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中國國際海運集裝箱(集團)股份有限公司

CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(H Share Stock Code: 02039)

(A Share Stock Code: 000039)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025 (SUMMARY OF THE 2025 ANNUAL REPORT)

1 IMPORTANT NOTICE

- 1.1** The board of directors (the “**Board**”) and the directors (the “**Directors**”) and senior management of China International Marine Containers (Group) Co., Ltd. (the “**Company**”, and its subsidiaries, collectively, the “**Group**”, or “**CIMC**”), except for vice president Mr. YU Yuqun who is unable to sign the written confirmation in respect of the 2025 annual report due to sudden personal health reasons, warrant that there are no misrepresentations, misleading statements or material omissions contained in this results announcement for the year ended 31 December 2025 (the “**Announcement**”), and jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of the information contained in this summary of the annual report for the year ended 31 December 2025 (the “**2025 Annual Report**”).

The Announcement is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.cimc.com). The Announcement is a summary of the 2025 Annual Report and the full version of the 2025 Annual Report prepared in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) will be posted on the above websites in due course.

- 1.2** All Directors have attended the Board meeting to consider the Announcement.

- 1.3 The financial statements of the Group for the year ended 31 December 2025, which have been prepared in accordance with CASBE, have been audited by KPMG Huazhen LLP (“**KPMG Huazhen**”), who has issued an audit report with unqualified opinions on the financial statements. The financial figures set out in the Group’s audited consolidated financial statements for the year ended 31 December 2025 have been agreed by KPMG Huazhen, which are consistent with the amounts contained in the Announcement set out in the Group’s consolidated balance sheet, consolidated income statement, consolidated cash flow statement, consolidated statement of changes in shareholders’ equity and the related notes thereon for the year ended 31 December 2025. The work performed by KPMG Huazhen in this respect did not constitute an assurance engagement in accordance with “Hong Kong Standards on Auditing”, “Hong Kong Standards on Review Engagements” or “Hong Kong Standards on Assurance Engagements” issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by KPMG Huazhen on the Announcement.
- 1.4 Mr. MAI Boliang, person-in-charge of the Company, Chairman of the Board, Mr. ZENG Han, the vice president and Chief Financial Officer (CFO), person-in-charge of accounting affairs and Ms. XU Zhaoying, the general manager of financial department, the head of accounting department, hereby warrant the truthfulness, accuracy and completeness of the annual financial report for 2025 in the Announcement.
- 1.5 The proposed profit distribution plan for 2025 of the Company considered and approved by the Board meeting is as follows: a cash dividend of RMB0.179 (tax inclusive) per share to all the shareholders on the basis of 5,246,340,845 shares, which is calculated by deducting 146,179,540 repurchased shares as at the disclosure date of the Announcement from 5,392,520,385 shares, the existing total share capital of the Company, and there will be no bonus shares or new shares being issued by way of conversion of capital reserve. Where there are any changes in the share capital of the Company after the Board considered the profit distribution plan until implementation of the plan, the total dividend amount will be adjusted while maintaining the dividend ratio of RMB0.179 (tax inclusive) per share in cash. The proposed dividend is expected to be payable by 31 August 2026. The proposed profit distribution plan for 2025 shall be submitted to the Company’s annual general meeting for consideration and approval.
- 1.6 The forward-looking statements in the Announcement regarding future plans and development strategies do not constitute a material commitment by the Group to investors. Investors are advised to be fully aware of the risks involved, to understand the differences between plans, forecasts and commitments and to be aware of the investment risks.
- 1.7 The reporting period (the “**Reporting Period**”) means the twelve months started from 1 January 2025 and ended on 31 December 2025.
- 1.8 The Announcement has been prepared in both Chinese and English. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

2 SUMMARY OF OPERATING RESULTS

2.1 Key Accounting Data of the Group for the Last Five Years

Unit: RMB thousand

Consolidated Income Statement Items	For the year ended 31 December					
	2025	2024	Changes from the previous year to this year	2023	2022	2021
Revenue	156,611,446	177,664,098	(11.85%)	127,809,519	141,536,654	163,695,980
Operating profit	2,841,624	6,552,897	(56.64%)	2,831,912	7,505,208	13,471,549
Profit before income tax	2,816,061	6,595,247	(57.30%)	2,834,174	6,937,851	13,295,059
Income tax expense	1,478,685	2,400,090	(38.39%)	970,800	2,336,709	4,934,291
Net profit	1,337,376	4,195,157	(68.12%)	1,863,374	4,601,142	8,360,768
Including:						
Net profit attributable to shareholders and other equity holders of the Company	220,820	2,972,343	(92.57%)	421,249	3,219,226	6,665,323
Profit or loss attributable to minority shareholders	1,116,556	1,222,814	(8.69%)	1,442,125	1,381,916	1,695,445
Net profit attributable to shareholders and other equity holders of the Company after deducting non-recurring profit or loss	<u>(30,943)</u>	<u>3,450,704</u>	<u>(100.90%)</u>	<u>665,302</u>	<u>4,283,631</u>	<u>5,473,060</u>

Unit: RMB thousand

Consolidated Balance Sheet Items	2025	As at 31 December				
		2024	Changes from the end of the previous year to this year	2023	2022	2021
Total current assets	94,435,152	100,763,425	(6.28%)	88,439,976	76,984,186	81,457,379
Total non-current assets	72,360,348	73,988,811	(2.20%)	73,323,257	68,915,763	72,865,122
Total assets	166,795,500	174,752,236	(4.55%)	161,763,233	145,899,949	154,322,501
Total current liabilities	76,328,479	80,856,808	(5.60%)	78,985,163	62,998,154	69,422,602
Total non-current liabilities	23,656,176	25,875,626	(8.58%)	18,147,720	20,245,711	27,919,809
Total liabilities	99,984,655	106,732,434	(6.32%)	97,132,883	83,243,865	97,342,411
Total equity attributable to shareholders	66,810,845	68,019,802	(1.78%)	64,630,350	62,656,084	56,980,090
Equity attributable to shareholders and other equity holders of the Company	50,391,529	51,619,332	(2.38%)	47,857,805	48,613,429	45,118,633
Minority interests	16,419,316	16,400,470	0.11%	16,772,545	14,042,655	11,861,457

Unit: RMB thousand

Consolidated Cash Flow Statement Items	2025	For the year ended 31 December				
		2024	Changes from the previous year to this year	2023	2022	2021
Net cash flows from operating activities	18,514,449	9,263,870	99.86%	2,703,186	14,617,466	20,574,655
Net cash flows used in investing activities	(3,766,530)	(6,630,289)	43.19%	(8,174,551)	(6,257,577)	(2,843,021)
Net cash flows (used in)/from financing activities	(10,319,806)	(4,243,987)	(143.16%)	9,705,012	(9,763,357)	(12,186,978)

2.2 Key Financial Indicators of the Group for the Last Five Years

Key Financial Indicators	2025	2024	Changes from	2023	2022	2021
			the previous year to this year			
Basic earnings per share attributable to shareholders of the Company (RMB)	0.03	0.53	(94.34%)	0.07	0.59	1.20
Diluted earnings per share attributable to shareholders of the Company (RMB)	0.02	0.53	(96.23%)	0.05	0.57	1.20
Net cash flows from operating activities per share (RMB)	3.53	1.73	104.05%	0.50	2.71	3.82
Net assets per share attributable to shareholders and other equity holders of the Company (RMB) (Total shares based on ordinary shares outstanding at the end of the year)	9.60	9.62	(0.21%)	8.87	9.01	8.37
Weighted average return on net assets (%)	0.29%	6%	(5.71%)	1%	7%	15%
Weighted average return on net assets after deducting non-recurring profit or loss (%)	<u>(0.25%)</u>	<u>7%</u>	<u>(7.25%)</u>	<u>1%</u>	<u>9%</u>	<u>13%</u>

Notes: (1) As the Company implemented the conversion of capital reserve in 2022, earnings per share, net cash flows from operating activities per share and net assets per share attributable to shareholders and other equity holders of the Company for 2021 have been adjusted for the latest share capital pursuant to the relevant accounting standards.

(2) Basic earnings per share attributable to shareholders of the Company, diluted earnings per share attributable to shareholders of the Company, net cash flows from operating activities per share and net assets per share attributable to shareholders and other equity holders of the Company have excluded the impact of share repurchase.

The lower of the Company's net profit before and after deducting non-recurring profit or loss for the latest three accounting years was negative and there were uncertainties in the Company's ability to continue as a going concern as indicated in the latest audit report

Yes No

During the Reporting Period, the lowest of the audited total profit, net profit, or net profit after deducting non-recurring gain or loss of the Company was negative

Yes No

Unit: RMB thousand

Items	2025	2024	Note
Revenue	156,611,446	177,664,098	Nil
Amount deducted from revenue	1,844,117	1,952,107	Sales of raw materials, other services and rental
Amount of revenue after deduction	154,767,329	175,711,991	Nil

The total share capital of the Company as of the trading day preceding the date of disclosure and the fully-diluted earnings per share based on the latest share capital:

The total share capital of the Company as of the trading day preceding the date of disclosure (shares)	5,392,520,385
Dividends paid for preferred shares	—
Provision for interests on perpetual bonds (RMB thousand)	85,254
Fully-diluted earnings per share based on the latest share capital (RMB/share) (<i>Note</i>)	0.03

Note: The calculation formula of “fully-diluted earnings per share based on the latest share capital (RMB/share)” is: (net profit attributable to the Company – provision for interests on perpetual bonds)/latest number of ordinary shares.

2.3 Non-recurring Profit or Loss Items of the Group for the Last Three Years

Unit: RMB thousand

Items	Amounts in 2025	Amounts in 2024	Amounts in 2023
(Losses)/gains on disposal of non-current assets (including the part written off for provision for impairment on assets)	(40,486)	25,707	(21,451)
Government grants recognised in profit or loss for the current period	475,843	454,023	580,916
Gains or losses from changes in fair value arising from holding financial assets, and gains or losses arising from disposal of financial assets and gains or losses from changes in fair values of investment properties subsequently measured at fair value, except for the effective hedging activities relating to the Group's ordinary operating activities	(97,628)	(1,243,275)	(1,331,486)
Reversal of impairment provision for accounts receivable tested for impairment separately	11,962	19,315	34,487
Net gains from disposal of long-term equity investment	57,106	23,482	89,449
Gains or losses on debt restructuring	(1,132)	–	–
Other non-operating income and expenses other than the above items	<u>47,782</u>	<u>131,043</u>	<u>37,252</u>
Less: Effect of income tax	93,409	(145,936)	(168,219)
Effect of minority interests (after tax)	<u>108,275</u>	<u>34,592</u>	<u>(198,561)</u>
Total	<u><u>251,763</u></u>	<u><u>(478,361)</u></u>	<u><u>(244,053)</u></u>

Note: The above-mentioned non-recurring profit or loss items (except for the effect of minority interests (after tax)) are all presented as pre-tax. During the Reporting Period, the Company did not have any non-recurring profit or loss items, which were defined and listed in accordance with “Explanatory announcement No. 1 on information disclosure by companies offering securities to the public – non-recurring profit or loss”, defined as recurring profit or loss items.

3 REVIEW OF THE PRINCIPAL BUSINESSES DURING THE REPORTING PERIOD

The Group is a world leading equipment and solution provider in logistics and energy industries, and its industry cluster mainly covers logistics and energy fields. In the logistics field, the Group still adheres to taking container manufacturing business as its core business, based on which to develop road transportation vehicles business, airport facilities and logistics equipment/fire safety and rescue equipment business and to a lesser extent, logistics services business and recycled load business providing products and services in professional field of logistics; in the energy field, the Group is principally engaged in energy/chemical/liquid food equipment business and offshore engineering business; meanwhile, the Group also continuously develops emerging industries and has finance and asset management business that serves the Group itself. The Group is committed to providing high quality and reliable equipment and services for the logistics and energy industries, delivering good returns to shareholders and employees and creating sustainable value for society.

According to the latest 2025/26 Container Equipment Survey and Leasing Market Annual Report issued by Drewry, an industry authoritative analyst, the Group is ranked No. 1 in the world in terms of production volume of standard dry containers, reefer containers and special-purpose containers. According to the 2024 Global Tank Container Fleet Survey issued by the International Tank Container Organisation, the production volume of tank containers of the Group ranked No. 1 in the world. According to the 2025 global ranking of semi-trailer manufacturers by production volume, released by Global Trailer, CIMC Vehicles (Group) Co., Ltd. (“**CIMC Vehicles**”), a subsidiary of the Group, ranked first worldwide once again, CIMC-TianDa Holdings Company Limited (“**CIMC TianDa**”, a subsidiary of the Group), is one of the major suppliers of boarding bridges in the world, and the Group is also one of the high-end offshore engineering equipment enterprises in China.

The Group continued to consolidate its strategy of globalised deployment, with its research and development centres and manufacturing bases located in nearly 20 countries and regions around the world, and more than 30 overseas entities and enterprises, mainly in Europe, North America and other regions. Benefiting from the continuously consolidating foundation of its global operation platforms, the Group has achieved stable and quality development by catering to the demands of customers in various regions and smoothing out the risk fluctuations in a single region. During the Reporting Period, the Group’s domestic revenue accounted for approximately 52.38% and its overseas revenue accounted for approximately 47.62%, maintaining a sound market landscape.

3.1 Overview

During the Reporting Period, the Group's revenue amounted to RMB156,611 million (same period in 2024: RMB177,664 million), representing a year-on-year decrease of 11.85%; the net profit attributable to shareholders and other equity holders of the Company amounted to RMB221 million (same period in 2024: RMB2,972 million), representing a year-on-year decrease of 92.57%; and the basic earnings per share amounted to RMB0.03 (same period in 2024: RMB0.53), representing a year-on-year decrease of 94.34%. During the Reporting Period, there were no significant changes in the Group's principal operating model, and the products and businesses contributing 10% or more to the Group's revenue included the container manufacturing business, road transportation vehicles business and energy, chemical and liquid food equipment business, offshore engineering business and logistics services business.

The following discussion and analysis should be read in conjunction with the audited financial statements of the Group and their accompanying notes as set out elsewhere in the Announcement.

Revenue, Gross Profit and Gross Profit Margin Analysis by Segment and Region

(1) Indicators by industry, business and region for the year

Unit: RMB thousand

Indicators for 2025	Revenue	% of revenue	Year-on-year change in revenue	Cost of sales	% of cost of sales	Year-on-year change in cost of sales	Gross profit	Gross profit margin	Year-on-year change in gross profit margin
By industry/product									
Containers manufacturing	43,008,947	27.46%	(30.86%)	37,253,961	27.17%	(29.05%)	5,754,986	13.38%	(2.21%)
Road transportation vehicles	20,177,636	12.88%	(3.91%)	16,971,653	12.38%	(3.41%)	3,205,983	15.89%	(0.43%)
Energy, chemical and liquid food equipment	27,192,470	17.36%	6.31%	23,168,220	16.90%	5.09%	4,024,250	14.80%	0.99%
Offshore engineering	17,938,402	11.45%	8.35%	15,278,123	11.14%	1.53%	2,660,279	14.83%	5.72%
Airport facilities and logistics equipment, fire safety and rescue equipment	7,619,143	4.86%	5.92%	6,105,532	4.45%	6.77%	1,513,611	19.87%	(0.63%)
Logistics services	26,793,404	17.11%	(14.64%)	25,123,606	18.32%	(14.69%)	1,669,798	6.23%	0.05%
Recycled load	2,702,088	1.73%	11.23%	2,252,313	1.64%	2.85%	449,775	16.65%	6.80%
Finance and asset management	1,849,239	1.18%	(11.03%)	2,167,517	1.58%	(3.24%)	(318,278)	(17.21%)	(9.44%)
Others	11,889,649	7.59%	(0.78%)	10,280,291	7.50%	(3.25%)	1,609,358	13.54%	2.21%
Combined offset	<u>(2,559,532)</u>	<u>(1.62%)</u>	<u>(6.87%)</u>	<u>(1,484,794)</u>	<u>(1.08%)</u>	<u>(24.99%)</u>	<u>(1,074,738)</u>	<u>41.99%</u>	<u>14.01%</u>
Total	<u>156,611,446</u>	<u>100.00%</u>	<u>(11.85%)</u>	<u>137,116,422</u>	<u>100.00%</u>	<u>(11.78%)</u>	<u>19,495,024</u>	<u>12.45%</u>	<u>(0.07%)</u>
By region (by geographical locations of customers)									
China	82,028,785	52.38%	(0.47%)	-	-	-	-	-	-
America	21,568,961	13.77%	(40.11%)	-	-	-	-	-	-
Europe	26,131,910	16.69%	2.66%	-	-	-	-	-	-
Asia (excluding China)	21,648,966	13.82%	(21.13%)	-	-	-	-	-	-
Others	<u>5,232,824</u>	<u>3.34%</u>	<u>(17.37%)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>156,611,446</u>	<u>100.00%</u>	<u>(11.85%)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(2) Indicators by industry, business and region in the same period of the previous year

Unit: RMB thousand

Indicators for 2024	Revenue	% of revenue	Year-on-year change in revenue	Cost of sales	% of cost of sales	Year-on-year change in cost of sales	Gross profit	Gross profit margin	Year-on-year change in gross profit margin
By industry/product									
Containers manufacturing	62,205,203	35.01%	105.89%	52,505,891	33.78%	106.58%	9,699,312	15.59%	(0.29%)
Road transportation vehicles	20,998,201	11.82%	(16.30%)	17,571,338	11.31%	(13.94%)	3,426,863	16.32%	(2.30%)
Energy, chemical and liquid food equipment	25,579,491	14.40%	2.21%	22,046,149	14.19%	4.10%	3,533,342	13.81%	(1.57%)
Offshore engineering	16,555,963	9.32%	58.41%	15,048,245	9.68%	58.14%	1,507,718	9.11%	0.15%
Airport facilities and logistics equipment, fire safety and rescue equipment	7,193,101	4.05%	3.33%	5,718,463	3.68%	3.22%	1,474,638	20.50%	0.08%
Logistics services	31,389,341	17.67%	55.65%	29,450,699	18.95%	57.01%	1,938,642	6.18%	(0.80%)
Recycled load	2,429,355	1.37%	(14.29%)	2,189,995	1.41%	(12.34%)	239,360	9.85%	(2.01%)
Finance and asset management	2,078,522	1.17%	(6.30%)	2,239,986	1.44%	(16.57%)	(161,464)	(7.77%)	13.27%
Others	11,983,389	6.74%	48.44%	10,626,125	6.84%	47.06%	1,357,264	11.33%	0.84%
Combined offset	(2,748,468)	(1.55%)	(14.67%)	(1,979,553)	(1.28%)	29.04%	(768,915)	27.98%	14.59%
Total	177,664,098	100.00%	39.01%	155,417,338	100.00%	40.72%	22,246,760	12.52%	(1.07%)
By region (by geographical locations of customers)									
China	82,415,289	46.39%	23.43%	-	-	-	-	-	-
America	36,012,089	20.27%	51.21%	-	-	-	-	-	-
Europe	25,453,855	14.33%	41.78%	-	-	-	-	-	-
Asia (excluding China)	27,449,650	15.45%	75.15%	-	-	-	-	-	-
Others	6,333,215	3.56%	76.04%	-	-	-	-	-	-
Total	177,664,098	100.00%	39.01%	-	-	-	-	-	-

3.2 Review of the Principal Businesses of the Group during the Reporting Period

Through business expansion and technology development, the Group has formed an industry cluster focusing on key equipment and solutions provided for the logistics and energy industries.

(I) In logistics field:

The Group adheres to taking container manufacturing business as our core business

The Group's container manufacturing business has been leading the world in terms of production and sales volume since 1996, and as a leader in the global container industry, its production bases cover all major coastal and inland ports in China. It has the capacity to produce a full series of container products with independent intellectual property rights, which mainly consists of standard dry containers, reefer containers and special-purpose containers. In particular, special-purpose containers mainly include 53-foot containers, flatracks, railway containers, open-top containers, energy storage containers and other products. Currently, the main operating entity of the container manufacturing business is CIMC Container (Group) Co., Ltd. (中集集裝箱(集團)有限公司) and its subsidiaries. The Company holds 100% equity interest in CIMC Container (Group) Co., Ltd. as at 31 December 2025.

During the Reporting Period, the container manufacturing business of the Group recorded a revenue of RMB43,009 million (same period in 2024: RMB62,205 million), representing a year-on-year decrease of 30.86%, and a net profit of RMB1,882 million (same period in 2024: RMB4,088 million), representing a year-on-year decrease of 53.97%, mainly due to the decrease in gross profit margin of standard dry containers as a result of the intensified competitiveness and the impact of exchange rate.

During the Reporting Period, despite persistent disruptions from U.S. tariff policies and negative supply chain impacts stemming from geopolitical conflicts, global merchandise trade once again demonstrated supply chain resilience. Intra-regional trade, along with Asia-Europe, and emerging market routes, are emerging as the primary drivers of growth. According to the report issued in December 2025 by CLARKSONS, global container trade volume increased by 4.0% year-on-year to 222 million TEUs in 2025. In addition, factors such as the Red Sea detour, port congestion, shipping environmental requirements, and the increasing complexity of trade routes have reduced container consolidation efficiency. This has further boosted the actual demand for dry and reefer containers at the foundational level, propelling the global container inventory into a new structural phase. Given the above, overall demand for new containers in 2025 still remained at a relatively strong level, exceeding the average of the past decade. However, affected by the high base effect of standard dry containers in 2024, the production and sales volume of the Group's container manufacturing business experienced a year-on-year decrease during the Reporting Period, aligning with overall industry expectations. In particular, the accumulated sales volume of dry containers reached 2,224,900 TEUs (same period in 2024: 3,433,600 TEUs), representing a year-on-year decrease of approximately 35.2%. Driven by rising industrial demand, the accumulated sales volume of reefer containers reached 208,200 TEUs (same period in 2024: 138,600 TEUs), representing a year on-year increase of approximately 50.2%, maintaining a leading position in the industry.

Expand the road transportation vehicles business

CIMC Vehicles, the main operating entity of the Group's road transportation vehicles business, is mainly engaged in the design, production, distribution, intercontinental manufacturing, sales and production-related services of semi-trailers globally; the provision of specialized truck bodies design, manufacturing and after-sales services for the chassis of fuel/new energy heavy-duty trucks to assist closely partnered leading new energy heavy-duty truck manufacturers in completing the closed loop of value chain for heavy-duty new energy specialty vehicles; and the design, manufacturing and sales of pure electric tractors and trailers. The Group held approximately 61.13% equity interests in CIMC Vehicles as at the end of the Reporting Period.

During the Reporting Period, CIMC Vehicles achieved a revenue of RMB20,178 million (same period in 2024: RMB20,998 million), representing a year-on-year decrease of 3.91%; achieved a net profit of RMB927 million (same period in 2024: RMB1,081 million), representing a year-on-year decrease of 14.29%.

- (1) **Global semi-trailer business:** During the Reporting Period, CIMC Vehicles sold 112,159 semi-trailers globally (same period in 2024: 101,735), representing a year-on-year increase of 10.25%. It recorded a revenue of RMB14,372 million from its global semi-trailer business (same period in 2024: RMB14,952 million). In the domestic market, CIMC Vehicles restructured its organizational and operational models through the StarLink Project to drive business transformation and upgrade, and built new-quality production and marketing capabilities for semi-trailers and tank trucks. The semi-trailer business achieved high-quality development in China, with sales volume increasing by 15.00% year-on-year, revenue rising by 14.65% year-on-year, and gross profit margin improving by 3.3% year-on-year. In the overseas market, the business in the Global South achieved high-quality growth, with revenue reaching RMB3,090 million during the Reporting Period, representing a year-on-year increase of 17.7%. Sales volume surged by 29.1% year-on-year, and the gross profit margin improved by 1.3 percentage points. The European semi-trailer business exhibited a trend of “stable sales volume, revenue growth, and profit pressure” overall, with SDC continuing to maintain its leading position in the United Kingdom. The North American semi-trailer business was affected by a combination of adverse factors, including a severe downturn in the North American freight market, high industry inventory levels, and a decline in customer's procurement demand. This has put significant pressure on overall operating performance, with a decrease in sales volume, revenue and profits. It is hoped that demand for semi-trailers in the U.S. will gradually recover by mid-2026.

- (2) DTB truck bodies products: In 2025, the heavy-duty truck market in China underwent profound transformation driven by the transition in the energy structure. The DTB business of CIMC Vehicles showed steady growth in both sales volume and revenue. It provided a total of 28,570 specialized truck bodies products for the chassis of fuel/new energy heavy-duty trucks, which generated a total revenue of RMB3,184 million (same period in 2024: RMB3,033 million), representing a year-on-year increase of 4.97%, with further expansion of the market share of core products. During the Reporting Period, CIMC Vehicles commenced active promotion of the structural reform in the DTB production organization, resulting in a significant year-on-year increase in operating profit; meanwhile, it continued to expand R&D and sales of new energy products in an active manner, deepened cooperation with OEM partners across the entire value chain from product R&D to manufacturing and sales. Sales of DTB products for new energy heavy-duty trucks witnessed a significant growth, with the growth rates of both EV-DTB. dump trucks and EV-DTB. mixer trucks exceeding 100%.
- (3) EV-RT tractors and trailers: During the Reporting Period, the EV-RT tractors and trailers business of CIMC Vehicles completed the R&D of the world's first engineering-grade electric trailer platform and prototype. It introduced the industry's first "3 × 3 TCO" value cycle concept to build long-term competitive advantages, while actively participating in and driving the upgrade of national and industry standards. CIMC Vehicles firmly upholds its strategic positioning as the "explorer, builder and full-value-chain promoter" for pure electric tractors and trailers, thereby laying a solid foundation for the future development of the EV-RT tractors and trailers business.

Expand the airport facilities and logistics equipment, fire safety and rescue equipment business

Through its subsidiary CIMC-TianDa Holdings Company Limited ("CIMC TianDa"), the Group is engaged in the business of airport facilities and logistics equipment, fire safety and rescue equipment. As at 31 December 2025, the Group held approximately 65.66% equity interests in CIMC TianDa. The airport facilities and logistics equipment business mainly include passenger boarding bridges, airport ground support equipment, airport baggage handling systems, logistics handling systems and intelligent storage systems. The fire safety and rescue equipment business mainly covers comprehensive fire safety and rescue mobile equipment primarily based on various types of fire trucks, and also includes other fire safety and rescue equipment and services, such as various types of fire pump monitors, intelligent control and management systems for fire vehicles and various types of fire-fighting systems.

During the Year, CIMC TianDa recorded a revenue of RMB7,619 million (same period in 2024: RMB7,193 million), representing a year-on-year increase of 5.92%; and a net profit of RMB264 million (same period in 2024: RMB265 million), representing a year-on-year decrease of 0.29%.

- (1) In respect of the airport facilities and logistics equipment business: Revenue and profit showed steady growth during the period primarily due to the release and settlement of high-quality orders such as smart boarding bridges and automated logistics storage systems. During the Reporting Period, in addition to the delivery of smart boarding bridges projects for Xi'an Xianyang International Airport, Antalya Airport in Turkey and Lanzhou Airport, CIMC TianDa also successfully launched its independently-developed innovative prefabricated fixed bridge, which has gained high market recognition with its core advantages. In 2025, CIMC TianDa successfully won bids for two key projects: the second phase of Nanning Airport and the T2 and T4 connecting corridor of Hangzhou Airport. Meanwhile, the Company integrated overseas brands with the advantages of Chinese manufacturing to complete the localization transformation of its entire series of 3.5-35 ton platform vehicles, and won the bid for and delivered electric platform vehicles for Shenzhen Airport, achieving a significant breakthrough in the market. In terms of the logistics equipment business, CIMC TianDa completed and delivered an automated three-dimensional warehouse supporting the petrochemical and refining integration project in the domestic chemical industry during the Reporting Period, helping customer to upgrade its operations in a comprehensive way.
- (2) In respect of the fire safety and rescue equipment business: While the operations of overseas Ziegler continued to improve, profit from the domestic fire safety business were somewhat constrained by factors such as intense competition in the domestic fire safety industry. However, CIMC TianDa leveraged the Ziegler brand to seek a global footprint, optimizing its supply chain synergy between China and Europe to drive its domestic fire safety subsidiaries to actively expand into overseas markets, so as to achieve a breakthrough for domestically manufactured products in the international arena. In terms of technology research and development, CIMC TianDa undertook national and provincial-level special research projects, including "14th Five-Year Plan" projects of the Ministry of Science and Technology and key science and technology programs of the Ministry of Emergency Management. It focused on cutting-edge fields such as smart fire safety and unmanned fire trucks, deepened industry-university-research collaboration and accelerated the transformation of core technological achievements.

Leverage the logistics services business

In 2025, CIMC Wetrans Logistics Technology (Group) Co., Ltd. (“**CIMC Wetrans**”), the main operating entity of the Group’s logistics services business, is committed to “becoming a high quality and trustworthy world-class multimodal transport enterprise”. As at 31 December 2025, the Group held approximately 62.70% equity interests in CIMC Wetrans. Relying on its global network, with “customer + product” as core growth drivers and focusing on “internationalization + digital intelligence”, CIMC Wetrans kept exploring ways to provide stable, efficient, low-carbon and visual logistics services to customers, and provided professional and personalized logistics solutions to specific customers. During the Reporting Period, CIMC Wetrans ranked as top 14 on the list of the 2025 Top 50 Ocean Freight Forwarders issued by Transport Topics, an authoritative magazine in the global logistics industry, and the fifth place among Chinese enterprises; it ranked among the top 5 for three consecutive years in the Comprehensive List of Freight Forwarding and Logistics Enterprises released by the China International Logistics and Freight Forwarding Association.

During the Reporting Period, the logistics services business of the Group realised a revenue of RMB26,793 million (same period in 2024: RMB31,389 million), representing a year-on-year decrease of 14.64%, and a net profit of RMB364 million (same period in 2024: RMB437 million), representing a year-on-year decrease of 16.65%. During the Reporting Period, affected by multiple factors such as tariff disputes, geopolitical conflicts, and route restructuring, although the total container shipping volume increased, performance diverged across different routes. Freight rates were generally under pressure, fluctuating downward. The performance trend of CIMC Wetrans aligned with industry trend changes in general.

During the Reporting Period, CIMC Wetrans proactively adjusted its business structure and integrated business resources, forming a new “3+N” business framework, which includes three core business groups: shipping, port logistics, and industry logistics, along with N supplementary businesses mainly consisting of air transportation and land transportation. During the Reporting Period, the sea transportation business (mainly covering route business, booking business, and branch transportation business in the Yangtze River) achieved a 6% year-on-year increase in self-sourced cargo volume through optimizing organizational structure, integrating core resources, and deepening long-term cooperation with core carriers, which indicated a promising business fundamental; the port logistics business (mainly covering terminals and value-added services and shipping agency business) deepened strategic mutual trust with core shipping companies, undertook supporting services for new routes and collaboratively provided integrated “door-to-door” services, reaching record highs in second-hand container trading and warehousing distribution businesses; the industry logistics business (mainly consisting of project engineering logistics, cold chain logistics and steel logistics) focused on key areas such as new energy, automotive, engineering projects, enhancing professional service capabilities, extending service chains and consolidating segment advantages; the air transportation business actively adjusted its products and business models, while continuously exploring routes in Asia, Middle East, Europe, and other regions, becoming part of the premium partnership lineup for leading e-commerce companies; the land transportation business concentrated on “full-service domestic network establishment + direct customer business development”, transitioning towards “international rail + road” transportation of “containers + oversized projects”. During the Reporting Period, the Company simultaneously advanced its overseas network expansion and digital intelligence construction, deepening cost reduction and efficiency improvements, and continuously enhancing overall operational efficiency and core competitiveness.

Rely on the recycled load business as the supplementary to provide the modernized transportation and logistics with first-class products and services

The Group's recycled load business focuses on providing customers with comprehensive solutions for recycling packaging to facilitate carbon neutrality, which mainly provides professional recycled load R&D and manufacturing, shared operation service and comprehensive solutions for customers in industries including automobile, new energy power battery, photovoltaics, household appliances, fresh agricultural products, liquid chemicals, rubber and bulk commodities, etc. The recycled load business of the Group is carried out through CIMC Transportation Technology Co, Ltd. ("**CIMC Transportation Technology**"), in which the Group held approximately 63.58% equity interests as at 31 December 2025.

During the Reporting Period, the recycled load business of the Group achieved a revenue of RMB2,702 million (same period in 2024: RMB2,429 million), representing a year-on-year increase of 11.23%, and a net profit of RMB8.43 million (same period in 2024: net loss of RMB229 million), achieving a turnaround from loss to profit. During the Reporting Period, CIMC Transportation Technology actively expanded its advantageous product offerings while implementing a series of cost reduction and efficiency enhancement initiatives through lean production. Currently, it has formed a business layout emphasizing both manufacturing and operation, leading to significant improvements in profitability and operating cash flows during the Reporting Period. Among these, the manufacturing business continued to meet the innovative demands for products such as engines and battery packaging, with notable growth in overseas markets; the service business demonstrated strong risk resilience and profit improvement potential, with evident results from focusing on major customer operational strategies. Cooperations with leading customers in the automotive, home appliances and petrochemicals industries have deepened, achieving qualitative growth in both revenue and profit.

(II) In energy field:

Carry out energy, chemical and liquid food equipment business with a focus on clean energy business

The Group's energy, chemical and liquid food equipment business segment is principally engaged in the design, development, manufacturing, engineering, sales and operations of various transportation, storage and processing equipment widely used in three sectors, namely energy, chemical and liquid food equipment, as well as provision of relevant technical and maintenance services. During the Reporting Period, the Group's energy, chemical and liquid food equipment business achieved a revenue of RMB27,192 million (same period in 2024: RMB25,579 million), representing a year-on-year increase of 6.31%, and net profits of RMB1,040 million (same period in 2024: RMB732 million), representing a year-on-year increase of 42.15%. The main operating entity of the Group's energy, chemical and liquid food equipment segment is CIMC Enric. As at 31 December 2025, the Group held approximately 69.99% equity interests in CIMC Enric.

During the Reporting Period, CIMC Enric registered a revenue of RMB26.326 billion (same period in 2024: RMB24.756 billion), representing a year-on-year increase of 6.3%. The segment operating results of CIMC Enric are as follows:

1. The clean energy segment recorded a revenue of RMB20.565 billion (same period in 2024: RMB17.183 billion), representing a year-on-year increase of 19.7%. CIMC Enric continued to consolidate its leading position in the entire natural gas industry chain for land and water transportation. It maintained a leading market share in key equipment such as high-pressure and cryogenic systems, while precisely capturing growth opportunities arising from the increasing application of natural gas in land and water transportation, power generation, and other sectors. Meanwhile, CIMC Enric actively explored emerging growth opportunities for specialty industrial gas equipment in high-tech industries. For example, the high-pressure gas cylinder with a thin-walled aluminum liner has completed testing, and the carbon fiber cylinder with an aluminum liner has passed customer testing. During the year, the gas-to-diesel price ratio remained low. In addition, driven by the implementation of trade-in subsidy policy in China, as well as the advancement of the green transition in international shipping, there was a strong demand for the LNG related products of CIMC Enric. In summary, this segment secured newly signed orders totaling RMB22.229 billion in 2025, maintaining a growth trend. Among these, cumulative newly signed orders for offshore clean energy-related businesses exceeded RMB10 billion. As of the end of 2025, the orders on hand exceeded RMB19 billion, with shipbuilding orders already scheduled through 2028. In the hydrogen energy business, CIMC Enric, as a leading global supplier of hydrogen energy equipment and solutions, continued to enhance its integrated solution capabilities. It successfully replicated the business model for the comprehensive utilization of coke oven gas, commenced the operation of the second Linggang phase I project, and further entered into the contract for the Linggang phase II project. As for green methanol, on 16 December 2025, the first domestic mass-production bio-methanol (green methanol) project of CIMC Enric commenced operations in Zhanjiang, Guangdong, marking the first large-scale project in China to achieve a closed-loop operation of the entire chain from “biomass waste – green methanol – shipping fuel” with an initial annual production capacity of 50,000 tons of green methanol.

2. The main operating entity of the chemical and environment segment is “CIMC Safeway”, a company listed on the ChiNext Market of the Shenzhen Stock Exchange (301559.SZ). During the period, due to the pressure on the global chemical industry, the market demand for tank containers declined year-on-year. This segment secured leading market share despite a year-on-year decrease in revenue. In the long run, the global chemical industry will continue to grow and advance towards a safer, more economical, more environmentally friendly, and more intelligent green logistics model, which will provide growth opportunities for the tank container market in the future. In addition, the medical equipment components businesses and after-sales service businesses of this segment maintained steady growth during the Reporting Period. As of 31 December 2025, the orders on hand amounted to RMB1.276 billion, representing a year-on-year increase of 36.27%. The order backlog provided a solid foundation for the company’s future business development.
3. The main operating entity of the liquid food segment is “CIMC LPT” (872914.NEEQ). During the Reporting Period, factors such as policy uncertainty and the slowdown in consumption growth continued to affect the capital expenditure and investment decisions of the entire industry, leading to a decline in newly signed orders and ultimately a year-on-year decrease in revenue of this segment. However, due to the steady delivery of ongoing projects and robust profitability, the segment’s gross profit margin improved year-on-year to 21.7%. In addition, this segment actively explored business opportunities for the transformation and upgrading of traditional solid-state fermentation enterprises in China, the localization of whisky, and green upgrading.

Carry out offshore engineering business relying on offshore resources

The Group is engaged in the offshore engineering business mainly through Yantai CIMC Raffles Marine Technology Group Co., Ltd. (“**CIMC Raffles**”), in which the Group indirectly held approximately 83.30% equity interest as at 31 December 2025. The offshore engineering business is operated under an integrated operating model covering design, procurement, manufacturing, construction, commission and operation and provides mass and industrialised construction of high-end offshore engineering equipment and other special vessels, making it one of the leading contractors of high-end offshore engineering equipment in China. Its major businesses include manufacture of oil and gas equipment with a focus on FPSO (Floating Production Storage and Offloading) and FLNG (Floating Liquefied Natural Gas System), construction of offshore wind power equipment with a focus on wind power installation vessels, and manufacture of special vessels including ro-ro ships.

During the Reporting Period, the offshore engineering business of the Group recorded a revenue of RMB17,938 million (same period in 2024: RMB16,556 million), representing a year-on-year increase of 8.35%, and a net profit of RMB1,057 million (same period in 2024: net profit of RMB224 million), representing a year-on-year increase of 371.79%.

In 2025, the global offshore engineering market showed a structural recovery, with strong demand for high-end oil and gas equipment represented by FPSO/FLNG. At the same time, the entire industry is accelerating its transformation towards greening and intelligence, with stable growth in orders for new energy equipment. During the Reporting Period, CIMC Raffles, as the offshore engineering leader within CIMC, rapidly advanced its front-end engineering design capabilities for deepwater production equipment and gained high recognition from customers. It successfully achieved a strategic transformation from “construction-led” to an integrated service model of “design + construction + integration”, maintaining a leading position in the domestic market and emerging as a significant new force in the international offshore engineering market. The newly signed contract orders during the Reporting Period amounted to US\$1,200 million (same period in 2024: US\$3,300 million), including 12+8 container feeder vessels, 2 offshore engineering special vessels and orders for other modules. As at the end of 2025, the accumulated value of orders on hand reached US\$5,090 million, of which the proportion of orders for oil and gas and special vessels was approximately 7:3. The manufacturing schedule of the Longkou Base has been booked up to 2030. In respect of delivery: during the Reporting Period, 15 projects were completed and delivered, with a contract value of US\$3,500 million, mainly including the reconstruction and commission of 2 newbuild FPSOs and 1 FPU, 8 automotive ro-ro ships and 4 wind power installation vessels.

(III) Finance and Asset Management Business that serves the Group itself

The Group’s finance and asset management business is devoted to establishing a financial service system which matches the Group’s strategic positioning as a leading manufacturer in the world, which is aimed at enhancing the efficiency and effectiveness of fund utilisation within the Group, providing necessary industrial financial solutions to support the Group’s integrated strategy through diversified financial services, and carrying out equipment manufacturing and product services to achieve cross-segment integration and upgrading of manufacturing and technology within the Group. Meanwhile, with supply chain finance, it facilitates the Group’s strategic expansion, business model innovation, industrial structure optimisation and overall competitiveness enhancement. Besides, a platform for existing offshore engineering assets is operated under the business segment to generate asset returns. The main operating entities are CIMC Finance Co., Ltd. (“**CIMC Finance Company**”) and Offshore Engineering Asset Management Platform Company.

During the Reporting Period, the Group’s finance and asset management business achieved a revenue of RMB1,849 million (same period in 2024: RMB2,079 million), representing a year-on-year decrease of 11.03%, and net loss of RMB1,426 million (same period in 2024: net loss of RMB1,804 million), representing a decrease in loss of 21.00% year-on-year, mainly due to the decrease in interest expenses of Offshore Engineering Asset Management Platform Company for the year due to a reduction in borrowing rates, debt replacement and debt repayments.

CIMC Finance Company:

During the Reporting Period, adhering to the development philosophy of “creating unlimited value for customers within a limited business scope” and upholding the principle of “relying on and serving the Group”, CIMC Finance Company continued to deepen its functional positioning and enhance its service efficiency in a comprehensive way.

CIMC Finance Company, guided by systematic thinking, continuously strengthened centralised fund operation and management through multi-pronged efforts. By increasing the account opening rate and super online banking system coverage, it not only consolidated the foundation for fund concentration in the non-listed sectors but also significantly increased deposit limits for the listed sectors, providing crucial support for improving the overall fund utilisation efficiency and reducing comprehensive financial costs for the Group. Meanwhile, CIMC Finance Company focused on the core of industry-finance synergy, precisely matching the differentiated needs of various business segments, and continuously strengthening support for the funding requirements of member enterprises. The total credit facilities provided to member enterprises rose year-on-year to over RMB6,700 million during the year, thereby effectively ensuring the efficient operation of the Group’s capital and contributing to the reduction of both high deposits and high loans within the Group.

CIMC Finance Company actively implemented the concept of serving the real economy by offering member enterprises diversified comprehensive services such as free or low-cost fund settlement, cash management, foreign exchange trading, guarantees, and bill acceptance, effectively lowering the Group’s overall financial costs and improving operational quality and efficiency. CIMC Finance Company consistently adhered to the principle of prudent operation, deepening compliance system construction, and strictly reinforced the bottom line for risk prevention and control. As of the end of the Reporting Period, the capital adequacy ratio reached 24.57%, with all regulatory indicators consistently meeting standards.

Offshore engineering asset operation and management business of CIMC:

During the Reporting Period, there were a total of 14 offshore engineering vessels assets involved in the offshore engineering asset operation and management business of the Group, including 2 ultra-deepwater semi-submersible drilling platforms, 3 semi-submersible drilling platforms for severe sea conditions, 3 semi-submersible lifting/life support platforms, 3 400-foot jack-up drilling platforms and 3 300-foot jack-up drilling platforms.

During the Reporting Period, global oil companies placed greater emphasis on energy security by slowing the pace of new energy transition and refocusing on their core oil and gas operations. Therefore, the international drilling market demonstrated resilience amid volatility. Utilisation rates for the world's three major drilling platforms remained high at 88%.

During the Reporting Period, the offshore engineering asset operation and management business of CIMC continued to leverage on its existing project experience and business capabilities, further consolidated its cooperative relationship with customers at home and abroad, and capitalised on its excellent offshore engineering platform operation and management capabilities to improve asset rental rates, and continuously promote asset disposal business in light of market changes. During the Reporting Period, the sixth-generation semi-submersible drilling platform “Deepsea Yantai” completed lease renewal; the ultra-deepwater semi-submersible drilling platform “Blue Whale No. 1” signed a new lease agreement with an international client; semi-submersible lifting/life platform “Blue Gretha (formerly Huadian CIMC 01)” signed a new lease agreement with an international client; multiple other platforms have also been actively participating in market tenders through various channels to seek business opportunities such as asset disposal and leasing. During the Reporting Period, the average daily lease rate for semi-submersible drilling platforms and jack-up drilling platforms both recorded year-on-year increase.

(IV) Innovative Businesses that highlight the advantage of CIMC

While focusing on its main business, the Group has adopted “exploration and innovation (開拓創新)” as its core value, insisted on technology as the first productivity, and used innovative business as a new driving force for the Group’s high quality development, integrated the advantageous resources of each segment, captured the possible opportunities in the industrial chain and competence circle, strengthened technological innovation and product innovation, and shaped the new competitive advantages of each business with technological innovation to create breakthroughs. The Group’s main innovative businesses are as follows:

– Cold chain logistics:

During the Reporting Period, the cold chain business of the Group stabilised the fundamentals of reefer containers, and the Group continued to pursue its strategic direction of extending high-value-added products and achieving self-reliance in core equipment. It deepened market deployment and business expansion in areas such as incremental special containers, industrial temperature control, and pharmaceutical cold chain, achieving multiple breakthroughs. Among them, in terms of incremental special containers, the Group engaged in product iteration, market development and business model exploration around the operations of aviation containers, onshore power distribution cabinets, physical preservation containers, etc.; In terms of industrial temperature control, the Group successfully entered the fan business sector, achieving stable profitability through merger and acquisition integration and synergistic industrial empowerment.

During the Reporting Period, the cold chain business of the Group achieved multiple honours: the project of “R&D and Industrial Application of Key Technologies and Equipment for Precision Logistics Preservation of Fruits and Vegetables”, jointly applied for by Qingleng Special Containers and Zhejiang University and other research institutions, was awarded the First Prize for Outstanding Scientific Research Achievements by the Ministry of Education for the year 2025. CIMC Cold Cloud was successfully included in the list of Key Research Enterprises on Pharmaceutical Cold Chain Transportation Capacity in 2024, marking its sixth consecutive year on the list since 2019.

– ***Energy storage technology:***

In 2025, the global energy storage industry entered a critical stage of policy adjustment and market-oriented transformation. The Group’s energy storage business proactively responded and operated steadily through the following measures, consolidating the foundation for sustainable development amidst pressure: firstly, we focused on the systematic integration of our core businesses, adhered to prudent planning and lean management, and orderly promoted project construction and high-quality delivery to ensure the stability of our basics of business; secondly, we advanced scenario-based innovative applications, actively expanded into diversified scenarios such as high-energy-consuming enterprises, highways fast-charging power and port shore power, forming a differentiated competitive advantage; and thirdly, we have strengthened industrial chain collaboration by establishing a joint venture with Ronghe BESS (融和元儲) to promote resource complementarity and capability synergy and build a systematic and efficient operating platform, laying a solid foundation for long-term healthy development.

– ***Modular building business:***

During the Reporting Period, CIMC’s modular building business focused on the high-end market and emerging scenarios, achieving benchmark breakthroughs and scale expansion in key regions at home and abroad. In the area of high-end public buildings and overseas hotels, the main structure of the LegCo Complex expansion project, in which CIMC participated, was officially completed. It became the first expansion demonstration project in Hong Kong to successfully apply Modular Integrated Construction (MiC) in an existing public building, setting a new benchmark for prefabricated buildings in the region. In the Middle East market, a contract was successfully signed with the Earth Boutique Hotel in Riyadh, the capital of Saudi Arabia, marking the first application of modular architecture in the local high-end cultural tourism market and opening up growth opportunities in the Gulf region. Moreover, in the field of high-growth modular data centers, CIMC successfully delivered a 2MW modular data center project in Osaka, Japan, marking the first time CIMC’s modular data center solutions have entered the Japanese market, fully demonstrating the technical adaptability and delivery competitiveness of China’s digital infrastructure solutions in developed countries. By the end of the year, leveraging the Group’s advantages in industrialized manufacturing and global delivery, it is providing technical and manufacturing delivery services of prefabrication data center to industry customers exceeding 300MW.

(V) Capital Operations

During the Reporting Period, the Group's important matters in terms of capital operations are as follows: (1) **repurchase of a portion of H Shares**: the Company carried out the first batch of H-share repurchase, with a repurchase amount not exceeding HKD500 million (inclusive). As of the end of the Reporting Period, the Company had repurchased 60,700,800 H Shares, with a total amount of funds used amounting to HKD452,269,600 (exclusive of transaction fees). To further protect shareholders' interests and enhance investor confidence, after comprehensively considering factors such as the Company's financial condition, future development and reasonable valuation level, an additional HKD300 million (inclusive) will be used for the second batch of H-share repurchase. As of the end of the Reporting Period, the second batch of H-share repurchase had not yet been implemented. (2) **repurchase of a portion of A Shares**: in order to safeguard the Company's value and shareholders' rights, from 9 October 2025 to 28 November 2025, the Company repurchased a total of 60,417,690 A Shares of the Company through a dedicated securities account for share repurchase via centralized bidding. The total amount of funds used was RMB498,286,268.47 (exclusive of transaction fees). Such repurchase of some A Shares has been completed. (3) in December 2025, CIMC Wetrans signed an agreement to introduce strategic investors through capital increase and share expansion and the transfer of a small number of existing shares. Upon completion of the transaction, the Group's shareholding in CIMC Wetrans would decrease from 62.70% to 45.04%, and the Group would continue to consolidate CIMC Wetrans.

3.3 Future Development and Prospects

In an era of global trade restructuring and energy structure transformation, CIMC Group focused on two core tracks, namely commodity logistics supply chain and energy supply chain, building a complete industrial ecosystem from basic transportation equipment to high-end intelligent systems, and from single-point product supply to full-chain integrated services. In the face of supply chain uncertainties and restructuring challenges caused by geopolitical fluctuations, the Group leveraged its global footprint and hardcore product strength to provide global customers with reliable and resilient solutions covering commodity circulation, energy storage and transportation and infrastructure construction. In line with the trends of industrial electrification, greening, and intelligentization, CIMC deeply integrated the “CIMC solutions” of standardized production, low-cost control and high-guarantee delivery into all aspects of the industrial chain, driving high-quality development through technological innovation and achieving resonance with global industrial upgrading.

In the next five years, CIMC will follow the guidance of national policies based on the situation in the new development stage, and will also continue the implementation of the strategic theme of “accelerating the construction of new growth drivers and focusing on promoting high-quality development” and coordinate the reasonable growth of “quantity” and the effective improvement of “quality”, so as to “become a high-quality and respected world-class enterprise”.

3.3.1 Industrial Analysis and Corporate Operating Strategy of Major Business Segments

(1) In the Logistics Field:

Container Manufacturing Business

Under the influence of the reshaping of the global economic and trade landscape, CLARKSONS expects global container trade volume to still grow by 2.5% in 2026, with volume of merchandise trade on non-U.S. routes benefiting from economic development and increased turnover demand, which will continue to contribute to the increase. However, considering that container shipping capacity will grow by 4.5% during the same period and the uncertainty of the resumption of Red Sea shipping, container shipping is gradually entering a stage of structural supply imbalance. Meanwhile, as affected by geopolitical events, fuel prices, the availability of key shipping routes and ports, policy risks and other uncertainties continue to bring significant fluctuations to the container shipping market, thereby reducing the stability of the global supply chain and the efficiency of container shipping. The above uncertainties, coupled with the normal replacement of containers, are expected to continue to support the demand for new containers in 2026 to a considerable extent.

In 2026, our traditional container manufacturing business will adopt “synergistic and stable operations with high-quality, innovative development” as the main business tone to guide all initiatives, continuously enhancing our comprehensive competitiveness and securing our industry leadership. In responding to market changes, we will further consolidate our market competitiveness through efficient collaboration, rapid response, and strengthened flexible manufacturing capabilities. In terms of manufacturing and delivery, we will embrace new quality productive forces by leveraging lean, digital, and intelligent management measures to continuously improve product quality and cost competitiveness. As for business innovation, we will continue to intensify the R&D and application of new products, new materials, and new technologies, further expand innovation for containers + products, and steadfastly develop new growth drivers.

Road Transportation Vehicles Business

In 2026, the inaugural year of the “15th Five-Year Plan”, CIMC Vehicles will deepen its “Bold Transformation” development approach. It will launch the “StarVision Project” (2026–2030), striving to achieve a “significant leap” in corporate value during the “15th Five-Year Plan” period. The “StarVision Project” will build upon the solid foundation of semi-trailer and liquid tanker production organisations established under the “StarLink Project”, fully reaping the outcomes of the “StarLink Project”. More efforts will be put on research and development to continuously enhance both the soft and hard strengths, as well as the industry influence, developed through the “StarLink Project”.

Meanwhile, CIMC Vehicles will systematically incorporate the production organisations of powder tankers, DTB mixer trucks and DTB dump trucks into the “StarVision Project”, integrating and upgrading their production organisations using the “StarLink Project” transformation methodologies. Simultaneously, it will extend and enhance its advantages in truck-body capabilities. By establishing the “Intelligent Truck-Body Research Institute”, it aims to fundamentally improve cargo loading and unloading efficiency and operational convenience, empowering traditional semi-trailers while providing intelligent truck-body solutions for EV-RT products. Furthermore, through the establishment of the “Running Gear Innovation Center”, it will conduct cutting-edge exploration in material science, forming processes and intelligent control, cultivating diversified running-gear technical solutions across product lines.

In addition, CIMC Vehicles will strive for the EV-RT ecosystem by formally establishing the “EV-RT Product Platform Research Institute”, marking a critical leap from project-based operations to a permanent and systematic R&D organisation.

Airport Facilities and Logistics Equipment, Fire Safety and Rescue Equipment Business

In respect of the airport facilities and logistics equipment business: The overall growth rate of domestic industries is slowing down, but the new construction cycle of the “15th Five-Year Plan” will be ushered in, and the demand for intelligent and green and low carbon technologies will increase. As overall demand in the international market recovers, CIMC TianDa is keeping eyes on overseas markets such as Southeast Asia, the Middle East and Europe to further promote its overseas expansion. A global business platform and network will be built to promote the manufacturing in China and the localization of sales and services, and bring our businesses closer to customers in different regions. We will advance global resource interaction so that China’s and overseas advantageous resources can be coordinated and leveraged. Meanwhile, we will build an effective risk control system for overseas enterprises to reduce overseas investment risks.

In respect of the fire safety and rescue equipment business: In 2026, the domestic fire truck market is expected to experience a moderate recovery, while the global market will show highly concentrated and technology-driven growth. CIMC TianDa strengthens integrated marketing and services, improves sales efficiency, and seizes a larger and broader market share. We will actively promote the operation and comprehensive upgrading of the new generation of information technology, digital technology and green environmental protection standards in all aspects of technology, products, manufacturing and operation management, and form real market value and competitiveness.

Logistics Services Business

In 2026, the logistics industry will enter a complex phase where structural opportunities coexist with challenges. CIMC Wetrans will continuously enhance its competitiveness and respond to various market challenges and opportunities by deepening cooperation with core shipping companies, optimizing its network and products and strengthening cross-business synergy.

The Group's logistics services business will embark on a new journey of "second-stage entrepreneurship," further improve its strategic planning in conjunction with the "15th Five-Year Plan", deepen its global presence, keep pace with the global expansion of Chinese industries, and pragmatically build localized operational capabilities in key regions such as Europe, the U.S., the Middle East, Central Asia and Southeast Asia through "acquisition + organic growth + strategic cooperation". We will integrate our core businesses, deepen the synergy between our three major business groups (shipping, port logistics and industry logistics), concentrate resources to create flagship products, and build "one-stop" integrated solutions. We will deepen customer relationships, implement the top-customer strategy, extend our service model to the upstream and downstream of the value chain, and build a "supply chain community of shared future" with strategic customers. We will strengthen internal support, and fully implement comprehensive budget management to optimize cost structure and improve organizational efficiency with digital intelligence, laying a solid foundation for high-quality development and global breakthrough.

Recycled Load Business

Looking ahead to 2026, the industry penetration and adoption rate of recycled load will continue to increase, and refined management capabilities will be greatly enhanced through digital technology.

CIMC Transportation Technology will continue to deepen its presence in existing key target markets, such as new energy, automobiles, fresh food and fast-moving consumer goods, rubber and chemicals, and actively expand our customer base to include high-value industries. It will also focus on increasing investment in its existing leading customers to increase its share of business and actively extend its reach into the supply chain. It will concentrate on improving the operational management capabilities and asset turnover efficiency of its service businesses, and continuously optimize the profitability of invested assets. In existing business scenarios, it will actively promote the effective application of digital technologies in asset operation and management, and seek to upgrade its core capabilities and business models.

(2) In the Energy Industries Field:

Energy, Chemical and Liquid Food Equipment Business

Clean Energy Segment: Looking ahead to 2026 and beyond, the global energy landscape will exhibit an accelerated trend of both divergence and integration. The global natural gas market is evolving from a “transitional fuel” to a “long-term partner”, with the supply-demand landscape moving towards a new equilibrium. After a slowdown in growth in 2025, the global natural gas market is poised to enter a new cycle of growth. According to the International Energy Agency (IEA) reports, the market is expected to see accelerated growth in 2026, with demand growth projected to reach around 2%, potentially reaching a record high. Hydrogen energy and green liquid fuels are moving from strategic planning to full value-chain integration. Hydrogen and hydrogen-based green fuels are undergoing a critical transition from “proof of concept” to “large-scale application”. With the continued deepening layout by Chinese enterprises, green methanol is also expected to evolve from individual pilot projects towards the formation of industrial clusters.

Facing market changes in the future, CIMC Enric will embrace unprecedented strategic opportunities and will continue to deepen its strategic transformation from “equipment + core processes” to a clean energy “comprehensive service provider”, precisely grasp the window period of the global energy landscape adjustment, and with its intelligent equipment manufacturing, turnkey services and integrated solution capabilities related to natural gas as well as renewable energy such as hydrogen energy, green methanol and green ammonia, assist both domestic and international customers in successfully achieving low-carbon transition, and promote faster, more efficient and safer large-scale application of clean energy through continuous technological R&D and innovation.

Chemical and Environment Segment: This segment will thoroughly implement the medium-to-long-term strategy of “Lean Innovation, Intelligent Transformation and Digital Upgrading, Connecting the World with Tanks, and Green Development”. Taking operational excellence as the key driver, it will continuously enhance its differentiation capabilities through sustained innovation and achieve high-quality development through the expansion of new businesses, thereby consolidating its industry-leading position. On the one hand, it will strengthen the foundations of its core business to support stable operations. Through continuous product innovation and iteration, lean intensive cultivation, and the development of integrated value-chain capabilities, it will explore and implement both incremental and breakthrough improvements across technology, products, services, management and business models, thereby continuously enhancing the segment’s core competitiveness. On the other hand, it will focus on the high-end equipment manufacturing sector and actively expand into new areas. In terms of high-end medical equipment business, the segment will be rooted in China with a global outlook, aligning with cutting-edge developments in medical MRI equipment and following the lead of industry leaders, strive to deliver more advanced high-end components for medical imaging equipment. Besides, it will continue to build its precision machining capabilities for non-ferrous metals and expand into the field of high-end equipment. In terms of intelligent equipment business, the segment will continue to build software and hardware and service capabilities of “sense, foresight and implementation”, empowering digital intelligence transformation of the chemical logistics and intelligent manufacturing fields with reliable quality and innovative technologies. In addition, focusing on areas such as high-end medical equipment and intelligent equipment manufacturing, it will actively extend its presence through capital market initiatives such as mergers and acquisitions and investments. Through the next three to five years of effort, it aims to build a matrix of “high-end equipment + new materials + new processes + new scenarios”, achieving a strategic leap from being a global leader in tank containers to becoming a core technology platform for global high-end equipment.

Liquid Food Segment: The segment, leveraging its position as a global leader in turnkey projects in the liquid equipment industry, in addition to its core strengths in beer and spirits, closely monitors industry developments, such as actively expanding into emerging markets including Southeast Asia and Africa; actively developing domestic whisky projects and increasing its share in the PRC market; promoting R&D in biopharmaceuticals and the ready-to-drink market, and anchored in the strategies of digitalisation, diversification and sustainable development ensuring the stable development of its business.

Offshore Engineering Business

- (1) **In respect of the oil and gas platform business:** global demand for FPSO remained strong, with ample market demand and project reserves expect over the next five years. Latin America, West Africa and Southeast Asia are leading the market, and the FLNG market is projected to continue its high growth.
- (2) **In respect of the clean energy business:** the global offshore wind power industry remained relatively sluggish. China's price competitiveness and delivery stability advantages remained stable and would continue to exist in the long term. The next five years are expected to be characterized by stable growth or maintaining the status quo.
- (3) **In respect of the special vessels business:** the demand for the ro-ro ships was cooling down, and the structure was showing a trend of differentiation, with technology developing towards ultra-large and small- to medium-sized ships; the ro-ro passenger ship fleet was being updated at an accelerated pace, and a new ship construction boom may be coming; and feeder container ships were still maintaining a high-speed growth phase.

In 2026, the Group's offshore engineering business will continue to actively advance business transformation, integrate the industry landscape, and take marine oil and gas as the foundation to gradually expand into new energy sources and thus form a combination that can smooths out economic cycles. In general, in respect of the oil and gas platform business: we will continue to break through technical barriers and enhance our EPCIC general contracting capabilities, while expanding into popular regions such as South America, Africa and Southeast Asia to secure orders. In respect of the clean energy business: we will continue to leverage our advantages in the design and construction of high-end marine engineering equipment, focusing on offshore wind power assembly and wind power operation and maintenance. In respect of the special vessels business: we will focus on the fields of ro-ro ships, container feeder ships and service engineering vessels, leveraging our excellent delivery performance to expand into new customers and markets, establish business networks, ensure relevant production capacity and consolidate our leading position in the international market.

(3) Finance and Asset Management Business:

CIMC Finance Company

CIMC Finance Company will always adhere to the business philosophy of “relying on and serving the Group”, strengthen centralized fund management, consolidate the fund foundation, achieve new breakthroughs in centralized fund management and optimize the precise fund allocation strategy, striving to improve the efficiency of the Group’s overall fund utilization. We will further deepen our customer-centric service model, focus on the innovation and upgrading of financial products and services, and strengthen our customer base and enhance customer loyalty through continuous service iteration. Meanwhile, we will actively collaborate with the Group’s treasury to help deepen efficient and intelligent global treasury management and comprehensively improve the Group’s overall fund management efficiency and value creation.

Faced with the complexity and uncertainty of the external environment, CIMC Finance Company will always adhere to prudent operation, always take risk prevention and control as the bottom line, rely on team building as support and digital transformation as the engine to deepen internal and external collaboration, promote service innovation, strictly control various risks and strive to improve the level of operation and management. With professional services, CIMC Finance Company will empower the Group to reduce costs and increase efficiency, and contribute greater comprehensive value to the Group’s high-quality development.

Offshore engineering asset operation and management business of CIMC

In 2026, influenced by the geopolitical risks, international oil prices are expected to exhibit wide-ranging volatility. Global oil and gas investment is expected to demonstrate distinct structural divergence: the deepwater and ultra-deepwater sectors will become key growth drivers for investment due to their low marginal cost advantages; while national oil companies will continue to maintain counter-cyclical investment intensity based on energy security strategies. In the drilling market, driven by the concentrated commencement of projects deferred from 2024 and 2025, daily rates for deepwater drilling platforms are expected to remain firm against the backdrop of a tight supply-demand balance, demonstrating a trend of stable growth accompanied by high utilization rates.

The Group will adhere to an operating strategy of “maintaining stable operations, promoting asset turnover and expanding market reach”, ensuring the safe and smooth operation of leased assets while proactively securing lease renewals. It will seize market windows to expedite the marketing of jack-up and accommodation platform assets. The Group will advance the marketing of mid-to-deepwater and ultra-deepwater platforms in an orderly way, continuously optimize its asset structure and enhance operation efficiency, thereby consolidating its leading position in the global offshore engineering market.

3.3.2 Major Risk Factors in the Future Development of the Group

Risk of economic periodic fluctuations: the industries that the principal businesses of the Group are engaged in are dependent on global and domestic economic performance and often vary with economic periodical changes. In recent years, the global economy has become increasingly complex with increasing uncertainty factors. In particular, the rise of the trade protectionism will have a negative impact on the growth of the global economy and trade. The changes and risks in the global economic environment demand higher requirements on the Group's operating and management capabilities.

Risk of trade protectionism and anti-globalisation: the rise of global trade protectionism disrupted national policy stances and posed a threat to the growth of global trade. Part of the Group's principal businesses will be affected by global trade protectionism and anti-globalisation.

Risk of economic restructuring and industrial policies upgrade in China: China's economy entered into the new normal, and the government comprehensively deepened supply-side structural reform to push forward the transformation and upgrade of economic structure. Developments including new industrial policies, tax policies and land policies, etc. that have a huge impact on business operations have resulted in uncertainties to the future development of industries.

Fluctuations of financial market and foreign exchange risks: the presentation currency of the consolidated statements of the Group is RMB. The Group's exchange risks are mainly attributable to the foreign currency exposure resulting from the settlement of sales, purchases and finance in currencies other than RMB. The increased volatility and frequency of the exchange rate of RMB against USD which may be resulted from the continuous fluctuation of the global financial market will pose new challenges to the foreign currency and capital management of the Group.

Market competition risks: the Group faces competition from both domestic and foreign enterprises in respect of its various principal businesses, leading to imbalance between supply and demand. In addition, the competition landscape of the industry may change due to entry of new players or improved capacity of existing competitors.

Employment and environmental protection pressure and risks: with demographic changes in China, China's manufacturing industries see constantly soaring labour costs, and automation represented by robots is becoming one of the key directions for future upgrade of the traditional manufacturing industries. In addition, China has been carrying out sustainable development strategies and attaching increasing attention on environmental protection, strengthening environmental protection requirements for China's traditional manufacturing industries.

Risks of fluctuations in price of main raw materials: raw materials account for a relatively high proportion of the cost structure of the Group's products. At the same time, the Group's major finished products are metal products and its raw materials include steel, aluminium and timber. The global economy presents a trend of regional differentiation, and supply and demand and price will also become complicated and volatile, which bring uncertainties to the Group's operating result.

4 MANAGEMENT DISCUSSION AND ANALYSIS (PREPARED IN ACCORDANCE WITH RELEVANT REQUIREMENTS OF THE HONG KONG LISTING RULES)

The financial data set out below is extracted from the audited financial statements of the Group prepared under CASBE. The following discussion and analysis should be read in conjunction with the audited financial statements of the Group and their accompanying notes as set out elsewhere in the Announcement.

Significant changes in assets and liabilities

Unit: RMB thousand

	At the end of 2025		At the end of 2024		Change (%)	Description of material changes
	Amount	% of total assets	Amount	% of total assets		
Cash at bank and on hand	24,264,404	14.55%	21,621,312	12.37%	2.18%	No material change
Notes receivables	435,518	0.26%	767,723	0.44%	(0.18%)	Decreased by 43.27% year-on-year, mainly due to the decrease in trade acceptance notes for the year
Accounts receivables	25,473,417	15.27%	31,655,818	18.11%	(2.84%)	No material change
Contract assets	9,869,274	5.92%	9,752,290	5.58%	0.34%	No material change
Inventories	18,150,466	10.88%	19,735,685	11.29%	(0.41%)	No material change
Investment properties	1,533,390	0.92%	1,351,285	0.77%	0.15%	No material change
Long-term equity investments	10,319,198	6.19%	12,016,874	6.88%	(0.69%)	No material change
Fixed assets	43,798,303	26.26%	43,919,373	25.13%	1.13%	No material change
Construction in progress	2,266,458	1.36%	1,805,982	1.03%	0.33%	No material change
Right-of-use assets	1,154,240	0.69%	1,152,130	0.66%	0.03%	No material change
Short-term borrowings	8,679,781	5.20%	11,260,716	6.44%	(1.24%)	No material change
Contract liabilities	15,293,368	9.17%	14,599,941	8.35%	0.82%	No material change
Other current liabilities	1,275,312	0.76%	959,102	0.55%	0.21%	Increased by 32.97% year-on-year, mainly due to the increase in pending output taxes for the year
Long-term borrowings	15,024,300	9.01%	19,377,598	11.09%	(2.08%)	No material change
Debentures payable	6,076,937	3.64%	4,035,642	2.31%	1.33%	Increased by 50.58% year-on-year, mainly due to the issuance of medium-term notes during the year
Derivative financial liabilities	6,785	0.00%	344,767	0.20%	(0.20%)	Decreased by 98.03% year-on-year, mainly due to the decrease in foreign exchange option contracts for the year
Lease liabilities	882,509	0.53%	869,384	0.50%	0.03%	No material change

Financial expenses

In 2025, the financial expenses of the Group were RMB2,033.323 million (2024: RMB1,364.876 million, representing a year-on-year increase of 48.97%, mainly due to the foreign exchange losses recognized for the year as compared with the foreign exchange gains recognized for last year. For details, please refer to “Exchange rate fluctuation risk and relevant hedge” under “4 Management Discussion and Analysis (Prepared in Accordance with Relevant Requirements of the Hong Kong Listing Rules)” in the Announcement.

Income tax expense

In 2025, the income tax expense paid by the Group amounted to RMB1,478.685 million (2024: RMB2,400.090 million), representing a year-on-year decrease of 38.39%, mainly due to the decrease in total profits for the year as compared to the same period last year.

Cash flows

Details of the cash flows of the Group during the Reporting Period are as follows:

Items	<i>Unit: RMB thousand</i>		
	2025	2024	Year-on-year change
Sub-total of cash inflows of operating activities	165,712,468	169,157,793	(2.04%)
Sub-total of cash outflows of operating activities	147,198,019	159,893,923	(7.94%)
Net cash flows from operating activities	18,514,449	9,263,870	99.86%
Sub-total of cash inflows of investing activities	14,207,841	17,474,053	(18.69%)
Sub-total of cash outflows of investing activities	17,974,371	24,104,342	(25.43%)
Net cash flows used in investing activities	(3,766,530)	(6,630,289)	43.19%
Sub-total of cash inflows of financing activities	38,865,743	48,178,905	(19.33%)
Sub-total of cash outflows of financing activities	49,185,549	52,422,892	(6.18%)
Net cash flows used in financing activities	(10,319,806)	(4,243,987)	(143.16%)
Net increase/(decrease) in cash and cash equivalents	3,806,354	(1,365,655)	378.72%

During the Reporting Period, the Group’s net cash flows from operating activities recorded a year-on-year increase of 99.86%, which was primarily attributable to the decrease in cash paid for purchases of goods and receiving of services in the year.

During the Reporting Period, the Group’s net cash flows used in investing activities recorded a year-on-year increase of 43.19%, which was primarily attributable to the decrease in cash paid to acquire investments in the year.

During the Reporting Period, the Group’s net cash flows from financing activities recorded a year-on-year decrease of 143.16%, which was primarily attributable to the significant decrease in cash inflows of financing activities as a result of the significant decrease in cash received from borrowings and issuing bonds, as compared with a relatively small cash outflows.

Reserves and Distributable Reserves

As of 31 December 2025, the reserves of the Group and the Company were RMB42,048.074 million and RMB21,789.223 million (same period last year: RMB42,333.890 million and RMB20,976.437 million), respectively, and the distributable reserves (undistributed profits) of the Company were RMB16,187.941 million (same period last year: RMB15,336.568 million).

Liquidity and Capital Resources

The Group's cash at banks and on hand primarily consists of cash and bank deposits. As at 31 December 2025, the Group's cash at banks and on hand amounted to RMB24,264.404 million (31 December 2024: RMB21,621.312 million).

The Group's development funds primarily consist of cash derived from operation, bank loan and other borrowings. The Group's cash demands mainly come from production and operation, repayment of matured liability, capital expenditure, payment of interests and dividends, and other unexpected cash demands. The Group has always adopted prudent financial management policies and maintained sufficient and appropriate amount of cash on hand to repay the bank loans due and ensure the development of our businesses.

Bank loans and other borrowings

As at 31 December 2025, the Group's short-term borrowings, non-current borrowings due within one year, debentures payable due within one year, super & short-term commercial papers, long-term borrowings and debentures payable in aggregate amounted to RMB34,357.895 million (31 December 2024: RMB39,125.524 million).

Unit: RMB thousand

	As at 31 December 2025	As at 31 December 2024
Short-term borrowings	8,679,781	11,260,716
Non-current borrowings due within one year	4,071,055	3,440,969
Debentures payable due within one year	–	507,583
Other current liabilities – super & short-term commercial papers	505,822	503,016
Long-term borrowings	15,024,300	19,377,598
Debentures payable	6,076,937	4,035,642
Total	<u>34,357,895</u>	<u>39,125,524</u>

In 2025, the interest capitalised by the Group was RMB1.467 million (2024: RMB7.429 million).

The Group's bank borrowings are mainly denominated in RMB and Hong Kong dollars, with the interest payments computed using fixed rates and floating rates. As at 31 December 2025, the Group's long-term interest-bearing debts were mainly HKD-denominated contracts with floating rate amounting to HKD5,500 million (31 December 2024: HKD5,500 million). The interest rate range of the Group's short-term borrowings is 0.84% to 5.00% (31 December 2024: 1.30% to 6.35%), and the interest rate range of long-term borrowings is 1.20% to 6.08% (31 December 2024: 1.20% to 4.25%). As at the end of the Reporting Period, the Group's fixed rate bank borrowings amounted to approximately RMB3,251.346 million (31 December 2024: approximately RMB16,368.934 million). The long-term borrowings are mainly matured within five years. There is no seasonal feature in respect of the Group's need for borrowing, which is mainly based on the Group's capital and business needs.

The Group's issued debentures are mainly denominated in RMB, with the interest payments computed using fixed rates. As at 31 December 2025, the outstanding balance of fixed-rate debentures issued by the Group amounted to RMB6,076.937 million (31 December 2024: RMB4,035.642 million), with maturity dates mainly spreading over one to five years.

Other Equity Instruments

As at 31 December 2025, the Group's other equity instruments amounted to RMB4,064.133 million (31 December 2024: RMB4,093.019 million), representing a decrease of 0.71% as compared with the end of the previous year, mainly due to the Group's issuance and repayment of partial perpetual bonds during the period.

Unit: RMB thousand

	31 December 2024	Issuance in current year	Interest at par value	Paid in current year	31 December 2025
22 CIMC MTN001 (a)	2,049,774	-	8,766	(2,058,540)	-
24 CIMC MTN001 (b)	2,043,245	-	55,600	(55,600)	2,043,245
25 CIMC MTN003 (Science and Technology Innovation Bond) (c)	-	2,000,000	20,888	-	2,020,888
Total	<u>4,093,019</u>	<u>2,000,000</u>	<u>85,254</u>	<u>(2,114,140)</u>	<u>4,064,133</u>

- (a) Approved by the National Association of Financial Market Institutional Investors with Document (Zhong Shi Xie Zhu [2021] DFI31), the Company issued a cumulative perpetual bond (“**22 CIMC MTN001**”) with no fixed repayment period on 16 February 2022, with a total book value of RMB2 billion and an initially fixed interest rate of 3.21%.
- (b) Approved by the National Association of Financial Market Institutional Investors with Document (Zhong Shi Xie Zhu [2023] No.MTN1304), the Company issued a cumulative perpetual bond (“**24 CIMC MTN001**”) with no fixed repayment period on 20 March 2024, with a total book value of RMB2 billion and a nominal interest rate of 2.78%.
- (c) Approved by the National Association of Financial Market Institutional Investors with Document Zhong Shi Xie Zhu [2025] No. DFI23, the Company issued a cumulative perpetual bond (“**25 CIMC MTN003 (Science and Technology Innovation Bond)**”) with no fixed repayment period on 19 June 2025, with a total book value of RMB2 billion and a nominal interest rate of 2.00%.

Other key terms of the above perpetual bonds are listed as follows:

- (1) The bond has a maturity of 3+N (3) years, which lasts for a long period of time before the issuer redeems it in accordance with the terms of issuance and matures when the issuer redeems it in accordance with the terms of issuance.
- (2) The bond is subject to the issuer’s right to deferred interest payments. Unless any event that triggers the mandatory payment of interest occurs, on each of the distribution payment dates, the issuer may elect to defer any distribution including any arrears of distribution and any additional distribution amount which has been deferred to the next distribution payment date according to this term. The distribution deferral is not subject to any limit as to the number of times that distribution and arrears of distribution can be deferred.
- (3) The issuer is not allowed to distribute dividends to ordinary shareholders or reduce the registered capital within 12 months prior to the payment of interest before the deferred distribution and arrears of distribution are fully paid.

As the perpetual debt does not constitute a contractual obligation that the Company has to pay cash or other financial assets, it is classified as an equity instrument and presented as other equity instrument.

Capital structure

The Group's capital structure consists of equity interest attributable to shareholders and liabilities. As at 31 December 2025, the Group's equity interest attributable to shareholders amounted to RMB66,810.845 million (31 December 2024: RMB68,019.802 million), total liabilities amounted to RMB99,984.655 million (31 December 2024: RMB106,732.434 million) and total assets amounted to RMB166,795.500 million (31 December 2024: RMB174,752.236 million).

As at 31 December 2025, the Group's gearing ratio was 60% (31 December 2024: 61%). The Group is committed to maintaining an appropriate combination of equity and debt in order to maintain an effective capital structure and provide maximum returns for shareholders of the Company. (Note: the gearing ratio is calculated based on the Group's total debts divided by its total assets as at the respective dates.)

Exchange rate fluctuation risk and relevant hedge

In 2025, the Group's foreign exchange exposure to currency fluctuations primarily consisted of an average monthly USD/RMB exposure of nearly USD5 billion, an average monthly EUR/USD exposure of nearly USD300 million and minor exposures in other currencies. All exposures arose from the Group's actual foreign currency revenues and financing activities. During 2025, upward pressure on the RMB steadily increased, with RMB appreciating by nearly 4.2% against the USD in the open market. This resulted in foreign exchange losses on the Group's USD-denominated assets and revenues. Meanwhile, the US-China interest rate spreads kept the cost of hedging USD conversions high, presenting the Group's foreign exchange risk management with the dual challenge of balancing costs and risks.

Against this backdrop, the Group navigated the cost-risk trade-off with a core focus on protecting operating profits. The Group prudently executed derivative hedging transactions, actively accelerated our USD cash conversions, and continued to optimize our end-to-end foreign exchange risk management framework. By strengthening closed-loop management from front-end business operations to back-end financial controls, the Group aimed to smooth out and mitigate the unpredictable impacts of foreign exchange volatility on the Group's operating results.

In 2025, the Group recorded foreign exchange losses of approximately RMB1.111 billion, primarily driven by foreign exchange losses on USD-denominated assets and revenues amid the RMB's appreciation. Through proactive currency conversions during the year, the Group's average USD settlement rate outperformed the annual market average, realizing a net gain on USD conversions. Besides, by capitalizing on the relatively higher interest rates of USD assets, the Group generated an estimated RMB830 million in interest spread income from deposits and financing. The Group's foreign exchange hedging derivatives incurred a loss of approximately RMB143 million in 2025, primarily from hedging transactions initiated early in the year on certain EUR/USD exposure. The combined profit and loss on the Group's EUR exposures and hedging instruments yielded a net gain throughout the year, mainly thanks to flexible adjustments to subsequent hedging trades and the appreciating trend of the Euro.

Credit risk

The Group's exposures to credit risk are mainly attributable to notes receivables, accounts receivables, receivables financing, other receivables and contract assets.

Capital Commitments

As at 31 December 2025, the Group had capital expenditure commitments of approximately RMB119.669 million (31 December 2024: RMB290.088 million), which was mainly used for fixed assets purchase contracts. Please refer to note 15 to "6 Financial Report" in the Announcement for details.

Pledge of Assets

As at 31 December 2025, restricted assets of the Group amounted to a total of RMB1,605.917 million (31 December 2024: RMB2,962.369 million), representing a decrease of 45.79% as compared to the same period last year, which was mainly due to the decrease in margin and statutory reserves deposited to the central bank. Details are summarised as follows:

Unit: RMB thousand

	Carrying amount at the end of the year	Restricted reasons
Cash at bank and on hand	1,348,956	Margin and statutory reserves deposited to the central bank
Intangible assets	32,564	No transfer without permission from the government
Receivables financing	7,798	Pledged
Notes receivables	216,599	Notes receivables endorsed or discounted but not due and not derecognized, and pledged
	<hr/>	
Total	<u><u>1,605,917</u></u>	

Significant Investments and Major Acquisitions and Disposals of Subsidiaries, Associated Companies and Joint Ventures

During the Reporting Period, the Group did not have any significant investment, major acquisition or disposal of subsidiaries, associated companies and joint ventures which accounted for 5% or more of the total assets of the Company at the balance sheet date.

Future plans for significant investments, expected source of funding, capital expenditure and financial plan

The operating and capital expenditures of the Group are mainly financed by our own fund and external financing. Concurrently, the Group will take a prudent attitude in order to enhance its future operating cash flow. According to the changes in economic situation and operating environment, as well as the needs of the Group's strategic upgrade and business development, the capital expenditure of the Group is expected to be approximately RMB3.45 billion in 2026, mainly used for equity acquisition and the acquisition of fixed assets, intangible assets and other long-term assets etc. The Group will continue to consider various types of financing arrangements.

Contingent liability

The Group's contingencies consist mainly of guarantees provided for external parties, litigation and outstanding letters of credit issued and outstanding performance guarantees issued. For details, please refer to note 14 to "6.1 Financial Statements Prepared in Accordance with CASBE" in the Announcement.

Employees and Remuneration Policies

As at 31 December 2025, the Group's total number of employees worldwide, including contract employees, employed retirees and part-time employees and others, was 71,945 (31 December 2024: 78,776), and the Group had a total of 51,541 contract employees (31 December 2024: 50,686) across the globe. The total staff cost during the Reporting Period, including directors' remuneration, contribution to the retirement benefit schemes and share option incentive schemes, amounted to approximately RMB15,311.363 million (2024: approximately RMB16,962.771 million).

The Group provides salary and bonus payment to its employees based on their performance, position value, qualification, experience and market conditions. Other benefits include social insurance required by the Chinese government, etc.. The Group regularly reviews its remuneration policies, including directors' remuneration payable, and strives to formulate an improved incentive and assessment mechanism based on the results of the Group and the market conditions.

Employee training programme

The Company has built a multi-level and composite talent training system with its core human resources philosophy of "people-oriented and mutual business", including: new employees training, general skills training, professional training, leadership training programme and international talent training programme. Meanwhile, the Group has also provided its employees with ample career development opportunities. The Group, based on its requirements from the strategic development on the talents, has built its employees' career development path (such as management, engineering technology, lean, finance, audit, etc.) to conduct effective career management and clarify career development direction for its employees with a view to increasing their capabilities.

Employee pension scheme

The Group has provided employees with basic pension insurance arranged by local human resources and social security bureaus. The Group makes contributions to the pension insurance at the applicable rates monthly based on the amounts stipulated by the government organization. When employees retire, the local human resources and social security bureaus are responsible for the payment of the basic pension benefits to the retired employees. The amounts of pension insurance payable calculated according to the above regulations are recognised as liabilities during the accounting periods when the employees render services and are charged to profit or loss or capitalized in costs of related assets.

Public float

The Company has satisfied the requirements for the minimum public float under the Hong Kong Listing Rules.

Dividend distribution

Based on the Group's 2025 operating results and taking into account the Group's overall financial position and cash flows, the proposed profit distribution plan for 2025 of the Company as considered and approved by the Board meeting is a cash dividend of RMB0.179 (tax inclusive) per share to all the shareholders on the basis of 5,246,340,845 shares, which is calculated by deducting 146,179,540 repurchased shares as at the disclosure date of the Announcement from 5,392,520,385 shares, the existing total share capital of the Company, and there will be no bonus shares or new shares being issued by way of conversion of capital reserve. Where there are any changes in the share capital of the Company after the Board considered the profit distribution plan until implementation of the plan, the total dividend amount will be adjusted while maintaining the dividend ratio of RMB0.179 (tax inclusive) per share in cash. The proposed dividend is expected to be payable by 31 August 2026. Such proposed dividend payment for the year 2025 is subject to the consideration and approval at the general meeting of the Company.

The profit distribution plan for 2024 of the Company had been considered and approved at the 2024 annual general meeting held on 15 May 2025, which is a cash dividend of RMB0.176 (tax inclusive) per share to all the shareholders on the basis of 5,367,874,835 shares, which is calculated by deducting 24,645,550 repurchased shares from 5,392,520,385 shares, the total share capital of the Company as at 31 December 2024, and there will be no bonus shares or new shares being issued by way of conversion of capital reserve. On 11 July 2025, the Company implemented the above-mentioned profit distribution plan for 2024.

Purchase, sale and redemption of shares

(1) Repurchases of H Shares

First Batch H Share Repurchase:

In response to national policy guidance and to enhance shareholder confidence, on 22 May 2025, as considered and approved at the third meeting in 2025 of the eleventh session of the Board of the Company, the plan for the repurchase of a portion of H shares by the Company pursuant to the Resolution Regarding the Request by the Board for General Mandate by the General Meeting on the Repurchase of Shares considered and approved at the annual general meeting for 2024 was approved. The total repurchase amount shall not exceed HKD500 million (inclusive). The source of capital shall be from the Company's self-owned funds or funds that satisfy the requirements of laws and regulations. The repurchased H shares under such repurchase shall be held as treasury shares, and will either be transferred (including sales on the secondary market) or cancelled within three years upon completion of the repurchase. The implementation details of the first batch H share repurchase are set out below:

During the Reporting Period, the Company repurchased a total of 60,700,800 H shares on the Hong Kong Stock Exchange with a total repurchase amount of HKD452,269,600 (exclusive of transaction fees). A monthly report on the first batch H share repurchase during the Reporting Period is set out below:

Repurchase month	Number of shares repurchased	Repurchase price per H share		Total amount of repurchases (HKD)
		Highest (HKD/share)	Lowest (HKD/share)	
June 2025	1,480,000	6.22	5.76	8,873,381
July 2025	7,161,100	7.86	6.30	47,367,004
September 2025	17,153,100	8.00	7.59	133,993,666
October 2025	1,232,100	7.17	7.00	8,744,791
November 2025	29,165,400	8.11	6.95	215,815,994
December 2025	4,509,100	8.71	7.89	37,474,764
Total	<u>60,700,800</u>	<u>8.71</u>	<u>5.76</u>	<u>452,269,600</u>

During the period from 1 January 2026 to the date of disclosure of the Announcement, the Company repurchased a total of 415,500 H shares on the Hong Kong Stock Exchange with a total repurchase amount of HKD3,598,031 (exclusive of transaction fees). As at the date of disclosure of the Announcement, a total of 61,116,300 H shares had been repurchased with a total repurchase amount of HKD455,867,631 (exclusive of transaction fees). These repurchased H shares are intended to be held as treasury shares.

Second Batch H Share Repurchase:

In order to further protect the interests of shareholders and enhance investors' confidence, and after taking into account the Company's financial position, future development and reasonable valuation level, on 18 December 2025, the Company convened the sixteenth meeting in 2025 of the eleventh session of the Board, at which the Company was approved to continue to use the general mandate to repurchase H shares and to allocate an additional amount of HK\$300 million (inclusive) for the second batch H share repurchase. The repurchased H shares under the repurchase will be held as treasury shares, and will either be transferred (including sales on the secondary market) or cancelled within three years upon the completion of the repurchase and disclosure of the announcement on the repurchase results. The repurchased shares may, subject to the Company's actual needs, subsequently be used for employee stock ownership schemes or equity incentives, or for the purpose of conversion of corporate bonds issued by the Company that are convertible into shares, and the Company will perform the relevant approval procedures accordingly. During the Reporting Period and as at the disclosure date of the Announcement, the second batch H share repurchase has not been implemented.

(2) *Repurchases of A Shares*

On 29 September 2025, as considered and approved at the tenth meeting of the eleventh session of the Board in 2025, it was agreed to repurchase a portion of A shares with a total capital of not exceeding RMB500 million (inclusive) and no less than RMB300 million (inclusive), at the repurchase price of not more than RMB12.01 per share (inclusive). The share repurchase is a necessary measure to protect the value of the Company and the interests of its shareholders and all repurchased shares will be used for sale.

During the period from 9 October 2025 to 28 November 2025, the Company repurchased a total of 60,417,690 A shares by way of centralized bidding trading through its specific securities account for repurchase, at the maximum purchase price of RMB9.09 per share and the minimum purchase price of RMB7.85 per share, with the total capital amounting to RMB498,286,268.47 (exclusive of transaction fees). All the repurchased shares are currently deposited into the specific securities account for repurchase of the Company. The repurchases of A shares have been completed. A monthly report on the share repurchases above during the Reporting Period is set out below:

Repurchase month	Number of shares repurchased	Repurchase price per A share		Total amount of repurchases (RMB)
		Highest (RMB/share)	Lowest (RMB/share)	
October 2025	17,503,390	8.49	7.90	143,029,774.40
November 2025	42,914,300	9.09	7.85	355,256,494.07
Total	60,417,690	9.09	7.85	498,286,268.47

At the beginning of the Reporting Period, the Company held 24,645,550 treasury A shares. As at the end of the Reporting Period, the Company held a total of 85,063,240 treasury A shares and 60,700,800 treasury H shares. The Company will continue to treat such shares as treasury shares for the time being and has no immediate plans to use such shares for sales, transfers, employee stock ownership schemes or equity incentives.

Save as disclosed above, the Company or any of its subsidiaries did not sell any listed securities (including treasury shares) of the Company, nor did it purchase or redeem any listed securities during the 12 months ended 31 December 2025.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the provisions in relation to dealing in shares of the Company by directors and supervisors (abolished on 7 November 2025) as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix C3 of the Hong Kong Listing Rules. After making enquiries to all Directors and supervisors, each Director and supervisor has confirmed to the Company that each of them has complied with the requirements set out in the Model Code during the Reporting Period.

Compliance with the Corporate Governance Code

The Company has been committed to enhancing its corporate governance standards. Through strict corporate governance practices, the Company strives to enhance corporate value and ensure our long-term sustainable development, and to fulfil corporate responsibility as a listed company as well as maximise long-term shareholders value.

The Company has complied with the code provisions under the Corporate Governance Code set out in Part 2 of Appendix C1 and the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Hong Kong Listing Rules during the Reporting Period, except for deviation of the code provision C.5.1 of the Corporate Governance Code. Particulars of the deviations and the factors taken for consideration are set out below.

Code provision C.5.1 under the Corporate Governance Code requires that “The board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. It is expected regular board meetings will normally involve the active participation, either in person or through electronic means of communication, of a majority of directors entitled to be present. So, a regular meeting does not include obtaining board consent through circulating written resolutions.”. During the Reporting Period, the Company held 28 Board meetings, of which 2 meetings were held on site. The executive Directors manage and monitor the business operation and propose to hold board meetings to have discussions and make decisions on the Group’s major business or management matters from time to time. Accordingly, certain relevant decisions were made by all Directors by way of written resolutions. The Directors are of the opinion that, the fairness and validity of the decisions made for the business had adequate assurance. The Company will strive to put effective corporate governance practices into practice in future.

Audit committee

The audit committee has been formed by the Board of the Company pursuant to Appendix C1 of the Hong Kong Listing Rules, which comprised Mr. YANG Xiong (chairman), Mr. ZHANG Guanghua (member) and Mr. WONG Kwai Huen, Albert (member) as at the end of the Reporting Period. On 29 January 2026, Ms. XIE Jiawe, an independent non-executive Director, was elected as the chairman of the audit committee of the eleventh session of the Board of the Company, and Mr. YANG Xiong ceased to be a member of the audit committee. The audit committee of the Company has reviewed and affirmed the annual results of the Group for the year 2025.

5 SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE REPORTING PERIOD

5.1 Significant Events During the Reporting Period

5.11 Significant events of the Company

- (1) In responding to the guidelines of national policies and in view of the future development prospects of CIMC Enric, CIMC HK increased its shareholdings in CIMC Enric in the open market during the period from 27 September 2024 to 7 January 2025. Prior to the increase in shareholdings, the Company, through CIMC HK and its wholly-owned subsidiaries, aggregately held 1,371,016,211 shares in CIMC Enric, representing approximately 67.60% of the total issued shares of CIMC Enric. Following the increase in shareholdings, the Company, through CIMC HK and its wholly-owned subsidiaries, aggregately held 1,421,016,211 shares in CIMC Enric, representing approximately 69.99% of the total issued shares of CIMC Enric.
- (2) On 27 March 2025, as considered and approved at the seventh meeting in 2025 of the tenth session of the Board of the Company, it was approved to terminate the spin-off and listing of the controlling subsidiary CIMC TianDa on the ChiNext of SZSE and withdraw relevant listing application documents.

- (3) CIMC Wetrans introduced strategic investors through a combination of capital increase and share expansion, along with the transfer of a small portion of its existing shares. On 31 December 2025, as considered and approved at the seventeenth meeting in 2025 of the eleventh session of the Board of the Company, the Company signed the Investment Agreement with respect to CIMC Wetrans Logistics Technology (Group) Co., Ltd. and the Shareholders Agreement with respect to CIMC Wetrans Logistics Technology (Group) Co., Ltd. with CIMC Wetrans, Jizhi Gongchuang (Tianjin) Enterprise Management Consulting Partnership Enterprise (Limited Partnership) (集智共創(天津)企業管理諮詢合夥企業(有限合夥)), SIPG, Shanghai Yinshan Zhineng Enterprise Management Partnership (Limited Partnership) (上海隱山致能企業管理合夥企業(有限合夥)), Quark (Tianjin) Enterprise Management Consulting Partnership Enterprise (Limited Partnership) (夸克(天津)企業管理諮詢合夥企業(有限合夥)), Airui Baodi (Tianjin) Enterprise Management Consulting Partnership (Limited Partnership) (艾瑞寶迪(天津)企業管理諮詢合夥企業(有限合夥)), CLH 144 (HK) Limited, Shandong Luhai Joint Investment Fund Partnership Enterprise (Limited Partnership) (山東陸海聯動投資基金合夥企業(有限合夥)), Shandong Land-Sea Port and City Construction Phase I Fund Partnership (Limited Partnership) (山東省陸海港城建設一期基金合夥企業(有限合夥)) and Jilian (Shenzhen) Enterprise Management Consulting Partnership (Limited Partnership) (集聯(深圳)企業管理諮詢合夥企業(有限合夥)), agreeing to introduce strategic investors to invest in CIMC Wetrans. Upon completion of the transaction, the shareholding of the Group in CIMC Wetrans will decrease from 62.70% to 45.04%. The Group will continue to consolidate the financial statements of CIMC Wetrans. The transaction has been conducive to enhancing the profitability of CIMC Wetrans and its future business development capabilities. With expanded financing channels, CIMC Wetrans will be able to strengthen its market position and increase its market share, thereby contributing to enhancing its profitability. The profitability of CIMC Wetrans will continue to be reflected in the consolidated financial statements of the Group. The improvement in profitability is expected to further boost the Group's earnings per share, which will contribute to maximizing shareholder value of the Group.

5.12 Significant events of subsidiaries

- (1) On 10 April 2025, as considered and approved at the eighth meeting in 2025 of the tenth session of the Board of the Company, Shenzhen Southern CIMC Containers Manufacture Co., Ltd. (“SCIMC”) and Shenzhen CIMC Special Vehicles Co., Ltd. (“CIMCSV”), the wholly owned subsidiaries of the Company, signed the compensation and relocation agreement (the “**Compensation and Relocation Agreement**”) for the land consolidation and preparation project of CIMC Pingshan production base in relation to 7 plots of land under their ownership. On 25 April 2025, SCIMC and CIMCSV completed the signing of the Compensation and Relocation Agreement with Shenzhen Pingshan City Renewal and Land Development Bureau, Shenzhen Pingshan Maluan Subdistrict Office (深圳市坪山區馬巒街道辦事處) and Shenzhen Pingshan Biling Sub-district Office (深圳市坪山區碧嶺街道辦事處).

- (2) On 9 September 2025, as considered and approved at the ninth meeting in 2025 of the eleventh session of the Board of the Company, BLUEWHALE OFFSHORE PTE. LTD., a wholly-owned subsidiary of the Company, proposed to lease the “Huayelong” and “Huashanglong” crane and accommodation platforms from Hailong No.16 (Tianjin) Leasing Co., Ltd. (海龍十六號(天津)租賃有限公司) and Hailong No.17 (Tianjin) Leasing Co., Ltd. (海龍十七號(天津)租賃有限公司) (“**Hailong No. 16 Co.**” and “**Hailong No. 17 Co.**”), indirect wholly-owned subsidiaries of China Merchants Industry, and signed the respective Bareboat Charter Agreements (the “**Transactions**”). China Merchants Industry, a wholly-owned subsidiary of China Merchants Group, held 24.49% equity interests in the Company, thus is a substantial Shareholder of the Company. Hailong No. 16 Co. and Hailong No. 17 Co. are indirect wholly-owned subsidiaries of China Merchants Industry. Therefore, according to the relevant provisions of the Stock Exchange Listing Rules and the Shenzhen Listing Rules, Hailong No. 16 Co. and Hailong No. 17 Co. are connected/related parties of the Company, and the Transactions constitute connected transactions/related-party transactions of the Company. As one or more applicable percentage ratios calculated based on the total charter hire payable under the Transactions are more than 0.1% but less than 5%, the Transactions are subject to the reporting and announcement requirements, but are exempt from the independent Shareholders’ approval requirement under Chapter 14A of the Hong Kong Listing Rules. Given that the amount of the Transactions are cumulatively calculated pursuant to the Shenzhen Listing Rules, adding up to over 5% of the Company’s most recent audited consolidated net assets attributable to the Shareholders, the Transactions are subject to approval by Shareholders at the general meeting of the Company. The Transactions have been considered and approved at the second extraordinary general meeting in 2025 convened by the Company on 6 November 2025.

5.2 Subsequent Significant Events After the Reporting Period

There have been no significant events affecting the Group subsequent to 31 December 2025 and up to the date of this announcement.

6 FINANCIAL REPORT

6.1 Financial Statements Prepared in Accordance with CASBE

6.1.1 Consolidated Balance Sheet (audited)

Unit: RMB thousand

	Notes	31 December 2025	31 December 2024
ASSETS			
Current assets:			
Cash at bank and on hand		24,264,404	21,621,312
Financial assets held for trading		1,226,871	1,359,120
Derivative financial assets		1,849	11,142
Notes receivables	4(1)	435,518	767,723
Accounts receivable	4(2)	25,473,417	31,655,818
Receivables financing		1,258,113	1,146,071
Other receivables		4,432,632	4,823,889
Advances to suppliers		6,764,942	7,048,965
Inventories		18,150,466	19,735,685
Contract assets		9,869,274	9,752,290
Non-current assets due within one year		63,457	79,524
Other current assets		2,494,209	2,761,886
Total current assets		94,435,152	100,763,425
Non-current assets:			
Other equity investments		1,784,234	1,947,831
Other non-current financial assets		409,283	416,495
Long-term receivables		58,711	51,853
Long-term equity investments		10,319,198	12,016,874
Investment properties		1,533,390	1,351,285
Fixed assets		43,798,303	43,919,373
Construction in progress		2,266,458	1,805,982
Intangible assets		5,734,879	5,871,876
Development expenditures		9,156	15,605
Right-of-use assets		1,154,240	1,152,130
Goodwill		2,520,183	2,517,112
Long-term prepaid expenses		615,393	832,132
Deferred tax assets		1,749,855	1,698,554
Other non-current assets		407,065	391,709
Total non-current assets		72,360,348	73,988,811
TOTAL ASSETS		166,795,500	174,752,236

6.1.1 Consolidated Balance Sheet (audited) (Continued)

Unit: RMB thousand

	Notes	31 December 2025	31 December 2024
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings		8,679,781	11,260,716
Derivative financial liabilities		6,785	344,767
Financial liabilities held for trading		73,767	81,742
Notes payables	5(1)	6,362,167	6,100,596
Accounts payables	5(2)	24,767,066	26,886,299
Advances from customers		39,123	5,628
Contract liabilities		15,293,368	14,599,941
Employee benefits payable		5,788,761	6,251,541
Taxes payable		1,826,758	2,408,714
Other payables		5,815,088	5,570,636
Provisions		1,832,998	2,090,538
Non-current liabilities due within one year		4,567,505	4,296,588
Other current liabilities		1,275,312	959,102
Total current liabilities		76,328,479	80,856,808
Non-current liabilities:			
Long-term borrowings		15,024,300	19,377,598
Debentures payable		6,076,937	4,035,642
Lease liabilities		882,509	869,384
Long-term payables		319,811	272,671
Deferred income		785,865	791,489
Deferred tax liabilities		532,738	498,980
Other non-current liabilities		34,016	29,862
Total non-current liabilities		23,656,176	25,875,626
Total liabilities		99,984,655	106,732,434

6.1.1 Consolidated Balance Sheet (audited) (Continued)

Unit: RMB thousand

	Notes	31 December 2025	31 December 2024
Shareholders' equity:			
Share capital		5,392,521	5,392,521
Other equity instruments		4,064,133	4,093,019
Including: Perpetual bonds		4,064,133	4,093,019
Capital reserve		4,127,266	4,336,575
Less: Treasury shares		1,113,199	200,098
Other comprehensive income		460,267	(156,777)
Special reserves		50,060	35,921
Surplus reserve		4,486,351	4,486,351
Undistributed profits	6	32,924,130	33,631,820
Total equity attributable to shareholders and other equity holders of the Company		<u>50,391,529</u>	<u>51,619,332</u>
Minority interests		<u>16,419,316</u>	<u>16,400,470</u>
Total shareholders' equity		<u>66,810,845</u>	<u>68,019,802</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u><u>166,795,500</u></u>	<u><u>174,752,236</u></u>

6.1.2 Balance Sheet (audited)

Unit: RMB thousand

	Notes	31 December 2025	31 December 2024
ASSETS			
Current assets:			
Cash at bank and on hand		176,230	714,377
Financial assets held for trading		400,000	–
Account receivables		39,912	56,860
Other receivables		<u>32,770,104</u>	<u>31,367,276</u>
Total current assets		<u><u>33,386,246</u></u>	<u><u>32,138,513</u></u>
Non-current assets:			
Other equity investments		1,578,648	1,567,740
Long-term equity investments		17,138,485	17,116,817
Investment properties		126,181	126,181
Fixed assets		90,736	98,255
Construction in progress		155,319	56,655
Intangible assets		1,433,821	1,503,384
Long-term prepaid expenses		<u>6,769</u>	<u>7,733</u>
Total non-current assets		<u><u>20,529,959</u></u>	<u><u>20,476,765</u></u>
TOTAL ASSETS		<u><u>53,916,205</u></u>	<u><u>52,615,278</u></u>

6.1.2 Balance Sheet (audited) (Continued)

Unit: RMB thousand

	Notes	31 December 2025	31 December 2024
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings		2,635,466	1,085,595
Employee benefits payable		425,156	425,156
Taxes payable		4,624	5,621
Other payables		8,911,064	7,701,802
Non-current liabilities due within one year		2,316,266	2,282,725
Other current liabilities		2,034	3,024
		<u>14,294,610</u>	<u>11,503,923</u>
Total current liabilities			
Non-current liabilities:			
Long-term borrowings		5,407,015	8,805,592
Debentures payable		4,081,902	2,043,555
Deferred income		-	329
		<u>9,488,917</u>	<u>10,849,476</u>
Total non-current liabilities			
Total liabilities			
		<u>23,783,527</u>	<u>22,353,399</u>
Shareholders' equity:			
Share capital		5,392,521	5,392,521
Other equity instruments		4,064,133	4,093,019
Including: Perpetual bonds		4,064,133	4,093,019
Capital reserve		1,011,675	1,015,449
Less: Treasury shares		1,113,199	200,098
Other comprehensive income		103,256	138,069
Surplus reserve		4,486,351	4,486,351
Undistributed profits		16,187,941	15,336,568
		<u>30,132,678</u>	<u>30,261,879</u>
Total shareholders' equity			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			
		<u>53,916,205</u>	<u>52,615,278</u>

6.1.3 Consolidated Income Statement (audited)

Unit: RMB thousand

ITEMS	Notes	2025	2024
I. Revenue	7	156,611,446	177,664,098
Less: Cost of sales	7	137,116,422	155,417,338
Taxes and surcharges		599,781	656,083
Selling and distribution expenses		2,706,853	2,627,870
General and administrative expenses		6,319,429	6,955,039
Research and development expenses		2,787,780	2,709,107
Financial expenses		2,033,323	1,364,876
Including: Interest expenses		1,508,467	2,039,604
Interest income		683,893	483,210
Add: Other income		613,319	575,537
Investment losses		(1,409,783)	(493,752)
Including: Share of losses of associates and joint ventures		(1,465,022)	(34,268)
Fair value losses		(31,141)	(669,037)
Asset impairment losses	8	(760,749)	(416,492)
Credit impairment losses	9	(649,607)	(491,544)
Gains on disposals of assets	10	31,727	114,400
II. Operating profit		2,841,624	6,552,897
Add: Non-operating income		224,281	249,797
Less: Non-operating expenses		249,844	207,447
III. Profit before income tax		2,816,061	6,595,247
Less: Income tax expenses	11	1,478,685	2,400,090
IV. Net profit		1,337,376	4,195,157
Classified by business continuity			
Net profit from continuing operations		1,337,376	4,195,157
Net profit from discontinued operations		—	—
Classified by ownership			
Net profit attributable to shareholders and other equity holders of the Company		220,820	2,972,343
Profit or loss attributable to minority shareholders		1,116,556	1,222,814

6.1.3 Consolidated Income Statement (audited) (Continued)

Unit: RMB thousand

ITEMS	Notes	2025	2024
V. Other comprehensive income, net of tax		654,542	(751,491)
Attributable to shareholders and other equity holders of the Company		617,044	(716,669)
Items that will not be reclassified to profit or loss		50,636	(196,419)
Changes in fair value of other equity investments		50,636	(196,419)
Items that may be reclassified subsequently to profit or loss		566,408	(520,250)
The share of other comprehensive income that can be reclassified into profit or loss under the equity method		(118,256)	74,413
Effect of hedge accounting		(14,838)	14,838
The amount greater than the carrying amount on the conversion date when the self-use real estate was converted to investment properties using fair value measurement		3,536	—
Currency translation differences of foreign currency statements		695,966	(609,501)
Minority interests		37,498	(34,822)
VI. Total comprehensive income		1,991,918	3,443,666
Attributable to shareholders and other equity holders of the Company		837,864	2,255,674
Minority interests		1,154,054	1,187,992
VII. Earnings per share			
Basic earnings per share (RMB)		0.03	0.53
Diluted earnings per share (RMB)		0.02	0.53

6.1.4 Income Statement (audited)

Unit: RMB thousand

ITEMS	Notes	2025	2024
I. Revenue		420,727	552,088
Less: Cost of sales		–	–
Taxes and surcharges		7,337	7,998
General and administrative expenses		439,918	458,316
Research and development expenses		2,246	2,932
Financial expenses		913,607	378,508
Including: Interest expenses		608,925	647,516
Interest income		18,931	27,889
Add: Other income		1,498	16,168
Investment income		2,833,658	1,592,396
Losses on changes in fair value		–	(1,407,328)
Losses on disposals of assets		(1,136)	(787)
		<hr/>	<hr/>
II. Operating profit/(loss)		1,891,639	(95,217)
Add: Non-operating income		171	10
Less: Non-operating expenses		14,874	14,700
		<hr/>	<hr/>
III. Total profit/(loss)		1,876,936	(109,907)
Less: Income tax expenses		–	8,918
		<hr/>	<hr/>
IV. Net profit/(loss)		1,876,936	(118,825)
Classified by business continuity			
Net profit/(loss) from continuing operations		1,876,936	(118,825)
Net profit from discontinued operations		–	–
		<hr/>	<hr/>
V. Other comprehensive income, net of tax		(34,813)	(100,859)
Items that will not be reclassified to profit or loss		10,908	(124,403)
Changes in fair value of other equity investments		10,908	(124,403)
Items that may be reclassified subsequently to profit or loss		(45,721)	23,544
The share of other comprehensive income that will be reclassified into profit or loss under equity method		(45,721)	23,544
		<hr/>	<hr/>
VI. Total comprehensive income		1,842,123	(219,684)
		<hr/> <hr/>	<hr/> <hr/>

6.1.5 Consolidated Cash Flow Statement (audited)

Unit: RMB thousand

ITEMS	Notes	2025	2024
I. Cash flows from operating activities			
Cash received from sales of goods or rendering of services		158,432,127	161,777,760
Refund of taxes and surcharges		6,008,572	6,361,970
Cash received relating to other operating activities		<u>1,271,769</u>	<u>1,018,063</u>
Sub-total of cash inflows of operating activities		<u>165,712,468</u>	<u>169,157,793</u>
Cash paid for goods and services		122,384,562	135,205,008
Cash paid to and on behalf of employees		15,786,912	16,032,724
Payments of taxes and surcharges		4,304,663	4,348,136
Cash paid relating to other operating activities		<u>4,721,882</u>	<u>4,308,055</u>
Sub-total of cash outflows of operating activities		<u>147,198,019</u>	<u>159,893,923</u>
Net cash flows from operating activities		<u>18,514,449</u>	<u>9,263,870</u>
II. Cash flows from investing activities			
Cash received from disposals of investments		13,520,911	16,512,730
Cash received from returns on investments		288,653	520,085
Net cash received from disposals of fixed assets, intangible assets and other long-term assets		381,392	427,054
Net cash received from disposals of subsidiaries		<u>16,885</u>	<u>14,184</u>
Sub-total of cash inflows of investing activities		<u>14,207,841</u>	<u>17,474,053</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets		4,718,727	3,568,865
Cash paid to acquire investments		12,781,637	19,057,732
Net cash paid to acquire subsidiaries		17,895	215,500
Cash paid relating to other investing activities		<u>456,112</u>	<u>1,262,245</u>
Sub-total of cash outflows of investing activities		<u>17,974,371</u>	<u>24,104,342</u>
Net cash flows used in investing activities		<u>(3,766,530)</u>	<u>(6,630,289)</u>

6.1.5 Consolidated Cash Flow Statement (audited) (Continued)

Unit: RMB thousand

ITEMS	Notes	2025	2024
III. Cash flows from financing activities			
Cash received from capital contributions		204,438	527,150
Including: Cash received from capital contributions by minority interests of subsidiaries		204,438	527,150
Cash received from borrowings		33,161,305	37,151,755
Cash received from issuing bonds		3,500,000	10,500,000
Cash received from issuance of other equity instruments		2,000,000	—
Sub-total of cash inflows of financing activities		38,865,743	48,178,905
Cash repayments of borrowings		39,660,934	38,300,716
Cash repayments of the principal and interests of bonds		2,131,845	7,537,518
Cash paid for redemption of other equity instruments		2,000,000	—
Cash payments for distribution of dividends or profits and interest expenses		3,349,930	2,933,450
Including: Cash payments for dividends or profits to minority interests of subsidiaries		972,059	838,462
Cash payments relating to other financing activities		2,042,840	3,651,208
Sub-total of cash outflows of financing activities		49,185,549	52,422,892
Net cash flows used in financing activities		(10,319,806)	(4,243,987)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		(621,759)	244,751
V. Net increase/(decrease) in cash and cash equivalents		3,806,354	(1,365,655)
Add: Cash and cash equivalents at the beginning of the year		18,985,161	20,350,816
VI. Cash and cash equivalents at the end of the year		22,791,515	18,985,161

6.1.6 Cash Flow Statement (audited)

Unit: RMB thousand

ITEMS	Notes	2025	2024
I. Cash flows from operating activities			
Cash received from sales of goods or rendering of services		448,153	533,551
Cash received relating to other operating activities		48,662	69,067
Sub-total of cash inflows		496,815	602,618
Cash paid to and on behalf of employees		200,915	170,187
Payments of taxes and surcharges		47,291	55,282
Cash paid relating to other operating activities		191,117	217,065
Sub-total of cash outflows		439,323	442,534
Net cash flows from operating activities		57,492	160,084
II. Cash flows from investing activities			
Cash received from disposals of investments		26,951,596	28,348,400
Cash received from returns on investments		2,806,248	1,903,699
Net cash received from disposals of fixed assets		264	308
Net cash received from disposals of subsidiaries		61,079	32,152
Sub-total of cash inflows of investing activities		29,819,187	30,284,559
Cash paid to acquire fixed assets and other long-term assets		110,716	93,380
Cash paid to acquire investments		9,400,000	13,905,513
Net cash paid to acquire subsidiaries		576,799	–
Cash paid relating to other investing activities		19,682,729	18,902,779
Sub-total of cash outflows of investing activities		29,770,244	32,901,672
Net cash flows from/(used in) investing activities		48,943	(2,617,113)

6.1.6 Cash Flow Statement (audited) (Continued)

Unit: RMB thousand

ITEMS	Notes	2025	2024
III. Cash flows from financing activities			
Cash received from borrowings		9,840,099	6,485,000
Cash received from issuing bonds		3,000,000	8,000,000
Cash received from issuance of other equity instruments		2,000,000	—
Cash received from other financing activities		1,754,674	600,000
Sub-total of cash inflows of financing activities		<u>16,594,773</u>	<u>15,085,000</u>
Cash repayments of borrowings		11,145,321	6,424,677
Cash repayments of the principal and interests of bonds		1,563,674	6,048,781
Cash paid for redemption of other equity instruments		2,000,000	—
Cash payments for distribution of dividends or profits and interest expenses		1,574,276	749,266
Cash payments relating to other financing activities		950,853	1,520,306
Sub-total of cash outflows of financing activities		<u>17,234,124</u>	<u>14,743,030</u>
Net cash flows (used in)/from financing activities		<u>(639,351)</u>	<u>341,970</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents		<u>(5,231)</u>	<u>379</u>
V. Net decrease in cash and cash equivalents		(538,147)	(2,114,680)
Add: Cash and cash equivalents at the beginning of the year		707,013	2,821,693
VI. Cash and cash equivalents at the end of the year		<u>168,866</u>	<u>707,013</u>

6.1.7 Consolidated Statement of Changes in Shareholders' Equity (audited)

Unit: RMB thousand

Item	2025										Total shareholders' equity
	Share capital	Less: treasury shares	Other equity instruments	Capital surplus	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Sub-total	Minority interest	
I. Balance at 1 January 2025	5,392,521	(200,098)	4,093,019	4,336,575	(156,777)	35,921	4,486,351	33,631,820	51,619,332	16,400,470	68,019,802
II. Movements for the year	-	-	85,254	-	-	-	-	135,566	220,820	1,116,556	1,337,376
(I) Total comprehensive income	-	-	-	-	617,044	-	-	-	617,044	37,498	654,542
1. Net profit	-	-	-	-	-	-	-	-	-	-	-
2. Other comprehensive income	-	-	-	-	617,044	-	-	-	617,044	37,498	654,542
(II) Capital contribution and withdrawal by owners	-	-	-	40,081	-	-	-	-	40,081	152,205	192,286
1. Contributions by minority shareholders	-	-	-	-	-	-	-	-	-	-	-
2. Increase in minority interests resulting from acquisition or establishment of subsidiary	-	-	-	-	-	-	-	-	-	-	-
3. Acquisition of minority interests of subsidiaries	-	-	-	-	-	-	-	-	-	130,365	130,365
4. Disposals of subsidiaries (lose control)	-	-	-	(132,029)	-	-	-	-	(132,029)	(417,923)	(549,952)
5. Disposal of subsidiaries (without losing control)	-	-	-	(250)	-	-	-	-	(250)	(9,418)	(9,668)
6. Increase in capital reserve resulting from share option exercised by subsidiary	-	-	-	(4,404)	-	-	-	-	(4,404)	1,334	1,334
7. Increase in shareholders' equity resulting from share-based payments	-	-	-	(59,660)	-	-	-	-	(59,660)	(25,775)	(85,435)
8. Issuance of other equity instruments	-	-	2,000,000	(3,774)	-	-	-	-	1,996,226	-	1,996,226
9. Redemption of other equity instruments	-	-	(2,000,000)	(49,273)	-	-	-	-	(2,000,000)	-	(2,000,000)
10. Others	-	-	-	(49,273)	-	-	-	-	(49,273)	(22,246)	(71,519)
(III) Profit distribution	-	-	-	-	-	-	-	(940,309)	(940,309)	(979,599)	(1,919,908)
1. Profit distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-
2. Interest paid on other equity instruments	-	-	(114,140)	-	-	-	-	-	(114,140)	-	(114,140)
(IV) Safety fund	-	-	-	-	-	14,139	-	-	14,139	19,293	33,432
(V) Share repurchase	-	(913,101)	-	-	-	-	-	-	(913,101)	-	(913,101)
(VI) Others	-	-	-	-	-	-	-	97,053	97,053	-	97,053
III. Balance at 31 December 2025	5,392,521	(1,113,199)	4,064,133	4,127,266	460,267	50,060	4,486,351	32,224,130	50,391,529	16,419,316	66,810,845

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6.1.7 Consolidated Statement of Changes in Shareholders' Equity (audited) (Continued)

Unit: RMB thousand

Item	2024										Total shareholders' equity
	Share capital	Less: treasury shares	Other equity instruments	Capital surplus	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profits	Sub-total	Minority interest	
I. Balance at 1 January 2024	5,392,521	-	2,049,774	4,548,686	559,892	18,896	4,486,351	30,801,685	47,857,805	16,772,545	64,630,350
II. Movements for the year											
(I) Total comprehensive income											
1. Net profit	-	-	107,445	-	-	-	-	2,864,898	2,972,343	1,222,814	4,195,157
2. Other comprehensive income	-	-	-	-	(716,669)	-	-	-	(716,669)	(34,822)	(751,491)
(II) Capital contribution and withdrawal by owners											
1. Contributions by minority shareholders	-	-	-	39,187	-	-	-	-	39,187	444,492	483,679
2. Increase in minority interests resulting from acquisition or establishment of subsidiary	-	-	-	-	-	-	-	-	-	13,723	13,723
3. Acquisition of minority interests of subsidiaries	-	-	-	(119,190)	-	-	-	-	(119,190)	(1,466,425)	(1,585,615)
4. Increase in capital reserve resulting from share option exercised by subsidiary	-	-	-	29,734	-	-	-	-	29,734	13,737	43,471
5. Increase in shareholders' equity resulting from share-based payments	-	-	-	(163,675)	-	-	-	84,168	(79,507)	351,789	272,282
6. Issuance of other equity instruments	-	-	2,000,000	-	-	-	-	-	2,000,000	-	2,000,000
7. Others	-	-	-	1,833	-	-	-	-	1,833	-	1,833
(III) Profit distribution											
1. Profit distribution to shareholders	-	-	-	-	-	-	-	(118,931)	(118,931)	(922,444)	(1,041,375)
2. Interest paid on other equity instruments	-	-	(64,200)	-	-	-	-	-	(64,200)	-	(64,200)
(IV) Safety fund	-	-	-	-	-	17,025	-	-	17,025	5,061	22,086
(V) Others	-	(200,098)	-	-	-	-	-	-	(200,098)	-	(200,098)
III. Balance at 31 December 2024	5,392,521	(200,098)	4,093,019	4,336,575	(156,777)	35,921	4,486,351	33,631,820	51,619,332	16,400,470	68,019,802

6.1.8 Statement of Changes in Shareholders' Equity (audited)

Unit: RMB thousand

Item	2025							Total shareholders' equity
	Share capital	Less: treasury shares	Other equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	
I. Balance at 1 January 2025	5,392,521	(200,098)	4,093,019	1,015,449	138,069	4,486,351	15,336,568	30,261,879
II. Movements for the year								
(I) Total comprehensive income								
1. Net profit	-	-	85,254	-	-	-	1,791,682	1,876,936
2. Other comprehensive income	-	-	-	-	(34,813)	-	-	(34,813)
(II) Capital contribution and withdrawal by owners								
1. Issuance of other equity instruments	-	-	2,000,000	(3,774)	-	-	-	1,996,226
2. Redemption of other equity instruments	-	-	(2,000,000)	-	-	-	-	(2,000,000)
(III) Profit distribution								
1. Profit distribution to shareholders	-	-	-	-	-	-	(940,309)	(940,309)
2. Interest paid on other equity instruments	-	-	(114,140)	-	-	-	-	(114,140)
(IV) Share repurchase	-	(913,101)	-	-	-	-	-	(913,101)
III. Balance at 31 December 2025	5,392,521	(1,113,199)	4,064,133	1,011,675	103,256	4,486,351	16,187,941	30,132,678

6.1.8 Statement of Changes in Shareholders' Equity (audited) (Continued)

Unit: RMB thousand

Item	2024							Total shareholders' equity
	Share capital	Less: treasury shares	Other equity instruments	Capital surplus	Other comprehensive income	Surplus reserve	Undistributed profits	
I. Balance at 1 January 2024	5,392,521	-	2,049,774	1,015,449	238,928	4,486,351	15,681,769	28,864,792
II. Movements for the year								
(I) Total comprehensive income								
1. Net loss	-	-	107,445	-	-	-	(226,270)	(118,825)
2. Other comprehensive income	-	-	-	-	(100,859)	-	-	(100,859)
(II) Capital contribution and withdrawal by owners								
1. Issuance of other equity instruments	-	-	2,000,000	-	-	-	-	2,000,000
(III) Profit distribution								
1. Profit distribution to shareholders	-	-	-	-	-	-	(118,931)	(118,931)
2. Interest paid on other equity instruments	-	-	(64,200)	-	-	-	-	(64,200)
(IV) Share repurchase	-	(200,098)	-	-	-	-	-	(200,098)
III. Balance at 31 December 2024	5,392,521	(200,098)	4,093,019	1,015,449	138,069	4,486,351	15,336,568	30,261,879

NOTES:

1. BASIS OF PREPARATION

The financial statements were prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance on 15 February 2006, and the specific accounting standards and the relevant regulations issued thereafter (hereinafter collectively referred to as the “**Accounting Standards for Business Enterprises**”) and the disclosure requirements in the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Rules on Financial Reporting issued by the China Securities Regulatory Commission.

The financial statements are prepared on a going concern basis.

The new Hong Kong Companies Ordinance has been effective from 3 March 2014. Some notes in this financial statement have been disclosed in accordance with requirements of the Hong Kong Companies Ordinance.

2. STATEMENT OF COMPLIANCE WITH THE ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The 2025 annual financial statements of the Company are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the consolidated and company financial position of the consolidated and the Company as of 31 December 2025 and of their financial performance, cash flows and other information for the year then ended.

3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Company obtains control and are de-consolidated from the date that such control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profit realised before the combination date is presented separately in the consolidated income statement.

In preparing the consolidated financial statements, where the accounting policies and the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted in accordance with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

For a business combination not involving enterprises under common control and achieved in stages, the Company remeasures its previously-held equity interest in the acquiree at fair value at the acquisition date in the consolidated financial statements. The difference between the fair value and the carrying amount is recognised as investment income for the current period. Where the equity interest held in the acquiree before the acquisition date relates to other comprehensive income measured under the equity method and other changes in owners' equity except net profit or loss, other comprehensive income and profit distribution, corresponding other comprehensive income and other changes in owners' equity (excluding other comprehensive income from changes arising from remeasurement on net liabilities or net assets of defined benefit plans of the acquiree) shall be transferred to investment income for the period in which the acquisition date falls. Goodwill is recognised at the excess of the sum of the fair value of previously-held interest in the acquiree and the fair value of the consideration paid at the acquisition date, over the fair value of the acquiree's identifiable net assets acquired at the acquisition date.

3. PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Where the Company acquires a minority interest from a subsidiary's minority shareholders or disposes of a portion of long-term equity investments in a subsidiary without a change in control, the difference between the amount of the newly acquired long-term equity investments and the amount of the share of the subsidiary's net assets that are continuously calculated from the acquisition date or the merger date based on the new shareholding ratio, and the difference between the amount of the consideration paid or received to dispose such long-term equity investments and the amount of the share of the subsidiary's net assets that are continuously calculated from the acquisition date or the merger date based on such disposal are both adjusted to the capital reserve (capital premium) in the consolidated balance sheet. If the credit balance of the capital reserve (capital premium) is insufficient, any excess is adjusted to retained earnings.

When the amount of loss for the current period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess is allocated against the minority interests.

If the Company loses the control of the original subsidiary because of disposing part of equity investment or other reasons, the remaining equity investment shall be remeasured at fair value in the consolidated financial statements at the date when control is lost. The sum of consideration received from the disposal of equity investment and the fair value of the remaining equity investment, net of the sum of the share of net assets of the former subsidiary based on continuous calculation since the acquisition date at previous proportion of shareholding and goodwill, is recognised as investment income for the current period when the control is lost. In addition, other comprehensive income and other changes in owners' equity (excluding other comprehensive income from changes arising from remeasurement by the former subsidiary on net liabilities or net assets of defined benefit plans), which are related with the equity investment in the former subsidiary, are transferred to profit or loss for the current period when the control is lost.

All significant inter-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of a subsidiary's equity and the portion of a subsidiary's net profit and loss for the period as well as comprehensive income not attributable to Company are recognised as minority interests, net profit and loss attributable to minority interests as well as comprehensive income attributable to minority interests presented separately in the consolidated financial statements within equity and net profit as well as total comprehensive income respectively. If the current loss shared by the minority shareholders of a subsidiary exceeds the minority shareholders' share of the beginning owners' equity of the subsidiary, the balance shall be offset against the minority shareholders' equity. The unrealised profit and loss arising from sales of assets to subsidiaries by the Company are fully eliminated against net profit attributable to owners of the Company. The unrealised profit and loss arising from sales of assets to the Company by subsidiaries are eliminated against net profit attributable to owners of the Company as well as net profit attributable to minority interests respectively according to the Company and minority interests' shareholding on the subsidiaries. The unrealised profit and loss arising from sales of assets between subsidiaries are eliminated against net profit attributable to owners of the Company as well as net profit attributable to minority interests respectively according to the Company and minority interests' shareholdings on the subsidiary who sold.

The difference on recognising a same transaction between the accounting subjects of the Group and of the Company or its subsidiaries would be adjusted on the accounting subject of the Group.

4(1). NOTES RECEIVABLES

(a) *Classification of notes receivables*

Unit: RMB thousand

	31 December 2025	31 December 2024
Bank acceptance notes	112,143	199,293
Trade acceptance notes	324,196	570,298
	<hr/>	<hr/>
Subtotal	436,339	769,591
Less: Provision for bad debts	(821)	(1,868)
	<hr/>	<hr/>
Total	435,518	767,723
	<hr/> <hr/>	<hr/> <hr/>

(b) *As at 31 December 2025, the pledged notes receivable of the Group presented in the notes receivables was RMB7,607,000 (2024: 8,999,000).*

(c) *As at 31 December 2025, notes receivables endorsed or discounted but not due, presented as notes receivables of the Group was as follows:*

Unit: RMB thousand

	Derecognised at the end of the year	Not derecognised at the end of the year
Bank acceptance notes (i)	–	105,197
Trade acceptance notes	–	103,795
	<hr/>	<hr/>
Total	–	208,992
	<hr/> <hr/>	<hr/> <hr/>

(i) In 2025 and 2024, some subsidiaries of the Group managed some of the notes receivables with the business model targeted for the collection of contractual cash flows as well as the sale of notes receivables. Therefore, bank acceptance notes meeting the above conditions and business model were classified as financial assets at fair value through other comprehensive income, and presented as receivables financing. Remaining bank acceptance notes and trade acceptance notes which do not meet the above conditions and business model were presented as notes receivables.

(d) Provision for bad debts

As at 31 December 2025, for bank acceptance notes, the Group measured the provision for bad debts according to the lifetime ECL. The Group believes that there was no significant credit risk of the bank acceptance notes within this group and will not cause significant losses due to bank default. For trade acceptance notes, the Group measured the provision for bad debts according to the lifetime ECL. The provision for bad debts on notes receivable in the current year amounted to RMB450,000 (31 December 2024: RMB1,570,000). The provision for bad debts amounting to RMB1,744,000 (2024: RMB2,303,000) has been collected or reversed. No significant provision for bad debts was collected or reversed.

4(2). ACCOUNTS RECEIVABLES

Unit: RMB thousand

	31 December 2025	31 December 2024
Accounts receivables	27,638,126	33,271,005
Less: Provision for bad debts	<u>(2,164,709)</u>	<u>(1,615,187)</u>
	<u>25,473,417</u>	<u>31,655,818</u>

(a) The aging analysis of accounts receivables from the date of the initial recognition was as follows:

Unit: RMB thousand

	31 December 2025	31 December 2024
Within 1 year (inclusive)	24,496,010	30,193,870
1 to 2 years (inclusive)	1,158,495	1,676,361
2 to 3 years (inclusive)	1,006,427	708,843
Over 3 years	<u>977,194</u>	<u>691,931</u>
Subtotal	27,638,126	33,271,005
Less: Provision for bad debts	<u>(2,164,709)</u>	<u>(1,615,187)</u>
Total	<u>25,473,417</u>	<u>31,655,818</u>

(b) *As at 31 December 2025, the five largest balances of accounts receivables and contract assets are analysed as follows, accumulated by arrearage parties:*

Unit: RMB thousand

	Balance of accounts receivables	Balance of contract assets	Provision for bad debts	% of total accounts receivables and contract assets
Total of the five largest accounts receivables and contract assets	<u>2,518,417</u>	<u>3,825,345</u>	<u>929</u>	<u>16.89%</u>

(c) *Accounts receivables derecognised due to transfer of financial assets:*

In 2025, the Group had no accounts receivable derecognised due to transfer of financial asset.

(d) *Provision for bad debts*

For the accounts receivables of the Group, whether there is a significant financing component or not, the loss provision is measured according to lifetime ECL.

Provision for bad debts on accounts receivables by category is analysed as follows:

Unit: RMB thousand

	31 December 2025				31 December 2024			
	Book value		Provision for bad debts		Book value		Provision for bad debts	
	Amount	% of total amount	Amount	Accrual rate	Amount	% of total amount	Amount	Accrual rate
Provision for bad debts on an individual basis (i)	3,366,892	12.18%	1,296,031	38.49%	3,008,541	9.04%	839,029	27.89%
Provision for bad debts on a collective basis (ii)	<u>24,271,234</u>	<u>87.82%</u>	<u>868,678</u>	3.58%	<u>30,262,464</u>	<u>90.96%</u>	<u>776,158</u>	2.56%
Total	<u>27,638,126</u>	<u>100.00%</u>	<u>2,164,709</u>	7.83%	<u>33,271,005</u>	<u>100.00%</u>	<u>1,615,187</u>	4.85%

- (i) As at 31 December 2025, accounts receivables with amounts that the related provision for bad debts was set aside on the individual basis are analysed as follows:

Unit: RMB thousand

	Book value	Lifetime ECL rate	Provision for bad debts	Reason
Containers manufacturing business	2,641,247	24.46%	646,020	
Road transportation vehicles business	266,694	88.08%	234,910	
Energy, chemical and liquid food equipment business	143,287	89.68%	128,496	
Airport facilities and logistics equipment, fire safety and rescue equipment business	138,027	100.00%	138,027	
Offshore engineering business	114,889	96.96%	111,391	Due to significant financial difficulties encountered by certain debtors during the year, the Group has made provisions based on the expected credit loss amount.
Other business	37,141	68.95%	25,607	
Logistics services business	25,607	45.22%	11,580	
Total	<u>3,366,892</u>		<u>1,296,031</u>	

(ii) As at 31 December 2025, accounts receivables that are assessed for impairment on a collective group basis are as follows:

Collectively assessed 1 – Containers manufacturing business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	4,214,083	0.05%	2,107	8,742,989	0.02%	2,014
Overdue within 1 month	617,137	0.69%	4,258	555,443	0.29%	1,632
Overdue for 1 to 3 months	234,403	1.24%	2,907	223,845	0.55%	1,236
Overdue for 3 to 12 months	133,341	3.94%	5,254	115,216	2.22%	2,561
Overdue for 1 to 2 years	33,181	4.17%	1,382	16,168	5.96%	963
Overdue for 2 to 3 years	345	100.00%	345	964	100.00%	964
Total	<u>5,232,490</u>		<u>16,253</u>	<u>9,654,625</u>		<u>9,370</u>

Collectively assessed 2 – Road transportation vehicles business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	2,303,400	0.41%	9,559	2,370,549	0.39%	9,172
Overdue within 1 month	246,274	6.25%	15,404	392,398	5.06%	19,870
Overdue for 1 to 3 months	149,790	6.25%	9,368	238,665	5.06%	12,086
Overdue for 3 to 12 months	228,420	6.25%	14,287	363,950	5.06%	18,430
Overdue for 1 to 2 years	375,617	24.21%	90,938	231,690	33.50%	77,616
Overdue for 2 to 3 years	112,807	69.21%	78,070	44,752	72.82%	32,588
Overdue for 3 to 5 years	47,493	100.00%	47,493	45,731	100.00%	45,731
Overdue for more than 5 years	18,674	100.00%	18,674	17,981	100.00%	17,981
Total	<u>3,482,475</u>		<u>283,793</u>	<u>3,705,716</u>		<u>233,474</u>

Collectively assessed 3 – Energy, chemical and liquid food equipment business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	2,558,355	2.45%	62,807	2,594,212	1.77%	45,950
Overdue within 1 month	263,562	3.90%	10,285	285,850	3.03%	8,662
Overdue for 1 to 3 months	129,787	3.91%	5,074	141,013	3.03%	4,273
Overdue for 3 to 12 months	300,803	5.31%	15,963	251,015	5.41%	13,570
Overdue for 1 to 2 years	70,801	14.11%	9,991	58,984	16.68%	9,840
Overdue for 2 to 3 years	22,183	32.70%	7,253	30,320	41.39%	12,548
Overdue for 3 to 5 years	16,659	63.35%	10,554	15,538	60.38%	9,382
Overdue for more than 5 years	14,252	100.00%	14,252	30,896	100.00%	30,896
Total	3,376,402		136,179	3,407,828		135,121

Collectively assessed 4 – Offshore engineering business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	2,391,017	0.22%	5,204	3,406,749	0.81%	27,736
Overdue within 1 month	106,603	3.03%	3,231	1,531	5.16%	79
Overdue for 1 to 3 months	35,718	3.03%	1,082	16,757	5.16%	864
Overdue for 3 to 12 months	143,099	3.03%	4,337	14,339	5.16%	740
Overdue for 1 to 2 years	23,882	36.47%	8,709	10,834	37.10%	4,019
Overdue for 2 to 3 years	5,097	66.16%	3,372	24,763	70.59%	17,479
Overdue for 3 to 5 years	24,325	100.00%	24,325	262	100.00%	262
Total	2,729,741		50,260	3,475,235		51,179

Collectively assessed 5 – Airport facilities and logistics equipment, fire safety and rescue equipment business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	1,670,204	0.95%	15,847	2,014,974	0.87%	17,532
Overdue within 1 month	380,108	5.55%	21,079	112,745	5.77%	6,508
Overdue for 1 to 3 months	143,957	5.55%	7,983	80,164	5.77%	4,627
Overdue for 3 to 12 months	148,520	5.55%	8,236	502,324	5.77%	28,994
Overdue for 1 to 2 years	235,789	18.68%	44,046	191,815	19.52%	37,442
Overdue for 2 to 3 years	70,730	43.75%	30,944	116,717	46.40%	54,161
Overdue for more than 3 years	<u>144,956</u>	<u>76.44%</u>	<u>110,808</u>	<u>117,710</u>	<u>76.53%</u>	<u>90,089</u>
Total	<u>2,794,264</u>		<u>238,943</u>	<u>3,136,449</u>		<u>239,353</u>

Collectively assessed 6 – Logistics services business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	3,250,091	0.96%	31,266	3,451,972	1.00%	34,521
Overdue within 1 month	468,363	1.00%	4,684	507,587	1.00%	5,075
Overdue for 1 to 3 months	177,382	1.00%	1,774	192,237	1.00%	1,923
Overdue for 3 to 12 months	183,004	1.00%	1,830	198,330	1.00%	1,983
Overdue for 1 to 2 years	25,512	20.00%	5,102	44,056	20.00%	8,811
Overdue for 2 to 3 years	20,770	80.00%	16,616	26,226	80.00%	20,981
Overdue for more than 3 years	<u>42,499</u>	<u>100.00%</u>	<u>42,499</u>	<u>12,315</u>	<u>100.00%</u>	<u>12,315</u>
Total	<u>4,167,621</u>		<u>103,771</u>	<u>4,432,723</u>		<u>85,609</u>

Collectively assessed 7 – Recycled load business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	804,375	1.08%	8,707	568,252	0.86%	4,863
Overdue within 1 month	39,165	3.00%	1,175	66,339	3.00%	1,991
Overdue for 1 to 3 months	39,869	3.00%	1,196	17,075	3.00%	512
Overdue for 3 to 12 months	46,698	3.00%	1,401	85,008	3.00%	2,550
Overdue for 1 to 2 years	64,027	30.00%	19,208	12,359	30.00%	3,708
Overdue for more than 2 years	<u>3,431</u>	100.00%	<u>3,431</u>	<u>3,731</u>	100.00%	<u>3,731</u>
Total	<u>997,565</u>		<u>35,118</u>	<u>752,764</u>		<u>17,355</u>

Collectively assessed 8 – Other business:

Unit: RMB thousand

	31 December 2025			31 December 2024		
	Book value	Provision for bad debts		Book value	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount	Amount	Lifetime ECL rate	Amount
Not overdue	1,381,701	0.04%	543	1,630,874	0.04%	579
Overdue within 1 month	67,749	1.00%	677	7,143	0.87%	62
Overdue for 1 to 3 months	31,468	1.50%	472	34,121	1.17%	398
Overdue for 3 to 12 months	5,734	1.50%	86	20,307	1.17%	238
Overdue for 1 to 2 years	2,402	40.01%	961	2,098	39.99%	839
Overdue for more than 2 years	<u>1,622</u>	100.00%	<u>1,622</u>	<u>2,581</u>	100.00%	<u>2,581</u>
Total	<u>1,490,676</u>		<u>4,361</u>	<u>1,697,124</u>		<u>4,697</u>

- (e) The provision for bad debts this year amounted to RMB740,938,000 (2024: RMB563,904,000). A provision for bad debts amounting to RMB108,966,000 has been collected or reversed (2024: RMB62,469,000). No significant provision for bad debts was collected or reversed.
- (f) The accounts receivable amounting to RMB77,348,000 was written off in current year (2024: RMB12,202,000), the provision for bad debts amounted to RMB77,348,000 in current year (2024: RMB12,202,000). No significant provision for bad debts was written off.
- (g) As at 31 December 2025, the Group has no accounts receivable pledged to the bank as a guarantee for short-term borrowings (2024: Nil).

5(1). NOTES PAYABLES

Unit: RMB thousand

	31 December 2025	31 December 2024
Bank acceptance notes	5,157,326	5,140,529
Trade acceptance notes	1,204,841	960,067
	<u>6,362,167</u>	<u>6,100,596</u>

As at 31 December 2025, the Group had no notes payables which were due and unpaid (31 December 2024: Nil).

5(2). ACCOUNTS PAYABLES

Unit: RMB thousand

	31 December 2025	31 December 2024
Due to raw material suppliers	17,435,291	18,853,610
Integrated logistics services charges	2,633,361	2,754,821
Project procurement charges	1,070,843	1,575,569
Equipment procurement charges	849,991	979,048
Processing charges	897,012	847,363
Transportation charges	771,001	815,778
Project contracts charges	294,595	358,674
Others	814,972	701,436
Total	<u>24,767,066</u>	<u>26,886,299</u>

As at 31 December 2025, accounts payables with ageing over 1 year of RMB2,894,002,000 (31 December 2024: RMB2,150,088,000) were mainly payables related to offshore engineering business, and energy and chemicals business. Since the production cycle of the offshore engineering business, and energy and chemicals business was usually more than 1 year, the payables have not yet been settled.

6. UNDISTRIBUTED PROFITS

Unit: RMB thousand

	Note	2025	2024
Undistributed profits at the beginning of the year		33,631,820	30,801,685
Add: Net profit attributable to shareholders and other equity holders of the Company in current year		220,820	2,972,343
Add: Impact of share-based payments by subsidiaries		–	84,168
Less: Equity attributable to holders of other equity instruments in current year		(85,254)	(107,445)
Less: Ordinary share dividends payable	(1)	(940,309)	(118,931)
Add: Others (i)		97,053	–
		<u>32,924,130</u>	<u>33,631,820</u>

(i) Mainly represented to the sum of the difference between the carrying amount and the consideration received as well as the cumulative changes in fair value that are previously recognised directly in other comprehensive income when the disposal of the other equity instruments is recognised in undistributed profit.

(1) Ordinary share dividends distributed in current year

	2025	2024
Total proposed dividends in the year	<u>940,309</u>	<u>118,931</u>

Approved by the shareholders' general meeting on 15 May 2025, the Company distributed cash dividends to ordinary shareholders on 11 July 2025, at RMB0.176 per share (2024: RMB0.022 per share), totaling RMB940,309,000 (2024:RMB118,931,000).

7. REVENUE AND COST OF SALES

Unit: RMB thousand

	2025	2024
Revenue from main operations	154,767,329	175,711,991
Revenue from other operations	<u>1,844,117</u>	<u>1,952,107</u>
Total	<u>156,611,446</u>	<u>177,664,098</u>
Cost of sales from main operations	136,110,433	153,941,837
Cost of sales from other operations	<u>1,005,989</u>	<u>1,475,501</u>
Total	<u>137,116,422</u>	<u>155,417,338</u>

8. ASSET IMPAIRMENT LOSSES

Unit: RMB thousand

	2025	2024
Impairment losses on inventories and costs incurred to fulfil a contract	303,707	269,933
Impairment provision on advance to suppliers	250,879	138
Impairment losses on goodwill	84,395	130,744
Impairment losses on intangible asset	78,428	–
Impairment losses on fixed assets	37,164	35,409
Impairment losses on right-of-use assets	2,089	–
Impairment losses on construction in progress	1,000	–
Impairment losses on other current assets	8,785	–
Reversal of the impairment on contract assets	(5,698)	(19,732)
Total	<u>760,749</u>	<u>416,492</u>

9. CREDIT IMPAIRMENT LOSSES

Unit: RMB thousand

	2025	2024
Losses on bad debts of account receivables	631,972	501,435
Losses on/(reversal of) bad debts of other receivables	17,907	(3,491)
Losses on bad debts of long-term receivables (including non-current assets due within one year)	3,038	6,401
Reversal of financial guarantee contracts	(2,231)	(11,245)
Losses on/(reversal of) bad debts of receivables financing	215	(823)
Reversal of bad debts of notes receivables	(1,294)	(733)
Total	<u>649,607</u>	<u>491,544</u>

10. GAIN ON DISPOSAL OF ASSETS

Unit: RMB thousand

	2025	2024	Amount recognised in non-recurring profit or loss in 2025
Gains on disposals of fixed assets	24,194	112,245	24,194
(Loss)/gains on disposals of intangible assets	(8)	2,005	(8)
Gains on disposals of other assets	7,541	150	7,541
Total	<u>31,727</u>	<u>114,400</u>	<u>31,727</u>

11. INCOME TAX EXPENSES

Unit: RMB thousand

	2025	2024
Current income tax calculated based on tax law and related regulations	1,516,085	2,633,311
Deferred income tax	<u>(37,400)</u>	<u>(233,221)</u>
	<u>1,478,685</u>	<u>2,400,090</u>

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the consolidated income statement to the income tax expenses is set out as below

Unit: RMB thousand

	2025	2024
Total profit	<u>2,816,061</u>	<u>6,595,247</u>
Income tax calculated at applicable tax rates (25%)	704,015	1,648,812
The effect of using different tax rates for subsidiaries	42,376	(122,200)
Effect of tax incentive	(165,123)	(167,304)
Cost, expenses and losses not deductible	71,360	77,588
Other income not subject to tax	(26,491)	(30,557)
Utilisation of previously unrecognised deductible losses	(419,542)	(116,120)
Deductible losses for which no deferred tax asset was recognised	1,377,127	1,090,183
Deductible temporary differences for which no deferred tax asset was recognised	206,531	107,618
Utilisation of previously unrecognised deductible temporary differences	(346,239)	(126,835)
Tax refund for income tax annual filing	34,671	38,905
Income tax expenses	<u>1,478,685</u>	<u>2,400,090</u>

The income tax rates applicable to the Company and the major subsidiaries for the year are as follows:

	2025	2024
The Company	25%	25%
Subsidiaries registered in China	15%–25%	15%–25%
Subsidiaries registered in Hong Kong, China	16.5%–25%	16.5%–25%
Subsidiaries registered in British Virgin Islands	–	–
Subsidiaries registered in U.S.	21%	21%
Subsidiaries registered in Germany	15.83%–36.13%	15.83%–36.13%
Subsidiaries registered in Britain	19%–25%	19%–25%
Subsidiaries registered in Australia	30%	30%
Subsidiaries registered in the Netherlands	25.8%	25.8%
Subsidiaries registered in Belgium	25%	25%
Subsidiaries registered in Denmark	22%	22%
Subsidiaries registered in Poland	19%	19%
Subsidiaries registered in Thailand	20%	20%
Subsidiaries registered in Singapore	17%	17%
Subsidiaries registered in Sweden	20.6%	20.6%
Subsidiaries registered in Cayman Islands	–	–
Subsidiaries registered in Malaysia	24%	24%

12. EARNINGS PER SHARE

(1) Basic earnings per share

Basic earnings per share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding of the Company:

	<i>Unit: RMB thousand</i>	
	2025	2024
Consolidated net profit attributable to shareholders of the Company	220,820	2,972,343
Less: Equity attributable to holders of other equity instruments	<u>(85,254)</u>	<u>(107,445)</u>
Consolidated net profit attributable to ordinary shareholders of the Company	135,566	2,864,898
Weighted average number of ordinary shares outstanding ('000)	<u>5,350,734</u>	<u>5,369,929</u>
Basic earnings per share (RMB/share)	<u>0.03</u>	<u>0.53</u>
Including: Going concern basic earnings per share	0.03	0.53
Termination concern basic earnings per share	<u>-</u>	<u>-</u>

Weighted-average number of ordinary shares is calculated as follows:

	<i>Unit: RMB thousand</i>	
	2025	2024
Number of ordinary shares in issue as at the beginning of the year ('000)	5,350,734	5,369,929
Impact of share repurchase-the beginning of the year ('000)	(24,646)	-
Impact of share repurchase-the current year ('000)	<u>(17,141)</u>	<u>(22,592)</u>
Weighted-average number of ordinary shares as at the end of the year ('000)	<u>5,350,734</u>	<u>5,369,929</u>

(2) Diluted earnings per share

Diluted earnings per share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the Company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of ordinary shares outstanding of the Company:

	<i>Unit: RMB thousand</i>	
	2025	2024
Consolidated net profit attributable to shareholders of the Company	220,820	2,972,343
Impact of the issuing of the perpetual bonds by the Company	(85,254)	(107,445)
Impact of share-based payments by subsidiaries of the Group	(8,526)	(33,624)
Consolidated net profit (adjusted) attributable to ordinary shareholders of the Company	127,040	2,831,274
Weighted-average number of ordinary shares outstanding (diluted) ('000) (adjusted)	5,350,734	5,369,929
Diluted earnings per share (RMB/share)	0.02	0.53

Weighted-average number of ordinary shares (diluted) is calculated as follows:

	<i>Unit: RMB thousand</i>	
	2025	2024
Weighted-average number of ordinary shares as at the end of the year ('000)	5,350,734	5,369,929
Weighted-average number of ordinary shares as at the end of the year (diluted) ('000) (adjusted)	5,350,734	5,369,929

13. SEGMENT REPORTING

In order to assess the segment performance and resources allocation, the Group's management reviews assets, liabilities, revenue, expenses and operating results of each segment regularly. The preparation basis of such information is detailed as follows:

Segment assets include current assets of each segment, such as tangible assets, intangible assets, other long-term assets and receivables, but exclude deferred income tax assets and other unallocated headquarters assets. Segment liabilities include payables, bank borrowings, provisions, special payables and other liabilities of each segment, while deferred income tax liabilities are excluded.

Segment operating results represent segment revenue (including external revenue and inter-segment revenue), offsetting segment expenses, depreciation and amortisation and impairment losses attributable to assets of each segment, net interest expenditure generated from bank deposits and bank borrowings directly attributable to each segment. Transactions conducted among segments are under similar non-related party transaction commercial terms.

Segment information as at and for the year ended 31 December 2025 is as follows:

Unit: RMB thousand

Item	Containers	Road	Energy,	Airport		Finance		Elimination		Total	
	manufacturing	transportation	chemical and	facilities and	Offshore	and asset	Recycled	between	Others		
	2025	2025	liquid food	equipment,	engineering	management	load	segments	2025	2025	
			equipment	fire safety	2025	2025	2025	2025	2025	2025	
Revenue from external customers	42,278,178	19,946,079	27,028,480	17,837,896	7,584,750	26,377,006	1,847,808	2,691,074	11,020,175	-	156,611,446
Inter-segment revenue	730,769	231,557	163,990	100,506	34,393	416,398	1,431	11,014	869,474	(2,559,532)	-
Cost of sales	37,253,961	16,971,653	23,168,220	15,278,123	6,105,532	25,123,606	2,167,517	2,252,313	10,280,291	(1,484,794)	137,116,422
Investment income/(loss) in associates and joint ventures	(30,900)	(1,207)	44,996	(70,731)	1	36,823	(1,039)	-	(1,442,965)	-	(1,465,022)
Asset impairment losses and credit impairment losses	421,345	147,648	84,125	536,935	121,500	55,622	216	32,983	1,985	7,997	1,410,356
Depreciation and amortisation expenses	854,839	583,668	556,659	371,926	154,216	243,771	1,200,862	245,497	239,130	29,025	4,479,593
Interest income	298,857	166,200	169,158	64,533	11,174	7,519	346,418	2,041	1,332,087	(1,714,094)	683,893
Interest expenses	40,463	16,579	129,959	82,135	54,831	63,759	1,164,620	45,252	1,658,882	(1,748,013)	1,508,467
Segment operating profit/(loss)	2,385,528	1,226,307	1,301,211	1,089,621	296,128	485,146	(1,294,260)	17,468	(3,048,397)	357,309	2,816,061
Income tax expenses	503,536	299,664	260,981	32,453	32,149	121,248	131,259	9,038	91,720	(3,363)	1,478,685
Net profit/(loss)	1,881,992	926,643	1,040,230	1,057,168	263,979	363,898	(1,425,519)	8,430	(3,140,117)	360,672	1,337,376
Segment total assets	37,796,016	22,501,949	32,187,480	18,475,050	10,539,576	7,871,707	38,323,076	4,527,639	62,751,549	(68,178,542)	166,795,500
Segment total liabilities	17,465,161	7,495,715	19,419,090	13,384,442	6,785,251	4,885,726	47,021,479	2,795,290	51,887,882	(71,155,381)	99,984,655
Supplementary information:											
- Segment non-cash (income)/expenditures other than depreciation and amortisation	709,247	162,153	240,737	750,500	89,512	84,695	14,475	36,716	386,362	78,599	2,552,996
Long-term equity investment of associates and joint ventures	574,989	168,391	824,306	332,049	-	402,773	33,375	-	7,973,210	10,105	10,319,198
Increase in other non-current assets other than long-term equity investments, financial assets and deferred tax assets	1,991,181	694,911	1,144,084	427,478	174,468	480,362	277,555	1,882,945	136,319	(840,158)	6,369,145

Segment information as at and for the year ended 31 December 2024 is as follows:

Unit: RMB thousand

Item	Containers	Road	Energy,	Offshore	Airport	Logistics	Finance	Recycled load	Others	Elimination	Total
	manufacturing	transportation	chemical and	engineering	facilities and	services	and asset				
	2024	2024	liquid food	2024	logistics	2024	management	2024	2024	between	2024
		vehicles	equipment	2024	equipment,	2024				segments and	
					fire safety and					unallocated	
					rescue					amounts	
					equipment					2024	
Revenue from external customers	61,530,475	20,755,311	25,442,572	16,392,817	7,091,413	31,189,788	2,077,480	2,355,873	10,828,369	-	177,664,098
Inter-segment revenue	674,728	242,890	136,919	163,146	101,688	199,553	1,042	73,482	1,155,020	(2,748,468)	-
Cost of sales	52,505,891	17,571,338	22,046,149	15,048,245	5,718,463	29,450,699	2,239,986	2,189,995	10,626,125	(1,979,553)	155,417,338
Investment income/(loss) in associates and joint ventures	(22,672)	10,383	9,879	(84,106)	37	65,262	(1,024)	28	(12,055)	-	(34,268)
Asset and credit impairment losses	375,558	230,638	24,109	109,346	74,685	75,117	2,683	21,937	(15,000)	8,963	908,036
Depreciation and amortisation expenses	789,555	589,106	517,318	328,176	138,184	199,126	1,156,398	171,552	134,393	28,146	4,051,954
Interest income	256,698	163,204	189,523	9,577	9,214	7,204	311,850	3,251	2,004,619	(2,471,930)	483,210
Interest expenses	56,071	29,612	127,895	613,946	76,786	88,599	1,647,209	22,960	1,860,325	(2,483,799)	2,039,604
Total profit/(loss)	5,425,683	1,428,061	1,070,362	242,437	320,729	571,903	(1,670,613)	(222,585)	(1,149,627)	578,897	6,595,247
Income tax expenses	1,337,379	346,882	338,557	18,359	55,994	135,316	133,776	6,371	22,284	5,172	2,400,090
Net profit/(loss)	4,088,304	1,081,179	731,805	224,078	264,735	436,587	(1,804,389)	(228,956)	(1,171,911)	573,725	4,195,157
Segment total assets	41,957,563	22,369,315	29,699,689	21,264,349	10,541,045	8,687,029	38,519,760	3,760,563	65,825,980	(67,873,057)	174,752,236
Segment total liabilities	21,846,780	7,642,122	17,348,319	24,004,865	6,837,634	5,702,632	46,947,144	2,019,202	44,720,109	(70,336,373)	106,732,434
Supplementary information:											
- Segment non-cash (income)/expenditures other than depreciation and amortisation	305,680	195,743	47,586	62,682	96,877	95,334	195,457	24,271	214,335	490	1,238,455
- Long-term equity investment of associates and joint ventures	609,702	148,834	660,962	402,689	123	474,411	42,780	-	9,677,373	-	12,016,874
- Increase in other non-current assets other than long-term equity investments, financial assets and deferred tax assets	1,677,334	519,329	1,105,610	233,375	164,504	93,137	174,023	580,624	325,559	(70,615)	4,802,880

14. CONTINGENCIES

(1) Guarantees provided for external parties

CIMC Vehicles, a subsidiary of the Group, signed contracts with Huishang Bank, Sinotruk Auto Finance Co., Ltd. and Industrial Bank, which was granted to the distributors and customers of the Group and its subsidiaries arising from purchase of vehicle products. As at 31 December 2025, the aggregate amount of credit facilities in respect of which the Group and its subsidiaries provided guarantees to the distributors and customers was RMB4,312,000 (31 December 2024: RMB73,340,000). The Group expected that there was no significant increase in credit risk of such guarantee since initial recognition, and recognized the 12-month ECL.

The Company entered into guarantee agreements with The Export-Import Bank of China, Anhui Branch and China Everbright Bank, Wuhu Branch to provide guarantees for the loans of C&C Trucks, an associate, and its subsidiaries. As at 31 December 2025, the loans guaranteed by the Company amounted to RMB123,968,000 (31 December 2024: RMB106,260,000). After assessment, the Group expected a low credit risk of the guarantee, therefore did not make provision for ECL.

The Group's subsidiary, Shaanxi CIMC Vehicles Industrial Park Investment Development Co., Ltd., cooperated with Shaanxi Xianyang Qindu Rural Commercial Bank in mortgage credit cooperation. It signed a loan guarantee contract, providing phased guarantees for the loans that the customers of the company obtained from the relevant banks for purchasing properties. As at 31 December 2025, the customer financing loans provided by the Shaanxi Vehicle Industrial Park were approximately RMB3,243,000 (31 December 2024: RMB4,822,000). After assessment, the Group expected a low credit risk of the guarantee, therefore did not make provision for ECL.

The Company entered into guarantee agreements with relevant banks to provide guarantees for the loans of CIMC Industry & City and its subsidiaries. As at 31 December 2025, the loans guaranteed by the Company amounted to RMB228,251,000 (31 December 2024: RMB232,957,000). After assessment, the Group expected a low credit risk of the guarantee, therefore did not make provision for ECL.

A controlling subsidiary of CIMC Enric, a subsidiary of the Group, signed guarantee contracts with China Everbright Bank to provide credit guarantees for loans to Yichuan Tianyun Clean Energy Co., Ltd. via relevant banks. As at 31 December 2025, the loans provided by the controlling subsidiary of CIMC Enric were approximately RMB35,110,000 (31 December 2024: RMB46,605,000). After assessment, the Group expected a low credit risk of the guarantee, therefore did not make provision for ECL.

The Company and its subsidiaries entered into guarantee agreements with relevant banks to provide guarantees for the loans of Xinde Leasing and its subsidiaries. As at 31 December 2025, the amount guaranteed by the Company and its subsidiaries was RMB282,732,000 (31 December 2024: RMB639,880,000). After assessment, the Group expected a low credit risk of the guarantee, therefore did not make provision for ECL.

(2) Material Litigation

Eight entities including the headquarters of the CIMC Group and its subsidiary Dalian CIMC Logistics Equipment Co., Ltd. (大連中集物流裝備有限公司) (collectively referred to as the “**Defendants**”), successively received litigation materials from the High Court of Singapore since 7 July 2023. Goodpack IBC (Singapore) PTE. Ltd and Goodpack PTE. Ltd. (collectively referred to as the “**Plaintiffs**”) have appealed that when the Defendants entered the IBC (Intermediate Bulk Container) leasing business in the rubber industry, we were involved in “plagiarizing the Plaintiffs’ products, involving the Plaintiffs’ technology and confidential information by the invention patents and utility model patents applied for in China, and misappropriating the Plaintiffs’ intellectual property and technologies”. The Plaintiffs alleged that the Defendants had breached the obligation of confidentiality, engaged in a conspiracy to infringe and obtained unjust enrichment, claiming a compensation in the amount of USD9.8562 million, banning the manufacturing of and recalling of all infringing IBCs, and the payment of the profits gained from such infringement and that the Defendants should bear joint liabilities. Goodpack IBC (Singapore) PTE. Ltd subsequently initiated the arbitration against Dalian CIMC Special Logistics Equipment Co., Ltd. (大連中集特種物流裝備有限公司) and Dalian CIMC Logistics Equipment Co., Ltd. (大連中集物流裝備有限公司) (collectively referred to as the “**Respondents**”, both are the subsidiaries of the Company) at the Singapore International Arbitration Centre on 2 February 2024, and alleged that the Respondents had breached confidentiality, non-competition and intellectual property rights covenants in the relevant agreements and appendices, claiming the award of the breach of the Respondents, a compensation in a total amount of USD19.8137 million, banning the manufacturing of and recalling of all infringing IBCs, and the payment of the profits gained from such infringement and the Respondents bearing joint liabilities. As at the date of this report, the abovementioned lawsuit has been suspended by the Singapore High Court, and the first trial of the lawsuit has not yet been formally heard; the arbitral tribunal of the said arbitration has been formed but has not yet been formally heard. The Group has engaged external legal advisers in respect of the aforesaid case. However, as the relevant legal proceeding is still at an early stage, the management believes that there are uncertainties in the timing and outcome of the conclusions as at the date of this report, and the Group is unable to reliably estimate the amount of liabilities that may arise, if any. Therefore, the litigation constitutes a contingent liability of the Group, for which the Group has not made any provision in the financial statements and is unable to anticipate the possible impact on the Group’s financial statements in the future at this stage.

The Group involved as defendant in certain outstanding litigations. Apart from the abovementioned litigations, the litigations are still at an early stage of trial. The outcomes of the trials are uncertain, which cannot be reliably measured, and the likelihood of an outflow of projected economic benefits from the related litigations is remote.

(3) Outstanding letters of credit issued and outstanding performance guarantees issued

The Group does not recognise letter of credit issued as deposits. As at 31 December 2025, the Group had outstanding letters of credit issued but undue of RMB1,358,651,000 (31 December 2024: RMB1,483,428,000).

As at 31 December 2025, the Company had outstanding balance of bank guarantees issued for the subsidiaries of the Group of RMB721,692,000, USD156,777,000 (equivalent to RMB1,096,092,000), GBP945,000 (equivalent to RMB8,895,000), EUR16,675,000 (equivalent to RMB136,933,000), PLN76,895,000 (equivalent to RMB149,488,000), HKD5,500,000,000 (equivalent to RMB4,939,605,000), totaling RMB7,052,705,000 (31 December 2024: RMB8,387,411,000).

As at 31 December 2025, the amount of the unexpired letter of guarantee of the Group's subsidiary issued by the bank was RMB14,245,017,000 (31 December 2024: RMB7,683,413,000) of which the balance of the advance payment guarantee was RMB11,204,213,000, and the balance of the quality guarantees (including foreign guarantees) was RMB543,525,000, the balance of other non-financing guarantees was RMB428,847,000, and the balance of performance guarantees was RMB2,068,432,000.

15. COMMITMENTS

Capital expenditure commitments

Capital expenditure commitments contracted for but not yet necessary to be recognised on the balance sheet

Unit: RMB thousand

	2025	2024
Fixed assets purchase and construction contracts	<u>119,669</u>	<u>290,088</u>
	<u><u>119,669</u></u>	<u><u>290,088</u></u>

16. EVENTS AFTER THE BALANCE SHEET DATE

1. Dividend distribution after the balance sheet date

Dividend proposed (Note (1))	<u><u>939,095</u></u>
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(1) Dividend for ordinary shares proposed after the balance sheet date

On 26 March 2026, the Board of Directors proposed to distribute a cash dividend of RMB0.179 (tax inclusive) per share to all the shareholders, and there will be no bonus shares or new shares being issued by way of conversion of capital reserve. Based on the Company's total share capital of 5,392,521,000 shares as at 31 December 2025, after deducting the 146,180,000 shares that were repurchased as of the date of approval of the financial statements, the adjusted share capital was 5,246,341,000 shares. The calculation of the amount based on this adjusted share capital was approximately RMB939,095,000. This proposal is yet to be approved by the shareholders' meeting. The dividend distribution plan is based on the number of shares on the dividend registration date. Dividends proposed after the balance sheet date are not recognised as liabilities at the balance sheet date.

(2) Ultra short-term financing bonds and medium-term notes issued after the balance sheet date

On 29 January 2026, the Company completed the issuance of the first phase of ultra short term financing bonds in 2026. The raised funds have been received on 30 January 2026. The amount of issuance is RMB0.5 billion, the annual interest rate of issuance is 1.56%, and the issuance period is 147 days, which is used to supplement working capital of the Company and its subsidiaries.

On 29 January 2026, the Company completed the issuance of the second phase of ultra short term financing bonds in 2026. The raised funds have been received on 30 January 2026. The amount of issuance is RMB0.5 billion, the annual interest rate of issuance is 1.56%, and the issuance period is 147 days, which is used to supplement working capital of the Company and its subsidiaries.

By order of the Board
China International Marine Containers (Group) Co., Ltd.
WU Sanqiang
Company Secretary

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises Mr. MAI Boliang (Chairman) as an executive director; Mr. ZHU Zhiqiang (Vice-chairman), Mr. MEI Xianzhi (Vice-chairman), Mr. XU Laping, Mr. ZHAO Jintao and Ms. ZHAO Feng as non-executive directors; and Mr. ZHANG Guanghua, Mr. WONG Kwai Huen, Albert and Ms. XIE Jiawei as independent non-executive directors.