781	2,942,152	2,818,308	3,319,124	3,481,493
Other Financial Information					
Gearing ratio	4%	19%	10%	8%	6%



Corporate Governance Report

CORPORATE GOVERNANCE PRINCIPLES

Jinhui Holdings is committed to promoting good corporate governance, with the objectives of the maintenance of responsible decision making; the improvement in transparency and disclosure of information to shareholders; the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of shareholders; and the improvement in management of risk and the enhancement of performance by the Group.

To this end, the Company has promulgated a set of Company Code which sets out the corporate standards and practices used by the Group to direct and manage its business affairs. It is prepared and updated by referencing to the principles, code provisions and recommended best practices as set out in Appendix C1 of the Listing Rules. In addition to formalizing existing corporate governance principles and practices, the Company Code also serves the purpose of assimilating existing practices and ultimately ensuring high transparency and accountability to the Company's shareholders.

The Company has complied with the Corporate Governance Code as set out in Appendix C1 of the Listing Rules throughout the year ended 31 December 2025, with deviations explained in this corporate governance report.

DIRECTORS

The Board

The Company is headed by an effective Board which assumes responsibility for its leadership and control and is collectively responsible for promoting the success of the Company by directing and supervising the Company's businesses and affairs.

The Board meets regularly and board meetings are held at least four times a year at approximately quarterly intervals. Such board meetings involve the active participation, either in person or through electronic means of communication, of a majority of directors of the Company entitled to be present.

All Directors are given the opportunity to include items in the agenda for regular board meetings. Sufficient and reasonable notices have been given to ensure Directors are given opportunity to attend. Minutes of board meetings and meetings of board committees are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director. Such minutes record in sufficient detail the matters considered and decisions reached. Draft and final versions of minutes are sent to all Directors for their comment and records respectively, within a reasonable time after the board meeting is held. Any Director may, in furtherance of his / her duties, take independent professional advice where necessary at the expense of the Company.



Corporate Governance Report

DIRECTORS (Continued)

The Board (Continued)

If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction shall be present at such board meeting.

The Company has arranged for appropriate insurance cover for directors' and senior management's liabilities in respect of legal actions against its directors and senior management arising from corporate activities.

The Board meets regularly over the Company's affairs and operations. The attendance records of each member of the Board and board committees at meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee held in 2025, and the 2025 General Meetings as well as the participation of the training of the Directors are set out below:

	Number of meetings attended / held for the year 2025						
	Board	Audit Committee	Remuneration Committee	Nomination Committee	General Meeting	Annual General Meeting	Training ¹
Executive Directors							
Ng Siu Fai, <i>Chairman</i>	19/19	–	–	–	1/1	1/1	✓
Ng Kam Wah Thomas, <i>Managing Director</i>	19/19	–	–	–	1/1	1/1	✓
Ng Ki Hung Frankie	19/19	–	–	–	1/1	1/1	✓
Ho Suk Lin	19/19	–	–	–	1/1	1/1	✓
Independent Non-executive Directors							
Cui Jianhua	19/19	3/3	1/1	1/1	1/1	1/1	✓
Tsui Che Yin Frank	19/19	3/3	1/1	1/1	1/1	1/1	✓
William Yau	19/19	3/3	1/1	1/1	1/1	1/1	✓

Note:

- This includes attending courses or seminars relevant to the Company's business or directors' duties arranged by the relevant authorities and professional bodies, and perusing comprehensive papers focusing on the regulatory changes and corporate governance related matters published by relevant authorities and professional bodies.



Corporate Governance Report

DIRECTORS *(Continued)*

Chairman and Chief Executive

CG Code provision C.2.1 Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Ng Siu Fai and Mr. Ng Kam Wah Thomas are brothers who act as the Chairman and the Managing Director of the Company respectively. Mr. Ng Siu Fai, in addition to his duties as the Chairman, is also responsible for the strategic planning and overseeing all aspects of the Group's operations. This constitutes deviation from code provision C.2.1 of the CG Code as part of his duties overlap with those of the Managing Director, who is in practice the chief executive.

As one of the founders of the Group, Mr. Ng Siu Fai has extensive experience and knowledge in the core businesses of the Group and his duty for overseeing all aspects of the Group's operations is clearly beneficial to the Group. The Board also considers that this will not impair the balance of power and authority between the Board and the management of the Company as one-third of the Board members are represented by the independent non-executive directors and the Board will meet regularly to consider major matters affecting the operations of the Group and all Directors are properly briefed on the matters arising at the Board meetings with adequate, complete and reliable information received in a timely manner. The current structure also allows flexibility and enhances the efficiency of decision making process in response to the constantly changing competitive environment.

As the Chairman's major responsibility is to manage the Board whereas the Managing Director's major responsibility is to manage the Group's businesses, the Board considers that the responsibilities of the Chairman and the Managing Director are clear and distinctive and hence written terms thereof are not necessary. Although the respective responsibilities of the Chairman and the Managing Director are not set out in writing, power and authority are not concentrated in any one individual and all major decisions are made in consultation with members of the Board and appropriate board committees, as well as senior management.

Going forward, the Board will periodically review the effectiveness of this arrangement, the board composition as well as division of responsibilities to enhance best interests of the Company and its shareholders as a whole.

The Chairman ensures that all Directors are properly briefed on the issues arising at the Board meetings and all Directors receive adequate, complete and reliable information. Throughout the year, the Chairman provides leadership for the Board; ensures that the Board and board committees function effectively and perform their responsibilities; ensures that good corporate governance practices and procedures are established and ensures all directors act in the best interests of the Company by making full and active contribution to the Board's affairs. The Chairman holds annual meeting with the independent non-executive directors in respect of corporate governance improvements, effectiveness of the board, and any other issues they may wish to raise without the executive directors; and ensure necessary steps are taken to provide effective communication with shareholders and ensure constructive relations between executive and non-executive directors. The Board believes that Mr. Ng Siu Fai's appointment to the post of Chairman is beneficial to the business prospects and management of the Company.



Corporate Governance Report

DIRECTORS *(Continued)*

Board composition

The Board includes a balanced composition of executive and non-executive directors with a balance of skills and experience appropriate for the business of the Company.

The Board comprises a total of seven Directors, with four executive directors, Mr. Ng Siu Fai (Chairman), Mr. Ng Kam Wah Thomas (Managing Director), Mr. Ng Ki Hung Frankie and Ms. Ho Suk Lin; and three independent non-executive directors, Mr. Cui Jianhua, Mr. Tsui Che Yin Frank and Mr. William Yau.

Biographical details of the Directors and the relationships (including financial, business, family or other material or relevant relationships) among members of the Board are set out on pages 79 and 80.

During the year, the Board is assisted by three board committees which are Audit Committee, Remuneration Committee and Nomination Committee. Their existence does not reduce the responsibility of the Board as a whole. Board committee meetings are convened to prepare matters for consideration and final decision by the Board as a whole. Material information that comes to the attention of board committees are also communicated to other members of the Board. As a general principle, the board committees have an advisory role to the Board. They assist the Board in specific areas and make recommendations to the Board. However, only the Board has the power to make final decisions.

During the year, the Board has at all times complied with the Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive directors, one of the independent non-executive directors has appropriate professional qualifications or accounting or related financial management expertise and the independent non-executive directors of the Company represents more than one-third of the Board. Each of the independent non-executive director has made an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

All independent non-executive directors are expressively identified in all corporate communications that disclose the names of directors while a list of directors identifying their roles and functions is maintained on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.jinhuiship.com.



Corporate Governance Report

DIRECTORS *(Continued)*

Appointments and re-election of directors

The independent non-executive directors of the Company are appointed for specific terms and subject to retirement by rotation at least once every three years and re-appointed at annual general meeting of the Company. Formal letters of appointment with specific terms with independent non-executive directors are arranged.

CG Code provision B.2.2 Under code provision B.2.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to the Articles of Association of the Company, all Directors other than the Chairman and the Managing Director shall be subject to retirement by rotation at least once every three years and any new directors appointed to fill casual vacancies or as an addition to the Board shall be subject to election by shareholders at the annual general meeting after their appointments.

As the Chairman and the Managing Director are not subject to retirement by rotation in accordance with the Articles of Association of the Company, this constitutes deviation from code provision B.2.2 of the CG Code. The Board is of the view that the leadership of the Chairman and the Managing Director is vital to the Group's business continuity and stability, and there should be planned and orderly succession for these offices. Since continuation is a key factor to the successful implementation of the Company's business plans and strategies, any Director holding the office as the Chairman or the Managing Director should therefore be exempted from the retirement by rotation and re-election at the Company's annual general meeting and the Board believes this arrangement is most beneficial to the Company and its shareholders.

Re-election of independent non-executive directors

Where an independent non-executive director has served more than nine years, such director's further appointment will be subject to a separate resolution to be approved by Shareholders. A circular accompanying that resolution will state why the Board or the Nomination Committee believes that the director is still independent and should be re-elected, including the factors considered, the process and the discussion of the Board or the Nomination Committee in arriving at such determination will be sent to Shareholders.

The Board currently comprises of four executive directors, including the Chairman and the Managing Director, and three independent non-executive directors. All the existing independent non-executive directors of the Company, Mr. Cui Jianhua, Mr. Tsui Che Yin Frank and Mr. William Yau, have served the Company for more than nine years, and their length of tenure are respectively more than thirty-two years, thirty-one years and twenty-one years.



Corporate Governance Report

DIRECTORS *(Continued)*

Re-election of independent non-executive directors *(Continued)*

Mr. Cui Jianhua was subject to re-election as an independent non-executive director at the 2025 Annual General Meeting. Mr. Cui has served as an independent non-executive director of the Company for more than nine years since 1993. The Board noted the positive contributions of Mr. Cui to the Board on the development of the Company's strategy and policies through his independent and constructive contributions supported by his skills, expertise and qualifications. His extensive experience gained from his management positions in various entities also contributes to the diversity of the Board. The nomination has been considered in accordance with the nomination policy and the objective criteria therein (including but not limited to skills, knowledge, experience, expertise, professional and education qualifications), with due regard to the benefits of diversity as set out in the diversity policy of the Board. The nomination committee of the Company had assessed and was satisfied of the independence of Mr. Cui. The Board was of the view that Mr. Cui's independence was not affected by his long service with the Company. Mr. Cui met the independence guideline as set out in Rule 3.13 of the Listing Rules. He has been independent of the management and free from any business or other relationship or circumstances which would materially interfere with the exercise of his independent judgement. His further appointment which was subject to a separate resolution had been approved by Shareholders at the 2025 Annual General Meeting held on 3 June 2025. The details of the re-election of the independent non-executive director was stated in the circular dated 29 April 2025 which was sent to the Shareholders.

CG Code provision B.2.4 Under code provision B.2.4 of the CG Code, where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting.

As at 31 December 2025, the Board comprised of three independent non-executive directors, Mr. Cui Jianhua, Mr. Tsui Che Yin Frank and Mr. William Yau, who have served the Company for more than nine years, and their length of tenure are respectively more than thirty-two years, thirty-one years and twenty-one years. Under this CG code, the Company should appoint a new independent non-executive director on the Board. The Company is still in the process of identifying suitable candidate to be appointed as a new independent non-executive director of the Company. The Company will use its best endeavours to ensure that suitable candidate is appointed as soon as practicable in order to ensure compliance with this CG Code. Further announcement will be made by the Company as and when appropriate.



Corporate Governance Report

DIRECTORS *(Continued)*

Nomination Committee

The Nomination Committee was established on 1 January 2013, currently comprising three independent non-executive directors, Mr. Cui Jianhua (chairman of Nomination Committee), Mr. Tsui Che Yin Frank and Mr. William Yau.

The roles and functions of the Nomination Committee include reviewing the structure, size and composition of the Board, assist the Board in maintaining a board skills matrix and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identifying individuals suitably qualified to become board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; assessing the independence of independent non-executive directors; and making recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors. The Nomination Committee has a board diversity policy to achieve diversity on the Company's board of directors. The diversity perspective in the board diversity policy has been considered from a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Group pursues a policy of gender equality. The Board currently consists of seven members, of whom six members are male and one member is female. The nomination procedures are carefully reviewed with due consideration to avoid gender discrimination and to ensure equal opportunities and rights in workplace. The Company also has a director nomination policy in place to assist the Board in making recommendations on the appointment of directors, and succession planning for directors. The nomination policy states that in assessing the suitability of the proposed candidate, the Nomination Committee shall consider a number of factors, including but not limited to the reputation for integrity, accomplishment, experience and reputation in the shipping industry and other relevant sectors, time commitment to the Company's business, diversity in various aspects, and the ability to assist and support management and make contributions to the Company. The appointment of any proposed candidate shall be made in accordance with the Company's Articles of Association and other applicable rules and regulations and the details of the procedures for shareholders to propose a person for election as a director of the Company are also available in the Company's website. When proposing an independent non-executive director candidate for election, Nomination Committee will set out (i) the process by which the candidate was identified, (ii) reasons why the candidate should be elected, (iii) reasons the candidate is independent, (iv) the perspectives, skills and experience the candidate brings, and (v) how the candidate will contribute to diversity of the board, and where an independent non-executive director candidate is nominated to a seventh (or more) listed company directorship, the board must explain why it believes the candidate will still be able to devote sufficient time to his/her role. A circular containing the above factors will be sent to the Shareholders. The Board's composition is included in the corporate governance report and the Nomination Committee shall meet at least once a year. The Nomination Committee is provided with sufficient resources to perform its duties and has access to independent professional advice if necessary. During the year, the Board with the assistance of the Nomination Committee has reviewed the implementation and effectiveness of the Board Diversity and the Nomination Policy and considered that they are effective and appropriate for the Company. The Board considers its diversity of gender is appropriate.



Corporate Governance Report

DIRECTORS *(Continued)*

Nomination Committee *(Continued)*

The terms of reference of the Nomination Committee, explaining its roles and authorities delegated to it by the Board was published on the websites of Hong Kong Exchanges and Clearing Limited and the Company.

CG Code provision B.3.5 Under code provision B.3.5 of the CG Code, where at least one director should be appointed of a different gender to the nomination committee.

The Company acknowledges the significance of the gender diversity recommendation under code provision B.3.5 of the CG Code. At present, our Nomination Committee has not yet achieved the suggested level of gender representation. We are continuing to consider and identify potential candidates who can bring diverse perspectives to the committee. Strengthening gender diversity remains an area we value and will continue to address as part of our ongoing board succession planning.

During the year, there is no change to the Board's composition, nor any election of new director. The Nomination Committee held a meeting to review the structure, size and composition of the Board, and make recommendations to the Board.

Responsibilities of directors

A Guide on Directors' duties issued by the Companies Registry has been provided to each Director. A comprehensive induction package designed to provide a general understanding of the Group, its business, the operations of the Board and the main issues it faces, and, if appropriate, an overview of the additional functions and responsibilities of independent non-executive directors will be provided to newly appointed directors. To assist Directors bringing informed decisions in the best interests of the Company and the shareholders, an information package comprising the latest developments in the legislations and industry news are forwarded to each Director from the Company Secretary periodically.

Directors are aware sufficient time and attention could be given to the affairs of the Company and ensure that their contribution to the Board remains informed and relevant by participating in continuous professional development.

The Board has the responsibility of development and implementing risk mitigation strategies including the deployment of insurance to transfer the financial impact of risks. The Board is responsible for arranging appropriate insurance coverage and organizing the Group's wide risk reporting.



Corporate Governance Report

DIRECTORS *(Continued)*

Responsibilities of directors *(Continued)*

Independent non-executive directors have participated in board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct; they also take the lead where potential conflicts of interests arise; serve on the audit, remuneration, and nomination committees; and scrutinize the company's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting. They have given the board and committees on which they service the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They have also attended general meetings and developed a balanced understanding of the views of shareholders and have contributed to the development of the Company's strategy and policies through independent, constructive and informed comments.

The Board is satisfied with continuous professional development undertaken by respective Directors. During the year, Mr. Ng Siu Fai, Mr. Ng Kam Wah Thomas, Mr. Ng Ki Hung Frankie, Ms. Ho Suk Lin, Mr. Cui Jianhua, Mr. Tsui Che Yin Frank and Mr. William Yau participated in continuous professional development by perusing comprehensive papers focusing on the regulatory changes and corporate governance related matters published by relevant authorities and professional bodies. In addition, Ms. Ho Suk Lin and Mr. Tsui Che Yin Frank, who have appropriate professional qualifications in accounting and related financial management expertise, further confirmed that they had attended adequate continuous professional development courses and seminars held by relevant authorities and professional bodies.

Securities transactions by directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard as set out therein throughout the year ended 31 December 2025.

Supply of and access to information

Directors are provided in a timely manner with appropriate information in the form and quality to enable them to make an informed decision and perform their duties and responsibilities. For regular board meetings, agenda and accompanying board papers are sent in a timely manner and at least three days before the intended date of a board or board committee meeting (or other agreed period). The board and individual directors have separate and independent access to the Company's senior management. All Directors are entitled to have access to board papers and related materials.



Corporate Governance Report

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Remuneration Committee

The Remuneration Committee was established on 25 August 2005, currently comprising three independent non-executive directors, Mr. Cui Jianhua (chairman of Remuneration Committee), Mr. Tsui Che Yin Frank and Mr. William Yau.

The roles and functions of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration, and reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives. It also makes recommendations to the Board on the remuneration packages of individual executive directors and senior management, including salaries, bonuses, benefits in kind, pension rights and compensation payments, and the remuneration of the independent non-executive directors. The Remuneration Committee should consider factors such as the performance of executive directors and senior management, the profitability of the Group, salaries paid by comparable companies, time commitment and responsibilities, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee has to ensure that the Group is able to attract, retain and motivate a high-caliber team which is essential to the success of the Group. The Remuneration Committee shall meet at least once a year. The Remuneration Committee is provided with sufficient resources to perform its duties and has access to independent professional advice if necessary.

The terms of reference of the Remuneration Committee, explaining its roles and the authorities delegated to it by the Board was published on the websites of Hong Kong Exchanges and Clearing Limited and the Company.

During the year, the Remuneration Committee held a meeting to review and assess the management's remuneration proposals with reference to the corporate goals and objectives, and to make recommendations to the Board regarding the remuneration to individual executive directors and senior management. Details of the emoluments of the Directors and remuneration to senior management by band for the year are set out in note 12 to the consolidated financial statements.

ACCOUNTABILITY AND AUDIT

Financial reporting

It is the Board's responsibility to present a balanced, clear and comprehensible assessment of the Company's performance, position and prospects. The Board presents such assessment in annual and interim reports, other price-sensitive announcements and other financial disclosures required by the Listing Rules, and for reports to regulators and information disclosed under statutory requirements.

Management provides sufficient explanation and information to the Board to enable it to make an informed assessment of financial and other information put before it for approval. In this regard, the management provides all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details.



Corporate Governance Report

ACCOUNTABILITY AND AUDIT *(Continued)*

Financial reporting *(Continued)*

The Directors are responsible for preparing the consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. Appropriate accounting policies have also been used and applied consistently. The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt on the Group's ability to continue as a going concern. A statement by the auditor of the Company about auditor's responsibility on the consolidated financial statements of the Group is set out in "Independent Auditor's Report" on pages 91 to 95. A separate statement of the strategy and business model is included in "Strategies and Business Profile" on pages 5 to 8, and the Board is satisfied that these and the Group's culture are aligned. All Directors act with integrity, lead by example, and promote the desired culture. Such culture will instil and continually reinforce across the Group values of acting lawfully, ethically and responsibly. The Board also present a balanced, clear and understandable assessment of the Group's performance in its "Management Discussion and Analysis" on pages 62 to 78.

Risk management and internal control

It is the Board's responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. Such risks include, amongst others, material risks relating to ESG. The Board also oversees management in the design, implementation and monitoring of the risk management and internal control systems on an ongoing basis, and management shall confirm to the Board on the effectiveness of these systems at least annually.

The Board, through the assistance of Audit Committee, has conducted an annual review of the effectiveness of the Group's risk management and internal control systems, covering all material financial, operational and compliance controls. In particular, the adequacy of resources, qualifications and experience of employees, training programmes and budget of the Group's accounting and financial reporting functions, as well as those relating to the Company's ESG performance and reporting, are reviewed. The annual review also covered the Group's significant and emerging risks (including ESG risks) in shipping business; the quality of management's ongoing monitoring of risks (including ESG risks) and of the internal control systems; the extent and frequency of communication of monitoring results to the Audit Committee and the Board; whether there is any significant control failings or weaknesses identified and the effectiveness of the Group's processes for financial reporting and Listing Rules compliance. The Company engaged an external professional company, PAL Advisory Limited, to conduct a review on the effectiveness of the Group's risk management and internal control systems during the year. The review includes the identification of the weaknesses of the risk management and internal control systems and proposals for improvement. The findings are reviewed by the Audit Committee and reported subsequently at Board meetings to enable the Board to assess the Group's risk management and internal control systems and the Board is satisfied that such systems are effective and adequate and appropriate actions have been taken.



Corporate Governance Report

ACCOUNTABILITY AND AUDIT *(Continued)*

Risk management and internal control *(Continued)*

The risk management and internal control systems and accounting system of the Group are designed to identify and evaluate the Group's risk and formulate risk mitigation strategies, and to provide reasonable assurance that assets are safeguarded against unauthorized use or disposition, transactions are executed in accordance with management's authorization, and the accounting records are reliable for preparing financial information used within the business for publication, maintaining accountability for assets and liabilities and ensuring the business operations are in accordance with relevant legislation, regulations and internal guidelines, including guidelines for corporate social responsibility.

The Group has a defined organizational structure with clearly defined lines of responsibility and authority. Each business unit / department is accountable for its daily operations and is required to report to executive directors on a regular basis. Policies and procedures are set for each business unit / department, which includes approvals, authorization, verification, recommendations, performance reviews, assets security and segregation of duties. The key control procedures include establishing and maintaining effective policies to ensure proper management of risks to which the Group are exposed and taking appropriate and timely action to manage such risks, establishing a structure with defined authorities and proper segregation of duties; monitoring the strategic plan and performance; designing an effective accounting and information system; controlling price sensitive information; and ensuring swift actions and timely communication with our stakeholders. At least twice a year, the management will report to the Audit Committee on the effectiveness of risk management and internal control systems. The Audit Committee review how management designs, implements and monitors risk management and internal control procedures, findings and recommendations and follow-up procedures on the annual assessment; and the Audit Committee will report on the overall effectiveness of the risk management and internal control systems to the Board annually. The Group's risk management and internal control systems can only provide reasonable and not absolute assurance against material misstatement or loss, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives. With respect to the procedures and internal controls for the handling and dissemination of inside information, the Group has internal policy and procedures which strictly prohibit unauthorized use of inside information and has communicated to all employees; the Board is aware of its obligations to announce any inside information in accordance with the Listing Rules and conducts the affairs with reference to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission in June 2012. In addition, only Directors and delegated officers can act as the Group's spokesperson and respond to external enquiries about the Group's affairs. Details of the Group's risk management policies are set out in "Management Discussion and Analysis" on pages 76 and 77 and note 40 to the consolidated financial statements on pages 159 to 167.



Corporate Governance Report

ACCOUNTABILITY AND AUDIT *(Continued)*

Risk management and internal control *(Continued)*

CG Code provision D.2.2 Under code provision D.2.2 of the CG Code, the Group should have an internal audit function. Based on the size and simple operating structure of the Group as well as the existing internal control processes, the Board has decided not to set up an internal audit department for the time being. When necessary, the Audit Committee under the Board would carry out the internal audit function for reviewing the adequacy and effectiveness of the risk management and internal control systems of the Group.

Except for the deviation of code provision D.2.2 of the CG Code, the Board considers that the Company has complied with the requirements under the Listing Rules regarding the risk management and internal control, and will continue to review, revise and strengthen its risk management and internal control from time to time so that practical and effective systems are implemented.

Audit Committee

The Audit Committee was established on 22 September 1998, currently comprises of three independent non-executive directors, Mr. Tsui Che Yin Frank (chairman of Audit Committee), Mr. Cui Jianhua and Mr. William Yau.

The primary duties of the Audit Committee include the review and monitor the Group's financial reporting, compliance with legal and regulatory requirements, the nature and scope of audit review as well as the effectiveness of the systems of risk management and internal control. The Audit Committee is also responsible for making recommendations in relation to the appointment, re-appointment and removal of the auditor, and reviewing and monitoring the auditor's independence and objectivity. In addition, the Audit Committee discusses matters raised by the auditor, professionals and regulatory bodies to ensure that appropriate recommendations are implemented. The Audit Committee shall meet at least twice a year. Minutes of Audit Committee meetings are kept by the Company Secretary. Draft and final versions of minutes of the meetings are sent to all Audit Committee members for their comment and records within a reasonable time after the Audit Committee meeting is held. The Audit Committee is provided with sufficient resources to perform its duties and has access to independent professional advice if necessary.

The terms of reference of the Audit Committee, explaining its roles and the authorities delegated to it by the Board was published on the websites of Hong Kong Exchanges and Clearing Limited and the Company.

During the year, the Audit Committee has reviewed with the management, the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters including the review of the Company's interim and annual reports before submission to the Board. The Audit Committee held three meetings in 2025. The Group's annual consolidated financial statements for the year ended 31 December 2024 and interim consolidated financial statements for the period ended 30 June 2025 have been reviewed by the Audit Committee, which is of the opinion that such statements comply with applicable accounting standards and legal requirements, and that adequate disclosures have been made. The internal control review report has been reviewed by the Audit Committee, ensuring that the risk management and internal control systems are operating effectively.



Corporate Governance Report

DELEGATION BY THE BOARD

Management functions

While the Board is entrusted with the overall responsibility for promoting the success of the Company by the strategic direction and governance of the Company's businesses and affairs, the functions of implementing the approved strategy and policies as well as managing the day-to-day operations are delegated to the management, comprises of executive directors and senior management of the Company. Management invites department heads or other colleagues to participate in management meetings periodically and through internal communication to convey the Company's strategies and policies to the employees and to collect views and opinions from the employees and reports to the Board. The Board will review the implementation and effectiveness of this mechanism on an annual basis.

The Company formalizes the functions reserved to the Board and those delegated to the management. Formal letters of appointment for Directors setting out the key terms and conditions of their appointments are arranged. Such arrangements are subject to periodically review to ensure they remain appropriate to the Company's needs.

The Board delegates aspects of its management and administration functions to the management and it gives clear directions as to the management's powers, in particular, where the management should report back and obtain prior Board's approval before making decisions or entering into any commitments on the Company's behalf.

The list of executive directors and senior management and their biographical details are set out on pages 79 and 80.

Board committees

Board committees are established with clear specific terms of reference which deal clearly with their authority and duties that enable such committees to discharge their functions properly. Such terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee require such committees to report back to the Board on their decisions or recommendations.



Corporate Governance Report

DELEGATION BY THE BOARD *(Continued)*

Corporate governance functions

The Board is responsible for developing and reviewing the Company's policies and practices on corporate governance and performing the corporate governance duties as set out in CG Code provision A.2.1. The following is a non-comprehensive summary of the duties performed by the Board:

- to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct applicable to employees and Directors; and
- to review the Group's compliance with the CG Code and disclosure in the Corporate Governance Report.

COMMUNICATION WITH SHAREHOLDERS

Effective communication

The Board endeavours to maintain an on-going dialogue with shareholders and in particular, through annual general meetings or other general meetings to communicate with shareholders and encourage their participation. At each general meeting, a separate resolution is proposed by the chairman of that meeting and the resolutions are not bundled. All Directors, including the chairman of the Board and the chairmen of the Audit Committee, Remuneration Committee and Nomination Committee, and the auditor of the Company shall attend and answer questions at the annual general meetings. The Company's dividend policy is set out in "Directors' Report" on page 81.

In order to further promote effective communication, the Company maintains a website to disseminate information electronically on a timely basis and the Board shall review the effectiveness of shareholders' communication policy on a regular basis. During the year, a review on the implementation and effectiveness of the shareholders' communication policy has been conducted and the Board is satisfied that such policy are effective and adequate and appropriate actions have been taken.



Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS *(Continued)*

Effective communication *(Continued)*

The 2025 Annual General Meeting was held on 3 June 2025 and the resolutions of: (1) receipt of the Financial Statements, the Directors' Report and the Independent Auditor's Report for the year ended 31 December 2024; (2) re-election of Directors; (3) authorizing the Board to fix Directors' remuneration; (4) re-appointment of Grant Thornton Hong Kong Limited as auditor of the Company and authorizing the Board to fix its remuneration; (5) granting a general mandate to allot shares of the Company; (6) granting a general mandate to buy back shares of the Company; and (7) adding the number of shares bought back under resolution 6 to the mandate granted to the Directors under resolution 5. The poll results and Directors' attendance at the 2025 Annual General Meeting are announced and posted on the websites of both of Hong Kong Exchanges and Clearing Limited and the Company.

The 2026 Annual General Meeting of the Company will be held on Thursday, 4 June 2026. Notice of the 2026 Annual General Meeting will be published on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.jinhuiship.com, and will be dispatched to shareholders of the Company in due course.

The register of members of the Company will be closed from Monday, 1 June 2026 to Thursday, 4 June 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2026 Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 29 May 2026. The record date for determining the eligibility of shareholders to attend and vote at Annual General Meeting is Thursday, 4 June 2026.

Voting by poll

Sufficient notice of shareholders meetings are given to the shareholders of the Company and they are entitled to attend shareholders' meeting in person or by proxy. The Company informs the shareholders of the procedures for voting by poll and ensures compliance with the requirements about voting by poll contained in the Listing Rules and the Articles of Association of the Company.

COMPANY SECRETARY

Ms. Ho Suk Lin has been appointed by the Board as Company Secretary of the Company since 1991. The biographical details of Ms. Ho is set out on page 79. Ms. Ho is responsible for advising the Board through the Chairman and / or the chief executive on governance matters and also facilitating induction and professional development of Directors. All Directors have access to the advice and services of the Company Secretary to ensure that all Board procedures and rules and regulations are followed. The selection, appointment or dismissal of the company secretary shall be dealt with by a physical board meeting rather than a written resolution.



Corporate Governance Report

AUDITOR'S REMUNERATION

The performance of the auditor of the Company during the year has been reviewed by the Audit Committee. In 2025, the remuneration paid and payable to the auditor of the Company for the provision of the Group's audit services and other services were HK\$2,180,000 and HK\$524,000 respectively. The other services mainly include agreed-upon procedures on interim financial statements and tax compliance services.

INVESTOR RELATIONS

There is no change in the company's constitutional documents during the year.

SHAREHOLDERS' RIGHT

Procedures for shareholders to call a general meeting

For shareholder(s) of the Company who wish to call a general meeting, the shareholder(s) is / are requested to follow the requirements and procedures as set out in Section 566 of the Companies Ordinance.

Shareholder(s) representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings can make a request to call a general meeting of the Company.

The request (a) must state the general nature of the business to be dealt with at the meeting; (b) may include the text of a resolution that may properly be moved and is intended to be moved at the meeting; (c) may consist of several documents in like form; (d) may be sent to the registered office of the Company in hard copy form or in electronic form; and (e) must be authenticated by the person or persons making it.

Pursuant to Section 567 of the Companies Ordinance, the Directors must call a general meeting within twenty one days after the date on which they become subject to the requirement and the meeting so called must be held on a date not more than twenty eight days after the date of the notice convening the meeting. If the Directors do not do so, the shareholders who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting pursuant to Section 568 of the Companies Ordinance, but the meeting must be called for a date not more than three months after the date on which the Directors become subject to the requirement to call a general meeting. The Company must reimburse any reasonable expenses incurred by the shareholders requesting the meeting by reason of the failure of the Directors duly to call a general meeting.



Corporate Governance Report

SHAREHOLDERS' RIGHT *(Continued)*

Procedures for shareholders to circulate a resolution for annual general meeting

For shareholder(s) of the Company who wish to make a request to circulate a resolution for an annual general meeting, the shareholder(s) is / are requested to follow the requirements and procedures as set out in Section 615 of the Companies Ordinance.

Shareholder(s) can make a request to circulate a resolution for an annual general meeting pursuant to Section 615 of the Companies Ordinance if: (a) they represent at least 2.5% of the total voting rights of all the shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate; or (b) at least fifty shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate.

The request (a) may be sent to the registered office of the Company in hard copy form or in electronic form; (b) must identify the resolution of which notice is to be given; (c) must be authenticated by the person or persons making it; and (d) must be received by the Company not later than (i) six weeks before the annual general meeting to which the requests relate; or (ii) if later, the time at which notice is given of that meeting.

Shareholders' enquiries

The Chairman as well as the chairmen of the Audit Committee, Remuneration Committee and Nomination Committee, and all Directors are normally available at the annual general meeting to answer shareholders' enquiries, unless illness or another pressing commitment precludes them from doing so. Shareholders are also invited to ask questions during the meeting and have an opportunity to meet with Directors after the formal business of the meeting has been concluded. Shareholders could also direct their questions about their shareholdings to the Company's share registrar.



Corporate Governance Report

WORKFORCE DIVERSITY

The employees are the Group's most important resource and are crucial to the Group's success in achieving its targets for long term value creation. The Group provides various resources for employees training and development. The Group remunerates its employees, including the Executive Directors, in accordance with their performances, experiences and prevailing market practices and provides them with usual fringe benefits including medical insurance and contributions to provident funds. As far as the Group is aware, it complies with all relevant applicable regulations concerning employment, social benefits and labour safety.

The Group pursues a policy of gender equality. Workload and working hours depend on positions while promotion and recruitment depend on performance and experience. At 31 December 2025, the Group had 68 (2024: 74) full-time office employees (including senior management), of whom 34 (2024: 41), representing 50% (2024: 55%) were male and 34 (2024: 33), representing 50% (2024: 45%) were female. At 31 December 2025, the Board consists of seven members, of whom six members are male and one member is female. Procedures regarding recruitment, promotion and salary review are carefully reviewed with due consideration to avoid gender discrimination. The Group aims to ensure equal opportunities and rights in workplace.

The Group has a sound and sufficient risk management and internal control measures in place. We understand the importance of anti-corruption and anti-money laundering and always uphold a high standard of corporate governance and maintain an ethical corporate culture. The Group's whistleblowing policies and internal ethical guidelines are stated in our staff handbooks. The whistleblowing policy can also be accessed on the Company's website at www.jinhuiship.com. Our employees or any person who deal with the Group can access the management or members of the Audit Committee to raise concerns, in confidence and anonymity, about possible improprieties in any matter related to the Group or its employees. During the year, there was no report on any corrupt practices brought against the Group or its employees.

The Group maintains a good relationship with its employees and seafarers and has not experienced any disruption of its operation as a result of industrial disputes.



Environmental, Social and Governance Report

ABOUT THIS REPORT

Report profile

Jinhui Holdings Company Limited and its subsidiaries (the “Group”) released the 2025 Environmental, Social and Governance Report (the “ESG Report”) to share its social and environmental performance with our stakeholders in a complete, accurate, and balanced manner. Jinhui Holdings Company Limited (the “Company”) is committed to creating greater values for our shareholders to achieve its sustainable development goals. This report focuses largely on the boundary of our shipping operations on owned vessels which are carried out internationally and on working environments on board as well as offices and corporate-wide practices relating to our sustainability performances.

The Board has the overall responsibility and accountability for Environmental, Social and Governance (“ESG”) strategy and reporting.

Reporting standard

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the “ESG Reporting Code”) as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This ESG Report has complied with all mandatory disclosure requirements and “comply or explain” provisions of the ESG Reporting Code.

Reporting principles

Quantitative: This Report, where appropriate compares quantitative key performance indicators (the “KPIs”), and explains the standards, methods, assumptions, and sources of key conversion factors when calculating relevant information.

Balance: This Report provides an unbiased picture of the Group’s performance and avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the reader.

Consistency: Methodologies used in the ESG Report are consistent with those used in the prior years in terms of data statistics and calculation to ensure the comparability of information, unless otherwise stated. In case of any changes in the reporting scope or methodologies, they will be clearly explained for the reference of stakeholders.

Reporting period

The ESG Report illustrated and highlighted the environmental and social performance of the Group for the reporting period from 1 January 2025 to 31 December 2025 (the “Reporting Period”), which aligned with the period covered in the Group’s annual report 2025. All financial data in this report is extracted from the financial reports of the Company, official documents and internal statistics.

The Board of Directors reviewed and approved the disclosure in this report.



Environmental, Social and Governance Report

ABOUT THIS REPORT *(Continued)*

Statement of the Board

The Board, who possesses the appropriate skills and competencies, has overall responsibility for the long term sustainability and climate strategies which support growth and enhance value for the business and its stakeholders, as well as contribution to the environment and the community growth.

The Board and the management are committed to operating our business in an environmentally and socially responsible manner. When setting the standards, the Board considers the needs and requirements of the business, its stakeholders, the Corporate Governance Code and the ESG Reporting Code. The Board discusses and reviews the risks and opportunities, performance, progress, goals and targets annually to monitor the ESG and climate performance, related issues and potential risks.

The Group's businesses and functional departments also help to formulate relevant strategies in their respective areas and monitor the effectiveness of the implementation in accordance with the sustainable development strategies and objectives suggested by the Board. Reviews are also arranged annually to evaluate the effectiveness of current policies and procedures and develop appropriate solutions to improve the overall performance of ESG and climate policies.

The possible environmental impact may include Greenhouse Gas emissions, ballast water discharges and oil pollution in environmental disasters. By maintaining operational safety and providing quality training for our seafarers in compliance with applicable environmental laws and regulations, we believe that the operation of our vessels is in substantial compliance with applicable environmental laws and regulations. To achieve this, we strive to comply with all applicable rules and regulations with our best efforts in shipping operation as well as in our daily working environment to minimize any adverse impact to the environment.

In line with the ESG Reporting Code, the Board reports on an annual basis regarding ESG performance. The management has provided confirmation to the Board on the effectiveness of the ESG and climate risk management and internal control system, as well as the climate-related opportunities identified.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Stakeholder engagement

The management and employees of different operating functions were involved in the preparation of the ESG Report, including assisting management to review its operations, identification of relevant ESG issues, and assessing their materiality to our business as well as to the stakeholders.

The Group communicates regularly with and gathers feedback from stakeholders including members of the Board of Directors, employees, investors, shareholders, service providers, and clients through various channels to understand their expectations, build and maintain a good relationship, and identify those significant environmental and social aspects of the Group's operations to its stakeholders.



Environmental, Social and Governance Report

STAKEHOLDER ENGAGEMENT AND MATERIALITY *(Continued)*

Stakeholder engagement *(Continued)*

Below outlines the Group's various dialogue channels for different types of stakeholders:

Stakeholders	Communication Channels
Shareholders and investors	<ul style="list-style-type: none">- Company's website- Annual and interim reports- Annual general meeting / general meetings- Company's announcements and circulars- Postal correspondences, emails (ir@jinhuiship.com)
Customers and business partners	<ul style="list-style-type: none">- Company's website- Online presentation and discussion- Regular meetings- Customer services channels (chartering@jinhuiship.com)- Customers' meetings
Employees	<ul style="list-style-type: none">- Daily direct communications- Training and orientation programs- Employees' performance evaluations- Employees' activities- Regular meetings- Emails and feedback collection boxes
Suppliers	<ul style="list-style-type: none">- Company's website- Online presentation and discussion- Regular meetings- Suppliers' meetings
Government authorities and regulators	<ul style="list-style-type: none">- Documented information submissions- Compliance inspections and checks- Regular meetings / luncheons with professional bodies- Forums, conference and workshops
Media	<ul style="list-style-type: none">- Company's website- Company's announcements and circulars- Press releases



Environmental, Social and Governance Report

STAKEHOLDER ENGAGEMENT AND MATERIALITY *(Continued)*

Materiality analysis

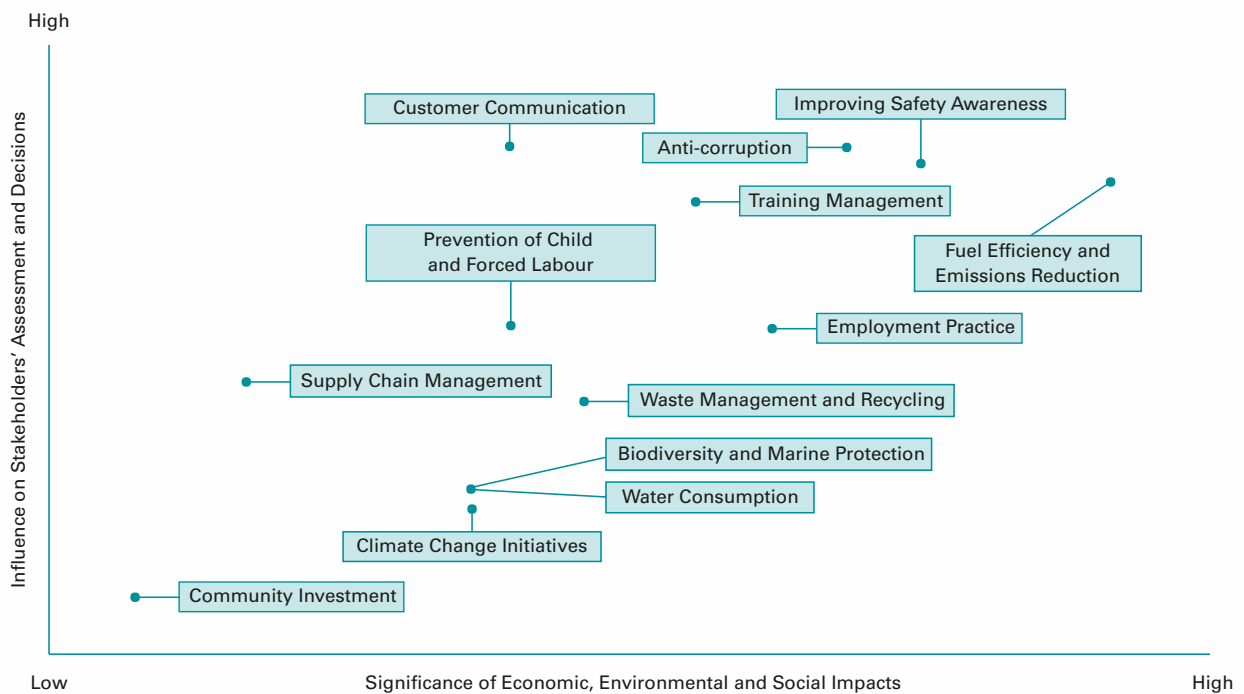
The Group values the input and feedback of its stakeholders as they bring insights into the Group’s business. To determine the material aspects that are most important and influential to the business of the Group, a materiality assessment was conducted specifically for this ESG Report, through the above internal and external stakeholder communication channels. This assessment helps to determine, prioritize and allocate resources more effectively.

To ensure compliance with ESG Reporting Code, our materiality assessment followed a systematic approach. Initially, we gathered qualitative and quantitative data from a diverse array of stakeholders, including employees, customers, business partners, suppliers, and community representatives. This multi-faceted approach allows us to capture a wide range of perspectives on what constitutes materiality.

The analysis involved a series of workshops and surveys designed to identify and prioritize key ESG topics. Stakeholders were encouraged to express their views on the significance of various issues, considering both their impact on the Group’s performance and the stakeholders’ expectations.

The results of the materiality assessment on the identified ESG issues are set out below:

2025 Materiality Matrix





Environmental, Social and Governance Report

STAKEHOLDER ENGAGEMENT AND MATERIALITY *(Continued)*

Materiality analysis *(Continued)*

The data collected from the materiality assessment formed the basis for the Group to identify long-term strategies for sustainable development. We continue to assess the relevance of the ESG framework by frequently communicating with our stakeholders through the means outlined above.

Accessibility of the ESG Report and Stakeholders' feedback

An electronic copy of this report can be accessed on the Company's website at www.jinhuiship.com.

The Group welcomes stakeholders' comments and feedbacks regarding its performance and approach on ESG aspects as they are valuable to its continuous improvement and sustainable development. Please send your questions, suggestions, and recommendations to the Group:

Address: 26/F Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong

Telephone: (852) 2545 0951

Fax: (852) 2541 9794

Email: ir@jinhuiship.com

ENVIRONMENTAL

A1 Emissions

CO₂ and GHG Emissions

The International Maritime Organization ("IMO") adopted an Initial Strategy on the reduction of emissions, both Carbon Dioxide emission and GHG emission from ships. The strategy represents a framework for the industry, setting out a vision for international shipping, the levels of ambitions to reduce emissions and guiding principles.

IMO adopted a revised 2023 IMO GHG Strategy on reducing emissions, identifying levels of ambitions for the sector including the reduction of CO₂ emissions per transport work, as an average across the industry, by at least 40% by 2030, compared to 2008. The 2023 IMO GHG Strategy also includes a new level of ambition relating to the uptake of zero or near-zero GHG emission technologies, fuels or energy sources which represent at least 5% to 10% of the energy used by international shipping by 2030. The strategy also identifies the reduction of the total annual GHG emissions from international shipping by at least 20% to 30% by 2030, and by at least 70% to 80% by 2040, compared to 2008.

We support the IMO's targets as our short term and long term targets of decarbonization.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A1 Emissions *(Continued)*

CO₂ and GHG Emissions *(Continued)*

Starting from 2024, the European Union's ("EU") Emissions Trading System ("ETS") extended to cover CO₂ emissions from maritime transport entering EU ports. Shipping companies have to purchase and use EU ETS emission allowances for each tonne of reported CO₂ emissions. We believe ETS inclusion of maritime transport will drive a faster reduction of emissions among the industry. The Group will strive as much as possible to reduce emissions in order to enjoy the lowest carbon price.

KPIs
Emission
70% Reduction on Carbon Intensity
50% Reduction on GHG
(scope 1 and scope 2) emissions
By 2050 compared to 2008

Acting as a participant in the marine market, the Group always concerns the issue of increasing GHG and consumption of fossil fuels. The Group continues to implement its fleet renewal strategy, with a focus on enhancing operational efficiency and reducing environmental impact. Older vessels are being replaced with modern, fuel-efficient ships that align with global sustainability objectives. This proactive approach not only strengthens fleet performance but also underscores our commitment to environmentally responsible shipping. As at 31 December 2025, the Group had eighteen owned vessels. We ensure our owned fleet be equipped with proven green and energy efficient equipment and technologies to minimize the emission of toxic pollutants.

In accordance with ESG Reporting Code, the Group's GHG emissions primarily stem from direct (Scope 1) emissions, generated by fuel consumption of owned fleets when they are under the Group's operational control, and energy indirect (Scope 2) emissions from purchased electricity. For Scope 3 emissions, the Group expects the primary source to be the downstream leased assets – owned vessels on outward period and time-charter (Category 13). Recognizing the increasing market focus on value chain management, the Group will actively explore the feasibility of expanding its GHG disclosures to include additional Scope 3 categories. Relevant data will be disclosed once the Scope 3 data collection system is fully established.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A1 Emissions *(Continued)*

CO₂ and GHG Emissions *(Continued)*

The Group's GHG emissions are as follows:

Indicator ¹	2025 metric tonnes CO ₂ e
Scope 1 – Direct GHG emissions	27,292
Scope 2 – Energy indirect GHG emissions	73
Total GHG emission for Scope 1 and 2	27,365
Scope 3 – Other indirect GHG emissions (Category 13: Downstream leased assets)	329,319
Total GHG emissions for Scope 1, 2 and 3	356,684
Average GHG emissions for Scope 1 and 2 generated per operating day	3
Average GHG emissions for Scope 1, 2 and 3 generated per operating day	41

Remark:

- According to the requirements of ESG Reporting Code, GHG emissions were measured in accordance with "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards (2004)" and scope 2 data is based on the "Sustainability Report 2024" published by HK Electric Investments.

Energy Efficiency Operational Indicator ("EEOI")

KPIs
Minimum 2% reduction on EEOI
compared with previous year

2025: the average EEOI of the fleet is about 7.52 grammes CO₂ / MT.Mile

2024: the average EEOI of the fleet is about 9.48 grammes CO₂ / MT.Mile

Our fleet's carbon intensity, EEOI of 2025 decreased by about 1.96 grammes from the EEOI of 2024, representing a decrease of 20.7% as compared to 2024.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A1 Emissions *(Continued)*

Energy Efficiency Operational Indicator (“EEOI”) *(Continued)*

The decrease was mainly due to fewer ballast voyages and longer laden voyages arranged in 2025 as compared to the year 2024, along with improved efficiency in maximizing load capacity for each voyage.

Sulphur oxides (SOx) and nitrogen oxides (NOx) are air pollutants produced when vessel engines burn fossil fuel. SOx comes mainly from sulfur in the fuel and can lead to acid rain and contribute to tiny airborne particles that harm people’s lungs. To limit SOx, international rules cap sulphur in marine fuel – broadly at 0.50% and as low as 0.10% in Emission Control Areas. NOx emissions are controlled by engine standards that depend on when a vessel was built and where it operates. Newer vessels must meet stricter NOx limits, especially when sailing in special NOx control areas; vessels engines can meet these limits using technologies such as selective catalytic reduction or exhaust gas recirculation. Our company ensures compliance by sourcing compliant fuel, maintaining appropriate engine certifications and technical files, and following established operation and maintenance practices. These measures protect the environment and public health while supporting safe, regulatory-compliant operations across our fleet.

The fuel oil consumption and the corresponding CO₂ emissions, calculated with IMO’s standard, of the fleet are as follows:

Fuel oil consumption:

2025: Fuel oil consumption – 111,892 metric tonnes

2024: Fuel oil consumption – 117,068 metric tonnes

Corresponding CO₂ emission:

2025: CO₂ emission – 348,810 metric tonnes

2024: CO₂ emission – 364,884 metric tonnes

Achieve decarbonization

In order to meet the short-term and long-term targets of decarbonization, a mix of design, technical, operational measures and innovative measures is required:

- (i) Calculation and verification Energy Efficiency Existing Ship Index;
- (ii) Compliance of Energy Efficiency Design Index for newbuilding ship energy efficiency;
- (iii) Introduction of a rating mechanism linked to the operational Carbon Intensity Indicator;
- (iv) Implementation of Ship Energy Efficiency Management Plan Part III; and
- (v) For newbuilding projects, we may choose the most energy efficient design and will be Biofuel ready and include the possibility of using dual fuel engines.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A1 Emissions *(Continued)*

- (i) Energy Efficiency Existing Ship Index ("EEXI")
- (ii) Energy Efficiency Design Index ("EEDI")

We have implemented the Engine Power Limitation for those vessels which have not met the EEXI requirement. We believe that it is the first step and the fastest way to lower emissions. We try to make our vessels more efficient by reducing the amount of energy needed to propel them through the water. Propeller boss cap fins and propeller duct have been installed on our vessels. We also switch to using silicon anti-fouling paints and deploying de-rated main engines to our vessels in order to maintain the speeds of our vessels but with less fuel consumption.

Implementing operational performance techniques brings significant advantages to our fleet by combining tiny improvements. Propeller polishing and hull cleaning are scheduled periodically for our vessels for a smoother propel in the water. We optimize our fleet engine by implementing weather routing, optimization of ballast and trim, optimized voyage planning, usage of fuel oil additives, and optimum settings of fuel oil purifiers. We believe small improvements can add up to substantial fuel savings.

Four newbuildings with modern eco-design and complied EEDI were ordered in 2025, which are to be delivered in 2028.

<p style="text-align: center;">KPIs EEXI & EEDI All vessels comply EEXI New join vessels comply EEDI</p>
--

- (iii) Carbon Intensity Indicator ("CII")

CII gives vessels an annual rating on scale of A to E, with A being the least carbon intensive. The rating measures how efficiently a vessel transports goods and is given in grams of CO₂ emitted per cargo-carrying capacity and nautical mile. A vessel rated D for three consecutive years, or rated E for a particular year, will need to develop a work plan of corrective actions.

<p style="text-align: center;">KPIs CII Rated C or above for all vessels</p>



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A1 Emissions *(Continued)*

(iii) Carbon Intensity Indicator ("CII") *(Continued)*

It became mandatory for all vessels to calculate their CII rating to measure the annual operational emissions in 2023. Our fleet has joined the Data Collection and Reporting System since 2019 which enables data to be analyzed and verified by RINA Services S.p.A. ("RINA"). The official evaluation results of our fleet were yet to be released, however, under our estimation, a number of our vessels will be getting rated D or below on CII. These vessels have been put through a series of planned works as mentioned to improve the CII rating. We have consistently delivered additional features to support CII monitoring, aiming to achieve a rating of C or above for all of our vessels on CII.

(iv) Ship Energy Efficiency Management Plan ("SEEMP")

The vessels' SEEMP plans are approved by RINA and certified in compliance with IMO Resolutions.

CO₂ emission reduction – since February 2013, the Group has adopted the SEEMP, a plan that individual vessel can follow and improve each vessel's energy efficiency and reduction in fuel consumption through a series of procedures and efforts.

Our vessels adopted IMO Data Collection System on fuel consumption to allow us to monitor and improve fuel efficiency and mitigate emissions. The Group implemented initial SEEMP in 2013, adopted SEEMP Part II in 2021 and SEEMP Part III in 2022. SEEMP Part III also complies with the latest requirement to provide information for assessing the operation of the CII of the vessels. SEEMP Part II and III have also been updated in 2025 according to IMO requirements. For SEEMP Part II, the data collection requirements have been refined. For SEEMP Part III, the decarbonization targets have been established.

SEEMP improves each vessel's energy efficiency through a series of procedures and efforts. We take below steps:

- (1) Planning
- (2) Implementation
- (3) Monitoring
- (4) Self-evaluation and Improvement



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A2 Use of resources

It has always been our policy to maintain high standard of environmental protection awareness and to operate our vessels in a safe and environmentally friendly manner. We maintain our modern first-class fleet to enable maximum environmental performance and ensure our compliance to safety and environmental laws and regulations including The International Safety Management Code (“ISM Code”), The International Ship and Port Facility Security Code (“ISPS Code”), and other applicable rules regulated by IMO. These conventions have been ratified by majority of maritime nations and apply to all vessels registered in these countries or calling in the waters of these countries. We obtain safety management certificate, document of compliance and go through annual verification and audit for compliance with ISM Code issued by recognized organization on behalf of the flag states.

Low sulphur oil

Since 2020 our vessels have operated on heavy fuel oil with a maximum sulphur content of 0.50% in line with the IMO 2020 Sulphur Cap. In designated regional emission control areas, including China Emission Control Areas, we switch to ultra-low sulphur fuel oil with a maximum sulphur content of 0.10% to meet local requirements and minimize harmful emissions while optimizing fuel use.

Fuel oil consumption:

2025: 0.5% low sulphur content heavy fuel oil consumption – 108,112 metric tonnes

2024: 0.5% low sulphur content heavy fuel oil consumption – 114,125 metric tonnes

2025: 0.1% ultra-low sulphur content fuel oil consumption – 3,780 metric tonnes

2024: 0.1% ultra-low sulphur content fuel oil consumption – 2,943 metric tonnes

Hazardous and non-hazardous waste produced

Waste from our vessels mainly included garbage and food waste which are trivial and not hazardous. These wastes are disposed of by incineration, shore collection and other means according to The International Convention for the Prevention of Pollution from Ships (“MARPOL”) Annex V and local requirements.

As discussed in our ESG principles, we were committed to operate our vessels in compliance with MARPOL regulations pertaining to hazardous ozone depleting substances; and there was no material marine waste discharge or environmental pollution incidents happened in 2025 and 2024.

The total non-hazardous waste generated from vessels by the Group in 2025 is 1,126.52 cubic meters and the average waste generated from vessels is 0.13 cubic meters per operating day.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A2 Use of resources *(Continued)*

Hazardous and non-hazardous waste produced *(Continued)*

KPIs
Waste produced
Zero non-compliant hazardous and non-hazardous waste discharge

Garbage and waste management plan

The Group implements garbage and waste management plan for all vessels. All vessels are equipped with colored recycle bins for garbage sorting. It is aimed to dispose garbage and waste in a diversified way ashore. The purpose is not only to reduce the level of waste but also have economic benefits to the Group. The less garbage disposed; the less wastage charged by each local port when the ship reaches that port when discharge.

Energy consumption

The Group's main energy consumption comes from direct energy consumption of fuel used by owned vessels and indirect energy consumption from purchased electricity.

The performance of energy consumption by the Group is as follows:

Indicator	2025 MWh
Direct energy consumption	105,613.92
Indirect energy consumption	121.80
Total energy consumption	105,735.72
Average energy consumption per operating day	12.10

KPIs
Minimum 2% reduction on energy consumption intensity compared with previous year



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A2 Use of resources *(Continued)*

Water consumption

Fresh water consumption

Fresh water consumption represents the water consumed onboard, mainly for the use of boiler, machinery cooling and deck and hold cleaning is produced from the vessel's own desalination plants on board and running on waste heat of engines. This reduces the need to source fresh water from ashore and the consumption of natural water. Potable water is consumed for drinking, cooking and other domestic purposes.

During the year 2025, the average daily fresh water consumption intensity (approximately 6.02 metric tonnes) decreased approximately 7% as compared to the level in 2024 (approximately 6.47 metric tonnes).

The performance of fresh water consumption by the Group's fleet is as follows:

Indicator	2025 metric tonnes	2024 metric tonnes
Total fresh water consumption	52,560	54,750
Average daily fresh water consumption per vessel	6.02	6.47

In order to reduce the use of water resources, we keep good maintenance on boilers and other equipment that use fresh water and also ensure that there is no leakage of water. Water log has been used for recording the usage of daily fresh water and locating leakage when abnormal consumption was found. On the other hand, we also educate seafarers to use water in a frugal way. We encourage seafarers to efficiently use washing machines. We use appliances, shower heads and equipment that conserve water. In the future, vacuum toilet systems will be considered when planning to acquire the newbuild vessels. The Group has not encountered any issues in sourcing water that is fit for purpose.

KPIs
Fresh water consumption
Less than 3 metric tonnes per vessel
per operating day by 2030

Office water consumption

The office water consumption source was tap water, used for boiling to provide drinking water and hygiene for employees. During the year 2025, the total office water consumption was approximately 238 metric tonnes, and the office water consumption intensity was approximately 0.65 metric tonnes per calendar day.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A3 The environment and natural resources

The Group is committed to controlling the consumption of resources and strives to use energy and resources efficiently, reducing emissions and waste during operations.

We realize the importance of environmental stewardship and share the same environmental preservation objective with our seafarers and our people. In order to foster the environmentally friendly practices in our vessels, we follow an internal safety management manual, which defines our objectives and commitments in complying with all applicable national and international rules and regulations, code and guidelines and standards recommended by IMO, flag states and other maritime industry organizations. These codes and guidelines and standards, together with our safety manual have been kept ashore and on our fleet and strictly followed by our team. We will closely monitor environmental regulations development to ensure compliance with all applicable environmental regulations in our business operation. We obtain safety management certificate, document of compliance and go through annual verification and audit for compliance with the ISM Code issued by recognized organization on behalf of the flag states.

Ballast water management

Ballast water is essential for safe and efficient modern shipping operations, but it may pose serious ecological, economic and health problems due to the multitude of marine species carried in ships' ballast water. These include bacteria, microbes, small invertebrates, eggs, cysts and larvae of various species. The transferred species may survive to establish a reproductive population in the host environment, becoming invasive, out-competing native species and multiplying into pest proportions.

<p><i>KPIs</i> <i>BWTS</i> <i>All vessels installed BWTS</i> <i>Zero failure in the Ballast Water Record Book</i></p>

Investment project and installing the Ballast Water Treatment System ("BWTS") in our fleet completed in 2024. We implemented ballast water management with clearly stated instructions for dealing with ballast water in different situations and ensure the ballast water management plans are carried out to the standards set out by IMO. We prohibit unnecessary discharge of ballast water. Vessels need to replace the ballast water at least 50 nautical miles from the nearest shore and at least 200 meters deep when facing abnormal or special situations. Ballast Water Record Book must be kept on each vessel to record the discharge. In 2025, we have met the target of zero failure in the Ballast Water Record Book.



Environmental, Social and Governance Report

ENVIRONMENTAL (Continued)

A4 Climate change

The Group understands climate change affects our business and operations; hence it is crucial for the Group to react to prevent the risks associated with climate change. To address this, we have established the Climate Change Policy to guide our efforts in mitigating and adapting to climate-related risks.

To enable a comprehensive review of the climate risks and opportunities, the Group conducted a climate risk assessment with scenario analysis and combined them with our business development, referring to the Intergovernmental Panel on Climate Change Shared Socioeconomic Pathways (“SSP”). SSP1-2.6 represents a low GHG emission scenario, targeting net-zero CO₂ emissions around 2050 or later (aligns with Paris Agreement objective), while SSP3-7.0 depicts a high GHG emission scenario, where CO₂ emissions are projected to approximately double from current levels by 2100. The climate-related risks that are likely to have corresponding business and financial impacts on the Group are discussed as below.

Climate Risk Category	Climate Risk Description	Potential Impact	Time Horizon ²	Response Measures
Physical Risk – Acute Risk	Frequent occurrence of extreme weather events.	<ul style="list-style-type: none"> The increased frequency and severity of extreme weather such as typhoons, floods, and tropical cyclones can disrupt the Group’s operations by damaging the fleet, ports and communication infrastructures, causing power failure and injuring employees during their work, leading to reduced capacity and decrease in productivity, or exposing the Group to risks associated with non-performance and delayed performance. These risks affect the operational ability of the organization resulting in reputational damage, direct loss of revenue and increased operating cost. 	Medium to long-term	<ul style="list-style-type: none"> The Group has established an emergency work plan in response to extreme weather events and resume operation once the weather conditions are stable. The Group has secured insurance coverage to manage financial risks from extreme weather damages.
Physical Risk – Chronic Risk	Long-term changes in climate patterns, such as persistent high temperatures, sea level rise, and change in precipitation patterns.	<ul style="list-style-type: none"> Long-term climatic changes such as sea level rise, temperature increases, and shifts in ocean conditions pose ongoing risks to the Group. These changes can threaten port infrastructure with flooding, reduce the efficiency of fleet equipment, and alter shipping routes, leading to higher maintenance and operational costs, longer transit times, increased fuel consumption, and reputational risks if the Group is perceived as unprepared for these challenges. 	Long-term	<ul style="list-style-type: none"> The Group has conducted regular risk assessment to refine strategies and ensure preparedness for chronic climate-related challenges.



Environmental, Social and Governance Report

ENVIRONMENTAL (Continued)

A4 Climate change (Continued)

Climate Risk Category	Climate Risk Description	Potential Impact	Time Horizon ²	Response Measures
Transition Risk – Market Risk	Market risk arises from shifts in customer preferences, demand for greener supply chains, and increased competition from companies adopting sustainable practices faster.	<ul style="list-style-type: none"> The shipping market is constantly changing, and the increasing attention by the public towards environmental protection led to the change in customer behavior and preference. This change in market pattern led to a change in the demand of the shipping industry – increased demand for green transportation represents an increase in demand for low-sulphur oil with constant performance thus resulting a higher running cost. 	Short to medium-term	<ul style="list-style-type: none"> The Group will reinvest, equip and modify our fleet to enable maximum environmental performance and compliance to climate change and maritime regulations.
Transition Risk – Policy and Legal Risk	Legal risk arises from non-compliance with current and emerging climate-related regulations, such as IMO emissions caps, carbon pricing mechanisms, and regional environmental laws. Non-compliance could result in fines, legal disputes, restricted access to key markets, and potential bans on operating non-compliant vessels. Legal risks also extend to contract disputes from delays or non-performance related to climate disruptions, which could lead to financial penalties and reputational harm.	<ul style="list-style-type: none"> The Group anticipates that there will be more stringent climate legislations and regulations to support the global vision of carbon neutrality. From a listed company's perspective, the Group acknowledges the increasing requirements of climate-related information disclosures. The Group commits to environmental protection and strives to comply with disclosure requirements, however, this may increase the risk of higher operating costs and maintenance costs. 	Short to medium-term	<ul style="list-style-type: none"> To address policy and legal risks, the Group has engaged an independent advisor to monitor and assess regulatory developments at the international, regional, and local levels. The Group reviews contracts to incorporate clauses that address potential legal risks arising from climate-related disruptions, further protecting against financial and reputational consequences.

Remark:

- The time horizon is divided into short-term, medium-term and long-term: short-term is less than 5 years, medium-term is 5 to 10 years, and long-term is more than 10 years.



Environmental, Social and Governance Report

ENVIRONMENTAL *(Continued)*

A4 Climate change *(Continued)*

Opportunity Type	Opportunity Description and Impact	Action Plan
Resource Efficiency	<ul style="list-style-type: none"> By improving operational efficiency and implementing advanced technologies such as digital route optimization and predictive maintenance, the Group can reduce fuel consumption, minimize waste, and enhance the overall efficiency of its fleet. These measures align with global trends toward sustainable shipping and cost-saving initiatives. 	<ul style="list-style-type: none"> The Group will adopt advanced fleet management systems to optimize routes and improve fuel efficiency. Regular fleet maintenance schedules and the use of energy-saving retrofits can further reduce resource wastage. Investments in training programs for crew members on efficient operating practices are also essential to ensure long-term resource efficiency.

The analysis is subject to inherent uncertainties given its qualitative nature and the unpredictability of future climate and regulatory developments. The Group intends to enhance its analysis progressively in subsequent reporting periods.

Current and anticipated financial effects

No material climate-related financial impacts were identified during the Reporting Period. Climate-related investments incurred were recognized as operating expenses or capitalized within routine fleet maintenance cycles. No material climate-related capital expenditures are expected in the short term. Medium to long-term financial effects will depend on the pace of regulatory change and market developments.

Process for identifying, assessing and monitoring climate-related risks

The Group has established a structured process, led by the Board and integrated with its enterprise risk management framework, for identifying, assessing, and monitoring climate-related risks on a qualitative basis. Risks are evaluated by likelihood and potential severity. Climate-related risks are currently assigned a comparatively lower priority relative to other enterprise risks, though transition risks from maritime emissions regulations are monitored with closer attention.



Environmental, Social and Governance Report

SOCIAL

We encourage management and employees to take part in environmental preservation with best efforts. We support all kinds of environmentally friendly practices or energy saving ideas throughout our operations and dedicate ourselves to conserve water, energy, resources and materials by reduce, recycle and reuse in our office and to strengthen environment preservation consciousness as an integral part of our corporate culture.

Employment and labour practices

B1 & B4 Employment and labour standards

To promote a high-quality and diverse workforce, the Group provided equal opportunities to its employees in respect of recruitment, training and development, job advancement, and remuneration and benefits. The Group's staff handbook is designed to communicate important laws and work ethics surrounding employment, handling price-sensitive information, benefits and welfare, training and development, occupational health and safety, and code of conduct guidelines. It is an essential tool in helping to define the expectations of both the management and the employees, and to protect employees from unfair or inconsistent treatment and discrimination at work.

All employment of the Group is complied with particular local labour legislations and there was no reported incident of non-compliance or grievances in relation to human rights or labour practices standards and regulations that would have a material or significant impact on the Group during the Reporting Period.



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Employment and labour practices *(Continued)*

B1 & B4 **Employment and labour standards** *(Continued)*

Workforce by employment

As at 31 December 2025, the Group had 68 (2024: 74) onshore employees and 432 (2024: 590) seafarers. All employees of the Group are on full-time basis.

Number of employees as at 31 December 2025 and 2024

	2025		2024	
	Number of employees	Percentage (%)	Number of employees	Percentage (%)
By Gender				
Male	466	93	631	95
Female	34	7	33	5
By Employment Category				
Onshore Employees	68	14	74	11
Seafarers	432	86	590	89
By Age Group				
Below 30 years old	70	14	95	14
30 to 50 years old	330	66	447	68
Over 50 years old	100	20	122	18
By Region				
Chinese	262	52	435	66
Filipino	238	48	229	34

The Group pursues a policy of gender equality. Workload and working hours depend on positions while promotion and recruitment depend on performance and experience. At 31 December 2025, the Group had 68 (2024: 74) full-time onshore employees, of whom 34 (2024: 41) were male and 34 (2024: 33) were female. At 31 December 2025, the Board consists of seven members, of whom six members are male and one member is female.



Environmental, Social and Governance Report

SOCIAL (Continued)

Employment and labour practices (Continued)

B1 & B4 Employment and labour standards (Continued)

Workforce by employment (Continued)

The Group's employee turnover rate of onshore employees for 2025 was 1.55%³.

Turnover rate of employee for 2025 and 2024

	2025 (%)	2024 (%)
By Gender		
Male	1.55	0.63
Female	–	0.94
By Age Group		
Below 30 years old	0.17	0.63
30 to 50 years old	0.35	0.31
Over 50 years old	1.03	0.63

Remark:

- Our seafarers are Chinese and Filipino and are not included as part of the onshore employees. The turnover rate is calculated by dividing the number of employees who left the Group in the reporting year by the average number of employees as of the end of the reporting year and the previous year and multiplying by 100.

KPIs
Employee turnover
Less than 10% annually



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Employment and labour practices *(Continued)*

B1 & B4 **Employment and labour standards** *(Continued)*

Anti-discrimination

Procedures regarding recruitment, promotion and salary review are carefully reviewed with due consideration to avoid gender discrimination. The Group aims to ensure equal opportunities and rights in workplace. In addition to basic salary, the Group offers various performance bonus, employee allowances, overtime payment to compensate and reward performing employees. The Group maintains a good relationship with its employees and seafarers and has not experienced any disruption of its operation as a result of industrial disputes.

The Group does not tolerate any use of child or forced labour. During recruitment, human resources department will verify the personal information of candidates according to the requirements of Company's policies and procedures and check their identity cards to verify their age in order to avoid child labour. Prior to commencement of employment, employees are provided with key information, such as job duties and working hours of the position concerned, and the employment conditions are in line with the terms in the employment contract to prevent any forced labour.

Furthermore, our employees undergoing unfair treatment can report through our whistleblowing policy. The policy provides details and guidance to whistleblowers on the reporting of the possible whistleblowing matters to the Group. The whistleblowing policy can be accessed on the Company's website at www.jinhuiship.com.

We are not aware of any material non-compliance with rules and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare issues during the Reporting Period.

We provide fringe benefits and welfare to our people including but not limited to medical and life insurance, pension schemes, paid leave for various purposes, travel or meals for business-related work, and other benefits to improve employees' well-being.

B2 **Health and safety**

Occupational health and safety measures adopted

We put safety as our top priority in business operation. Accident preventions and efforts for improvement in working environment are given high priority in the business management, conventions and all parts of operations. We strive to comply with applicable safety and environmental laws and regulations to which seafarers of all ranks must be trained and certificated in order to be able to carry out their respective duties on board in our vessels. We ensure all seafarers on board are trained and certificated in accordance with the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ("STCW Convention").



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Employment and labour practices *(Continued)*

B2 Health and safety *(Continued)*

Occupational health and safety measures adopted *(Continued)*

The Group is committed to preventing any work-related injury to its employees, and has complied with relevant laws and regulations to provide a safe working environment and protecting employees from occupational hazards.

During the year, the Group was not aware of any non-compliance to health and safety related rules and regulations.

Number and rate of work injuries

In order to foster the environmentally friendly practices in our vessels, we follow an internal safety management manual, which defines our objectives and commitments in complying with all applicable national and international rules and regulations, code and guidelines and standards recommended by IMO, flag states and other maritime industry organizations. These codes and guidelines and standards, together with our safety manual have been kept ashore and on our fleet and strictly followed by our team.

For the purpose to attract and retain the best people for the sustainable growth of the Company, we place emphasis on a healthy and safe workplace on board in our vessels and ashore at our office. The Group is committed to preventing any work-related injury to its employees, and has complied with relevant laws and regulations to provide a safe working environment and protecting employees from occupational hazards.

During the years 2025, 2024 and 2023 there were no work-related fatalities.

KPIs
Work-related accident
Zero work-related fatalities

Lost days due to work injuries

In 2025, the percentage of people suffering from work-related injuries or accidents is 1.4% (2024: 0.8%). The number of working days lost due to work-related injuries for the year 2025 is 36 (2024: 83).

KPIs
Lost day
Zero serious work injuries
Zero lost days due to work injuries



Environmental, Social and Governance Report

SOCIAL (Continued)

Employment and labour practices (Continued)

B3 Development and training

The Group recognizes the importance of skilled and professionally trained employees to its business growth and future success. Hence, it is firmly believed that it is necessary to improve employees' professional standards continuously through training. We encourage and support all employees taking training courses and workshops that are relevant to their job duties to enrich their knowledge and perspective in discharging their duties.

Management and Company Secretary had access to a variety of training activities, including attending seminars, workshops and conferences and receiving regulatory updates relevant to their business and duties, anti-corruption practices as well as their directors' duties and responsibilities when acting as directors. They received sufficient internal and external training to better equip themselves to fulfil their roles in supporting the Group.

We ensure that all seafarers on board are well-trained in the ISM scope, the Company's own safety management system, safety and pollution prevention policy, drugs and alcohol policy, and ISPS Code, and are certified in accordance with the STCW Convention. Our owned vessels are also subject to the laws, regulations, and rules of each country and port they visit. We have developed policies and procedures intended to ensure our compliance with these laws, regulations, and rules.

The percentage of trained employees by gender and category of employee and the average number of training hours per employee are as follows:

	2025		2024	
	Percentage of Employees Trained	Average training hours	Percentage of Employees Trained	Average training hours
By Gender				
Male	99%	19.52	98%	24.56
Female	1%	45.50	2%	24.90
By Employment Category				
Onshore Employees	2%	35.37	5%	26.98
Seafarers	98%	19.36	95%	24.46

Drills

In order to reduce the number of incidents that may happen or minimize the level of accidents on vessels, we arrange emergency drills for seafarers to deal with unexpected situations. We also hold emergency personnel training. Anti-piracy drills are also performed periodically for our seafarers for the proper procedures when there is a pirate attack.



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Operating practices

B5 Supply chain management

The Group realizes the importance of the role of suppliers to our operations and prosperity. We pay great attention to the supplier relationship, particularly actively and regularly listening to them in order to improve, innovate and co-construct.

Standard procedures were developed for purchase management and vendor management by the Group. The procedures define the responsibilities and activities of procurement to ensure that goods and services are purchased from suppliers of approved reputation and capability, regulate the process for evaluation, selection and monitoring of suppliers under certain criteria and control the purchase and verification.

We believe our selection of suppliers affects the performance of the Group. We carefully choose our suppliers that align with our requirements, thus enabling us to maintain our quality. We assess potential suppliers carefully before confirming any engagement. The procedures give guidelines for selecting suppliers according to their ability to provide quality goods and services, their conformity to all relevant legislation and their ability to deliver on time and at the right price. The Group sets up guidelines on the assessment to ensure the suppliers are committed to the environment, social and human rights and good ethical practices, including those dealing with human rights, environmental protection, sustainable development, corruption and child protection.

Identified potential suppliers will be included in an approved suppliers list which is maintained within the Group's purchasing system. Key suppliers are monitored based on historical and current performance and records are updated accordingly.

For the year ended 31 December 2025, number of suppliers by geographical region as below:

Geographical region	Number of suppliers
Africa	16
Asia excluding China	90
China	212
Europe	36
North America	19
South America	5
Total	378



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Operating practices *(Continued)*

B6 Product responsibility

The Group values clients' feedback and concerns, which are crucial for improving service quality and enhancing corporate competitiveness. The Group has established procedures for managing client feedback and service-related complaints, which are handled by a dedicated department. Feedback received during the chartering process is addressed promptly to ensure client satisfaction. During the Reporting Period, the Group did not receive any significant complaints regarding the quality of its services and was not aware of any material non-compliance with laws and regulations relating to service quality.

B7 Anti-corruption

The Company has a sound and sufficient risk management and internal control measures in place. We understand the importance of anti-corruption and anti-money laundering and always uphold a high standard of corporate governance and maintain an ethical corporate culture.

The Group's whistleblowing policies and internal ethical guidelines are stated in our staff handbooks. The Group has an established reporting channel through which employees and stakeholders of the Group can raise any concerns, in confidence and anonymity, about actual or suspected fraud, misconduct, malpractice or irregularities in any matters related to the Group. The Group is committed to protecting whistleblower's privacy and personal data if any personal and contact details are left.

Our employees can access the management or members of the Audit Committee to report any malpractices or misconduct internally. During the years 2025 and 2024, there was no report on any corrupt practices brought against the Group or its employees.

<p style="text-align: center;">KPIs Corruption Zero corruption reported</p>
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The Group provides its directors and employees with annual anti-corruption training or access to learning materials. During the Reporting Period, the Group has distributed ICAC anti-corruption training materials to all directors for their self-study, and three employees participated in anti-corruption training courses, which covered topics such as anti-corruption laws and regulations.



Environmental, Social and Governance Report

SOCIAL *(Continued)*

Community

B8 Community investment

We encourage management and employees to take part in environmental preservation with best efforts. During the year 2025, the Group made charitable donations of HK\$69,000, which reflect our dedication to fostering goodwill and supporting meaningful causes within the community. We support all kinds of environmentally friendly practices or energy saving ideas throughout our operations and dedicate to conserve water, energy, resources and materials by reduce, recycle and reuse in our office and to strengthen environment preservation consciousness as an integral part of our corporate culture.

CONCLUSION

This ESG report aims to provide key material information to our stakeholders to understand the Group’s environmental policies and performance; and compliance with the relevant laws and regulations. The Group has already disclosed the management approach and performance in relation to this key material information in the report. Key material information represents areas that we identified and deemed to be of significant impact to the Group’s business and our stakeholders. We believe comments of our stakeholders will help us to evaluate our performance on environmental, social and governance aspects objectively and comprehensively and stakeholders are welcome to contact us and provide any feedback on our ESG performance and their expectations for our future ESG reports. We thank our captains and seafarers, ship management experts, and onshore colleagues to operate our shipping business and continue to remain professional under an extremely challenging environment and we also thank our customers and stakeholders for their ongoing supports to the Group.

Hong Kong Stock Exchange ESG Reporting Code

We have measured and tracked mandatory disclosure requirements (“MDRs”) and key aspects of our sustainability performance which meet the Stock Exchange ESG Reporting Code’s latest disclosure requirements.

Stock Exchange		
Index Ref.	Description	Chapter
MDRs	Reporting Boundary	Report profile
MDRs	Reporting Principles	Reporting principles
MDRs	Board Statement	Statement of the Board



Environmental, Social and Governance Report

Hong Kong Stock Exchange ESG Reporting Code *(Continued)*

Stock Exchange Index Ref.	Description	Chapter
Environmental		
A1: Emissions		
A1.1	Types of emissions and data	A1 Emissions-CO ₂ and GHG Emissions
A1.3	Total hazardous wastes produced and intensity	A2 Use of resources-Hazardous and non-hazardous waste produced
A1.4	Total non-hazardous waste produced and intensity	A2 Use of resources-Hazardous and non-hazardous waste produced
A1.5	Description of emission targets set and steps taken to achieve these goals	A1 Emissions-CO ₂ and GHG Emissions, Achieve decarbonization
A1.6	Description of disposal methods of hazardous and non-hazardous waste, and that of waste reduction objectives set and steps taken to achieve these objectives	A2 Use of resources-from Hazardous and non-hazardous waste produced to Water consumption
A2: Use of Resources		
A2.1	Total consumption and intensity of direct and / or indirect energy sources (such as electricity, gas or oil) by type	A2 Use of resources-Energy consumption
A2.2	Total water consumption	A2 Use of resources-Water consumption
A2.3	Description of energy efficiency goals set and steps taken to achieve these goals	A1 Emissions-Achieve decarbonization A2 Use of resources-Energy consumption
A2.4	Description of any problems in obtaining suitable water sources, the water efficiency targets set and steps taken to achieve these targets	A2 Use of resources-Water consumption
A2.5	Total packaging material used	Not applicable as the Group's operation do not incur any production of finished products and any usage of packaging materials



Environmental, Social and Governance Report

Hong Kong Stock Exchange ESG Reporting Code *(Continued)*

Stock Exchange Index Ref.	Description	Chapter
A3: Environment and Natural Resources		
A3.1	Description of significant impact of business activities on the environment and natural resources, and the actions taken to manage the impact	A3 The environment and natural resources-Ballast water management
Social		
Employment and Labour Standards		
B1: Employment		
B1.1	Total workforce by gender, employment type, age group and geographical region	B1 & B4 Employment and labour standards
B1.2	Employment turnover rate by gender and age group	B1 & B4 Employment and labour standards
B2: Health and Safety		
B2.1	Number and rate of work-related fatalities	B2 Health and safety-Number and rate of work injuries
B2.2	Lost days due to work injury	B2 Health and safety-Lost days due to work injuries
B2.3	Description of occupational health and safety measures adopted	B2 Health and safety
B3: Development and Training		
B3.1	Percentage of employees trained by category	B3 Development and training
B3.2	Average training hours per employee	B3 Development and training
B4: Labour Standards		
B4.1	Description of measures to review employment practices to avoid child and forced labour	B1 & B4 Employment and labour standards-Anti-discrimination
B4.2	Description of steps taken to eliminate child and forced labour when discovered	B1 & B4 Employment and labour standards-Anti-discrimination
Operating Practices		
B5: Supply Chain Management		
B5.1	Number of suppliers by geographical region	B5 Supply chain management
B5.2	Description of practices relating to engaging suppliers	B5 Supply chain management
B5.3	Description of practices to identify environmental and social risks along the supply chain	B5 Supply chain management
B5.4	Description of practices used to select environmentally preferable suppliers	B5 Supply chain management



Environmental, Social and Governance Report

Hong Kong Stock Exchange ESG Reporting Code *(Continued)*

Stock Exchange Index Ref.	Description	Chapter
B6: Product Responsibility		
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable
B6.2	Number of products and service-related complaints received and how they are dealt with	B6 Product responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights	Not applicable
B6.4	Description of quality assurance process and recall procedures	B6 Product responsibility
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	B6 Product responsibility
B7: Anti-Corruption		
B7.1	Number of legal cases regarding corrupt practices	B7 Anti-corruption
B7.2	Description of preventive measures and whistleblowing procedures	B7 Anti-corruption
B7.3	Description of anti-corruption training provided	B7 Anti-corruption
Community		
B8: Community Investment		
B8.1	Focus areas of contribution	B8 Community investment
B8.2	Resources contributed	B8 Community investment



Environmental, Social and Governance Report

Hong Kong Stock Exchange ESG Reporting Code (Continued)

Stock Exchange Index Ref.	Description	Chapter
Part D: Climate-Related Disclosure		
I: Governance		
Governance	Governance process, controls and procedures used to monitor and manage climate-related risks and opportunities	Statement of the Board A4 Climate change
II: Strategy		
Climate-related risks and opportunities	Identified climate-related risks and opportunities faced and impact on the business operations, business model and strategy	A4 Climate change
Transition plans	Response to the climate-related risks and opportunities affecting business model and strategy, and any adaptation and mitigation efforts	A4 Climate change
Climate resilience	Resilience of strategy and operations to climate-related changes	A4 Climate change
Financial effects of climate-related risks and opportunities	Current and anticipated financial effects of climate-related risks	A4 Climate change
III: Risk Management		
Risk management	Process used to identify, assess and manage climate-related risks and opportunities	A4 Climate change
IV: Metrics and Targets		
Greenhouse gas emissions	Scope 1, scope 2 and scope 3 emissions	A1 Emissions-CO ₂ and GHG Emissions
Other cross-industry metrics	Cross-industry metrics such as the percentage of assets or business activities (i) vulnerable to transition / physical risks or (ii) aligned with climate-related opportunities	A1 Emissions A4 Climate change
Internal carbon prices	For issuers who maintain an internal carbon price, disclose the internal carbon price and explain how it is applied in decision-making	Not applicable
Remuneration	How climate-related considerations are factored into remuneration policy	Not applicable
Industry-based metrics	Industry-based disclosure requirements prescribed under international ESG reporting frameworks	A1 Emissions



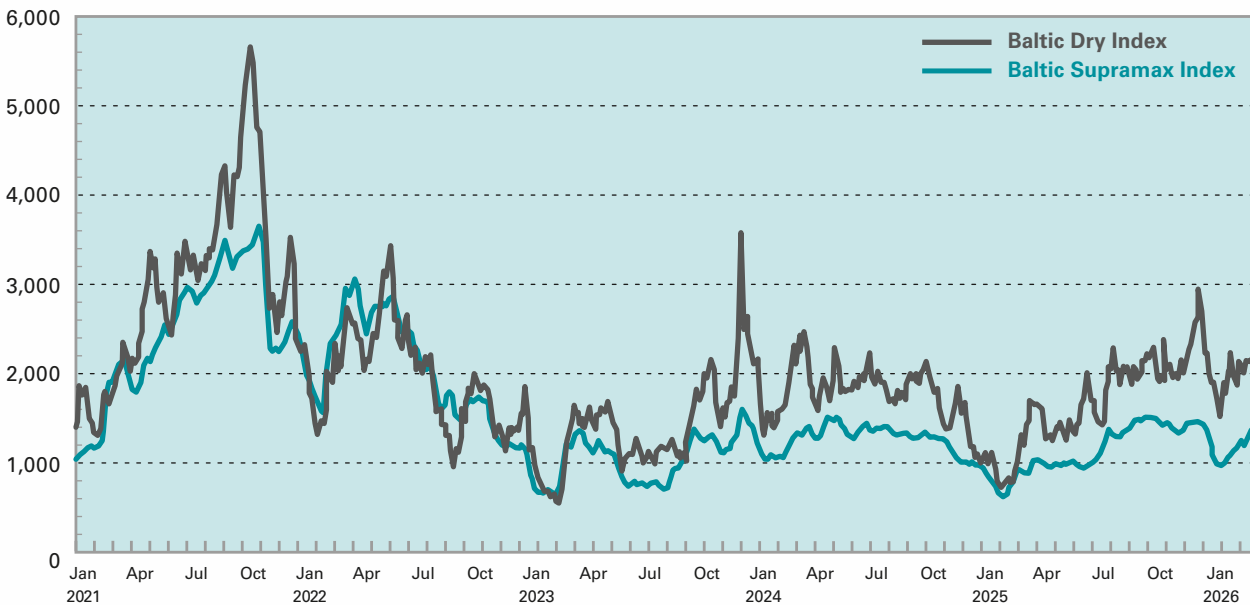
Management Discussion and Analysis

BUSINESS REVIEW

The Group operates its worldwide shipping activities through Jinhui Shipping and Transportation Limited, an approximately 55.69% direct subsidiary of the Company as at date of this annual report, whose shares are listed on the Oslo Stock Exchange (Euronext Oslo Børs), Norway. The Group's revenue represents chartering freight and hire income arising from the Group's owned and chartered-in vessels.

In 2025, the dry bulk shipping sector continued to evolve, driven by shifting global demand patterns, environmental regulations, and advancements in technology. Our strategic initiatives have positioned us to capitalize on these trends, allowing us to enhance operational efficiency, improve fleet performance, and adopt innovative practices. Baltic Dry Index commenced in the year 2025 at 997 points in January, then fell to a low of 715 points by the end of January. Following this initial downturn, the Baltic Dry Index demonstrated a general upward trend throughout the remainder of the year, ultimately reaching a peak level of 2,845 points in December. The index closed the year at 1,877 points. The average Baltic Dry Index for the year 2025 was 1,681 points, which compares to 1,755 points in 2024.

Baltic Dry Index & Baltic Supramax Index



Source: Bloomberg



Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Average daily time charter equivalent rates	2025	2024
	US\$	US\$
Capesize fleet	21,025	24,298
Panamax fleet	14,910	15,528
Ultramax / Supramax fleet	13,246	14,466
In average	14,182	14,741

As at 31 December 2025, the Group had eighteen owned vessels and five chartered-in vessels. The Group's revenue represents chartering freight and hire income arising from the Group's owned and chartered-in vessels. Hire income under time charter is accounted for as operating lease and is recognized on a straight-line basis over the period of each time charter contract.

The Group achieved a revenue from chartering freight and hire of HK\$1,228,413,000 for the year 2025, representing a slightly decrease of 0.9% compared to HK\$1,239,419,000 for the year 2024. Overall, the revenue remained relatively stable. As part of our fleet renewal and commitment to a low carbon transition, eight aging Supramaxes, averaging sixteen years of age, were sold and delivered during the years. Average daily time charter equivalent rate earned by the Group's fleet was US\$14,182 (approximately HK\$111,000) for the year 2025 as compared to US\$14,741 (approximately HK\$115,000) for the year 2024. The Group generated a consolidated operating profit before depreciation and amortization amounted to HK\$598,999,000 for 2025 as compared to that for 2024 of HK\$543,361,000.

The Group reported a consolidated net profit of HK\$72,491,000 in 2025, representing a decrease from HK\$142,183,000 recorded in the prior year. The current year's results included a non-recurring net loss of HK\$71,832,000 arising from the disposal of eight Supramaxes. Basic earnings per share for the year 2025 was HK\$0.055 as compared to HK\$0.112 for last year 2024.

Revenue of HK\$185,618,000 and HK\$90,181,000 were derived from two charterers that contributed 15% and 7% respectively to the Group's revenue for the year 2025. Management has a credit policy in place for approving the credit limits to charterers and the exposures to credit risk are monitored such that any outstanding trade receivables are reviewed and followed up on an ongoing basis. For trade receivables from customers, credit evaluations including assessing the customer's creditworthiness and financial standing are performed on customers requiring a credit over certain amount. The management consider that the credit risks inherent in the Group's outstanding trade receivables within one year past due was immaterial.



Management Discussion and Analysis

BUSINESS REVIEW *(Continued)*

Key Performance Indicators for Shipping Business	2025	2024
	HK\$'000	HK\$'000
Average daily time charter equivalent rate	111	115
Daily vessel running cost	45	44
Daily vessel depreciation	25	26
	70	70
Average utilization rate	98%	98%

Daily vessel running cost of the Group's owned vessels increased from US\$5,606 (approximately HK\$44,000) for the year 2024 to US\$5,895 (approximately HK\$45,000) for the year 2025 due to higher crew cost and the expenditure on spare parts for vessels, driven by an increase in operational demands and the need for maintenance to ensure optimal performance. In response to these rising expenses, we are committed to implementing stringent cost control measures and enhancing operational efficiency. Our goal is to maintain a highly competitive cost structure that aligns with industry standards and positions us favorably against other market participants. Daily vessel depreciation of the Group's owned vessels decreased from US\$3,343 (approximately HK\$26,000) for the year 2024 to US\$3,194 (approximately HK\$25,000) for the year 2025. The average fleet utilization rate of the Group's fleet is 98% for both the years of 2025 and 2024. We will continue with our cost reduction effort, striving to maintain a highly competitive cost structure when stacked against other market participants.



Management Discussion and Analysis

FLEET OVERVIEW

The Group operates a balanced and diversified fleet of dry bulk carriers, comprising Capesize, Panamax, Ultramax and Supramax bulk carriers. To stay competitive in the market, the Group focused on enhancing the quality of our fleet and adjusting our fleet profile, particularly in terms of seeking to lower the overall age profile of our fleet. As at 31 December 2025, the Group operated a fleet of twenty-three vessels, of which eighteen are owned vessels (including the one which has been disposed of and reclassified under assets held for sale) and five chartered-in vessels, with total deadweight carrying capacity of approximately 1,825,000 metric tonnes. Among the owned vessels were two that have been arranged under sale and leaseback agreements. As at 31 December 2025, the carrying amount of the motor vessels and capitalized drydocking costs was HK\$2,327,259,000 (2024: HK\$3,067,893,000).

	Number of vessels		Total
	Owned*	Chartered-in	
Capesize fleet	2	1	3
Panamax fleet	1	2	3
Ultramax / Supramax fleet	15	2	17
Total number of vessels	18	5	23

* Included two vessels which have been arranged under sale and leaseback agreements, as well as one reclassified as assets held for sale.

During the year 2025, the Group optimizing its fleet through strategic acquisitions, disposals and chartering activities with a view to maintaining high financial flexibility and maximizing operational competitiveness at a lower level of capital investment. The Group entered into nine agreements for the disposal of Supramaxes and four shipbuilding contracts for the acquisition of Ultramax.

Disposal of vessels

- In March 2025, a Supramax built in 2007 with a deadweight of 53,350 metric tonnes was sold for US\$8,260,000, approximately HK\$64,428,000. The vessel was delivered to the purchaser in May 2025.
- In May 2025, a Supramax built in 2008 with a deadweight of 56,952 metric tonnes was sold for US\$10,225,000, approximately HK\$79,755,000. The vessel was delivered to the purchaser in July 2025.
- In July 2025, two Supramaxes, each built in 2009, were disposed of. The first, with a deadweight of 56,927 metric tonnes, was sold for US\$10,800,000, approximately HK\$84,240,000. The second, with a deadweight of 56,913 metric tonnes, was sold for US\$11,000,000, approximately HK\$85,800,000. Both vessels were delivered in July 2025.



Management Discussion and Analysis

FLEET OVERVIEW *(Continued)*

Disposal of vessels *(Continued)*

- In August 2025, a Supramax built in 2009 with a deadweight of 56,887 metric tonnes was sold for US\$10,500,000, approximately HK\$81,900,000. Delivery to the purchaser took place in December 2025.
- In September 2025, a Supramax built in 2008 with a deadweight of 58,729 metric tonnes was sold for US\$11,930,000, approximately HK\$93,054,000, with delivery completed in the same month.
- In October 2025, a Supramax built in 2012 with a deadweight of 56,469 metric tonnes was sold for US\$13,200,000, approximately HK\$102,960,000. Delivery to the purchaser took place in November 2025.
- In November 2025, a Supramax built in 2008 with a deadweight of 56,968 metric tonnes was sold for US\$10,300,000, approximately HK\$80,340,000, with delivery completed in December 2025.
- In December 2025, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,361 metric tonnes, built in year 2012, at a consideration of US\$14,400,000, approximately HK\$112,320,000. For financial reporting purposes, the vessel was reclassified to “Assets held for sale” in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” at the reporting date. The agreement was subsequently cancelled in January 2026 as one of the contractual clauses could not be fulfilled.

Shipbuilding contracts

- During the year 2025, the Group entered into four shipbuilding contracts for the construction of four Ultramax newbuildings, each with a deadweight capacity of 64,500 metric tonnes, at a consideration of US\$33 million (approximately HK\$254 million) per vessel. The vessels are scheduled for delivery in 2028.
- Subsequent to reporting date, in February 2026, the Group entered into two shipbuilding contracts for the construction of two Ultramax newbuildings, each with a deadweight of 64,100 metric tonnes, at a consideration of US\$34 million, approximately HK\$265 million, per vessel, scheduled for delivery in May 2029 and July 2029 respectively. These two shipbuilding contracts are conditional upon the passing of ordinary resolutions approving the acquisition of two vessels by the shareholders of the Company at the general meeting of the Company to be held on 2 April 2026.

As at date of this annual report, the Group had eight committed Ultramax newbuildings, comprising six as mentioned above and the two contracted in 2024, at a consideration of US\$34 million each, scheduled for delivery in 2026 and 2027.

The acquisition of above eight newbuildings is consistent with the Group’s ongoing strategy to renew the fleet with modern, larger and high-quality vessels, by gradually phasing out its older vessels and replacing them with newer and younger vessels. In addition, the eight newbuildings are more fuel-efficient and of higher operational efficiency than the other bulk carriers of the Group currently in operation, which meets the latest environmental regulations and prevailing requirements in the shipping industry.



Management Discussion and Analysis

FLEET OVERVIEW *(Continued)*

Lease of vessels

The Group endeavoured further enhance and improve our fleet profile while limiting the capital expenditure on acquisition of vessels and maximizing flexibility. As at the reporting date, the Group maintained certain number of time charter engagements, two of them were long-term time charters with remaining lease terms for more than twelve months. The right-of-use assets which are calculated with the present value of total minimum hire payment at the inception of the lease terms of the charterparties and corresponding lease liabilities were recognized in the consolidated statement of financial position upon their deliveries of the vessels in accordance with HKFRS 16 Leases. As at 31 December 2025, the carrying amounts of the right-of-use assets and the lease liabilities were HK\$255,630,000 (2024: HK\$234,168,000) and HK\$281,287,000 (2024: HK\$252,598,000) respectively.

In early 2025, the Group took delivery of a long term chartered-in Capesize, with deadweight 207,672 metric tonnes, built in year 2017, for a minimum term of thirty-three months.

Sale and leaseback arrangements

During the year, the Group entered into two memoranda and charter agreements with the purchasers for the sale and leaseback arrangements of two vessels, at consideration of CNH79,750,000 and CNH123,250,000. The vessels were sold and chartered back on seven-year bareboat charters which include purchase options from the third year until the end of the bareboat period.

We will continuously monitor the market as well as our operations going forward and look out for opportunities to maintain a reasonably modern and competitive fleet, not ruling out any future disposal of smaller and older vessels and replace with newer vessels with larger carrying capacity and longer asset lives or charter-in of vessels. We will make such decisions on an ad hoc basis to maintain high financial flexibility and operational competitiveness.

Save as disclosed, there was no other significant investment during the year.



Management Discussion and Analysis

FINANCIAL REVIEW

Revenue and operating profit. The Group recorded a revenue of HK\$1,228,413,000 from chartering freight and hire in 2025, representing a slight decline of 0.9% compared with HK\$1,239,419,000 in 2024. The modest decrease was primarily driven by the disposal of eight aging vessels, alongside weaker dry bulk market conditions that lowered the average daily time charter equivalent rate of Group's fleet by 3.8% to US\$14,182 (approximately HK\$111,000). The average daily time charter equivalent rate for Capesize fleet and Panamax fleet were US\$21,025 and US\$14,910 (approximately HK\$164,000 and HK\$116,000) respectively, while the Ultramax / Supramax fleet recorded US\$13,246 (approximately HK\$103,000) for the year.

The Group generated a consolidated operating profit before depreciation and amortization amounted to HK\$598,999,000 for 2025 as compared to that for 2024 of HK\$543,361,000. The Group recorded a consolidated net profit of HK\$72,491,000 for the year 2025. This compared to a consolidated net profit of HK\$142,183,000 for the year 2024. Basic earnings per share for the year was HK\$0.055, compared to HK\$0.112 for the year 2024.

During the year, the Group completed the disposal of eight Supramaxes for an aggregate consideration of US\$86,215,000 (approximately HK\$672,477,000), resulting in a total net loss of HK\$71,832,000.

Other operating income. Other operating income increased from HK\$136,608,000 in 2024 to HK\$272,445,000 in the current year. The increase was primarily due to the receipt of settlement income from a legal dispute over the non-performance of a charterparty. Settlement income amounted to HK\$157,738,000 was received in the current year while HK\$27,300,000 was received in 2024. Additionally, there was a recognition of net gain of HK\$32,012,000 on financial assets / financial liabilities at fair value through profit or loss, comprised of a realized gain of HK\$10,674,000 upon disposal of certain financial assets and an unrealized fair value gain of HK\$21,338,000 on financial assets / financial liabilities at fair value through profit or loss for the current year. For 2024, a net gain of HK\$41,165,000 on financial assets at fair value through profit or loss was recorded.

Shipping related expenses. Shipping related expenses mainly comprised of crew expenses, insurance, consumable stores, spare parts, repairs and maintenance and other vessels' expenses. There was a modest decline in our shipping related expenses from HK\$658,353,000 in 2024 to HK\$656,429,000 in the current year. The reduction is primarily attributable to a decrease in the number of vessels owned by the Group which lowered the aggregated shipping operational costs. Throughout the year, the Group entered into a reduced number of inward time charters arrangements compared with 2024, resulting in hire payment of approximately HK\$91 million for these short-term leases, as against HK\$170 million in last year. The overall savings were partially offset by higher bunker costs, driven by fuel usage for vessel repositioning between charters and during voyage charter activities.

Daily vessel running cost of the Group's owned vessels rose to US\$5,895 (approximately HK\$45,000) in 2025 from US\$5,606 (approximately HK\$44,000) in 2024. The increase was primarily due to higher crew cost and the expenditure on spare parts for vessels, driven by an increase in operational demands and the need for maintenance to ensure optimal performance. In response to these rising expenses, we are committed to implementing stringent cost-control measures and enhancing operational efficiency. Our goal is to maintain a highly competitive cost structure that aligns with industry standards and positions us favorably against other market participants.



Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

Other operating expenses. Other operating expenses declined from HK\$114,519,000 in 2024 to HK\$74,940,000 in the current year, primarily due to a lower recognition of fair value loss of HK\$21,840,000 on investment properties, as compared to HK\$66,150,000 recorded in the prior year. Other operating expenses for the year 2025 also included directors' fee of approximately HK\$6.7 million, impairment loss on trade and other receivables of approximately HK\$4.2 million, professional fee of approximately HK\$3.2 million, auditor's remuneration related to audit services of approximately HK\$2.2 million, and remaining are various office administrative expenses.

Depreciation and amortization. Depreciation and amortization increased from HK\$346,919,000 for the year 2024 to HK\$451,185,000 for the year 2025. The increase was attributable to the recognition of depreciation of HK\$224,768,000 on right-of-use assets for long-term chartered-in vessels for the current year whereas HK\$117,145,000 was recorded in last corresponding year. The Group's daily vessel depreciation of owned vessels decreased to US\$3,194 (approximately HK\$25,000) for the year 2025 as compared to US\$3,343 (approximately HK\$26,000) for the year 2024.

Finance costs. Finance costs increased from HK\$54,259,000 for the year 2024 to HK\$75,323,000 for the year 2025. This rise was mainly attributable to the loan drawdown for the financing of vessels upon their deliveries during first half of 2025, other borrowings on sale and leaseback arrangements on two vessels as well as the increase in recognition of interest expenses on lease liabilities, which amounted to HK\$25,465,000 in 2025 compared to HK\$10,275,000 in 2024.

Financial assets / financial liabilities at fair value through profit or loss. As at 31 December 2025, the Group's portfolio of investment in financial assets at fair value through profit or loss was HK\$197,464,000 (2024: HK\$166,692,000), in which HK\$171,536,000 (2024: HK\$145,616,000) was investment in listed equity securities and HK\$25,928,000 (2024: HK\$21,076,000) was investment in investment funds. Financial liabilities at fair value through profit or loss was HK\$2,295,000 (2024: nil) as of 31 December 2025 and represented investment in interest rate swap. The principal activities of these financial assets at fair value through profit or loss include mainly banking groups that provide money lending and financial services; securities trading and investment; property development and investment; shipping and transportation, provision of value-added services and online advertising services to users in the PRC.

As at 31 December 2025, the fair value of each of these equity securities, investment funds and interest rate swap represented less than 5% of the total assets of the Group.

During the year, the Group's net gain on financial assets / financial liabilities at fair value through profit or loss was HK\$32,012,000 (2024: HK\$41,165,000), comprised of a realized gain of HK\$10,674,000 (2024: HK\$22,026,000) upon disposal of certain financial assets during the year, and an unrealized fair value gain of HK\$21,338,000 (2024: HK\$19,139,000) on financial assets / financial liabilities at fair value through profit or loss for the year. The aggregate interest income and dividend income from financial assets was HK\$31,131,000 (2024: HK\$16,595,000).



Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

Investment properties. As at 31 December 2025, the Group's investment properties were stated at fair value of HK\$251,690,000 (2024: HK\$273,530,000) and comprised of premises and car parks held under operating leases to earn rentals or held for capital appreciation, or both. These premises and car parks are held under long term leases and located in Hong Kong.

As at 31 December 2025, the fair value of each of these investment properties represented less than 5% of the total assets of the Group.

During the year, the Group recognized gross rental income from operating leases on all investment properties of HK\$4,239,000 (2024: HK\$6,270,000) and fair value loss of investment properties amounting to HK\$21,840,000 (2024: HK\$66,150,000). The Group's investment properties continue to generate steady and recurring stream of income for the Group and majority of these are office assets located in one of the most sought after central business district of Hong Kong.

Right-of-use assets and lease liabilities. As at the reporting date, the Group operated five long-term chartered-in vessels, two of them were long-term time charters with remaining lease term for more than twelve months. In accordance with HKFRS 16 Leases, the Group recognized the right-of-use assets which is calculated with the present value of total minimum hire payment at the inception of the lease terms of the charterparties and corresponding lease liabilities was also recognized in the consolidated statement of financial position upon their deliveries of the vessels.

As at 31 December 2025, the carrying amounts of the right-of-use assets and the lease liabilities were HK\$255,630,000 (2024: HK\$234,168,000) and HK\$281,287,000 (2024: HK\$252,598,000) respectively.

In 2025, the Group took delivery of a long term chartered-in Capesize, with deadweight 207,672 metric tonnes, built in year 2017, for a minimum term of thirty-three months.

During the year, the total cash outflow for the lease was HK\$333,963,000 (2024: HK\$305,878,000).

Unlisted equity investments. In 2018, a subsidiary of the Company entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC (the "Co-investment"), pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000 (approximately HK\$78,000,000). Dual Bliss Limited is one of the investors of the Co-investment.



Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

The Investment Manager of the Co-investment, Phoenix Property Investors Limited, reported a loss of US\$627,000, approximately HK\$4,890,000 on the fair value of equity instruments for the year 2025, mainly arising from the financing costs incurred for the shareholder loans. The reported loss on the Co-investment was recognized by the Group as a change in fair value of financial assets at fair value through OCI and was included in other comprehensive loss in the consolidated statement of profit or loss and other comprehensive income. As at the reporting date, the carrying amount of the unlisted equity investments was US\$4,321,000, approximately HK\$33,703,000 (2024: US\$4,948,000, approximately HK\$38,593,000) whereas the loan receivable arise from Co-investment, together with the interest accrued thereon was US\$3,141,000, approximately HK\$24,502,000 (2024: US\$2,459,000, approximately HK\$19,186,000). The Group will closely monitor the performance of the Co-investment and will assess impairment allowances where appropriate.

Loan receivables. As at reporting date, the Group's total loan receivables amounted to HK\$94,204,000 (2024: HK\$12,304,000), comprising HK\$81,900,000 (2024: nil) arising from receivables in respect of the disposal of two vessels and HK\$12,304,000 (2024: HK\$12,304,000) arising from Co-investment.

During the year, the Group entered into two agreements to dispose of two vessels, with the outstanding consideration of US\$6 million and US\$5 million (approximately HK\$42.9 million and HK\$39 million) respectively, each to be settled over a three year period. To secure the purchasers' performance and observance of and compliance with the covenants, the purchasers provided first priority ship mortgage on each vessel in favour of the Group.

The loan receivables from Co-investment are unsecured, denominated in United States Dollars, and have no fixed repayment terms.

At the reporting date, these receivables have been reviewed by management to assess impairment allowances which are based on the evaluation of current creditworthiness, collection statistics, reference to market value of vessels and the net asset value of the Co-investment, and considered as not impaired. The carrying amount of the loan receivables is considered to be a reasonable approximation of its fair value.

Trade and other payables. As at 31 December 2025, the Group's trade and other payables was HK\$141,799,000 (2024: HK\$173,361,000), including trade payables of HK\$2,576,000 (2024: HK\$6,394,000), accrued charges of HK\$24,198,000 (2024: HK\$37,976,000) and other payables of HK\$115,025,000 (2024: HK\$128,991,000). Other payables mainly included payables related to vessel running cost and ship operating expenses of HK\$84,632,000 (2024: HK\$89,905,000), hire receipt in advance of HK\$10,451,000 (2024: HK\$21,315,000) from charterers, loan interest payables of HK\$1,085,000 (2024: HK\$638,000) and accrued employee benefits payables of HK\$16,978,000 (2024: HK\$15,229,000).

Liquidity, financial resources and capital structure. As at 31 December 2025, the Group maintained strong working capital position of HK\$699,057,000 (2024: HK\$30,096,000) and had cash and cash equivalents of HK\$430,453,000 (2024: HK\$189,908,000). Net cash generated from operating activities after working capital changes was HK\$610,785,000 (2024: HK\$587,319,000), of which HK\$10,222,000 (2024: HK\$104,410,000) related to changes in working capital.



Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

For the year 2025, the Group reported net cash used in investing activities amounted to HK\$243,222,000, compared to HK\$665,262,000 in the corresponding year of 2024. This included a balance payment of HK\$299,492,000 for vessel deliveries and capitalized drydocking expenditures, and installments payment of HK\$195,074,000 for vessels under construction, scheduled for delivery between 2026 and 2028. The Group also realized proceeds of HK\$581,847,000 from the disposal of eight Supramaxes during the year.

Net cash used in financing activities amounted to HK\$127,018,000 in 2025, compared to HK\$61,598,000 in 2024. During the year, the Group had drawn new bank loans totaling HK\$117,000,000 (2024: HK\$509,638,000) upon the delivery of vessels and repaid bank loans amounting to HK\$201,602,000 (2024: HK\$435,554,000). In addition, the Group obtained other borrowings of HK\$220,960,000 (2024: nil) pursuant to sale and leaseback arrangements entered into for two of its owned vessels. Repayment of these other borrowings during the year amounted to HK\$11,048,000 (2024: nil). Furthermore, a repayment of HK\$243,006,000 (2024: HK\$135,921,000) on lease liabilities was incurred.

The Group's total secured borrowings increased from HK\$882,766,000 as at 31 December 2024 to HK\$1,012,729,000 as at 31 December 2025, of which 17%, 57%, 15% and 11% are repayable respectively within one year, in the second year, in the third to fifth year and after the fifth year. The increase in total secured borrowings was primarily due to the sale and leaseback arrangements entered into for two of its owned vessels during the year. The secured borrowings were denominated in Hong Kong Dollars and Renminbi (offshore). All secured borrowings were committed on floating rate basis.

As at 31 December 2025, the total of the Group's equity securities, bank balances and cash increased to HK\$881,935,000 (2024: HK\$335,524,000).

The gearing ratio, as calculated on the basis of net debts (total interest-bearing debts net of equity and debt securities, bank balances and cash) over total equity, was 4% (2024: 19%) as at 31 December 2025. With cash, marketable equity and debt securities in hand as well as available credit facilities, the Group has sufficient financial resources to satisfy its commitments and working capital requirements. As at 31 December 2025, the Group is able to service its debt obligations, including principal and interest payments.

Pledge of assets. As at 31 December 2025, the Group's property, plant and equipment with an aggregate net book value of HK\$1,930,382,000 (2024: HK\$1,977,323,000), investment properties with an aggregate carrying amount of HK\$226,690,000 (2024: HK\$245,670,000), financial assets at fair value through profit or loss of HK\$51,687,000 (2024: HK\$54,556,000) and deposits of HK\$556,000 (2024: HK\$2,564,000) placed with banks were pledged together with the assignment of fourteen (2024: fifteen) subsidiaries' income to secure credit facilities utilized by the Group. In addition, shares of two (2024: nil) ship owning subsidiaries were pledged in respect of other borrowings.



Management Discussion and Analysis

FINANCIAL REVIEW *(Continued)*

Capital expenditures and commitments.

Capital expenditures

During the year, the Group reported capital expenditure of HK\$299,492,000, primarily for the balance payment on vessel deliveries and capitalized drydocking costs. Additionally, HK\$195,074,000 was paid as installments for vessels under construction, HK\$70,633,000 for leasehold land and buildings and HK\$1,173,000 was spent on other property, plant and equipment.

For the year 2024, capital expenditure of HK\$741,751,000 was incurred, including HK\$738,646,000 on additions of motor vessels and capitalized drydocking costs and HK\$3,105,000 on other property, plant and equipment.

Capital commitments

During the year, the Group entered into four shipbuilding contracts for the construction of four Ultramax newbuildings, each at a consideration of US\$33 million, approximately HK\$254 million. The vessels are scheduled for delivery in 2028. As at the reporting date, installments amounting to US\$18,209,000, approximately HK\$142,034,000 had been paid in respect of vessels under construction, and the capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$111,830,000, approximately HK\$872,273,000.

For the year 2024, the Group entered into two shipbuilding contracts for the construction of two Ultramax, each at a consideration of US\$34 million, approximately HK\$265 million, to be delivered in 2026 and 2027 respectively. As at the reporting date, installments of US\$6,800,000, approximately HK\$53,040,000 for the vessels under construction were paid, and the capital expenditure commitments contracted by the Group but not provided for, net of installments paid, was US\$61,200,000, approximately HK\$477,360,000 (2024: US\$68,000,000, approximately HK\$530,400,000).

In 2018, a subsidiary of the Company entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC, pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000, approximately HK\$78,000,000. Dual Bliss Limited is one of the investors of the Co-investment. As at the reporting date, the capital expenditure commitments contracted by the Group but not provided for was US\$372,000, approximately HK\$2,905,000 (2024: US\$372,000, approximately HK\$2,905,000).

As at 31 December 2025, the total amount of capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$173,402,000, approximately HK\$1,352,538,000.

As of 31 December 2024, the total amount of capital expenditure commitments contracted by the Group but not provided for was US\$117,080,000, approximately HK\$913,210,000. In addition to the aforementioned commitments, the amount also included right-of-use assets of approximately US\$26,640,000, approximately HK\$207,775,000 for the long term charter of a Capesize, which was delivered in January 2025, as well as a capital expenditure commitment of US\$22,068,000, approximately HK\$172,130,000, for the acquisition of an Ultramax, which was acquired at the end of 2024 and delivered to the Group in January 2025.

Save as disclosed above, there was no other significant capital expenditure commitment contracted by the Group but not provided for as at the reporting date.



Management Discussion and Analysis

SIGNIFICANT LITIGATION UPDATE

Galsworthy Limited (“Galsworthy”), a subsidiary of the Company, was the disponent owners of the vessel “CANTON TRADER” which was later renamed “JIN KANG”. On 17 June 2008, Galsworthy entered into a time charter with Parakou Shipping Pte Limited (“Parakou Shipping”) for a period of approximately five years, with delivery not due until March 2009. On or about 13 March 2009, Parakou Shipping wrongfully refused to take delivery of the vessel and Galsworthy accepted their conduct as a repudiation of the charter, bringing it to an end.

The dispute was the subject of various proceedings, but principally in London arbitration. By Arbitration Awards dated 31 August 2010 and 13 May 2011, the London arbitrators upheld Galsworthy’s claims and awarded damages of approximately US\$41.25 million (approximately HK\$321.75 million) plus interest and costs.

Parakou Shipping went into liquidation in 2011. Galsworthy has submitted a proof of debt in the liquidation in respect of its claim under the arbitration awards. Galsworthy has also been trying inter alia to enforce the arbitration awards against Parakou Shipping and its former directors and obtain compensation for its substantial losses. The outstanding amount is in excess of US\$60 million (approximately HK\$468 million).

In one action Galsworthy has been funding Singapore proceedings commenced by the liquidator of Parakou Shipping against four of Parakou Shipping’s former directors and related corporate entities (the “Defendants”), seeking to claw back assets into Parakou Shipping for distribution amongst the creditors. Judgment was obtained in February 2017 in a sum of SGD17 million against the Defendants, but the Defendants have now appealed the same. The Liquidator cross appealed to increase the judgment amount.

On 17 January 2018, the Singapore Court of Appeal substantially dismissed the Defendants’ appeal and found in the Liquidator’s favour. Amongst other things, the Singapore Court of Appeal upheld the Liquidator’s argument that the London arbitration, and a litigation subsequently filed in the Hong Kong courts seeking indemnity against any liability in the arbitration, were commenced and pursued by the directors in breach of their fiduciary duties. The Court considered that evidence had been disregarded which showed that the directors’ key concern was to avoid a statutory clawback period. The Court also agreed that certain asset sales that had taken place in late 2008 were done while Parakou Shipping was insolvent and were not part of a restructuring, as claimed by the former directors of Parakou Shipping. The Court found that a company resolution advanced as evidence of a restructuring plan by the Defendants was in fact an “an afterthought” produced later than its date under “suspicious circumstances”. The Liquidator is entitled to seek either damages or an account of profits arising from the relevant breaches.

Legal actions also took place in South Africa over the arrest of the vessel “PRETTY SCENE”, as well as in Hong Kong against three of the former directors of Parakou Shipping for unlawful means conspiracy. An injunction order, freezing assets belonging to the directors of Parakou Shipping, was obtained.



Management Discussion and Analysis

SIGNIFICANT LITIGATION UPDATE *(Continued)*

This multi jurisdiction legal saga dragged on for an extensive period of time. In April 2024, Galsworthy and Parakou Shipping had reached agreement to settle the Hong Kong legal action for a settlement income of US\$3.5 million (approximately HK\$27.3 million), paving the way to bring the global actions to an end.

The termination of the Hong Kong legal action allowed Galsworthy to formally bring the ongoing legal dispute to an end and effect the application to the Singapore High Court for the receipt of the settlement sum of the Singapore January 2018 judgment. In January 2025, Galsworthy received a sum of SGD27.6 million, a total of approximately HK\$157.7 million, which was recorded as other operating income in 2025.

EMPLOYEES AND REMUNERATION POLICY

The employees are the Group's most important resource and are crucial to the Group's success in achieving its targets for long term value creation. The Group provides various resources for staff training and development.

The Group pursues a policy of gender equality. As at 31 December 2025, the Group had 68 (2024: 74) full-time office employees, of whom 34 (2024: 41) were male and 34 (2024: 33) were female. The Group remunerates its employees in accordance with their performances, experiences and prevailing market practices and provides them with usual fringe benefits including medical insurance and contributions to provident funds. Bonuses are also offered to employees of the Group at the discretion of the Directors and depending upon the financial performance of the Group.

The Group maintains a good relationship with its employees and seafarers and has not experienced any disruption of its operation as a result of industrial disputes.

WORKING ENVIRONMENT

In order to attract and retain the best people for the sustainable growth of the Company, we place emphasis on a healthy and safe workplace on board in our vessels and ashore at our office and support all kinds of community activities that contribute to our community.

We put safety as our top priority in business operation. Accident preventions and efforts for improvement in working environment are given high priority in the business management, conventions and all parts of operations. We strive to comply with applicable safety and environmental laws and regulations to which seafarers of all ranks must be trained and certificated in order to be able to carry out their respective duties on board in our vessels. We ensure all seafarers on board are trained and certificated in accordance with STCW Convention.

We provide fringe benefits and welfare to our people including but not limited to medical and life insurance, pension schemes, paid leave for various purposes, travel or meals for business-related work, and other benefits to improve employees' well-being.



Management Discussion and Analysis

RISK MANAGEMENT

The Group is principally exposed to various risks and uses appropriate measures to manage risks related to its business and operations.

Business and operational risks. The Group is exposed to the business and operational risks to the extent that certain changes may have a negative effect on the Group's cash flows and operations. These changes include the fluctuations in charter rates of the shipping market; the changes in demand and supply in the dry bulk market; the drop in vessel values which results in impairment loss of the Group's assets; the changes in operating expenses including bunker prices, crewing costs, drydocking and insurance costs; and the maintenance expenses which include costs of spare parts. The dry bulk market is highly volatile and market freight rates may fluctuate significantly within a short period of time. We will continue to adopt a flexible chartering policy and manage different business risk exposures by diversification of counterparties, sourcing reliable charterers from a wider range of ship brokers, and maintaining a good balance of geographical positioning of our fleet.

In order to remain competitive in the market, the Group continues to seek to fine tune the quality of our fleet, in particularly in terms of seeking to lower the overall age profile of our fleet. The Group believes that maintaining a suitable proportion of chartered-in vessels to owned vessels allows the Group to maintain a sizeable fleet of vessels whilst limiting its capital commitments and maximizing flexibility in its business operations. In 2025, the Group disposed eight aging vessels. The Group also engaged well-established shipyards to construct four Ultramax newbuildings, with expected deliveries in 2028.

We will continuously monitor the market as well as our operations going forward and look out for opportunities to maintain a reasonably modern and competitive fleet, not ruling out any future disposal of smaller and older vessels and replace with newer vessels with larger carrying capacity and longer asset lives or charter-in of vessels. We will make such decisions on an ad hoc basis to maintain high financial flexibility and operational competitiveness.

Market risk. Market risk is the risk of operational loss or financial loss due to adverse changes in the market exposure. It also includes the adverse change of value of a financial instrument or portfolio of financial instruments when there are changes in market factors such as underlying interest rates, exchange rates, equity securities prices, debt securities prices or in the volatility of these factors. The Group's major market risk exposures on financial instruments mainly arise from bank borrowings committed on floating rate basis, and investments in equity and debt securities. In the ordinary course of business, the Group identifies these risks and mitigates their financial impact through the use of appropriate financial instruments in accordance with the Group's risk management policies. Additional information regarding the Group's use of financial instruments is disclosed in the "Financial Risk Management and Policies" in note 40 to the consolidated financial statements.



Management Discussion and Analysis

RISK MANAGEMENT *(Continued)*

Credit risk. Credit risk is the risk of financial loss to the Group if the counterparty fails to discharge its contractual obligations under the terms of the financial instrument. The Group's exposures to credit risk principally arising from the trade receivables from charterers, loan receivables to third parties and deposits or other financial assets placed with financial institutions. The potential loss is generally limited to the carrying amount of receivables and liquid assets as shown in the Group's consolidated statement of financial position. As at 31 December 2025, the Group recorded aggregate outstanding loan receivables of approximately HK\$82 million in respect of the disposal of two vessels during the year. Each purchaser has granted a first priority ship mortgage over the respective vessel in favour of the Group. Having considered the security arrangements, management is of the view that the credit risk associated with these loan receivables is low. Credit risk also includes concentration risk of large exposures or concentrations to certain counterparties. The Group will, wherever possible, maintain a diversified customer portfolio or only enter into financial instruments with creditworthy counterparties. The Group regularly monitors the potential exposures to each significant counterparty and performs ongoing credit quality assessment and does not expect to incur material credit losses on managing the financial instruments.

Liquidity risk. Liquidity risk is the risk that the Group fails to meet its obligations associated with its financial liabilities. The Group takes conservative treasury policies to maintain sufficient cash reserves, readily realizable marketable equity and debt securities and obtain credit facilities from well-known financial institutions. The management actively involves in treasury management to ensure adequate cash flows to meet the expected liquidity requirements, working capital and capital expenditures needs. With the dry bulk market being extremely challenging, preserving optimal liquidity is of pinnacle importance. The Group will be working closely with lenders to devise ways to maximize liquidity position in case of the challenging freight environment will continue for longer than expected.

We will continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet profile as appropriate and make adjustments to its capital structure in the light of changes in economic conditions, recent market values of the Group's assets as well as the risk characteristics of the underlying assets.

RISK FACTORS

This report may contain forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including the Company's management's examination of historical operating trends. Although the Company believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties which are difficult or impossible to predict and are beyond its control, the Company cannot give assurance that it will achieve or accomplish these expectations, beliefs or targets.



Management Discussion and Analysis

RISK FACTORS *(Continued)*

Key risk factors that could cause actual results to differ materially from those discussed in this report will include but not limited to the way world economies, currencies and interest rate environment may evolve going forward, general market conditions including fluctuations in charter rates and vessel values, financial market conditions including fluctuations in marketable securities value, counterparty risk, changes in demand in the dry bulk market, changes in operating expenses including bunker prices, crewing costs, drydocking and insurance costs, availability of financing and refinancing, inability to obtain restructuring or rescheduling of indebtedness from lenders in liquidity trough, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents, piracy or political events, and other important factors described from time to time in the reports filed by the Company.

OUTLOOK

2025 has been a volatile year, but as we step into 2026 markets have firmed up with robust demand in dry commodity transportation, especially with minor bulks. Inefficiency in the global seaborne trade due to geopolitical turbulence, port congestion, increasing protectionist activity, as well as slow steaming of global fleet due to emission control means the global fleet has become less productive, giving the chartering market additional support.

Recent influx of newbuilding deliveries was absorbed by the market without too much downside pressure to freight rates, which was a result of a robust chartering market as well as overall aging profile of the global fleet. With a relatively resilient chartering market, well maintained older vessels have been well received in the second hand market. There remains strong interest for prompt delivery second hand tonnages to secure carrying capacity, where we have continued to take the opportunity to dispose of our older vessels and redeploy capital by ordering newer, and more modern vessels from reputable shipyards. We will continue our strategy to maintain a young fleet going forward should opportunities arise.

As of the date of this annual report, we have successfully covered 54% of our Capesize and 92% of Panamax vessel days for the first nine months of 2026, with an average rate of US\$22,000 and US\$17,000 per day respectively. For Ultramax/Supramax, 53% of vessel days was covered at average rate of US\$14,000 per day for the first nine months of 2026.

Looking ahead, should global economic activity regain further confidence, our fleet will be well positioned to benefit from these supportive industry specific fundamentals.

We will remain alert to any economic, geopolitical, or other unforeseen surprises that will disrupt our business operations. We will continue to focus on taking sensible and decisive actions to achieve growth without sacrificing the maintenance of a strong financial position.

On behalf of the Board of Directors of the Company, I would like to first express our heartfelt appreciation to all our colleagues, as well as all customers and stakeholders for their ongoing support.



Board of Directors and Senior Management

BOARD OF DIRECTORS

Mr. Ng Siu Fai, Chairman

Aged 69. A Director of the Company since 1991 and the chairman of Jinhui Shipping since 1994. As one of the two founders of the Group in 1987, Mr. Ng is responsible for strategic planning for the Group as well as overseeing all aspects of the Group's operations. Mr. Ng has extensive knowledge and working experience in the shipping industry as well as business management and China trade. Mr. Ng Siu Fai is a brother of Messrs. Ng Kam Wah Thomas and Ng Ki Hung Frankie, both are directors of the Company.

Mr. Ng Kam Wah Thomas, Managing Director

Aged 63. A Director of the Company since 1991 and the managing director of Jinhui Shipping since 1994. Mr. Ng is the other founder of the Group in 1987 and responsible for the Group's shipping activities. Mr. Ng has extensive knowledge and working experience in the shipping industry and business management. Mr. Ng holds a Bachelor's Degree in Arts from the University of Guelph in Canada and a Diploma in Management Studies, specializing in shipping, from the Plymouth Polytechnic in the United Kingdom. Mr. Ng Kam Wah Thomas is a brother of Messrs. Ng Siu Fai and Ng Ki Hung Frankie, both are directors of the Company.

Mr. Ng Ki Hung Frankie, Executive Director

Aged 72. A Director of the Company since 1991 and a director of Jinhui Shipping since 1994. Mr. Ng is responsible for the Group's investments and business management. Mr. Ng has extensive working experience in the shipping industry as well as business management and China trade. Mr. Ng Ki Hung Frankie is a brother of Messrs. Ng Siu Fai and Ng Kam Wah Thomas, both are directors of the Company.

Ms. Ho Suk Lin, Executive Director

Aged 62. The Company Secretary of the Company since 1991, a Director of the Company since 1993 and a director and the company secretary of Jinhui Shipping since 1994. Ms. Ho is responsible for the Group's financial controls and secretarial matters. Ms. Ho has extensive working experience in finance and management. Prior to joining the Group in 1991, she worked in an international accounting firm. Ms. Ho is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.

Mr. Cui Jianhua, Independent Non-executive Director

Aged 71. An Independent Non-executive Director of the Company since 1993. Mr. Cui has extensive experience gained from his management positions in various China related entities. He is currently the managing director of Hessway International Ltd. Mr. Cui holds a Master of Arts Degree from McMaster University, Canada.



Board of Directors and Senior Management

BOARD OF DIRECTORS *(Continued)*

Mr. Tsui Che Yin Frank, *Independent Non-executive Director*

Aged 68. An Independent Non-executive Director of the Company since 1994 and a non-executive director of Jinhui Shipping since 2006. Mr. Tsui has extensive experience in investment and banking industries and held senior management positions at various international financial institutions. Mr. Tsui is an independent non-executive director of Melco International Development Limited listed in Hong Kong. Mr. Tsui graduated with a Bachelor's and a Master's Degree in Business Administration from the Chinese University of Hong Kong and with a Law Degree from the University of London. He holds a Doctoral Degree in Business Administration from The University of Newcastle, Australia.

Mr. William Yau, *Independent Non-executive Director*

Aged 58. An Independent Non-executive Director of the Company since 2004 and a non-executive director of Jinhui Shipping since 2006. Mr. Yau has extensive experience gained from his senior management positions in various industries. He is at present a director of American Phil Textiles Limited and Forum Restaurant (1977) Limited, and a supervisor of Fujian Shishi Rural Commercial Bank Co., Ltd. Mr. Yau is a member of the Gansu Provincial Committee of the Chinese People's Political Consultative Conference. Mr. Yau graduated with a Bachelor Degree of Computer Systems Engineering from the Carleton University in Canada.

SENIOR MANAGEMENT

Mr. Ching Wei Man Raymond, *Vice President*

Aged 51. Joined the Group in 2004 as Vice President, and is responsible for overseeing various activities for the Group, with particular focus in shipping related investments, corporate finance matters, investor relations, and new business development. Mr. Ching has extensive experience in shipping investments and in finance. Prior to joining the Group, he worked for a number of years in the investment banking division for a major US bank. Mr. Ching holds a Master of Engineering and a Master of Science (Finance), both from the Imperial College of Science, Technology and Medicine in London.

Mr. Shum Yee Hong, *Head of Management and Operation Department*

Aged 73. Joined the Group in 1992 as Head of Management and Operation Department, responsible for the ship operation activities of the Group. Mr. Shum has over 30 years of working experience in the shipping industry. Before joining the Group, Mr. Shum was a marine superintendent for an international shipping company.



Directors' Report

The Directors present their report and the audited consolidated financial statements of Jinhui Holdings and its subsidiaries for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are ship chartering and ship owning and the particulars of the principal subsidiaries are set out in note 43 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year. The business review of these activities and a discussion on the Group's future business development and analysis of the Group's performance during the year ended 31 December 2025 using key performance indicators as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) can be found in the Chairman Statement, Management Discussion and Analysis section, Environmental, Social and Governance Report, and Highlights section of this annual report. Description of the principal risks and uncertainties facing the Company can be found throughout this annual report. In addition, discussion on the Group's environmental, climate-related policies and performance and the stakeholder relationships are contained in the Environmental, Social and Governance Report of this annual report. Compliance with relevant laws and regulations which have significant impact on the Group can be found throughout the annual report, in particular, the Corporate Governance Report.

REGISTERED OFFICE

The Company is incorporated in Hong Kong and its registered office is 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong.

DIVIDEND POLICY

The Company may declare and distribute dividends to the shareholders of the Company. Our policy aims to provide stable and consistent dividends with steady growth when supported by our earnings whilst ensuring that sufficient financial resources can be maintained to fund our business growth. In addition, the amount and timing of any dividend distributions in the future will depend, among other things, on our compliance with covenants in our credit facilities, earnings, financial condition, cash position, Companies Ordinance affecting the dividend distributions, restrictions in our financing agreements and other factors. In addition, the declaration and payment of dividend distributions is subject at all times to the discretion of our Board.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2025 and the financial position of the Group as at 31 December 2025 are set out in the consolidated financial statements on pages 96 to 177.

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 December 2025. As there is no interim dividend payable during the year, there will be no dividend distribution for the whole year of 2025.



Directors' Report

SHARE CAPITAL

There were no movements in the Company's share capital during the year.

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" on page 100 and note 42 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2025, calculated under Part 6 of the Companies Ordinance, amounted to HK\$329,600,000 (2024: HK\$325,937,000).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 11 and 12.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in property, plant and equipment, and investment properties of the Group during the year are set out in note 18 and note 20 to the consolidated financial statements respectively.

BORROWINGS

Particulars of borrowings of the Group as at 31 December 2025 are set out in note 29 to the consolidated financial statements.

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

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the year.



Directors' Report

MAJOR CUSTOMERS AND SUPPLIERS

Revenue attributable to the top five largest customers in aggregate and the single largest customer of the Group accounted for approximately 43% and 15% respectively of the total revenue of the Group for the year.

Purchases attributable to the top five largest suppliers in aggregate and the single largest supplier of the Group are not disclosed as there was no purchase of the Group for the year.

At no time during the year have the Directors, their associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's number of issued shares) had any interest in the Group's five largest customers.

CHARITABLE DONATIONS

During the year, the Group made charitable donations of HK\$69,000.

RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution provident fund scheme and a mandatory provident fund scheme for employees in Hong Kong. Particulars of these schemes are set out in note 4.20 to the consolidated financial statements.

EVENTS AFTER THE REPORTING DATE

In December 2025, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,361 metric tonnes, built in year 2012, at a consideration of US\$14,400,000, approximately HK\$112,320,000. For financial reporting purposes, the vessel was reclassified to "Assets held for sale" in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" at the reporting date. The agreement was subsequently cancelled in January 2026 as one of the contractual clauses could not be fulfilled.

In February 2026, the Group entered into two shipbuilding contracts for the construction of two Ultramax newbuildings, each with a deadweight of 64,100 metric tonnes, at a consideration of US\$34 million (approximately HK\$265 million) per vessel, scheduled for delivery in May 2029 and July 2029 respectively.

In March 2026, the Group entered into an agreement for the disposal of a vessel of deadweight 63,485 metric tonnes, built in year 2014, at a consideration of US\$23,455,000 approximately HK\$182,949,000. The vessel will be delivered to the purchaser on or before 15 July 2026.

Save as disclosed above, there was no other significant event occurred after the reporting date and up to the date of this report.



Directors' Report

DIRECTORS

The Directors who held office of the Company during the year and up to the date of this report were:

Executive Directors

Mr. Ng Siu Fai, *Chairman*

Mr. Ng Kam Wah Thomas, *Managing Director*

Mr. Ng Ki Hung Frankie

Ms. Ho Suk Lin

Independent Non-executive Directors

Mr. Cui Jianhua

Mr. Tsui Che Yin Frank

Mr. William Yau

In accordance with the Company's Articles of Association, Ms. Ho Suk Lin and Mr. William Yau will retire from office at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

The Board has obtained annual written confirmations from all independent non-executive directors of the Company concerning their independence in accordance with Rule 3.13 of the Listing Rules. The Board believes that all independent non-executive directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

Brief biographical details of the Directors and senior management are set out in "Board of Directors and Senior Management" on pages 79 and 80.

A full list of the directors of the Company's subsidiaries is available on the Company's website at www.jinhuiship.com.

DIRECTORS' REMUNERATION

The directors' remuneration is subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties, responsibilities, salaries paid by comparable companies and performance and results of the Group. The Remuneration Committee makes recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration, including salaries, bonuses, benefits in kind, pension rights and compensation payments, and the remuneration of the independent non-executive directors. In addition, the directors' remuneration is reviewed by the Remuneration Committee annually.

Details of the remuneration of the Directors are set out in note 12 to the consolidated financial statements.



Directors' Report

DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance to which the Company, or any of the Company's holding company, subsidiaries or fellow subsidiaries was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY, ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2025, the interests and short positions of each Director and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its specified undertakings, and associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:



Directors' Report

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY, ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY ASSOCIATED CORPORATION *(Continued)*

Long positions

(i) Directors' interests in shares of the Company

Name	Number of shares in the Company held and capacity			Total	Percentage of total issued shares of the Company
	Beneficial owner	Interest of spouse	Interest of controlled corporation		
Ng Siu Fai	25,203,000	15,140,000	205,325,568 <i>Note 1</i>	245,668,568	46.33%
Ng Kam Wah Thomas	5,909,000	–	136,883,712 <i>Note 2</i>	142,792,712	26.93%
Ng Ki Hung Frankie	3,000,000	–	–	3,000,000	0.57%
Ho Suk Lin	3,850,000	–	–	3,850,000	0.73%
Cui Jianhua	960,000	–	–	960,000	0.18%
Tsui Che Yin Frank	1,000,000	–	–	1,000,000	0.19%
William Yau	441,000	–	–	441,000	0.08%

Note 1: Mr. Ng Siu Fai is deemed to be interested in 205,325,568 shares of the Company held by his 51% owned company, Fairline Consultants Limited. Mr. Ng Siu Fai is the director of Fairline Consultants Limited.

Note 2: Mr. Ng Kam Wah Thomas is deemed to be interested in 136,883,712 shares of the Company held by his wholly owned company, Timberfield Limited. Mr. Ng Kam Wah Thomas is the director of Timberfield Limited.



Directors' Report

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY, ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY ASSOCIATED CORPORATION *(Continued)*

(ii) Directors' interests in associated corporation

Name	Number of shares in Jinhui Shipping held and capacity			Total	Percentage of total issued shares of Jinhui Shipping
	Beneficial owner	Interest of spouse	Interest of controlled corporation		
Ng Siu Fai	4,141,830	1,252,990	61,250,339 <i>Note 1</i>	66,645,159	61.00%
Ng Kam Wah Thomas	864,900	–	260,000 <i>Note 2</i>	1,124,900	1.03%

Notes:

1. Mr. Ng Siu Fai is deemed to be interested in 61,250,339 shares of Jinhui Shipping through his interests in 51% of the issued capital of Fairline Consultants Limited as Fairline Consultants Limited was the beneficial owner of 409,099 shares of Jinhui Shipping and, through Fairline Consultants Limited's controlling interests in the Company, is also deemed to be interested in 60,841,240 shares of Jinhui Shipping held by the Company.
2. Mr. Ng Kam Wah Thomas is deemed to be interested in 260,000 shares of Jinhui Shipping through his wholly owned company, Timberfield Limited.

All the interests stated above represent long positions. No short positions were recorded in the register maintained by the Company under Section 352 of the SFO as at 31 December 2025.

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its specified undertakings, and associated corporations (within the meaning of Part XV of the SFO) which is required to be recorded and kept in the register in accordance with Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer.

EQUITY-LINKED AGREEMENTS

At no time during the year was the Company, or any of its specific undertakings a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.



Directors' Report

LOANS TO OFFICERS

No loans to the Company's officers were made or outstanding at any time during the year or at the end of the year.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2025, in accordance with the register kept under Section 336 of the SFO, the following persons (other than Directors or chief executives of the Company) had interests representing 5% or more of the issued share capital of the Company:

Long positions

Name of shareholders	Number of shares in the Company held and capacity			Total	Percentage of total issued shares of the Company
	Beneficial owner	Interest of spouse	Interest of controlled corporation		
Wong Yee Man Gloria	15,140,000	230,528,568 <i>Note 1</i>	–	245,668,568	46.33%
Ng Chi Lam Michael	–	–	205,325,568 <i>Note 2</i>	205,325,568	38.72%
Fairline Consultants Limited	205,325,568	–	–	205,325,568	38.72%
Timberfield Limited	136,883,712	–	–	136,883,712	25.81%
Bian Ximing	–	–	29,378,000 <i>Note 3</i>	29,378,000	5.54%
Zhongcai Merchants Investment Group Co., Ltd.	–	–	29,378,000 <i>Note 4</i>	29,378,000	5.54%
Zhongcai (Holdings) Limited	26,949,000	–	–	26,949,000	5.08%



Directors' Report

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY *(Continued)*

Notes:

1. Ms. Wong Yee Man Gloria is deemed to be interested in 230,528,568 shares of the Company through the interests of her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).
2. Mr. Ng Chi Lam Michael is deemed to be interested in 205,325,568 shares of the Company through his interests in 49% of the issued capital of Fairline Consultants Limited (as disclosed hereinabove).
3. Mr. Bian Ximing is deemed to be interested in 29,378,000 shares of the Company through his interests in 65.32% of the issued capital of Zhongcai Merchants Investment Group Co., Ltd. (as disclosed in Note 4 below).
4. Zhongcai Merchants Investment Group Co., Ltd. is deemed to be interested in 29,378,000 shares of the Company through its subsidiaries, Zhongcai (Holdings) Limited and Hong Kong Zhongcai Finance Investment Limited, which are the beneficial owners of 26,949,000 shares and 2,429,000 shares of the Company respectively.

Save as disclosed herein, as at 31 December 2025, the Company has not been notified of any person (other than Directors or chief executives of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued shares was held by the public throughout the year and up to the date of this report.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for directors' and senior management's liabilities in respect of legal actions against its directors and senior management arising from corporate activities. The permitted indemnity provision is in force for the benefit of any directors as required by the Hong Kong Companies Ordinance throughout the year and remained in force up to the date of this report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied with the relevant laws and regulations that may cause a significant impact on the business and operation of the Group in the event of a material breach or non-compliance. During the year ended 31 December 2025, there was no material breach nor non-compliance with the applicable laws and regulations by the Group.



Directors' Report

CORPORATE GOVERNANCE

Jinhui Holdings recognizes the importance of good corporate governance to the Company's value creation. The corporate governance report of 2025 was set out in "Corporate Governance Report" on pages 13 to 31, which covered the required report contents as set out in Appendix C1 of the Listing Rules with the description of our conformance throughout the year and provided explanation of the reasons for the deviations.

ESG REPORT

The Board has the overall responsibility and accountability for ESG strategy and reporting. We follow the guidelines in the Environmental, Social and Governance Reporting Code as set out in Appendix C2 of the Listing Rules. The ESG report for the year 2025 was set out in "Environmental, Social and Governance Report" on pages 32 to 61, which covered the required report contents as set out in Appendix C2 of the Listing Rules with deviations explained on provisions that are not applicable to the Group's business operations and corporate-wide operations throughout the year ended 31 December 2025, or not included or reported in the ESG report.

AUDITOR

The consolidated financial statements for the years ended 31 December 2023, 2024 and 2025 had been audited by Grant Thornton Hong Kong Limited. An ordinary resolution for the re-appointment of Grant Thornton Hong Kong Limited as the auditor of the Company will be proposed at the forthcoming annual general meeting, subject to shareholders' approval.

For and on behalf of the Board

Ng Kam Wah Thomas
Managing Director

Hong Kong, 18 March 2026



Independent Auditor's Report



Grant Thornton
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Independent auditor's report

To the members of Jinhui Holdings Company Limited

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Jinhui Holdings Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 96 to 177, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Independent Auditor's Report

KEY AUDIT MATTERS *(Continued)*

Carrying value of owned vessels and leased vessel (right-of-use assets)

The Key Audit Matters	How the matter was addressed in our audit
<p>Refer to notes 4.12, 5 and 18 and 19(a) to the consolidated financial statements.</p> <p>The Group's carrying amount of motor vessels and capitalized drydocking costs included in property, plant and equipment and leased vessels included in right-of-use assets amounted to HK\$2,327,259,000 and HK\$255,437,000 respectively as at 31 December 2025 and no impairment or reversal of impairment loss was recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the year.</p> <p>The Group assesses at each reporting date (i) whether there are indicators of impairment and if there are such indicators, an estimate is made of the recoverable amount of owned and leased vessels concerned; and (ii) whether there are indications that an impairment loss recognised in prior periods for owned vessels and leased vessels may no longer exist or may have decreased. Management has exercised judgement in assessing whether there is any objective evidence of impairment and reversal of impairment loss of such owned and leased vessels.</p> <p>The recoverable amounts of owned vessels were determined based on higher of fair value less costs of disposal reference to market transactions, or the value in use ("VIU") calculation which is estimated based on the estimated future cash flows projections from the continuous use of such vessels and the recoverable amounts of leased vessel was also determined based on the VIU calculation. Independent qualified appraisal firms were engaged by management to appraise the fair value of owned vessels and VIU calculation which involves significant judgements and estimates about the future performance, key assumptions including discount rate, useful life, hire rates and utilisation rate of the owned and leased vessels.</p> <p>We focused on this area considering the significance of judgements and estimates and the financial impacts of the impairment assessment in respect of the Group's owned and leased vessels.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">evaluating the process of identifying indicators of potential impairment or reversal of impairment on owned and leased vessels;evaluating VIU calculation prepared by the management's expert including the methodology and assumptions adopted;assessing the independence, competence, objectivity and capabilities of the management's expert;testing, on a sample basis, the mathematical accuracy of the VIU calculation;assessing the reasonableness of the key assumptions including discount rate, hire rates, growth rate and utilization rate by comparing the current year actual performance and prior year projections and by reference to the market and industry information;evaluating the fair values estimated by the management's expert including the methodology and assumptions adopted;involving our valuation specialist in assessing the appropriateness of discount rate and hire rates and the reasonableness of fair values estimated; andtesting, on a sample basis, the mathematical accuracy of the impairment assessment with reference to the estimated recoverable amounts based on VIU calculation or fair value less costs of disposal. <p>We obtained supportive evidence for the significant judgements and estimates in respect of VIU calculation and key assumptions applied in the estimated future cash flows projections and the estimation of fair value less cost of disposal.</p>



Independent Auditor's Report

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the 2025 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 405 of the Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton Hong Kong Limited

Certified Public Accountants

11th Floor

Lee Garden Two

28 Yun Ping Road

Causeway Bay

Hong Kong SAR

18 March 2026

Shaw Chi Kit

Practising Certificate No.: P04834



Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2025

		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	7	1,228,413	1,239,419
Net loss on disposal of owned vessels	8	(71,832)	–
Other operating income	9	272,445	136,608
Interest income	10	20,940	6,571
Reversal of impairment loss on owned vessels and right-of-use assets		–	50,957
Shipping related expenses		(656,429)	(658,353)
Staff costs	11	(119,598)	(117,322)
Other operating expenses	13	(74,940)	(114,519)
Operating profit before depreciation and amortization	14	598,999	543,361
Depreciation and amortization		(451,185)	(346,919)
Operating profit		147,814	196,442
Finance costs		(75,323)	(54,259)
Profit before taxation		72,491	142,183
Taxation	15	–	–
Net profit for the year		72,491	142,183
Other comprehensive loss			
Items that will not be reclassified to profit or loss:			
Change in fair value of financial assets at fair value through OCI (non-recycling)		(4,890)	(18,029)
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of financial assets at fair value through OCI (recycling)		(1,642)	(310)
Total comprehensive income for the year		65,959	123,844



Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Net profit for the year attributable to:			
Shareholders of the Company		29,139	59,217
Non-controlling interests		43,352	82,966
		72,491	142,183
Total comprehensive income for the year attributable to:			
Shareholders of the Company		24,704	48,915
Non-controlling interests		41,255	74,929
		65,959	123,844
Earnings per share			
Basic and diluted	17	HK\$0.055	HK\$0.112



Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	18	2,658,231	3,140,837
Right-of-use assets	19(a)	255,630	234,168
Investment properties	20	251,690	273,530
Financial assets at fair value through OCI	21	57,719	64,251
Loan receivables	24	65,812	12,304
Deposit paid for the acquisition of owned vessels and other property, plant and equipment		–	19,126
Intangible assets	22	711	755
		3,289,793	3,744,971
Current assets			
Inventories	23	23,696	21,130
Loan receivables	24	28,392	–
Trade and other receivables	25	82,355	125,612
Financial assets at fair value through profit or loss	26(a)	197,464	166,692
Pledged deposits	37(c)	556	2,564
Bank balances and cash	27	710,399	189,908
		1,042,862	505,906
Assets held for sale		102,236	–
		1,145,098	505,906
Current liabilities			
Trade and other payables	28	141,799	173,361
Financial liabilities at fair value through profit or loss	26(b)	2,295	–
Borrowings, secured	29	173,525	156,653
Lease liabilities	19(b)	128,422	145,796
		446,041	475,810
Net current assets		699,057	30,096
Total assets less current liabilities		3,988,850	3,775,067
Non-current liabilities			
Borrowings, secured	29	839,204	726,113
Lease liabilities	19(b)	152,865	106,802
		992,069	832,915
Net assets		2,996,781	2,942,152



Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	30	381,639	381,639
Reserves	31	1,287,494	1,262,790
		1,669,133	1,644,429
Non-controlling interests		1,327,648	1,297,723
Total equity		2,996,781	2,942,152

Approved and authorized for issue by the Board of Directors on 18 March 2026

Ng Siu Fai
Chairman

Ng Kam Wah Thomas
Managing Director



Consolidated Statement of Changes in Equity

Year ended 31 December 2025

	Attributable to shareholders of the Company						Total equity HK\$'000
	Issued capital HK\$'000	Other asset revaluation reserve HK\$'000	Reserve for financial assets at fair value through OCI HK\$'000	Retained profits HK\$'000	Subtotal HK\$'000	Non-controlling interests HK\$'000	
At 1 January 2024	381,639	5,400	5,225	1,203,250	1,595,514	1,222,794	2,818,308
Comprehensive income							
Net profit for the year	-	-	-	59,217	59,217	82,966	142,183
Other comprehensive loss							
Change in fair value of financial assets at fair value through OCI	-	-	(10,302)	-	(10,302)	(8,037)	(18,339)
Total comprehensive income for the year	-	-	(10,302)	59,217	48,915	74,929	123,844
At 31 December 2024	381,639	5,400	(5,077)	1,262,467	1,644,429	1,297,723	2,942,152
At 1 January 2025	381,639	5,400	(5,077)	1,262,467	1,644,429	1,297,723	2,942,152
Comprehensive income							
Net profit for the year	-	-	-	29,139	29,139	43,352	72,491
Other comprehensive loss							
Change in fair value of financial assets at fair value through OCI	-	-	(4,435)	-	(4,435)	(2,097)	(6,532)
Total comprehensive income for the year	-	-	(4,435)	29,139	24,704	41,255	65,959
Final dividend paid to non-controlling interests by subsidiaries	-	-	-	-	-	(11,330)	(11,330)
At 31 December 2025	381,639	5,400	(9,512)	1,291,606	1,669,133	1,327,648	2,996,781



Consolidated Statement of Cash Flows

Year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
OPERATING ACTIVITIES			
Cash generated from operations	32	660,196	631,918
Interest paid		(49,411)	(44,765)
Hong Kong Profits Tax refunded		–	166
Net cash from operating activities		610,785	587,319
INVESTING ACTIVITIES			
Proceeds from disposal of owned vessels and other property, plant and equipment, net		581,847	115
Purchase of owned vessels and other property, plant and equipment		(371,298)	(741,751)
Installments paid for vessels under construction		(195,074)	–
Deposit paid for the acquisition of owned vessels and other property, plant and equipment		–	(19,126)
Proceeds from disposal of assets held for sale, net		–	81,228
Increase in bank deposits with more than three months to maturity when placed		(279,946)	–
Interest received		11,058	4,248
Dividend income received		10,191	10,024
Net cash used in investing activities		(243,222)	(665,262)
FINANCING ACTIVITIES			
New bank loans		117,000	509,638
New other borrowings		220,960	–
Repayment of bank loans		(201,602)	(435,554)
Repayment of other borrowings		(11,048)	–
Decrease in pledged deposits		2,008	239
Payment of lease liabilities		(217,541)	(125,646)
Interest paid on lease liabilities		(25,465)	(10,275)
Dividends paid to non-controlling interests by subsidiaries		(11,330)	–
Net cash used in financing activities		(127,018)	(61,598)
Net increase (decrease) in cash and cash equivalents		240,545	(139,541)
Cash and cash equivalents at 1 January		189,908	329,449
Cash and cash equivalents at 31 December	27	430,453	189,908



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

1. GENERAL INFORMATION

Jinhui Holdings Company Limited is a limited liability company incorporated and domiciled in Hong Kong. The registered office of the Company is at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong. The Company's shares are listed on the Hong Kong Stock Exchange.

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the businesses of ship chartering and ship owning which are carried out internationally.

The consolidated financial statements for the year ended 31 December 2025 were approved for issue by the Board on 18 March 2026.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong, with the requirements of the Hong Kong Companies Ordinance and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

In current year, the Group has applied for the first time, the Amendments to HKAS 21 "Lack of Exchangeability" as issued by the HKICPA, which are relevant to and effective for the Group's consolidated financial statements for the accounting period beginning on 1 January 2025.

The adoption of the Amendments to HKAS 21 do not have material impact on the Group's financial performance and financial position for the current and prior periods have been prepared and presented.

At the date of authorization of these consolidated financial statements, certain new and amendments to HKFRS Accounting Standards have been published but are not yet effective, and have not been early adopted by the Group. The management anticipated that all pronouncements will be adopted in the Group's accounting policy for the first accounting period beginning after the effective dates of the pronouncements. Information on these new pronouncements that are expected to be relevant to the Group's consolidated financial statements is provided below.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS *(Continued)*

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 10 and HKAS 28	Sales or Contributions of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 21	Translation of a Hyperinflationary Presentation Currency ²

Notes:

1. Effective for annual periods beginning on or after 1 January 2026
2. Effective for annual periods beginning on or after 1 January 2027
3. Effective date not yet determined

The management is currently assessing the possible impact of these new and amendments to standards and interpretations on the Group's results and financial position in the first year of application.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

4.1 Basis of preparation

The material accounting policies that have been used in the preparation of these consolidated financial statements are summarized below. These policies have been consistently applied to all the years presented unless otherwise stated.

The consolidated financial statements have been prepared on the historical cost basis modified by revaluation of a leasehold land and buildings and except for: investment properties, financial assets and financial liabilities at fair value through profit or loss and financial assets at fair value through OCI that are stated at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the consolidated financial statements, are disclosed in note 5.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases.

4.3 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date.

4.4 Non-controlling interests

Non-controlling interests represent the equity on consolidated subsidiaries not attributable directly or indirectly to the shareholders of the Company.

Non-controlling interests in consolidated subsidiaries are presented in the consolidated statement of financial position within equity, separately from the equity attributable to shareholders of the Company. Non-controlling interests in the results of the Group are presented separately in the consolidated statement of profit or loss and other comprehensive income as an allocation of the Group's net profit and total comprehensive income for the year between non-controlling interests and the shareholders of the Company.

All transactions with non-controlling interests that do not result in a loss of control in a subsidiary are accounted for as transaction between equity holders, whereby adjustments are made to the amounts of controlling interests within equity to reflect the change in relative interests.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.5 Foreign currency translation

The consolidated financial statements are presented in Hong Kong Dollars which is the functional and presentation currency of the Company. The functional and presentation currencies of the Company's subsidiaries are either in United States Dollars or Hong Kong Dollars.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates ruling at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognized in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date). When a fair value gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is also recognized in profit or loss. When a fair value gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is also recognized in other comprehensive income.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong Dollars. Assets and liabilities have been translated into Hong Kong Dollars at the closing rates at the reporting date. Income and expenses have been converted into Hong Kong Dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any significant differences arising from this translation procedure are recognized in other comprehensive income and accumulated separately in the translation reserve in equity.

4.6 Revenue recognition

Revenue mainly arises from the operations of ship chartering or owning business comprises chartering freight and hire income.

To determine whether to recognize revenue, the Group follows a five-step process:

- (a) Identify contracts with customers
- (b) Identify the separate performance obligations in the contract
- (c) Determine the transaction price of the contract
- (d) Allocate the transaction price to each of the separate performance obligation in the contract
- (e) Recognize the revenue as each performance obligation is satisfied



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.6 Revenue recognition *(Continued)*

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognized over time, when (or as) the Group satisfies performance obligations by transferring the promised services to its customers. Further details of the Group's revenue recognition policies are as follows:

- (a) Hire income under time charter is accounted for as operating lease and is recognized on a straight-line basis over the period of each time charter contract. Crewing service income classified as non-lease component is included in hire income and recognized over the period of each time charter contract.
- (b) Freight income under voyage charter is accrued over the period from the date of loading of charterer's cargo to the date of discharging the cargo and is recognized on percentage of completion basis measured by time proportion of each voyage charter contract. The existing practice reflects the performance obligation to provide transportation services which is satisfied over time from when transport of the goods begins from loading port through delivery to discharging port and freight income is recognized over the period of performance.

4.7 Borrowing costs

Borrowing costs incurred for the acquisition or construction of any qualifying asset are capitalized during the period of time that is required to complete or prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed as incurred.

The capitalization of borrowing costs as part of the qualifying assets commences when borrowing costs are being incurred and the activities that are necessary to prepare the asset for its intended use are in progress. Capitalization of borrowing costs is suspended or ceased when substantially all activities necessary to prepare the qualifying assets for its intended use are interrupted or completed.

4.8 Income tax

Income tax comprises current tax and deferred tax.

Current income tax assets and / or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in profit or loss.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.8 Income tax *(Continued)*

Deferred tax is provided using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. It is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset is realized, provided these tax rates have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and tax losses available to be carried forward to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

For investment properties measured using the fair value model in accordance with the accounting policy below, the measurement of the related deferred tax asset or liability reflects the tax consequences of recovering the carrying amount of the investment properties entirely through sale, unless the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets or liabilities are not recognized if the temporary differences arise from goodwill or from initial recognition (other than in a business combination) of assets or liabilities in a transaction that affects neither taxable nor accounting profit or loss and does not give rise to equal taxable and deductible temporary differences.

Changes in deferred tax assets or liabilities are recognized in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (i) when the existing temporary difference will reverse and (ii) the amount of future taxable profit in those years. The estimate of future taxable profit includes:

- income or loss excluding reversals of temporary differences; and
- reversals of existing temporary differences.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.8 Income tax *(Continued)*

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognized amounts; and
- (b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.9 Property, plant and equipment

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Improvements are capitalized only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Expenditures incurred in restoring assets to their normal working conditions and other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Motor vessels are stated at cost less accumulated depreciation and impairment loss.

Drydocking and special survey costs are capitalized and depreciated over the drydocking cycle of two to three years on a straight-line basis. Upon disposal of vessels, any relevant carrying amounts not yet written off are transferred to profit or loss. Vessel repairs and survey costs are expensed during the financial period in which they are incurred.

Vessel under construction are stated at cost less necessary impairment loss. All direct costs relating to the acquisition of motor vessels which are under construction, including finance costs on related borrowing funds during the construction period are capitalized as vessels under construction. When the assets concerned are brought into use, the costs are transferred to motor vessels and depreciated in accordance with the policy as stated below.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.9 Property, plant and equipment *(Continued)*

Leasehold land and buildings (where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not clearly held under an operating lease) are stated at cost less accumulated depreciation and impairment loss, except for a leasehold land and building which is stated at valuation made in 1994 by a professional valuer on an open market existing use basis less accumulated depreciation and impairment loss.

Advantage has been taken of the transitional relief provided by paragraph 80A of HKAS 16 "Property, Plant and Equipment" issued by the HKICPA from the requirement to make regular revaluation of a leasehold land and building which had been carried at revalued amounts prior to 30 September 1995, and accordingly no further revaluation of the entire class of leasehold land and buildings is carried out.

All other property, plant and equipment are stated at cost less accumulated depreciation and impairment loss.

Depreciation is provided to write-off the cost of motor vessels over their estimated useful lives, after taking into account their estimated residual values, using the straight-line method of 25 years from the date of the initial delivery from the shipyards.

Depreciation is provided to write-off the cost or valuation of other property, plant and equipment as specified below over their estimated useful lives, after taking into account their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold land and buildings	over the shorter of unexpired term of lease or 3% per annum
Leasehold improvement	20% – 30% per annum
Utility vessels, furniture and equipment	6% – 25% per annum

No depreciation is provided in respect of vessels under construction until it is completed.

Accounting policy for depreciation of right-of-use asset is set out in note 4.21.

Estimated residual value is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the conditions expected at the end of its useful life. The Group estimates the residual values of motor vessels based on the light-weight tonnes of each vessel multiply by market demolition metal price per tonnes. Estimate of residual value and useful life are reviewed and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognized in profit or loss.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

4.10 Investment properties

Investment properties are land and / or buildings which are owned or held under a leasehold interest to earn rental income and / or for capital appreciation.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value which is determined by external professional valuers with sufficient experience with respect to both the location and category of the investment property and it reflects the prevailing market conditions at the reporting date.

Gain or loss arising from either change in the fair value or the sale of an investment property is recognized in profit or loss in the period in which they arise.

The change in fair value arisen from reclassification from leasehold land and buildings to investment properties will be credited to other asset revaluation reserve. Upon disposal of such properties, the amount previously recognized in other asset revaluation reserve will be transferred to retained profits.

4.11 Intangible assets

Intangible assets acquired separately are recognized initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and any impairment loss. Amortization for intangible assets is provided on a straight-line basis over the following estimated useful lives:

Club entrance fee	36 years
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Amortization commences when the intangible assets are available for use. Those assets' amortization methods and useful lives are reviewed and adjusted if appropriate, at each reporting date.

4.12 Impairment of non-financial assets

Property, plant and equipment, right-of-use assets, intangible assets and the Company's interests in subsidiaries are subject to impairment testing whenever there are indications that the assets' carrying amounts may not be recoverable.

An impairment loss is recognized as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions, less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purpose of assessing impairment, where an asset does not generate cash inflows that are largely independent of the cash flows from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash generating unit). As a result, some assets are tested individually for impairment and some are tested at cash generating unit level.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.12 Impairment of non-financial assets *(Continued)*

Impairment loss recognized for cash generating unit is allocated to reduce the carrying amounts of the assets in the cash generating unit on pro rata basis. In allocating the impairment loss, the carrying amount of an asset will not be reduced below its fair value less costs of disposal, value in use or zero.

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized in prior years.

4.13 Inventories

Inventories are carried at the lower of cost and net realizable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, and is determined using the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

4.14 Financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to receive the cash flows from the financial assets expire, or when the financial asset and substantially all of its risks and rewards of ownership are transferred.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with HKFRS 15, all financial assets are initially measured at fair value, in case of a financial asset not at fair value through profit or loss, plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets are classified into the following categories:

- amortized cost;
- fair value through profit or loss; or
- fair value through OCI.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.14 Financial assets *(Continued)*

Classification and initial measurement of financial assets *(Continued)*

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within other operating income, interest income, other operating expenses and finance costs, except for ECL of trade receivables which is presented in other operating expenses.

Subsequent measurement of financial assets

Debt investments

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as fair value through profit or loss):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. Interest income from these financial assets is included in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group's bank balances and cash, pledged deposits, loan receivables and trade and other receivables fall into this category of financial instruments.

Financial assets at fair value through OCI – recycling

If the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale, changes in fair value are recognized in other comprehensive income, except for the recognition in profit or loss of ECL, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognized, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.14 Financial assets *(Continued)*

Subsequent measurement of financial assets *(Continued)*

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than “hold to collect” or “hold to collect and sell” are categorized at fair value through profit or loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at fair value through profit or loss.

Equity investments

An investment in equity securities is classified as fair value through profit or loss unless the equity investment is not held for trading purposes and on initial recognition of the investment, the Group elects to designate the investment at fair value through OCI (non-recycling) such that subsequent changes in fair value are recognized in other comprehensive income and accumulated in “Reserve for financial assets at fair value through OCI” in equity. Such elections are made on an instrument-by-instrument basis, but only be made if the investment meets the definition of equity from the issuer’s perspective.

The equity instruments at fair value through OCI are not subject to impairment assessment. The cumulative gain or loss in “Reserve for financial assets at fair value through OCI” will not be reclassified to profit or loss upon disposal of the equity investments.

Dividends from these investments in equity instruments are recognized in profit or loss when the Group’s right to receive the dividends is established. Dividend income are included in the “other operating income” in profit or loss.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.14 Financial assets *(Continued)*

Impairment of financial assets

HKFRS 9's impairment requirements use more forward-looking information to recognize ECL – the “ECL model”. Instruments within the scope included loans and other debt-type financial assets measured at amortized cost or fair value through OCI and trade receivables.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

Stage 1: financial instruments that have not deteriorated significantly in credit quality since their initial recognition or that have low credit risk.

Stage 2: financial instruments that have deteriorated significantly in credit quality since their initial recognition and whose credit risk is not low.

Stage 3: financial instruments that have objective evidence of impairment at the reporting date.

For Stage 1 category, loss allowance is recognized at the present value of expected credit losses that will result if a default occurs in the 12 months after the reporting date (“12-month ECL”). For Stage 2 and Stage 3 category, loss allowance is recognized at the present value of expected credit shortfalls over their remaining life (“lifetime ECL”).

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.14 Financial assets *(Continued)*

Impairment of financial assets (Continued)

For trade receivables, the Group applies a simplified approach in calculating ECL and recognizes a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

For loan receivables, the Group measures the loss allowance for these financial assets equal to 12-month ECL (which is recognized at Stage 1), unless when there has been a significant increase in credit risk since initial recognition or classified as credit-impaired, the Group recognizes lifetime ECL (which is recognized at Stage 2). The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition or classified as credit-impaired. The loan receivables are reviewed at the reporting date to assess impairment allowance which are based on the evaluation of current creditworthiness, collection statistic and market values of the collaterals which were appraised by independent qualified appraisal firms or referenced to recent market transactions or the net asset value of the co-investment.

For other financial assets measured at amortized cost and fair value through OCI, the Group measures the loss allowance for these financial assets equal to 12-month ECL (which is recognized at Stage 1), unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL (which is recognized at Stage 2). The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.14 Financial assets *(Continued)*

Impairment of financial assets (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk;
- existing or forecast adverse changes in regulatory, business, financial, economic conditions, or technological environment that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and
- an actual or expected significant deterioration in the operating results of the debtor.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Group considers the default has occurred when: (1) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); (2) a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The Group writes off trade and other receivables in whole or in part, when it has exhausted all practical recovery efforts and concluded there is no reasonable expectation of recovery.

Detailed analysis of the ECL assessment of trade receivables, other financial assets measured at amortized cost and debt investments at fair value through OCI are set out in note 40(e).



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.15 Assets held for sale

Non-current assets are classified as held for sale when:

- (a) they are available for immediate sale;
- (b) management is committed to a plan to sell;
- (c) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- (d) an active programme to locate a buyer has been initiated;
- (e) the asset is being marketed at a reasonable price in relation to its fair value; and
- (f) a sale is expected to complete within 12 months from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount immediately prior to being classified as held for sale and fair value less costs of disposal. Following their classification as held for sale, the assets are not depreciated. An impairment loss is recognized as an expense immediately for the amount by which the asset's carrying amount prior to being classified as held for sale exceeds its fair value less costs of disposal. The gain or loss of assets being disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income up to the date of disposal.

4.16 Financial liabilities

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

The Group classifies its financial liabilities into the following categories:

Trade and other payables

Trade and other payables are recognized initially at fair values and subsequently measured at amortized costs, using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes derivatives financial instruments which are initially recognized at fair value on the date a derivative contract is entered into.

Subsequent to initial recognition, the derivative financial instruments are recognized at fair value at the end of each reporting period with gain or loss on remeasurement to fair value recognized immediately in profit or loss, except where the derivatives qualify for hedged accounting under HKFRS 9.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.16 Financial liabilities *(Continued)*

Borrowings

Borrowings are recognized initially at fair values, net of transaction costs incurred. Borrowings are subsequently stated at amortized costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless as at the end of the reporting period, the Group has a right to defer settlement of the liabilities for at least twelve months after the reporting date.

4.17 Fair value measurement

For financial reporting purposes, fair value measurement is categorized into Level 1, 2 and 3 of the three-level fair value hierarchy as defined under HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1: fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair values measured using valuation techniques in which all significant inputs other than quoted prices included within Level 1 are directly or indirectly based on observable market data.
- Level 3: fair values measured using valuation techniques in which any significant input is not based on observable market data.

4.18 Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand, demand deposits with banks and short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less. For the purpose of consolidated statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

4.19 Share capital

Ordinary shares are classified as equity. Share capital is recognized at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares to the extent they are incremental costs directly attributable to the equity transaction.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.20 Employee benefits

Retirement benefits schemes

The Group operates a defined contribution provident fund scheme and a mandatory provident fund scheme. The assets of the schemes are held separately from those of the Group in their respective schemes managed by an independent trustee. The contributions to retirement benefits schemes charged to profit or loss represent contributions payable to the funds by the Group at the rates specific in the rules of the schemes.

The contributions to the defined contribution provident fund scheme vest in employees according to the vesting percentage set out in the scheme. When employees leave the defined contribution provident fund scheme prior to being vested fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. On the other hand, the contributions to the mandatory provident fund scheme vest immediately and fully in employees once the contributions are payable by the Group. There is no forfeited contribution when employees leave the mandatory provident fund scheme.

In addition, the employees employed under the Hong Kong Employment Ordinance are also entitled to LSP if the eligibility criteria are met. The LSP are defined benefits plans.

Defined benefit plans

The amount of long service benefit that an employee will receive on cessation of employment in certain circumstances is defined by reference to the employee's length of service and corresponding salary. The legal obligations for any benefits remain with the Group.

Management estimates the LSP obligations annually and the LSP obligations are measured at the present value at the end of each reporting period. This is based on the discount rate, the salary growth rate, turnover rate and the expected investment return on offsettable MPF accrued benefits. Discount factors are determined close to the end of each annual reporting period.

Short term employee benefits

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognized until the time of leave.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.21 Leases

A lease is defined as a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct how and for what purpose the asset is used throughout the period of use.

For contracts that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

(a) Group as a lessee

At the lease commencement date, the Group recognizes the right-of-use asset and the lease liability on the consolidated statement of financial position, except for short-term leases that have a lease term of 12 months or less ("short-term lease") and leases of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Right-of-use assets

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists, as for owned vessels in accordance with the Group's accounting policies.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.21 Leases *(Continued)*

(a) Group as a lessee (Continued)

Lease liabilities

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee.

Subsequent to the commencement date, the Company measures the lease liability by: (i) increasing the carrying amount to reflect the accretion of interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g. a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

For lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of modification.

For lease remeasurement that the lease payments change due to changes in market rental rates following a market rent review / expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

When the lease is remeasured, the corresponding adjustment is reflected in the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Group as a lessor (Assets leased out under operating leases)

As a lessor, the Group classifies its leases as operating leases. Where the Group as a lessor leases out assets under operating leases, such assets are measured and presented according to the nature of the asset.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-leases as two separate contracts. The sub-leases are classified as a finance or operating lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If the head lease is a short-term lease to which the Group applies the short-term lease exemption, then the Group classifies the sub-lease as an operating lease.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.21 Leases *(Continued)*

(b) Group as a lessor (Assets leased out under operating leases) (Continued)

The Group sub-leases some of its charter-in vessels and the sub-lease contracts are classified as operating leases.

Rental income receivable from operating leases is recognized in profit or loss on a straight-line basis over the lease terms.

Hire income applicable to operating leases in respect of time charters are recognized as revenue on time basis over the period of each lease.

Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net income receivable from the lease.

(c) Sale and leaseback transactions

For a transfer that does not satisfy requirements as a sale in accordance with HKFRS 15, the transaction is in substance a financing arrangement under HKFRS 9. Therefore, the Group as a seller-lessee accounts recognizes the proceeds received as "other borrowings" within the scope of HKFRS 9.

4.22 Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are not recognized but are disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow of economic benefits occurs, and an outflow is probable, it will then be recognized as a provision.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(Continued)*

4.23 Related parties

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint venture of the same third entity.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4.24 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision maker for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

The Group has regarded the business of ship chartering and ship owning as the only dominant reportable operating segment to be reported to the chief operating decision maker. Thus, no analysis of segment revenue, segment results, segment assets and segment liabilities are presented in the consolidated financial statements for the years 2025 and 2024.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The significant estimates and judgements made in the process of applying the Group's accounting policies are discussed below.

Impairment assessment on owned vessels and right-of-use assets

Dry bulk freight rates demonstrated steady improvement throughout 2025, although it continued to face pressure due to ongoing weak market confidence amid global economic, impact of trade policy and financial instability. In light of these market conditions, the Group reviewed the dry bulk shipping market environment, the overall macro environment and the market value of dry bulk vessels at the reporting date.

The management considered that impairment indication of the Group's fleet existed at the end of 2025 and performed the impairment assessment on 31 December 2025. The Group made estimations and assumptions in the area of impairment test on owned vessels and right-of-use assets.

The recoverable amounts of owned vessels and right-of-use assets have been determined based on higher of the fair value less costs of disposal and the value in use, which based on the estimated future cash flows projections from the continuous use of such vessels. Key assumptions applied in value in use calculation mainly included discount rate (pre-tax) and hire rates earned by the vessels as the value in use is most sensitive to the changes in these two factors. Other assumptions applied in the estimated future cash flows projections included growth rate, utilization rate and vessels are expected to have useful life of 25 years from the date of the initial delivery from the shipyards. The net cash flow also reflected the estimated drydocking costs and vessels operating expense. Recoverable amount of certain owned vessels are estimated based on fair value less cost of disposal under market comparison approach. The valuation was performed by independent valuer and the key assumptions mainly included quoted recent market transactions of similar vessels. Other assumptions included estimated cost of disposal which are based on the Group's historical acquisition and disposal transactions of its fleet.

Right-of-use assets' recoverable amounts have been determined based on the value in use by using discounted cash flow method. Key assumptions are the discount rates, hire rate, growth rate and utilization rate during the lease term of the charterparty.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Impairment assessment on owned vessels and right-of-use assets *(Continued)*

Based on the management's assumptions employed in the impairment assessment, the Group concluded that the recoverable amount approximated to the carrying value of the owned vessels and right-of-use assets as at 31 December 2025 and the impairment assessment of owned vessels and right-of-use assets are in compliance with HKAS 36 Impairment of Assets after the reassessment of indicators of impairment or reversal of impairment. Hence, the Group did not recognize any impairment loss or reversal of impairment loss on owned vessels and right-of-use assets during the year ended 31 December 2025. As at 31 December 2025, the carrying amount of the owned vessels (note 18) and right-of-use assets on leased vessels (note 19) was HK\$2,327,259,000 (2024: HK\$3,067,893,000) and HK\$255,437,000 (2024: HK\$233,745,000) respectively.

Valuation of investment properties

As at 31 December 2025, the Group's investment properties were stated at fair value of HK\$251,690,000 (2024: HK\$273,530,000). Change in fair value loss of investment properties of HK\$21,840,000 (2024: HK\$66,150,000) was recognized in profit or loss during the year. The fair values of the Group's investment properties were determined by an independent qualified professional valuer. The valuations are dependent on certain unobservable inputs, including market unit sale rate per square feet / carpark which are determined based on comparable transactions after applying adjusting factors such as the age, location, size, view, floor level and quality of buildings and carparks to reflect the conditions and locations of the subject properties. Details of the valuation methodologies and significant unobservable inputs used in the valuations are disclosed in note 20.

Fair values of financial assets at fair value through OCI

Fair values of financial assets at fair value through OCI that are not traded in an active market is determined by using valuation techniques. The Group determines the fair values primarily based on the recent transaction prices, net asset value (representing the fair value of the equity instruments reported by investment manager of the investees) and take into account of its financial results and other factors. The fair values of financial assets at fair value through OCI that are not traded in active market are determined by using valuation techniques as disclosed in note 21.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Impairment of trade receivables and other financial assets

As at 31 December 2025, the carrying amount of the trade receivables (note 25) was HK\$13,664,000 (2024: HK\$8,527,000). For trade receivables, the Group applies a simplified approach in calculating ECL and recognizes a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

For other financial assets measured at amortized cost or fair value through OCI (note 40(a)), the Group measures the loss allowance for these financial assets equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition. In assessing whether the credit risk for other financial assets has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the reporting date with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For loan receivables (note 24) which arise from co-investment, the Group measures the loss allowance for these financial assets equal to 12-month ECL with taking the net asset value of the co-investment into accounts unless when there has been a significant increase in credit risk since initial recognition or classified as credit impaired, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition or classified as credit impaired. The loan receivables are reviewed by the management at the reporting date to assess impairment allowance which are based on the evaluation of current creditworthiness, collection statistic and the net asset value of the co-investment.

For loan receivables (note 24) which arise from asset-based financing and secured by collaterals provided by borrowers, the Group measures the loss allowance for these financial assets equal to 12-month ECL with taking those collaterals into accounts unless when there has been a significant increase in credit risk since initial recognition or classified as credit-impaired, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition or classified as credit-impaired. The loan receivables are reviewed by the management at the reporting date to assess impairment allowance which are based on the evaluation of current creditworthiness, collection statistic and the market values of the vessels or similar vessels which were appraised by independent qualified appraisal firms or recent market transactions.



Notes to the Consolidated Financial Statements

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6. SEGMENT INFORMATION

The Group is principally engaged in the business of ship chartering and ship owning and the management has regarded this business as the only dominant reportable operating segment to be reported to the chief operating decision maker. Thus, no analysis of segment revenue, segment results, segment assets and segment liabilities are presented in the consolidated financial statements for the years 2025 and 2024.

While the Group's revenue was mainly attributable to its chartering operations which are carried out internationally and cannot be attributable to any particular geographical location, analysis of revenue from chartering freight and hire business by geographical split of revenue by charterers' location is presented in note 7.

The Group's non-current assets mainly consist of property, plant and equipment, right-of-use assets and investment properties. Property, plant and equipment and right-of-use assets mainly comprised of the Group's owned vessels and chartered-in vessels respectively. As the Group's motor vessels are operated across different geographical regions, it is meaningless to identify the specific geographical locations of the motor vessels at the reporting date. The Group's investment properties comprised of premises and car parks and all are located in Hong Kong. While majority of the Group's non-current assets other than financial instruments cannot be attributable to any particular geographical location, no analysis of non-current assets other than financial instruments by geographical area is presented in the consolidated financial statements.

7. REVENUE

Revenue represents chartering freight and hire income arising from the Group's owned and chartered-in vessels. Revenue recognized during the year is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Chartering freight and hire income:		
Hire income under time charters ¹	1,167,617	1,239,419
Freight income under voyage charters ²	60,796	–
	1,228,413	1,239,419

Notes:

1. Hire income under time charters is accounted for as operating lease and is recognized on a straight-line basis over the period of each time charter contract. During the year, hire income included a non-lease component in relation to crewing service of HK\$229,236,000 (2024: HK\$215,969,000).
2. Freight income under voyage charters is accrued over the period from the date of loading of charterer's cargo to the date of discharging the cargo and is recognized on percentage of completion basis measured by time proportion of each voyage charter contract.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

7. REVENUE (Continued)

Information about major charterers

Revenue of HK\$185,618,000 and HK\$90,181,000 (2024: HK\$178,208,000 and HK\$129,170,000) were derived from two charterers that contributed 15% and 7% (2024: 14% and 10%) respectively to the Group's revenue for the year 2025.

Information about geographical distribution

Revenue from external customers (charterers) is as follows:

	2025 HK\$'000	2024 HK\$'000
<i>Geographical split of revenue by charterers' location:</i>		
China	784,968	739,250
Singapore	262,754	336,643
Japan	–	33,631
Norway	28,763	22,732
United Arab Emirates	25,560	19,104
Denmark	22,986	–
South Korea	19,408	18,171
Switzerland	14,459	6,145
Germany	13,370	–
Other countries	56,145	63,743
	1,228,413	1,239,419



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

8. NET LOSS ON DISPOSAL OF OWNED VESSELS

During the year, the Group completed the disposal of eight Supramaxes for an aggregate consideration of US\$86,215,000 (approximately HK\$672,477,000), resulting in a total net loss of HK\$71,832,000.

9. OTHER OPERATING INCOME

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Settlement income ¹	157,738	27,300
Other shipping operating income	68,107	37,019
Net gain on financial assets / financial liabilities at fair value through profit or loss	32,012	41,165
Dividend income	10,191	10,024
Gross rental income from operating leases on investment properties	4,239	6,270
Sundry income	158	414
Reversal of impairment loss on trade and other receivables, net	–	14,416
	272,445	136,608

Note:

1. The settlement income represents amounts received from legal proceedings involving the subsidiaries of the Company and Parakou Shipping Pte Limited in London and Hong Kong in relation to the non-performance of a charterparty. In 2024, Galsworthy Limited, a subsidiary of the Company, and Parakou Shipping Pte Limited reached a settlement agreement to resolve the legal action. As a result, the Group received settlement income of US\$3.5 million, approximately HK\$27.3 million in April 2024 and US\$20.2 million, approximately HK\$157.7 million in January 2025, which have been recognized.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

10. INTEREST INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income in respect of:		
Deposits with banks and other financial institutions	14,230	3,599
Loan receivables	6,333	2,503
Financial assets at fair value through profit or loss	377	198
Others	–	271
	20,940	6,571

11. STAFF COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Salaries and other benefits	114,334	112,177
Contributions to retirement benefits schemes	5,264	5,145
	119,598	117,322

There was no forfeited contribution throughout the year ended 31 December 2025 (2024: nil).



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

12. DIRECTORS' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

Emoluments of the Directors, including the chief executives ¹ of the Company for the years 2025 and 2024 are set out below:

	Directors' fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Discretionary bonus HK\$'000	Contributions to retirement benefits schemes HK\$'000	Total HK\$'000
2025					
Executive Directors					
Ng Siu Fai ²	1,933	32,119	6,950	1,829	42,831
Ng Kam Wah Thomas ²	1,933	25,776	4,500	1,469	33,678
Ng Ki Hung Frankie ²	1,326	2,583	–	72	3,981
Ho Suk Lin ²	468	1,848	100	107	2,523
Independent Non-executive Directors					
Cui Jianhua	212	–	–	–	212
Tsui Che Yin Frank ²	441	–	–	–	441
William Yau ²	372	–	–	–	372
	6,685	62,326	11,550	3,477	84,038
2024					
Executive Directors					
Ng Siu Fai ²	1,933	32,031	6,500	1,829	42,293
Ng Kam Wah Thomas ²	1,933	25,776	4,500	1,469	33,678
Ng Ki Hung Frankie ²	1,326	2,618	–	72	4,016
Ho Suk Lin ²	468	1,830	100	107	2,505
Independent Non-executive Directors					
Cui Jianhua	212	–	–	–	212
Tsui Che Yin Frank ²	441	–	–	–	441
William Yau ²	372	–	–	–	372
	6,685	62,255	11,100	3,477	83,517

Notes:

- Chief executives of the Company are Mr. Ng Siu Fai and Mr. Ng Kam Wah Thomas, who are responsible under the immediate authority of the Board for the conduct of the Company.
- Emoluments of the Directors were borne by the Company and its subsidiaries for their service as directors of the Company and its subsidiaries.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

12. DIRECTORS' EMOLUMENTS AND THE FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' emoluments (Continued)

During the years 2025 and 2024, no emolument was paid by the Group to the Directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors waived any emoluments during the years 2025 and 2024.

(b) Details of remuneration to senior management

Emoluments of senior management (non-director) of the Company are within the following bands:

	Number of individuals	
	2025	2024
HK\$1,500,001 to HK\$2,000,000	1	1
HK\$3,000,001 to HK\$3,500,000	1	1
	2	2

(c) The five highest paid individuals

The five highest paid individuals included four (2024: four) Directors whose details of emoluments are presented on page 131. Emoluments of the remaining one (2024: one) highest paid individual fall within the band from HK\$3,000,001 to HK\$3,500,000 (2024: from HK\$3,000,001 to HK\$3,500,000) and his aggregate emoluments were as follow:

	2025	2024
	HK\$'000	HK\$'000
Salaries and other benefits	3,091	3,150
Contributions to retirement benefits schemes	18	18
	3,109	3,168



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

13. OTHER OPERATING EXPENSES

Other operating expenses for the year 2025 mainly included change in fair value of investment properties of approximately HK\$21.8 million, directors' fee of approximately HK\$6.7 million, impairment loss on trade and other receivables of approximately HK\$4.2 million, professional fee of approximately HK\$3.2 million, auditor's remuneration related to audit services of approximately HK\$2.2 million and remaining are various office administrative expenses.

Other operating expenses for the year 2024 mainly included change in fair value of investment properties of approximately HK\$66.2 million, professional fee of approximately HK\$5.2 million, directors' fee of approximately HK\$6.7 million, auditor's remuneration related to audit services of approximately HK\$2.2 million and remaining are various office administrative expenses.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

14. OPERATING PROFIT BEFORE DEPRECIATION AND AMORTIZATION

This is stated after charging / (crediting):

	2025 HK\$'000	2024 HK\$'000
Auditor's remuneration:		
Audit services	2,180	2,150
Other services	524	472
Charter hire payment for time charters ¹	90,914	169,916
Hire income arising from chartered-in vessels classified as right-of-use assets	(222,405)	(157,944)
Net gain on financial assets / financial liabilities at fair value through profit or loss		
Realized gain on financial assets at fair value through profit or loss	(10,674)	(22,026)
Unrealized gain on financial assets / financial liabilities at fair value through profit or loss	(21,338)	(19,139)
Interest income in respect of:		
Deposits with banks and other financial institutions	(14,230)	(3,599)
Loan receivables	(6,333)	(2,503)
Financial assets at fair value through profit or loss	(377)	(198)
Others	–	(271)
Dividend income	(10,191)	(10,024)
Net loss on disposal of owned vessels	71,832	–
Change in fair value of investment properties	21,840	66,150
Loss on write-off of property, plant and equipment	17	9
Impairment loss (Reversal of impairment loss) on trade and other receivables, net	4,202	(14,416)
Bad debts written off in respect of trade and other receivables	7	–
Gross rental income from operating leases on investment properties	(4,239)	(6,270)
Outgoings in respect of investment properties	242	256
Rent and rates payments in respect of premises	1,707	1,511
Net exchange loss	102	740
Gain on disposal of property, plant and equipment, other than owned vessels	(1)	(115)
Reversal of impairment loss on owned vessels and right-of-use assets	–	(50,957)

Note:

1. Represents short term leases with a term of twelve months or less.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

15. TAXATION

Hong Kong Profits Tax has not been provided as the Group has no assessable profits for the years. In the opinion of the Directors, a substantial portion of the Group's income neither arose in nor was derived from Hong Kong and therefore was not subject to Hong Kong Profits Tax. The Group is not subject to taxation in any other jurisdictions in which the Group operates.

Reconciliation between taxation charge and accounting profit at the applicable tax rates:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	72,491	142,183
Income tax at the applicable tax rates in the tax jurisdictions concerned	(25,376)	(37,572)
Non-deductible expenses	10,828	20,512
Tax exempted revenue	(8,251)	(4,476)
Unrecognized tax losses	26,812	25,908
Unrecognized temporary differences	(122)	(420)
Utilization of previously unrecognized tax losses	(3,891)	(3,952)
Taxation charge for the year	–	–

The applicable tax rates are the weighted average of current rates of taxation ruling in the relevant jurisdictions.

16. DIVIDENDS

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 December 2025 (2024: nil).

17. EARNINGS PER SHARE

Basic and diluted earnings per share were calculated on the net profit attributable to shareholders of the Company of HK\$29,139,000 for the year 2025 (2024: HK\$59,217,000) and the weighted average number of 530,289,480 (2024: 530,289,480) ordinary shares in issue during the year.

Diluted earnings per share for the years 2025 and 2024 were the same as basic earnings per share as there was no potentially dilutive ordinary shares in existence for the years 2025 and 2024.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

18. PROPERTY, PLANT AND EQUIPMENT

	Motor vessels ¹ and capitalized drydocking costs HK\$'000	Vessels under construction HK\$'000	Leasehold land and buildings HK\$'000	Leasehold improvement, utility vessels, furniture and equipment HK\$'000	Total HK\$'000
Cost or valuation					
At 1 January 2024	5,428,298	–	271,060	63,475	5,762,833
Additions	738,646	–	–	3,105	741,751
Disposals / Write-off	(27,183)	–	–	(1,781)	(28,964)
At 31 December 2024	6,139,761	–	271,060	64,799	6,475,620
Reclassification to assets held for sale ²	(145,658)	–	–	(22)	(145,680)
Additions	318,618	195,074	70,633	1,173	585,498
Disposals / Write-off	(2,206,778)	–	–	(823)	(2,207,601)
At 31 December 2025	4,105,943	195,074	341,693	65,127	4,707,837
Accumulated depreciation and impairment loss					
At 1 January 2024	2,893,713	–	198,685	56,759	3,149,157
Reversal of impairment loss, net	(15,148)	–	–	–	(15,148)
Charge for the year	220,486	–	7,644	1,599	229,729
Eliminated on disposals / write-off	(27,183)	–	–	(1,772)	(28,955)
At 31 December 2024	3,071,868	–	206,329	56,586	3,334,783
Reclassification to assets held for sale ²	(43,426)	–	–	(18)	(43,444)
Charge for the year	217,542	–	6,802	2,029	226,373
Eliminated on disposals / write-off	(1,467,300)	–	–	(806)	(1,468,106)
At 31 December 2025	1,778,684	–	213,131	57,791	2,049,606
Net book value					
At 31 December 2025	2,327,259	195,074	128,562	7,336	2,658,231
At 31 December 2024	3,067,893	–	64,731	8,213	3,140,837



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

The analysis of the cost or valuation of property, plant and equipment by category is as follows:

	Motor vessels and capitalized drydocking costs HK\$'000	Leasehold land and buildings HK\$'000	Leasehold improvement, utility vessels, furniture and equipment HK\$'000	Total HK\$'000
2025				
At cost	4,105,943	288,693	65,127	4,459,763
At professional valuation in 1994	–	53,000	–	53,000
	4,105,943	341,693	65,127	4,512,763
2024				
At cost	6,139,761	218,060	64,799	6,422,620
At professional valuation in 1994	–	53,000	–	53,000
	6,139,761	271,060	64,799	6,475,620

Had the Group's leasehold land and buildings been carried at cost less accumulated depreciation and impairment loss, the carrying amount would have been HK\$128,601,000 (2024: HK\$64,787,000) at the reporting date.

Notes:

- All motor vessels are held for use under operating leases.
- Reclassification to assets held for sale:
In December 2025, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,361 metric tonnes, built in year 2012, at a consideration of HK\$112,320,000. For financial reporting purposes, the vessel was reclassified to "Assets held for sale" in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" at the reporting date. The agreement was subsequently cancelled in January 2026 as one of the contractual clauses could not be fulfilled.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	234,168	164,541
Additions	216,147	217,469
Lease remeasurement	30,083	(66,506)
Depreciation	(224,768)	(117,145)
Reversal of impairment loss	–	35,809
	<hr/>	<hr/>
At 31 December	255,630	234,168

(b) Lease liabilities

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	252,598	227,281
Additions	216,147	217,469
Lease remeasurement	30,083	(66,506)
Interest expense (included in finance costs)	25,465	10,275
Repayments of lease liabilities	(243,006)	(135,921)
	<hr/>	<hr/>
At 31 December	281,287	252,598

The lease liabilities were repayable as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	128,422	145,796
After one year but within two years	101,900	39,219
After two years but within five years	50,965	67,583
	<hr/>	<hr/>
	152,865	106,802
	<hr/>	<hr/>
	281,287	252,598



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES *(Continued)*

During the year, the total cash outflow for the lease was HK\$333,963,000 (2024: HK\$305,878,000).

At the reporting date, the Group operated five long-term chartered-in vessels, two of them were with remaining lease terms of more than twelve months. In 2025, the Group took delivery of a long term chartered-in Capesize, with deadweight 207,672 metric tonnes, built in year 2017, for a minimum term of thirty-three months.

In accordance with HKFRS 16 Leases, the Group recognized the right-of-use assets which is calculated with the present value of total minimum hire payment at the inception of the lease terms of the charterparties and corresponding lease liabilities was also recognized in the consolidated statement of financial position upon their deliveries of the vessels.

At the reporting date, the carrying amount of right-of-use assets mainly comprised of leased vessels of HK\$255,437,000 (2024: HK\$233,745,000).

At 31 December 2024, a reversal of impairment assessment of right-of-use assets was performed and a reversal of impairment loss of HK\$35,809,000 was recognized as at 31 December 2024. The reversal of impairment loss on right-of-use assets is non-cash in nature and does not have impact on the operating cash flows of the Group.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

20. INVESTMENT PROPERTIES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	273,530	339,680
Change in fair value	(21,840)	(66,150)
At 31 December	251,690	273,530

The Group's investment properties were stated at fair value and comprised of premises and car parks held under operating leases to earn rentals or held for capital appreciation, or both. These premises and car parks are held under long term leases and located in Hong Kong. The Group had a number of investment properties and, in the opinion of directors, no individual investment property would be material as value of each individual investment property did not exceed 5% of the Group's total assets as at 31 December 2025.

At the reporting date, the fair values of the Group's investment properties were determined by Centaline Surveyors Limited, an independent qualified professional valuer, on direct comparison approach on annually basis with reference to comparable transactions available in the relevant locality. In estimating the fair value of investment properties, the highest and best use of the properties is their current use.

The fair value measurement of these investment properties was categorized as Level 3 of the three-level fair value hierarchy as defined under HKFRS 13 and there was no transfer among the three levels of the fair value hierarchy during the year.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

20. INVESTMENT PROPERTIES (Continued)

Particulars of the Group's investment properties as at 31 December 2025 are disclosed in the Appendix to the annual report and information about the determination of the fair values of these investment properties, in particular the valuation techniques, significant unobservable inputs and category of the fair value hierarchy are disclosed as below:

Properties	Fair value hierarchy	Valuation technique	Significant unobservable inputs	Range of unobservable inputs		Relationship of significant unobservable inputs to fair value
				2025	2024	
Premises	Level 3	Direct comparison method	Market unit sale rate per square feet, after taking into account the age, location and individual factors such as size, view, floor level and quality of building	HK\$12,000 – HK\$24,000 per square feet	HK\$14,000 – HK\$24,000 per square feet	An increase in percentage of market unit sale rate per square feet would result in an increase in fair value measurement of the premises by the same percentage increase, and vice versa
Car parks	Level 3	Direct comparison method	Market unit sale rate per car park	HK\$4,000,000 – HK\$4,500,000 per car park	HK\$2,900,000 – HK\$3,800,000 per car park	An increase in percentage of market unit sale rate per car park would result in an increase in fair value measurement of the car parks by the same percentage increase, and vice versa



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

	2025 HK\$'000	2024 HK\$'000
Unlisted equity investments		
Co-investment in a property project		
At 1 January	38,593	56,622
Change in fair value ¹	(4,890)	(18,029)
	33,703	38,593
Unlisted club debentures		
At 1 January	22,400	22,600
Change in fair value ²	(1,800)	(200)
	20,600	22,400
Unlisted club membership		
At 1 January	3,258	3,368
Change in fair value ²	158	(110)
	3,416	3,258
	57,719	64,251

Notes:

1. Items that will not be reclassified to profit or loss.
2. Items that may be reclassified subsequently to profit or loss.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI (Continued)

Unlisted equity investments

In 2018, a subsidiary of the Company entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC (the "Co-investment"), pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000 (approximately HK\$78,000,000). Dual Bliss Limited is one of the investors of the Co-investment.

The Investment Manager of the Co-investment, Phoenix Property Investors Limited, reported a loss of US\$627,000, approximately HK\$4,890,000 (2024: US\$2,311,000, approximately HK\$18,029,000) on the fair value of equity instruments for the year ended 31 December 2025, mainly arising from the financing costs incurred for the shareholder loans. The reported loss on the Co-investment was recognized by the Group as a change in fair value of financial assets at fair value through OCI and was included in other comprehensive loss in the consolidated statement of profit or loss and other comprehensive income. As at the reporting date, the carrying amount of the unlisted equity investments was US\$4,321,000, approximately HK\$33,703,000 (2024: US\$4,948,000, approximately HK\$38,593,000) whereas the loan receivable arise from the Co-investment (note 24), together with the interest accrued thereon was HK\$24,502,000 (2024: HK\$19,186,000). The Group will closely monitor the performance of the Co-investment and will assess impairment allowances where appropriate.

There is no quoted market price in active market for unlisted equity investments. Transactions in such investments do not occur on a regular basis. The Group uses its net asset value (representing the fair value of the equity instruments reported by Phoenix Property Investors Limited, the Investment Manager) to determine its fair value as the Group determined that this is the fair price at which shareholders subscribe and redeem the investments or determined its fair value with generally accepted pricing models.

The fair value measurement of unlisted equity investments was categorized as Level 3 of the three-level fair value hierarchy as defined under HKFRS 13 and there was no transfer among the three levels of the fair value hierarchy during the year.

Unlisted club debentures and Unlisted club membership

The investment in club debentures and club membership are stated at fair values which are determined directly by reference to published price quotations in active markets and were categorized as Level 1 of the three-level fair value hierarchy as defined under HKFRS 13 and there was no transfer among the three levels of the fair value hierarchy during the year.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

22. INTANGIBLE ASSETS

	2025 HK\$'000	2024 HK\$'000
Club entrance fee		
Cost		
At 1 January and 31 December	1,599	1,599
Accumulated amortization		
At 1 January	844	799
Charge for the year	44	45
At 31 December	888	844
Net book value		
At 31 December	711	755

23. INVENTORIES

Inventories consisted of bunker stock and ship stores on the Group's vessels. At the reporting date, these inventories were carried at cost.

24. LOAN RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
At 1 January	12,304	12,304
Gross new loan originated	85,800	–
Repayment	(3,900)	–
Provision of individual impairment	–	–
Loan receivables, net of provision	94,204	12,304
Less: Amount receivable within one year	(28,392)	–
Amount receivable after one year	65,812	12,304



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

24. LOAN RECEIVABLES (Continued)

During the year, the Group entered into two agreements to dispose of two vessels, with the outstanding consideration of US\$6 million and US\$5 million, approximately HK\$42.9 million and HK\$39 million respectively, each to be settled over a three-year period at interest rate of 7.5% per annum. To secure the purchasers' performance and observance of and compliance with the covenants, the purchasers provided first priority ship mortgage on each vessel in favour of the Group.

A subsidiary of the Company (the "Co-Investor") together with other co-investors signed an unsecured subordinated shareholder loan agreement with Triple Smart Limited, a special purpose vehicle invested by Dual Bliss Limited, for the purposes of funding the operating expenditure of the Co-investment in 2021. A maximum amount of HK\$12,304,000 (2024: HK\$12,304,000) was agreed and provided as at the reporting date. The loan receivables are unsecured and denominated in United States Dollars and has no repayment terms.

At the reporting date, the loan receivables have been reviewed by management to assess impairment allowances which are based on the evaluation of current creditworthiness, collection statistics, reference to market value of vessels and the net asset value of the Co-investment and considered as not impaired. The carrying amount of the loan receivables is considered to be a reasonable approximation of its fair value.

25. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	13,664	8,527
Prepayments	24,791	52,729
Rental and other deposits	881	827
Other receivables	43,019	63,529
	68,691	117,085
	82,355	125,612

Management has a credit policy in place for approving the credit limits to charterers and the exposures to credit risk are monitored such that any outstanding trade receivables are reviewed and followed up on an ongoing basis. Credit evaluations including assessing the customer's creditworthiness and financial standing are performed on customers requiring a credit over certain amount.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

25. TRADE AND OTHER RECEIVABLES (Continued)

The credit terms given to charterers vary from 15 to 60 days according to the types of vessels' employment.

The carrying amounts of trade and other receivables are considered to be a reasonable approximation of their fair values due to their short term maturities.

The aging analysis of trade receivables (net of impairment loss) based on payment due dates is as follows:

	2025 HK\$'000	2024 HK\$'000
Within three months	7,681	7,132
Over three months but within six months	4,474	1,144
Over six months but within twelve months	1,509	251
	13,664	8,527

The movement for impairment loss on trade and other receivables is as follows:

	2025 HK\$'000	2024 HK\$'000
At 1 January	1,273	34,031
Impairment loss recognized	4,202	–
Reversal of impairment loss	–	(14,416)
Written off as uncollectible	–	(18,342)
	5,475	1,273

For trade receivables, the Group applies a simplified approach in calculating ECL and recognizes a loss allowance based on lifetime ECL at each reporting date. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other receivables, the Group measures the loss allowance for other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition.

At the reporting date, the Group had determined trade receivables of HK\$5,475,000 (2024: HK\$1,273,000) as impaired. No impairment loss on other receivables was provided as at 31 December 2025 and 2024.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

26. FINANCIAL ASSETS / FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Financial assets at fair value through profit or loss

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<i>Held for trading</i>		
Equity securities		
Listed in Hong Kong	114,341	94,682
Listed outside Hong Kong	57,195	50,934
	<hr/> 171,536	<hr/> 145,616
<i>Designated as such upon initial recognition</i>		
Investment funds	25,928	21,076
	<hr/> 197,464	<hr/> 166,692

(b) Financial liabilities at fair value through profit or loss

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<i>Derivative financial instruments</i>		
Interest rate swap	2,295	–
	<hr/> 2,295	<hr/> –

At the reporting date, the fair value measurements of listed equity securities were determined by reference to their quoted bid prices in active markets and were categorized as Level 1. The fair value measurements of investment funds represented the quoted market prices on the underlying investments provided by financial institutions and were categorized as Level 2. The fair values of interest rate swap contracts are quoted by financial institutions at the reporting date and were categorized as Level 2 of the three-level fair value hierarchy as defined under HKFRS 13. There was no transfer among the three levels of the fair value hierarchy during the year.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

27. BANK BALANCES AND CASH

	2025 HK\$'000	2024 HK\$'000
Cash and cash equivalents as stated in the consolidated statement of cash flows	430,453	189,908
Bank deposits with more than three months to maturity when placed	279,946	–
	710,399	189,908

28. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	2,576	6,394
Accrued charges	24,198	37,976
Other payables		
Payables related to vessel running cost and ship operating expenses	84,632	89,905
Hire receipt in advance	10,451	21,315
Loan interest payables	1,085	638
Accrued employee benefits	16,978	15,229
Others	1,879	1,904
	115,025	128,991
	141,799	173,361

The carrying amounts of trade and other payables are considered to be a reasonable approximation of their fair values.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

28. TRADE AND OTHER PAYABLES (Continued)

The aging analysis of trade payables based on payment due dates is as follows:

	2025 HK\$'000	2024 HK\$'000
Within three months	1,828	3,189
Over three months but within six months	–	2,317
Over twelve months	748	888
	<hr/> 2,576	<hr/> 6,394

29. BORROWINGS, SECURED

	2025 HK\$'000	2024 HK\$'000
Non-current		
Bank loans	641,578	726,113
Other borrowings	197,626	–
	<hr/> 839,204	<hr/> 726,113
Current		
Bank loans	156,586	156,653
Other borrowings	16,939	–
	<hr/> 173,525	<hr/> 156,653
Total borrowings	<hr/> 1,012,729	<hr/> 882,766



Notes to the Consolidated Financial Statements

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29. BORROWINGS, SECURED (Continued)

At the reporting date, the Group's secured borrowings are repayable as follows:

	2025 HK\$'000	2024 HK\$'000
Bank loans		
Within one year	156,586	156,653
In the second year	553,125	71,074
In the third to fifth year	88,453	655,039
Total bank loans	798,164	882,766
Less: Amount repayable within one year	(156,586)	(156,653)
Bank loans repayable after one year	641,578	726,113
Other borrowings		
Within one year	16,939	–
In the second year	22,586	–
In the third to fifth year	67,757	–
After the fifth year	107,283	–
Total other borrowings	214,565	–
Less: Amount repayable within one year	(16,939)	–
Other borrowings repayable after one year	197,626	–



Notes to the Consolidated Financial Statements

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29. BORROWINGS, SECURED (Continued)

Bank loans which included revolving loans, term loans and property mortgage loans were denominated in Hong Kong Dollars. During the year, the Group had drawn new bank loans of HK\$117,000,000 (2024: HK\$509,638,000) and repaid HK\$201,602,000 (2024: HK\$435,554,000).

Other borrowings represented the term loans on the sale and leaseback agreements on two owned vessels which the Group entered into during the year for the amount of HK\$220,960,000 (2024: nil). These other borrowings were denominated in Renminbi (offshore) and were committed on floating rate basis. During the year, amount of HK\$11,048,000 (2024: nil) was repaid.

At the reporting date, all secured borrowings were committed on floating rate basis ranging from 3.80% to 5.35% (2024: 3.75% to 6.58%) per annum. These borrowings are secured by certain of the Group's assets as disclosed in note 37.

The carrying amount of the secured borrowings is considered to be a reasonable approximation of its fair value.

30. SHARE CAPITAL

The Company's share capital is as follows:

	2025		2024	
	Number of ordinary shares	Amount <i>HK\$'000</i>	Number of ordinary shares	Amount <i>HK\$'000</i>
Issued and fully paid:				
At 1 January and 31 December	530,289,480	381,639	530,289,480	381,639



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

31. RESERVES

Details of movements in reserves of the Group are set out in the “Consolidated Statement of Changes in Equity” on page 100.

Other asset revaluation reserve

Other asset revaluation reserve represents the revaluation surplus between the carrying amounts of the leasehold land and buildings which are owner-occupied and the fair values of those properties at the date of reclassification to investment properties.

Reserve for financial assets at fair value through OCI

Reserve for financial assets at fair value through OCI represents the changes in fair value of financial assets at fair value through OCI. As at 31 December 2025, the reserve for financial assets at fair value through OCI consists of recycling and non-recycling portion amounting to income of HK\$13,623,000 (2024: HK\$15,334,000) and loss of HK\$23,135,000 (2024: HK\$20,411,000) respectively.



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32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	72,491	142,183
Adjustments for:		
Depreciation and amortization	451,185	346,919
Interest income	(20,940)	(6,571)
Interest expenses	75,323	54,259
Dividend income	(10,191)	(10,024)
Net loss on disposal of owned vessels	71,832	–
Change in fair value of investment properties	21,840	66,150
Impairment loss (Reversal of impairment loss) on trade and other receivables, net	4,202	(14,416)
Loss on write-off of property, plant and equipment	17	9
Bad debts written off in respect of trade and other receivables	7	–
Exchange loss for other borrowings	4,653	–
Gain on disposal of property, plant and equipment, other than owned vessels	(1)	(115)
Reversal of impairment loss on owned vessels and right-of-use assets	–	(50,957)
Net loss on disposal of assets held for sale	–	71
Cash generated from operations before changes in working capital	670,418	527,508
<i>Changes in working capital:</i>		
Inventories	(2,566)	(10,349)
Loan receivables	3,900	–
Trade and other receivables	48,930	32,958
Financial assets / financial liabilities at fair value through profit or loss	(28,477)	35,918
Trade and other payables	(32,009)	45,883
Changes in working capital	(10,222)	104,410
Cash generated from operations	660,196	631,918



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33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities are classified as follows:

	Vessel mortgage loans <i>HK\$'000</i>	Bank loans <i>HK\$'000</i>	Other borrowings <i>HK\$'000</i>	Lease liabilities <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2024	128,734	679,948	–	227,281	1,035,963
Cash flows:					
Drawdown of loans	–	509,638	–	–	509,638
Repayment of loans	(128,734)	(306,820)	–	–	(435,554)
Repayment of lease liabilities	–	–	–	(135,921)	(135,921)
Non-cash:					
New lease	–	–	–	217,469	217,469
Lease remeasurement	–	–	–	(66,506)	(66,506)
Interest expense on lease liabilities	–	–	–	10,275	10,275
At 31 December 2024	–	882,766	–	252,598	1,135,364
At 1 January 2025	–	882,766	–	252,598	1,135,364
Cash flows:					
Drawdown of loans	–	117,000	220,960	–	337,960
Repayment of loans	–	(201,602)	(11,048)	–	(212,650)
Repayment of lease liabilities	–	–	–	(243,006)	(243,006)
Non-cash:					
Foreign exchange movement	–	–	4,653	–	4,653
New lease	–	–	–	216,147	216,147
Lease remeasurement	–	–	–	30,083	30,083
Interest expense on lease liabilities	–	–	–	25,465	25,465
At 31 December 2025	–	798,164	214,565	281,287	1,294,016



Notes to the Consolidated Financial Statements

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34. DEFERRED TAXATION

At the reporting date, deferred tax assets have not been recognized in respect of the followings:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Deductible temporary differences	2,275	2,225
Tax losses	3,267,713	3,128,797
	3,269,988	3,131,022

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Both deductible temporary differences and tax losses do not expire under current tax legislation.

35. FUTURE OPERATING LEASE ARRANGEMENTS

(a) Where the Group is the lessee

At the reporting date, the Group had future minimum lease payment under non-cancellable operating leases on time charter hire as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year	34,944	55,508
In the second to fifth year	1,638	–
	36,582	55,508



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35. FUTURE OPERATING LEASE ARRANGEMENTS (Continued)

(b) Where the Group is the lessor

At the reporting date, the Group had future minimum lease income receivables under non-cancellable operating leases as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within one year:		
Premises	2,080	370
Owned vessels	359,696	357,842
Chartered-in vessels	74,235	42,254
	<hr/> 436,011	<hr/> 400,466
In the second to fifth year:		
Premises	6	17
Owned vessels	292,222	493,498
Chartered-in vessels	32,883	50,038
	<hr/> 325,111	<hr/> 543,553
	<hr/> 761,122	<hr/> 944,019



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36. CAPITAL EXPENDITURE COMMITMENTS

Capital expenditures

During the year, the Group reported capital expenditure of HK\$299,492,000, primarily for the balance payment on vessel deliveries and capitalized drydocking costs. Additionally, HK\$195,074,000 was paid as installments for vessels under construction, HK\$70,633,000 for leasehold land and buildings and HK\$1,173,000 was spent on other property, plant and equipment.

For the year 2024, capital expenditure of HK\$741,751,000 was incurred, including HK\$738,646,000 on additions of motor vessels and capitalized drydocking costs and HK\$3,105,000 on other property, plant and equipment.

Capital commitments

During the year, the Group entered into four shipbuilding contracts for the construction of four Ultramax newbuildings, each at a consideration of US\$33 million, approximately HK\$254 million. The vessels are scheduled for delivery in 2028. As at the reporting date, installments amounting to US\$18,209,000, approximately HK\$142,034,000 had been paid in respect of vessels under construction, and the capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$111,830,000, approximately HK\$872,273,000.

For the year 2024, the Group entered into two shipbuilding contracts for the construction of two Ultramax, each at a consideration of US\$34 million, approximately HK\$265 million, to be delivered in 2026 and 2027 respectively. As at the reporting date, installments of US\$6,800,000, approximately HK\$53,040,000 for the vessels under construction were paid, and the capital expenditure commitments contracted by the Group but not provided for, net of installments paid, was US\$61,200,000, approximately HK\$477,360,000 (2024: US\$68,000,000, approximately HK\$530,400,000).

In 2018, a subsidiary of the Company entered into the co-investment documents to co-invest in a property project in Tower A of One Financial Street Center, Jing'an Central Business District, Shanghai, the PRC, pursuant to which the Group is committed to acquire non-voting participating class A shares of Dual Bliss Limited of US\$10,000,000, approximately HK\$78,000,000. Dual Bliss Limited is one of the investors of the Co-investment. As at the reporting date, the capital expenditure commitments contracted by the Group but not provided for was US\$372,000, approximately HK\$2,905,000 (2024: US\$372,000, approximately HK\$2,905,000).

As at 31 December 2025, the total amount of capital expenditure commitments contracted by the Group but not provided for, net of installment paid, was US\$173,402,000, approximately HK\$1,352,538,000.

As of 31 December 2024, the total amount of capital expenditure commitments contracted by the Group but not provided for was US\$117,080,000, approximately HK\$913,210,000. In addition to the aforementioned commitments, the amount also included right-of-use assets of approximately US\$26,640,000, approximately HK\$207,775,000, for the long term charter of a Capesize, which was delivered in January 2025, as well as a capital expenditure commitment of US\$22,068,000, approximately HK\$172,130,000, for the acquisition of an Ultramax, which was acquired at the end of 2024 and delivered to the Group in January 2025.

Save as disclosed above, there was no other significant capital expenditure commitment contracted by the Group but not provided for as at the reporting date.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

37. PLEDGE OF ASSETS

At the reporting date, the Group had certain credit facilities which were secured by the followings:

- (a) Legal charges on the Group's property, plant and equipment (note 18) with an aggregate net book value of HK\$1,930,382,000 (2024: HK\$1,977,323,000) and investment properties (note 20) with an aggregate carrying amount of HK\$226,690,000 (2024: HK\$245,670,000);
- (b) Financial assets at fair value through profit or loss of HK\$51,687,000 (2024: HK\$54,556,000);
- (c) Deposits totaling HK\$556,000 (2024: HK\$2,564,000) of the Group placed with banks; and
- (d) Assignment of fourteen (2024: fifteen) subsidiaries' income in favour of banks.

In addition, shares of two (2024: nil) ship owning subsidiaries were pledged in respect of other borrowings.

38. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, during the year, the Group had the following related party transactions:

Compensation of key management personnel as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries and other benefits	78,483	77,973
Contributions to retirement benefits schemes	3,562	3,562
	82,045	81,535

Other payables included accrued employee benefits payables to directors and senior management of HK\$12,002,000 (2024: HK\$11,410,000). There is no other balance or transaction related to connected party or any director and senior management and substantial shareholder of the Group that had not been disclosed under the requirement of Chapter 14 and 14A of the Listing Rules and HKAS 24 (Revised) "Related Party Disclosures".



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Year ended 31 December 2025

39. EVENTS AFTER THE REPORTING DATE

In December 2025, the Group entered into an agreement for the disposal of a Supramax of deadweight 56,361 metric tonnes, built in year 2012, at a consideration of US\$14,400,000, approximately HK\$112,320,000. For financial reporting purposes, the vessel was reclassified to “Assets held for sale” in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” at the reporting date. The agreement was subsequently cancelled in January 2026 as one of the contractual clauses could not be fulfilled.

In February 2026, the Group entered into two shipbuilding contracts for the construction of two Ultramax newbuildings, each with a deadweight of 64,100 metric tonnes, at a consideration of US\$34 million, approximately HK\$265 million, per vessel, scheduled for delivery in May 2029 and July 2029 respectively.

In March 2026, the Group entered into an agreement for the disposal of a vessel of deadweight 63,485 metric tonnes, built in year 2014, at a consideration of US\$23,455,000, approximately HK\$182,949,000. The vessel will be delivered to the purchaser on or before 15 July 2026.

Save as disclosed above, there was no other significant event occurred after the reporting date and up to the date of this report.

40. FINANCIAL RISK MANAGEMENT AND POLICIES

The Group is exposed to financial risks through its use of financial instruments which arise from its business activities. The financial risks include market risk (mainly comprise of interest rate risk, foreign currency risk and price risk), credit risk and liquidity risk. The management manages and monitors the financial risk exposures to ensure appropriate measures are implemented on a timely and effective manner. These policies have been in place for years and are considered to be effective.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

(a) Categories of financial instruments

At the reporting date, the carrying amounts of financial instruments presented in the consolidated statement of financial position related to the following categories of financial assets and financial liabilities:

	2025 HK\$'000	2024 HK\$'000
Financial assets		
<i>Financial assets at fair value through OCI</i>		
Unlisted equity investments	33,703	38,593
Unlisted club debentures	20,600	22,400
Unlisted club membership	3,416	3,258
	57,719	64,251
<i>Financial assets at fair value through profit or loss</i>		
Equity securities	171,536	145,616
Investment funds	25,928	21,076
	197,464	166,692
<i>Financial assets at amortized cost</i>		
Trade and other receivables	57,564	72,883
Loan receivables	94,204	12,304
Pledged deposits	556	2,564
Bank balances and cash	710,399	189,908
	862,723	277,659
	1,117,906	508,602
Financial liabilities		
<i>Financial liabilities at fair value through profit or loss</i>		
Interest rate swap	2,295	–
<i>Financial liabilities at amortized cost</i>		
Trade and other payables	131,279	151,966
Borrowings, secured	1,012,729	882,766
Lease liabilities	281,287	252,598
	1,425,295	1,287,330
	1,427,590	1,287,330



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

(b) Interest rate risk

Exposures to interest rate risk and the Group's risk management policies

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's interest rate risk arises primarily from bank loans and other borrowings that were committed on floating rate basis.

The Group manages interest rate risk by monitoring its interest rate profile as set out in note 29.

Sensitivity analysis*

Based on the exposures to bank loans of HK\$798,164,000 (2024: HK\$882,766,000) at the reporting date, it was estimated that an increase of 25 (2024: 25) basis points in interest rate, with all other variables remaining constant, the Group's net profit would decrease by approximately HK\$1,995,000 (2024: HK\$2,207,000).

Based on the exposures to other borrowings of HK\$214,565,000 (2024: nil) at the reporting date, it was estimated that an increase of 25 (2024: nil) basis points in interest rate, with all other variables remaining constant, the Group's net profit would decrease by approximately HK\$536,000 (2024: nil).

The sensitivity analysis above has been determined as if the change in interest rate had occurred at the reporting date. The basis of 25 (2024: 25) points increase is considered to be reasonably possible change based on observation of current market conditions and represents the management's assessment of a reasonably possible change in interest rate over the period until the next reporting date.

* The sensitivity analysis disclosed above represents the risks inherent to the Group's financial instruments as of each reporting date. The result of the sensitivity analysis may differ from time to time according to the then prevailing market conditions.



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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

(c) Foreign currency risk

Exposures to foreign currency risk and the Group's risk management policies

Foreign currency risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's transactions, assets and liabilities are mainly denominated in Hong Kong Dollars and United States Dollars which is linked to Hong Kong Dollars at exchange rate of around US\$1.00 to HK\$7.80. The Group believes that there will be no significant fluctuation in the exchange rates between Hong Kong Dollars and United States Dollars.

At the reporting date, the Group was exposed to foreign currency risk primarily through holding certain bank deposits and investment in equity securities mainly denominated in Singapore Dollars amounting to SGD716,000 and SGD7,737,000, approximately HK\$4,334,000 and HK\$46,863,000 (2024: SGD830,000 and SGD7,608,000, approximately HK\$4,743,000 and HK\$43,442,000) respectively. In addition, the Group was exposed through holding certain bank deposits and other borrowings mainly denominated in Renminbi Dollars, amounting to RMB164,911,000 and RMB192,850,000, approximately HK\$183,480,000 and HK\$214,565,000 (2024: nil) respectively.

Sensitivity analysis*

At the reporting date, based on the total exposures to the bank deposits and equity securities mainly denominated in Singapore Dollars of SGD8,453,000, approximately HK\$51,197,000 (2024: SGD8,438,000, approximately HK\$48,185,000), it was estimated that a depreciation of 5% (2024: 5%) in exchange rate of Singapore Dollars against Hong Kong Dollars would result in a decrease to the Group's net profit by approximately HK\$2,560,000 (2024: HK\$2,409,000) with all other variables remain constant. The sensitivity analysis had been determined based on the assumed exchange rate movement of Singapore Dollars (2024: Singapore Dollars) against Hong Kong Dollars taking place at the beginning of the year and held constant throughout the year.

At the reporting date, based on the net exposures to the bank deposits and other borrowings mainly denominated in Renminbi Dollars of RMB27,939,000, approximately HK\$31,085,000 (2024: nil), it was estimated that an appreciation of 5% (2024: nil) in exchange rate of Renminbi Dollars against Hong Kong Dollars would result in a decrease to the Group's net profit by approximately HK\$1,554,000 (2024: nil) with all other variables remain constant. The sensitivity analysis had been determined based on the assumed exchange rate movement of Renminbi Dollars (2024: nil) against Hong Kong Dollars taking place at the beginning of the year and held constant throughout the year.

* The sensitivity analysis disclosed above represents the risks inherent to the Group's financial instruments as of each reporting date. The result of the sensitivity analysis may differ from time to time according to the then prevailing market conditions.



Notes to the Consolidated Financial Statements

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40. FINANCIAL RISK MANAGEMENT AND POLICIES *(Continued)*

(d) Price risk

Exposures to price risk and the Group's risk management policies

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will decline because of adverse market price movements of the financial instrument. The Group is exposed to price risk primarily through its investments in equity securities and investment funds classified as financial assets at fair value through profit or loss.

The Group's portfolio of financial instruments that exposed to price risk at the reporting date is set out in note 26.

Sensitivity analysis*

Based on the portfolio of equity securities held by the Group at the reporting date, if the quoted prices of the equity securities had been decreased by 10% (2024: 10%), the Group's net profit would decrease by approximately HK\$17,154,000 (2024: HK\$14,562,000).

Based on the portfolio of investment funds held by the Group at the reporting date, if the quoted prices of the investment funds had been decreased by 10% (2024: 10%), the Group's net profit would decrease by approximately HK\$2,593,000 (2024: HK\$2,108,000).

* *The sensitivity analysis disclosed above represents the risks inherent to the Group's financial instruments as of each reporting date. The result of the sensitivity analysis may differ from time to time according to the then prevailing market conditions.*



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40. FINANCIAL RISK MANAGEMENT AND POLICIES *(Continued)*

(e) Credit risk

Exposures to credit risk and the Group's risk management policies

Credit risk relates to the risk that the counterparty to a financial instrument would fail to discharge its contractual obligations under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposures to credit risk mainly arises from granting credit to charterers in the ordinary course of its operations, loan receivables to third parties and deposits or other financial assets placed with financial institutions.

Management has a credit policy in place for approving the credit limits to charterers and the exposures to credit risk are monitored such that any outstanding trade receivables are reviewed and followed up on an ongoing basis. Credit evaluations including assessing the customer's creditworthiness and financial standing are performed on customers requiring a credit over certain amount. During the year, impairment loss of HK\$4,202,000 (2024: nil) was provided on trade receivables with outstanding balance of HK\$340,000 (2024: nil) over one year past due and remaining outstanding balance of HK\$3,862,000 (2024: nil) which the Group considered there was significant increase in credit risk. A reversal of impairment loss on trade receivables amounting to HK\$14,416,000 was recognized in 2024, attributable to the recovery of outstanding trade receivables from prior years. Additionally, no trade receivables was written off as uncollectible during the year while trade receivables of HK\$18,342,000 was written off as uncollectible in 2024.

The credit terms given to charterers vary from 15 to 60 days according to the types of vessels' employment.

For trade receivables, the Group applies a simplified approach in calculating ECL and recognizes a loss allowance based on lifetime ECL at each reporting date. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.



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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

(e) Credit risk (Continued)

Exposures to credit risk and the Group's risk management policies (Continued)

On the above basis, the ECL for trade receivables as at 31 December 2025 and 2024 was determined as follows:

	Current HK\$'000	Within 3 months past due HK\$'000	Over 3 months but within 6 months past due HK\$'000	Over 6 months but within 12 months past due HK\$'000	Over 12 months past due HK\$'000	Total HK\$'000
2025						
Trade receivables						
– gross carrying amount	8,164	3,379	4,474	1,509	1,613	19,139
Lifetime ECL	3,862	–	–	–	1,613	5,475
ECL rate	47%	0%	0%	0%	100%	
2024						
Trade receivables						
– gross carrying amount	1,689	5,443	1,144	251	1,273	9,800
Lifetime ECL	–	–	–	–	1,273	1,273
ECL rate	0%	0%	0%	0%	100%	

For other receivables and loan receivables arose from the Co-investment, the Group measures the loss allowance for those receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition and the Group also considered the net asset value of the Co-investment for estimating the ECL for loan receivables. For the result of the assessment, no impairment loss on other receivables and loan receivables arose from Co-investment was provided as at 31 December 2025 and 2024. The outstanding balance of those receivables of HK\$56,204,000 (2024: HK\$76,660,000) are considered as not deteriorated significantly in credit quality or with low credit risk. Management believes that there was no significant increase in credit risk inherent in the Group's outstanding balance of those receivables.



Notes to the Consolidated Financial Statements

Year ended 31 December 2025

40. FINANCIAL RISK MANAGEMENT AND POLICIES *(Continued)*

(e) Credit risk *(Continued)*

Exposures to credit risk and the Group's risk management policies *(Continued)*

For loan receivables which arise from asset-based financing and secured by collaterals provided by borrowers, the Group measures the loss allowance for these financial assets equal to 12-month ECL with taking those collaterals into accounts unless when there has been a significant increase in credit risk since initial recognition or classified as credit-impaired, the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increase in the likelihood or risk of default occurring since initial recognition or classified as credit-impaired. The loan receivables are reviewed by the management at the reporting date to assess impairment allowance which are based on the evaluation of current creditworthiness, collection statistic and the market values of the vessels or similar vessels which were appraised by independent qualified appraisal firms or recent transactions. The outstanding balance of those receivables of HK\$81,900,000 (2024: nil) are considered as not deteriorated significantly in credit quality or with low credit risk.

For the financial assets at fair value through OCI, the management believes that the credit risk inherent in the Group is low and counterparties have the capacity to meet their contractual cash flow obligation in the near term and the ECL recognized is based on the 12-month ECL.

The Group has no significant concentration of credit risk in respect of trade receivables, with exposure spread over a number of charterers. At the reporting date, the Group did not hold any collateral from charterers.

Bank deposits are only placed with creditworthy financial institutions. The management does not expect any financial institutions fail to meet their obligations.

(f) Liquidity risk

Exposures to liquidity risk and the Group's risk management policies

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade and other payables, its financing obligations and lease liabilities, and also in respect of its cash flow management.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and other borrowings. The management regularly monitors the Group's current and expected liquidity requirements and its compliance with lending covenants, to ensure it maintains sufficient reserves of cash and bank balances, readily realizable marketable equity securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirement.



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40. FINANCIAL RISK MANAGEMENT AND POLICIES (Continued)

(f) Liquidity risk (Continued)

Exposures to liquidity risk and the Group's risk management policies (Continued)

The analysis below set out the remaining contractual maturity based on undiscounted cash flow of the Group's financial liabilities at the reporting date.

	Within one year <i>HK\$'000</i>	In the second year <i>HK\$'000</i>	In the third to fifth year <i>HK\$'000</i>	After the fifth year <i>HK\$'000</i>	Total undiscounted amount <i>HK\$'000</i>	Carrying amount <i>HK\$'000</i>
2025						
Trade and other payables	131,279	-	-	-	131,279	131,279
Secured borrowings	218,925	612,839	173,230	113,377	1,118,371	1,012,729
Lease liabilities	139,950	106,437	52,316	-	298,703	281,287
	490,154	719,276	225,546	113,377	1,548,353	1,425,295
2024						
Trade and other payables	151,966	-	-	-	151,966	151,966
Secured borrowings	211,327	116,030	691,905	-	1,019,262	882,766
Lease liabilities	155,008	42,784	70,882	-	268,674	252,598
	518,301	158,814	762,787	-	1,439,902	1,287,330



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41. CAPITAL MANAGEMENT

The Group's capital management objectives are:

- (a) to ensure the Group's ability to continue as a going concern;
- (b) to provide adequate returns for shareholders;
- (c) to maintain an optimal capital structure to reduce the cost of capital; and
- (d) to support the Group's stability and sustainable growth.

The Group's capital management strategies are to rely on internal resources and interest-bearing borrowings to finance the capital expenditures. The management may make adjustments to its capital structure in the light of changes in economic conditions, recent market values of the Group's assets as well as the risk characteristics of the underlying assets through adjusting the amount of dividends paid to shareholders, issuing new shares or selling assets to reduce debts.

The Group monitors capital structure on the basis of the gearing ratio. This ratio is calculated as net debts (total interest-bearing debts net of equity and debt securities, bank balances and cash) over total equity. The gearing ratio of the Group at the reporting date is calculated as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Secured borrowings repayable within one year	173,525	156,653
Secured borrowings repayable after one year	839,204	726,113
Total secured borrowings	1,012,729	882,766
Less: Equity securities	(171,536)	(145,616)
Less: Bank balances and cash	(710,399)	(189,908)
Net debts	130,794	547,242
Total equity	2,996,781	2,942,152
Gearing ratio	4%	19%



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42. STATEMENT OF FINANCIAL POSITION AND STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

(a) Statement of financial position of the Company

	2025 HK\$'000	2024 HK\$'000
ASSETS AND LIABILITIES		
Non-current assets		
Financial assets at fair value through OCI	13,800	14,800
Investments in subsidiaries	586,670	586,670
	600,470	601,470
Current assets		
Other receivables	481	470
Financial assets at fair value through profit or loss	3,636	5,971
Amount due from subsidiaries	135,673	133,294
Bank balances and cash	12,688	9,150
	152,478	148,885
Current liabilities		
Other payables	689	759
	151,789	148,126
Net current assets	151,789	148,126
Net assets	752,259	749,596
EQUITY		
Capital and reserves		
Issued capital	381,639	381,639
Reserves (<i>Note</i>)	370,620	367,957
Total equity	752,259	749,596

Note: At the reporting date, reserves of the Company available for distribution to shareholders amounted to HK\$329,600,000 (2024: HK\$325,937,000).

Approved and authorized for issue by the Board of Directors on 18 March 2026

Ng Siu Fai
Chairman

Ng Kam Wah Thomas
Managing Director



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42. STATEMENT OF FINANCIAL POSITION AND STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (Continued)

(b) Statement of changes in equity of the Company

	Issued capital HK\$'000	Reserve for financial assets at fair value through OCI HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2024	381,639	9,800	369,269	760,708
Loss and total comprehensive loss for the year	–	–	(11,112)	(11,112)
At 31 December 2024	381,639	9,800	358,157	749,596
At 1 January 2025	381,639	9,800	358,157	749,596
Comprehensive income				
Net profit for the year	–	–	3,663	3,663
Other comprehensive loss				
Change in fair value of financial assets at fair value through OCI	–	(1,000)	–	(1,000)
Total comprehensive income for the year	–	(1,000)	3,663	2,663
At 31 December 2025	381,639	8,800	361,820	752,259



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43. PRINCIPAL SUBSIDIARIES

The following table lists out the information relating to Jinhui Shipping and its subsidiaries (collectively, referred to as “Jinhui Shipping Group”), the subsidiaries of the Group which have material non-controlling interests (“NCI”). The summarized financial information presented below represents the amounts before any inter-company transactions and balances elimination:

	Jinhui Shipping Group	
	2025	2024
	HK\$'000	HK\$'000
NCI percentage	44.31%	44.31%
Non-current assets	3,160,498	3,600,238
Current assets	1,127,428	488,537
Non-current liabilities	(967,621)	(806,520)
Current liabilities	(354,206)	(383,698)
Net assets	2,966,099	2,898,557
Carrying amount of NCI	1,327,648	1,297,723
Revenue	1,228,413	1,239,419
Net profit for the year	97,843	187,239
Total comprehensive income for the year	93,109	169,104
Net profit for the year attributable to NCI	43,352	82,966
Total comprehensive income for the year attributable to NCI	41,255	74,929
Dividends paid to NCI	(11,330)	–
Net cash from operating activities	620,849	590,717
Net cash used in investing activities	(243,664)	(666,190)
Net cash used in financing activities	(139,261)	(59,038)



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43. PRINCIPAL SUBSIDIARIES (Continued)

Details of the Company's principal subsidiaries as at 31 December 2025 and 2024 are as follows:

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in Bermuda					
Jinhui MetCoke Limited	12,000 ordinary shares of US\$1 each	55.69%	55.69%	Investment holding	Worldwide
# Jinhui Shipping and Transportation Limited	109,258,943 ordinary shares of US\$0.05 each	55.69%	55.69%	Investment holding	Worldwide
Incorporated in the British Virgin Islands					
Advance Rich Limited	1 share of US\$1 each	55.69%	55.69%	Investment	Worldwide
Atwell Enterprises Limited	1 share of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Elstead Limited	100 shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Hazen Valley Limited	1 share of US\$1 each	100%	100%	Property investment	Hong Kong
Jin Hui Shipping Inc.	50,000 shares of US\$1 each	55.69%	55.69%	Investment holding	Worldwide
Jinhui Investments Limited	1 share of US\$1 each	55.69%	55.69%	Investment holding	Worldwide
Oriental Dynamic International Limited	1 share of US\$1 each	100%	100%	Property investment	Hong Kong



Notes to the Consolidated Financial Statements

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43. PRINCIPAL SUBSIDIARIES (Continued)

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in the British Virgin Islands (Continued)					
# Pantow Profits Limited	60,000 shares of US\$1 each	100%	100%	Investment holding	Worldwide
Timeplus Limited	1,000 shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Wokefield Enterprises Limited	1 share of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Incorporated in Hong Kong					
Carpa Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Property investment	Hong Kong
Exalten Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Property investment	Hong Kong
Fair Fait International Limited	HK\$2 divided into 2 ordinary shares	55.69%	55.69%	Property investment	Hong Kong
First Lion International Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Property investment	Hong Kong
Goldbeam International Limited	HK\$5,000,000 divided into 5,000,000 ordinary shares	55.69%	55.69%	Ship management services, shipping agent and investment	Hong Kong
Good Sunshine Limited	HK\$1 divided into 1 ordinary share	55.69%	55.69%	Property investment	Hong Kong



Notes to the Consolidated Financial Statements

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43. PRINCIPAL SUBSIDIARIES (Continued)

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in Hong Kong (Continued)					
Jinhui Finance (Hong Kong) Limited	HK\$10,000 divided into 10,000 ordinary shares	55.69%	55.69%	Money lending	Hong Kong
# Jinhui Investments (China) Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Investment holding	Hong Kong
Keenfair Investment Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Investment	Hong Kong
Leadford Industries Limited	HK\$2 divided into 2 ordinary shares	55.69%	55.69%	Property investment	Hong Kong
Linkford International Limited	HK\$2 divided into 2 ordinary shares	100%	100%	Property investment	Hong Kong
Monocosmic Limited	HK\$10,000 divided into 10,000 ordinary shares	55.69%	55.69%	Property investment	Hong Kong
Noble Talent Development Limited	HK\$1 divided into 1 ordinary share	55.69%	55.69%	Property investment	Hong Kong
Ringo Star Company Limited	HK\$2 divided into 2 ordinary shares	55.69%	55.69%	Property investment	Hong Kong
Smarty Goal Limited	HK\$1 divided into 1 ordinary share	55.69%	55.69%	Property investment	Hong Kong
Union Gold Limited	HK\$1 divided into 1 ordinary share	55.69%	55.69%	Property investment	Hong Kong



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43. PRINCIPAL SUBSIDIARIES (Continued)

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in the Republic of Liberia					
Galsworthy Limited	1 registered share of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Goldbeam Shipping Inc.	100 registered shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Paxton Enterprises Limited	500 registered shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Sompol Trading Limited	10 registered shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Wonder Enterprises Ltd.	500 registered shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Incorporated in the Republic of Panama					
Huafeng Shipping Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinan Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinao Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinbi Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinchao Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide



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43. PRINCIPAL SUBSIDIARIES (Continued)

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in the Republic of Panama (Continued)					
Jincheng Maritime Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinfeng Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinhan Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinheng Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinhong Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinhui Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide
Jinli Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinmei Marine Inc.	2 registered shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinming Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinping Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinrui Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide



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43. PRINCIPAL SUBSIDIARIES (Continued)

Name	Issued and paid-up capital / registered capital	Attributable equity interest at 31/12/2025	Attributable equity interest at 31/12/2024	Principal activities	Place of operation
Incorporated in the Republic of Panama (Continued)					
Jinsheng Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinwan Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinxiang Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinxing Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinyao Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinyi Shipping Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinyuan Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinyue Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Jinzhou Marine Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship owning	Worldwide
Rimpacific Navigation Inc.	2 common shares of US\$1 each	55.69%	55.69%	Ship chartering	Worldwide

These are direct subsidiaries of the Company. All other companies are indirect subsidiaries.



Glossary

This glossary contains the abbreviations and main terms used in the 2025 annual report.

Abbreviations / Main terms	Meanings in the annual report
Articles of Association	Articles of Association of the Company;
Board	Board of Directors;
Chairman	Chairman of the Board;
China / PRC	The People's Republic of China;
CG Code	Corporate Governance Code as set out in Appendix C1 of the Listing Rules;
Company / Jinhui Holdings	Jinhui Holdings Company Limited, a company incorporated in Hong Kong and its shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 137);
Company Code	A set of code adopted by the Company, which sets out the corporate standards and practices used by the Group;
CO ₂	Carbon Dioxide;
Director(s)	Director(s) of the Company;
DWT	Deadweight tonnage;
ECL	Expected credit loss;
ESG	Environmental, social, and governance;
Group	Company and its subsidiaries;
GHG	Greenhouse gas;
HKAS	Hong Kong Accounting Standards;
HKFRS	Hong Kong Financial Reporting Standards;
HKICPA	Hong Kong Institute of Certified Public Accountants;



Glossary

Abbreviations / Main terms	Meanings in the annual report
Hong Kong	The Hong Kong Special Administrative Region of the PRC;
IMO	The International Maritime Organization;
ISM Code	The International Safety Management Code;
ISPS Code	The International Ship and Port Facility Security Code;
Jinhui Shipping	Jinhui Shipping and Transportation Limited, a limited liability company incorporated in Bermuda and an approximately 55.69% direct subsidiary of the Company as at 31 December 2025, whose shares are listed on the Oslo Stock Exchange (Euronext Oslo Børs) (stock code: JIN);
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;
LSP	Long service payment;
MARPOL	The International Convention for the Prevention of Pollution from Ships;
MLC Code	Maritime Labour Convention, 2006;
MPF	Mandatory provident fund;
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
Shareholder(s)	Shareholder(s) of the Company;
STCW Convention	The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers;
Stock Exchange	The Stock Exchange of Hong Kong Limited;
HK\$	Hong Kong Dollars, the lawful currency of Hong Kong;
RMB	Renminbi, the lawful currency of the PRC;
SGD	Singapore Dollars, the lawful currency of Singapore; and
US\$	United States Dollars, the lawful currency of the United States of America.



Appendix

LIST OF INVESTMENT PROPERTIES

Particulars of the Group's investment properties ¹ as at 31 December 2025 are as follows:

Address	Saleable area	Use	Category of lease	Percentage held by the Group
Whole of 20th Floor Lippo Leighton Tower No. 103 Leighton Road Hong Kong	2,848 sq. feet	Commercial	Long lease	100%
Unit B on 12th Floor Lippo Leighton Tower No. 103 Leighton Road Hong Kong	1,293 sq. feet	Commercial	Long lease	100%
Unit A on 16th Floor Lippo Leighton Tower No. 103 Leighton Road Hong Kong	1,288 sq. feet	Commercial	Long lease	100%
Portion A on 15th Floor (consisting of a portion of Office A & Offices E & F) Yardley Commercial Building No. 3 Connaught Road West Hong Kong	2,522 sq. feet	Commercial	Long lease	100%
Office Units B, C and D on 16th Floor Yardley Commercial Building No. 3 Connaught Road West Hong Kong	2,450 sq. feet	Commercial	Long lease	100%
Office Unit B on 7th Floor Yardley Commercial Building No. 3 Connaught Road West Hong Kong	2,521 sq. feet	Commercial	Long lease	100%
Unit 06 on 12th Floor of Block A Hongway Garden No. 8 New Market Street Sheung Wan Hong Kong	402 sq. feet	Residential	Long lease	100%

Note:

1. The list of investment properties does not include the 26 car parks held by the Group which are located at Yardley Commercial Building, No. 3 Connaught Road West, Hong Kong.