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中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1919)

ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS:

- Revenues of the Group for the year 2024 were RMB233,859,079,000, representing an increase of RMB58,406,104,000 or 33.29% as compared to 2023 (restated).
- Profit attributable to equity holders of the Company for the year 2024 was RMB49,172,465,000, representing an increase of RMB25,312,296,000 or 106.09% as compared to 2023 (restated).
- The basic and diluted earnings per share for the year of 2024 amounted to RMB3.08 and RMB3.08 respectively.
- The Board proposes a final dividend in respect of 2024 of RMB1.03 per ordinary share (inclusive of applicable tax).

The board of directors (the “**Board**”) of COSCO SHIPPING Holdings Co., Ltd.* (the “**Company**” or “**COSCO SHIPPING Holdings**”) hereby announces the results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2023.

COSCO SHIPPING HOLDINGS CO., LTD.
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i> (Restated)
Revenues	4	233,859,079	175,452,975
Cost of services		<u>(166,175,223)</u>	<u>(147,851,737)</u>
Gross profit		67,683,856	27,601,238
Other income	5	2,120,213	5,143,349
Other expenses	5	(175,488)	(75,388)
(Provision for)/reversal of impairment losses on financial assets, net		(67,950)	225,164
Selling, administrative and general expenses		<u>(10,537,477)</u>	<u>(8,243,817)</u>
Operating profit		59,023,154	24,650,546
Finance income	6	6,297,079	7,474,087
Finance costs	6	(3,177,195)	(3,735,521)
Net finance income	6	<u>3,119,884</u>	<u>3,738,566</u>
		62,143,038	28,389,112
Share of profits less losses of			
– joint ventures		565,522	599,488
– associates		<u>4,378,196</u>	<u>4,091,191</u>
Profit before income tax		67,086,756	33,079,791
Income tax expenses	7	<u>(11,494,089)</u>	<u>(4,682,974)</u>
Profit for the year		<u>55,592,667</u>	<u>28,396,817</u>
Profit attributable to:			
– Equity holders of the Company		49,172,465	23,860,169
– Non-controlling interests		<u>6,420,202</u>	<u>4,536,648</u>
		<u>55,592,667</u>	<u>28,396,817</u>
Earnings per share attributable to equity holders of the Company:			
Basic earnings per share (in RMB)	9	<u>3.08</u>	<u>1.48</u>
Diluted earnings per share (in RMB)	9	<u>3.08</u>	<u>1.48</u>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Profit for the year	55,592,667	28,396,817
Other comprehensive income/(loss)		
<i>Items that may be reclassified to profit or loss</i>		
Share of other comprehensive loss of joint ventures and associates, net	(20,505)	(33,772)
Cash flow hedges, net of tax	(30,390)	(17,967)
Currency translation differences	1,510,872	1,816,874
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax	909,624	16,259
Remeasurements of post-employment benefit obligations	10,078	(29,702)
Share of other comprehensive loss of joint ventures and associates, net	(33,871)	(29,873)
Currency translation differences	371,367	691,365
Other comprehensive income for the year, net of tax	2,717,175	2,413,184
Total comprehensive income for the year	58,309,842	30,810,001
Total comprehensive income for the year attributable to:		
– Equity holders of the Company	51,515,030	25,621,369
– Non-controlling interests	6,794,812	5,188,632
	58,309,842	30,810,001

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024**

	<i>Note</i>	2024 RMB'000	2023 RMB'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment		151,162,582	129,796,097
Right-of-use assets		43,951,780	44,644,173
Investment properties		3,415,219	3,254,220
Intangible assets		4,668,995	4,705,737
Goodwill		6,400,680	6,358,223
Investments in joint ventures		8,926,606	8,732,396
Investments in associates		63,574,793	58,146,921
Financial assets at fair value through other comprehensive income		4,916,682	1,918,241
Financial assets at fair value through profit or loss		444,761	425,459
Financial assets at amortised cost		344,248	374,862
Deferred income tax assets		1,045,988	918,506
Loans to associates		840,964	227,932
Pension and retirement assets		122,006	95,546
Other non-current assets		1,539,933	392,780
Total non-current assets		291,355,237	259,991,093
Current assets			
Inventories		6,332,469	6,561,355
Trade and other receivables and contract assets	<i>10</i>	14,497,444	13,438,884
Financial assets at fair value through profit or loss		65,948	95,000
Financial assets at amortised cost		41,758	5,747
Derivative financial assets		–	19,106
Taxes recoverable		116,742	103,298
Restricted bank deposits		873,538	1,190,697
Cash and cash equivalents		184,189,078	181,165,440
Total current assets		206,116,977	202,579,527
Total assets		497,472,214	462,570,620

	<i>Notes</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
EQUITY			
Equity attributable to the equity holders of the Company			
Share capital		15,960,827	16,071,058
Reserves		218,707,236	180,044,171
		234,668,063	196,115,229
Non-controlling interests		50,390,714	47,235,796
Total equity		285,058,777	243,351,025
LIABILITIES			
Non-current liabilities			
Long-term borrowings		30,946,004	32,740,761
Lease liabilities		31,607,130	31,842,017
Provisions and other liabilities	<i>12</i>	6,898,584	7,005,654
Put option liability		–	1,742,435
Pension and retirement liabilities		350,429	320,849
Deferred income tax liabilities		19,820,587	18,231,512
Total non-current liabilities		89,622,734	91,883,228
Current liabilities			
Trade and other payables and contract liabilities	<i>11</i>	104,269,055	106,049,466
Short-term borrowings		1,703,638	2,417,519
Current portion of long-term borrowings		2,026,044	8,118,638
Current portion of lease liabilities		9,939,455	9,266,761
Current portion of provisions and other liabilities	<i>12</i>	37,376	36,999
Put option liability		1,820,032	–
Tax payables		2,995,103	1,446,984
Total current liabilities		122,790,703	127,336,367
Total liabilities		212,413,437	219,219,595
Total equity and liabilities		497,472,214	462,570,620
Net current assets		83,326,274	75,243,160
Total assets less current liabilities		374,681,511	335,234,253

NOTES:

1 General information

The Company was incorporated in the People's Republic of China (the "PRC") on 3 March 2005 as a joint stock company with limited liability under the Company Law of the PRC. The address of its registered office is 2nd Floor, 12 Yuanhang Business Center, Central Boulevard and East Seven Road Junction, Tianjin Pilot Free Trade Zone (Airport Economic Area), Tianjin, the PRC. The H-Shares and A-Shares of the Company are listed on the Main Board of the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange respectively.

The businesses of the Company and its subsidiaries (the "Group") included the provisions of a range of container shipping, managing and operating container terminals services on a worldwide basis.

During the year, COSCO SHIPPING Lines (Europe) GmbH, a subsidiary of the Group entered into the concert party agreement with Penavico & CL (Hong Kong) Co., Limited and COSCO SHIPPING (Europe) GmbH, another two shareholders of OCEAN RAIL LOGISTICS S.A.. As both Penavico & CL (Hong Kong) Co., Limited and COSCO SHIPPING (Europe) GmbH are controlled by China COSCO SHIPPING Corporation Limited, the aforesaid transaction was regarded as business combinations under common control. The comparative information in these consolidated financial statements has been restated accordingly under merger accounting.

These consolidated financial statements have been approved for issue by the Board on 21 March 2025.

2 Basis of preparation

The annual results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31 December 2024 but are extracted from these financial statements included in the Annual Report of the Company, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention except for certain financial assets and liabilities (including derivative instruments) which have been stated at fair value. The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except where otherwise indicated.

3 Changes in accounting policies

Except as described below, the material accounting policies and methods of computation used in the preparation of the consolidated financial statements are consistent with the 2023 Annual Financial Statements.

(a) New standards, amendments and interpretation to existing standards which are effective in 2024 and adopted by the Group

The following new standards, amendments and interpretation to existing standards have been adopted by the Group for the first time for the financial year beginning on 1 January 2024:

Amendments to existing standards

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current
HKAS 1 (Amendments)	Non-current Liabilities with Covenants
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback
HK Int 5 (Amendments)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of the above amendments to existing standards and interpretation does not have a material impact to the results and financial position of the Group.

3 Changes in accounting policies (Continued)

(b) New standards, amendments, interpretation and improvements to existing standards which have not been adopted

The following standards, amendments, interpretation and improvements to existing standards, which are relevant to the operations of the Group, have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2025 but have not been early adopted by the Group:

New standards, amendments, interpretation and improvements

		Effective for accounting periods beginning on or after
HKAS 21 (Amendments)	Lack of Exchangeability	1 January 2025
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRSs	Annual Improvements – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

None of these is expected to have a significant effect on the consolidated financial statements of the Group.

4 Revenues and segment information

Operating segments

The chief operating decision-maker has been identified as the executive directors of the Group. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports and analyzed from a business perspective:

- Container shipping business
- Terminal business
- Corporate and other operations that primarily comprise investment holding, management services and financing.

Segment assets are those operating assets that are employed by a segment in its operating activities. They exclude investments in joint ventures, investments in associates, loans to associates, financial assets at fair value through other comprehensive income ("FVOCI"), financial assets at fair value through profit or loss ("FVPL") and financial assets at amortised cost not related to the operating activities of a segment. Segment liabilities are these operating liabilities that result from the operating activities of a segment.

Addition to non-current assets comprises additions to property, plant and equipment, investment properties, intangible assets and right-of-use assets.

4 Revenues and segment information (Continued)

Operating segments (Continued)

	Year ended 31 December 2024				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Income statement					
Total revenues	225,971,372	10,809,999	–	(2,922,292)	233,859,079
Comprising:					
– Inter-segment revenues	80,683	2,841,609	–	(2,922,292)	–
– Revenues (from external customers)	225,890,689	7,968,390	–	–	233,859,079
	<u>225,971,372</u>	<u>10,809,999</u>	<u>–</u>	<u>(2,922,292)</u>	<u>233,859,079</u>
Revenues from contracts with customers:					
Recognised over time	225,971,372	10,809,999	–	(2,922,292)	233,859,079
	<u>225,971,372</u>	<u>10,809,999</u>	<u>–</u>	<u>(2,922,292)</u>	<u>233,859,079</u>
Segment operating profit	57,485,633	1,714,476	22,802,745	(22,979,700)	59,023,154
Finance income	5,363,499	204,533	729,373	(326)	6,297,079
Finance costs	(2,057,214)	(1,089,176)	(31,131)	326	(3,177,195)
Share of profits less losses of					
– joint ventures	158,791	406,731	–	–	565,522
– associates	79,612	2,067,795	2,234,558	(3,769)	4,378,196
	<u>61,030,321</u>	<u>3,304,359</u>	<u>25,735,545</u>	<u>(22,983,469)</u>	<u>67,086,756</u>
Profit before income tax	61,030,321	3,304,359	25,735,545	(22,983,469)	67,086,756
Income tax expenses	(10,972,585)	(527,646)	6,142	–	(11,494,089)
	<u>50,057,736</u>	<u>2,776,713</u>	<u>25,741,687</u>	<u>(22,983,469)</u>	<u>55,592,667</u>
Profit for the year	50,057,736	2,776,713	25,741,687	(22,983,469)	55,592,667
	<u>50,057,736</u>	<u>2,776,713</u>	<u>25,741,687</u>	<u>(22,983,469)</u>	<u>55,592,667</u>
Gain/(loss) on disposals of property, plant and equipment, net	137,749	(4,614)	–	–	133,135
Depreciation and amortisation	16,822,252	1,847,538	241	–	18,670,031
Additions to non-current assets	34,282,022	3,818,411	–	–	38,100,433
	<u>34,282,022</u>	<u>3,818,411</u>	<u>–</u>	<u>–</u>	<u>38,100,433</u>

4 Revenues and segment information (Continued)

Operating segments (Continued)

	Year ended 31 December 2023 (Restated)				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter-segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Income statement					
Total revenues	168,131,000	10,396,162	–	(3,074,187)	175,452,975
Comprising:					
– Inter-segment revenues	86,364	2,987,823	–	(3,074,187)	–
– Revenues (from external customers)	168,044,636	7,408,339	–	–	175,452,975
	<u>168,131,000</u>	<u>10,396,162</u>	<u>–</u>	<u>(3,074,187)</u>	<u>175,452,975</u>
Revenues from contracts with customers:					
Recognised over time	168,131,000	10,396,162	–	(3,074,187)	175,452,975
	<u>168,131,000</u>	<u>10,396,162</u>	<u>–</u>	<u>(3,074,187)</u>	<u>175,452,975</u>
Segment operating profit	22,566,627	1,917,702	6,431,014	(6,264,797)	24,650,546
Finance income	6,156,742	196,556	1,130,310	(9,521)	7,474,087
Finance costs	(2,178,137)	(1,211,281)	(355,624)	9,521	(3,735,521)
Share of profits less losses of					
– joint ventures	163,840	435,648	–	–	599,488
– associates	38,054	1,663,915	2,389,222	–	4,091,191
	<u>26,747,126</u>	<u>3,002,540</u>	<u>9,594,922</u>	<u>(6,264,797)</u>	<u>33,079,791</u>
Profit before income tax	26,747,126	3,002,540	9,594,922	(6,264,797)	33,079,791
Income tax expenses	(4,330,493)	(248,162)	(104,319)	–	(4,682,974)
	<u>22,416,633</u>	<u>2,754,378</u>	<u>9,490,603</u>	<u>(6,264,797)</u>	<u>28,396,817</u>
Profit for the year	22,416,633	2,754,378	9,490,603	(6,264,797)	28,396,817
	<u>22,416,633</u>	<u>2,754,378</u>	<u>9,490,603</u>	<u>(6,264,797)</u>	<u>28,396,817</u>
Gain/(loss) on disposals of property, plant and equipment, net	94,882	(1,484)	–	–	93,398
Depreciation and amortisation	17,688,309	1,797,403	1,150	–	19,486,862
Additions to non-current assets	13,347,715	4,287,032	–	–	17,634,747
	<u>13,347,715</u>	<u>4,287,032</u>	<u>–</u>	<u>–</u>	<u>17,634,747</u>

4 Revenues and segment information (Continued)

Operating segments (Continued)

	As at 31 December 2024				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Balance sheet					
Segment operating assets	337,363,423	51,784,297	115,071,906	(85,903,172)	418,316,454
Investments in joint ventures	1,132,778	7,793,828	–	–	8,926,606
Investments in associates	6,295,888	24,375,244	33,249,391	(345,730)	63,574,793
Loans to associates	–	840,964	–	–	840,964
Financial assets at FVOCI	175,877	1,093,834	3,646,971	–	4,916,682
Financial assets at FVPL	108,845	401,864	–	–	510,709
Financial assets at amortised cost	386,006	–	–	–	386,006
Total assets	<u>345,462,817</u>	<u>86,290,031</u>	<u>151,968,268</u>	<u>(86,248,902)</u>	<u>497,472,214</u>
Segment operating liabilities & total liabilities	<u>169,510,527</u>	<u>35,770,461</u>	<u>13,309,688</u>	<u>(6,177,239)</u>	<u>212,413,437</u>
	As at 31 December 2023 (Restated)				
	Container shipping business <i>RMB'000</i>	Terminal business <i>RMB'000</i>	Corporate and other operations <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Balance sheet					
Segment operating assets	309,043,020	51,587,824	109,763,160	(77,749,942)	392,644,062
Investments in joint ventures	1,214,294	7,518,102	–	–	8,732,396
Investments in associates	3,513,473	23,694,446	31,009,518	(70,516)	58,146,921
Loans to associates	–	227,932	–	–	227,932
Financial assets at FVOCI	169,535	984,656	764,050	–	1,918,241
Financial assets at FVPL	139,797	380,662	–	–	520,459
Financial assets at amortised cost	380,609	–	–	–	380,609
Total assets	<u>314,460,728</u>	<u>84,393,622</u>	<u>141,536,728</u>	<u>(77,820,458)</u>	<u>462,570,620</u>
Segment operating liabilities & total liabilities	<u>163,346,513</u>	<u>36,046,395</u>	<u>20,056,894</u>	<u>(230,207)</u>	<u>219,219,595</u>

4 Revenues and segment information (Continued)

Geographical information

(a) Revenues

The Group's businesses are managed on a worldwide basis. The revenues generated from the world's major trade lanes for container shipping business mainly include Trans-Pacific, Asia-Europe, Intra-Asia, within Mainland China, other international region (including the Atlantic) which are reported as follows:

Geographical	Trade lanes
America	Trans-Pacific
Europe	Asia-Europe (including Mediterranean)
Asia Pacific	Intra-Asia (including Australia)
Mainland China	Within Mainland China
Other international market	Other international region (including the Atlantic)

For the geographical information, freight revenues from container shipping are analyzed based on trade lanes for container shipping operations.

In respect of terminals operations, revenues are based on the geographical locations in which the business operations are located.

	2024		
	Total revenues RMB'000	Inter-segment revenues RMB'000	External revenues RMB'000
Container shipping business			
– America	66,253,843	–	66,253,843
– Europe	49,076,815	–	49,076,815
– Asia Pacific	55,207,874	–	55,207,874
– Mainland China	22,323,223	(80,683)	22,242,540
– Other international market	33,109,617	–	33,109,617
	225,971,372	(80,683)	225,890,689
Terminal business			
– Mainland China	5,204,031	(1,480,345)	3,723,686
– Europe	4,941,406	(1,151,961)	3,789,445
– Asia Pacific	605,760	(205,520)	400,240
– Other international market	58,802	(3,783)	55,019
	10,809,999	(2,841,609)	7,968,390
Total	236,781,371	(2,922,292)	233,859,079

4 Revenues and segment information (Continued)

Geographical information (Continued)

(a) Revenues (Continued)

	2023 (Restated)		
	Total	Inter-segment	External
	revenues	revenues	revenues
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Container shipping business			
– America	41,240,756	–	41,240,756
– Europe	35,390,672	–	35,390,672
– Asia Pacific	45,203,166	–	45,203,166
– Mainland China	20,396,473	(86,364)	20,310,109
– Other international market	25,899,933	–	25,899,933
	168,131,000	(86,364)	168,044,636
Terminal business			
– Mainland China	5,081,792	(1,357,688)	3,724,104
– Europe	4,768,950	(1,426,618)	3,342,332
– Asia Pacific	512,288	(203,517)	308,771
– Other international market	33,132	–	33,132
	10,396,162	(2,987,823)	7,408,339
Total	178,527,162	(3,074,187)	175,452,975

(b) Non-current assets

The Group's non-current assets include non-current assets other than financial instruments, pension and retirement assets and deferred income tax assets (“Geographical Non-Current Assets”).

The container vessels and containers (included in property, plant and equipment and right-of-use assets) are primarily utilized across geographical markets for shipment of cargoes throughout the world. Accordingly, it is impractical to present the locations of the container vessels and containers by geographical areas and thus the container vessels, containers and vessels under construction are presented as unallocated non-current assets.

In respect of the remaining Geographical Non-Current Assets, they are presented based on the geographical locations in which the business operations/assets are located.

	As at 31 December 2024 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i> (Restated)
Unallocated	154,199,231	136,371,096
Remaining assets		
– Mainland China	92,927,164	86,022,448
– Outside mainland China	36,514,193	33,637,003

5 Other income and other expenses

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Dividend income from financial assets at FVOCI	28,989	27,239
Gain on disposal of property, plant and equipment	150,424	111,188
Income from financial assets at FVPL		
– Fair value gain	38,344	9,185
– Distribution	127	1,976
– Dividend income	7,526	5,302
Interest income from financial assets at amortised cost	19,110	20,690
Subsidies	1,207,563	3,011,927
Exchange gain	612,922	1,918,786
Others	55,208	37,056
	<hr/>	<hr/>
Other income	2,120,213	5,143,349
	<hr/> <hr/>	<hr/> <hr/>
Loss on disposal of property, plant and equipment	(17,289)	(17,790)
Fair value loss on financial assets at FVPL	(12,566)	(3,485)
Donations	(24,565)	(42,854)
Loss on disposal of joint ventures and associates	(14,035)	–
Others	(107,033)	(11,259)
	<hr/>	<hr/>
Other expenses	(175,488)	(75,388)
	<hr/> <hr/>	<hr/> <hr/>

6 Finance income and costs

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Finance income		
Interest income from:		
– other financial institutions	4,163,093	5,177,485
– deposits in related parties	2,086,585	2,249,226
– loans to a joint venture and associates	47,401	42,962
Net exchange gain	–	4,414
	<u>6,297,079</u>	<u>7,474,087</u>
Finance costs		
Interest expenses on:		
– loans from third parties	(1,846,654)	(2,145,474)
– loans from related parties	(58,096)	(85,962)
– loans from non-controlling shareholders of subsidiaries	(20,495)	(20,636)
– lease liabilities	(1,715,307)	(1,782,517)
– notes/bonds	–	(17,231)
Transaction costs arising from borrowings	(118,963)	(142,761)
	<u>(3,759,515)</u>	<u>(4,194,581)</u>
Less: amount capitalised in construction in progress	582,320	459,060
	<u>(3,177,195)</u>	<u>(3,735,521)</u>
Net finance income	<u><u>3,119,884</u></u>	<u><u>3,738,566</u></u>

7 Income tax expenses

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Current income tax (note):		
– PRC enterprise income tax	9,498,542	3,572,746
– Hong Kong profits tax	22,385	34,456
– Overseas taxation	570,751	385,188
Under/(over) provision in prior years	37,192	(250,387)
	<u>10,128,870</u>	<u>3,742,003</u>
Deferred income tax	1,365,219	940,971
	<u><u>11,494,089</u></u>	<u><u>4,682,974</u></u>

Note:

Current income tax

Taxation has been provided at the appropriate rates of taxation prevailing in the countries in which the Group operates. These rates range from 5% to 39% (2023: 2.5% to 39%).

The statutory rate for PRC enterprise income tax is 25% and certain PRC companies enjoy preferential tax treatment with the reduced rates ranging from 5% to 20% (2023: 2.5% to 20%).

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits derived from or arising in Hong Kong for the year.

8 Dividend

On 21 March 2025, both the board of directors and board of supervisors proposed a final dividend in respect of 2024 of RMB1.03 per ordinary share (tax inclusive); based on the Company's total share capital of 15,661,307,924 shares (which is the Company's total shares of 15,961,686,166 excluding 92,307,742 A shares and 208,070,500 H shares repurchased but not yet cancelled) as at the date hereof, the final cash dividends for 2024 of RMB16.131 billion shall be distributed. If there is a change in the number of shares between the disclosure date of this announcement and the registration date of dividend distribution, the dividend per share shall remain unchanged, with a corresponding adjustment to the total entitled amount of distribution. Based on the above profit distribution plan, together with the interim cash dividends of around RMB8.3 billion for 2024 already distributed, the total cash dividends of around RMB24.431 billion will be distributed for 2024, accounting for approximately 50% of the net profit attributable to Shareholders of the Company for 2024.

The final dividend in respect of 2023 was RMB0.23 per ordinary Share (tax inclusive), with total amount of RMB3.671 billion. The total dividend in respect of 2023 amounted to approximately RMB11.867 billion, accounting for approximately 50% of the consolidated net profit attributable to equity holders of the Company for 2023.

9 Earnings per share

(a) Basic

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

	2024	2023 (Restated)
Profit attributable to equity holders of the Company (RMB)	<u><u>49,172,465,000</u></u>	<u><u>23,860,169,000</u></u>
Weighted average number of ordinary shares	<u><u>15,950,222,368</u></u>	<u><u>16,114,681,903</u></u>
Basic earnings per share (RMB)	<u><u>3.08</u></u>	<u><u>1.48</u></u>

(b) Diluted

Diluted earnings per share is calculated based on the profit attributable to equity holders of the Company and the weighted average number of ordinary shares during the year, after adjusting for the number of dilutive potential ordinary shares deemed to be issued at no considerations as if all outstanding dilutive share options granted by the Company had been exercised.

	2024	2023 (Restated)
Profit attributable to equity holders of the Company (RMB)	<u><u>49,172,465,000</u></u>	<u><u>23,860,169,000</u></u>
Weighted average number of ordinary shares	<u><u>15,950,222,368</u></u>	<u><u>16,114,681,903</u></u>
Adjustments for assumed issuance of shares on exercise of dilutive share options	<u><u>5,281,618</u></u>	<u><u>38,907,096</u></u>
	<u><u>15,955,503,986</u></u>	<u><u>16,153,588,999</u></u>
Diluted earnings per share (RMB)	<u><u>3.08</u></u>	<u><u>1.48</u></u>

10 Trade and other receivables and contract assets

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Trade receivables (note a)		
– third parties	8,314,921	6,346,952
– fellow subsidiaries	171,136	176,541
– joint ventures	71,442	18,860
– other related companies	201,726	192,212
	<u>8,759,225</u>	<u>6,734,565</u>
Bills receivables (note a)	149,858	175,916
Contract assets (note a)	239,795	179,386
	<u>9,148,878</u>	<u>7,089,867</u>
Prepayments, deposits and other receivables		
– third parties	4,666,304	4,644,036
– fellow subsidiaries (note b)	324,705	327,920
– joint ventures (note b)	219,954	507,256
– associates (note b)	126,041	850,033
– other related companies (note b)	11,562	19,772
	<u>5,348,566</u>	<u>6,349,017</u>
Total	<u><u>14,497,444</u></u>	<u><u>13,438,884</u></u>

Notes:

- (a) Trade receivables with related parties are unsecured and have similar credit periods as third party customers. The normal credit period granted to the trade receivables of the Group is generally within 90 days. Trade receivables primarily consisted of voyage-related receivables. As at 31 December 2024, the aging analysis of trade and bills receivables and contract assets on the basis of the date of relevant invoice or demand note is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 year	9,372,549	7,231,474
1-2 years	29,896	56,877
2-3 years	36,266	35,842
Above 3 years	145,919	137,418
Trade, bills receivables and contract assets, gross	<u>9,584,630</u>	<u>7,461,611</u>
Within 1 year	(227,153)	(156,777)
1-2 years	(29,438)	(51,195)
2-3 years	(33,242)	(26,354)
Above 3 years	(145,919)	(137,418)
Provision for impairment	<u>(435,752)</u>	<u>(371,744)</u>
Trade, bills receivables and contract assets, net	<u><u>9,148,878</u></u>	<u><u>7,089,867</u></u>

- (b) As at 31 December 2023, balance of US\$93,209,000 (equivalent to approximately RMB660,171,384) is unsecured, which bears interest at the aggregate of 2.0% per annum and EURIBOR. As at 31 December 2024, the balance was reclassified to loans to associates. Other amounts due from related companies are unsecured, interest free and have no fixed of repayment.

11 Trade and other payables and contract liabilities

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Trade and bills payables (note)		
– third parties	14,830,371	17,530,313
– fellow subsidiaries	412,513	497,933
– joint ventures	70,240	170,187
– associates	19,119	84,147
– other related companies	236,758	218,020
	<u>15,569,001</u>	<u>18,500,600</u>
Accrued expenses	70,469,951	73,004,716
Other payables		
– third parties	15,018,407	12,873,694
– fellow subsidiaries	2,243,532	75,864
– joint ventures	288,047	368,590
– associates	1,164	30,869
– other related companies	32,231	518,646
	<u>17,583,381</u>	<u>13,867,663</u>
Contract liabilities	646,722	676,487
Total	<u>104,269,055</u>	<u>106,049,466</u>

Note:

As at 31 December 2024, the aging analysis of trade and bills payables on the basis of the date of relevant invoice or demand note is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)
Within 1 year	15,522,978	18,381,291
1-2 years	11,045	55,260
2-3 years	2,433	34,526
Above 3 years	32,545	29,523
	<u>15,569,001</u>	<u>18,500,600</u>

12 Provisions and other liabilities

	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Provision for one-off housing subsidies	–	20,838	20,838	–	40,078	40,078
Provision for onerous contracts (note)	–	6,446,162	6,446,162	–	6,493,030	6,493,030
Deferred income and others	37,376	431,584	468,960	36,999	472,546	509,545
Total	<u>37,376</u>	<u>6,898,584</u>	<u>6,935,960</u>	<u>36,999</u>	<u>7,005,654</u>	<u>7,042,653</u>

Note:

Orient Overseas (International) Limited (“OOIL”), a subsidiary of the Company, entered into the Terminal Service Agreement (“TSA”) in October 2019 to which OOIL committed to place, or procure the placement of an annual minimum number of vessel lifts in Long Beach Container Terminal (“LBCT”) for 20 years. Failure to meet the committed volume for each contract year would require certain level of deficiency payment as stipulated in the TSA.

As at 31 December 2024, OOIL reassessed the expected number of vessel lifts in LBCT for each of the remaining contract years with reference to future prospects of the market and its expected load factor. The overall economic environment in the USA is still highly uncertain, and it is expected that high inflation and interest rate environment would slow down the USA economy growth and would have some negative impact to the demand/import of the USA in the near future. As at 31 December 2024, with these uncertainties over such a long-term contract period, OOIL reassessed that the projected vessel lifts in LBCT would result in a shortfall on minimum volume commitment over the remaining contract period. OOIL estimated an onerous contract provision of US\$896.7 million (equivalent to approximately RMB6,446.2 million) as at 31 December 2024 (2023: US\$916.7 million (equivalent to approximately RMB6,493.0 million)).

Movements in the onerous contract provision are as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Balance at beginning of year	6,493,030	6,231,542
(Credited) / charged to consolidated income statement	(142,280)	155,819
Currency translation differences	95,412	105,669
Balance at end of year	<u>6,446,162</u>	<u>6,493,030</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Results for the Reporting Period prepared in accordance with the Hong Kong Financial Reporting Standards

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)	Difference <i>RMB'000</i>
Revenues	233,859,079	175,452,975	58,406,104
Operating profit	59,023,154	24,650,546	34,372,608
Profit before income tax	67,086,756	33,079,791	34,006,965
Profit for the year	55,592,667	28,396,817	27,195,850
Profit attributable to equity holders of the Company	49,172,465	23,860,169	25,312,296
Basic earnings per share (RMB)	3.08	1.48	1.60

(I) Discussion and Analysis of the Board on the Operation of the Group during the Reporting Period

In 2024, the container shipping market saw moderate growth in cargo volumes driven by a gradual recovery of global trade. However, the market encountered various challenges amid ongoing turmoil in the Red Sea, profound transformations in the structure of industry alliances and the accelerated integration of ports, shipping and trade, which have collectively created a complex and volatile market environment. Dealing with these challenges, the Group actively seized market opportunities, endeavored to promote digital supply chain and green and low-carbon transitions, ultimately delivered impressive operating performance.

Rewarding shareholders by delivering outstanding operating performance

Pursuant to the Hong Kong Financial Reporting Standards, during the Reporting Period, the Group recorded operating revenue of RMB233.859 billion; total profit of RMB67.087 billion; earnings before interests and taxes (EBIT) of RMB70.145 billion; net profit of RMB55.593 billion; net profits attributable to equity holders of the Company of RMB49.172 billion. The return on equity (ROE) was 22.63%, representing an increase of 10.83 percentage points as compared to that of previous year. Earnings per share was RMB3.08, representing 108.11% growth as compared to that of previous year. As of the end of the Reporting Period, the gearing ratio decreased by approximately 4.69 percentage points to 42.70% as compared to the beginning of the Reporting Period. The balance of cash and cash equivalents was RMB184.189 billion, and the net cash inflow from operating activities was RMB69.313 billion. Impressive operating performance, strong cash flow and a healthy financial structure showcased the Group's robust resilience brought by steady quality enhancement and ever-improving value-creation capability, laying a solid foundation for the Company's sustainable development and rewarding shareholders.

The Group remains committed to maintaining the continuity and stability of its profit distribution policy and will continue to implement the Shareholders' Return Plan for 2022-2024. The Board recommended the payment of a final cash dividend for 2024 of RMB1.03 per Share (tax inclusive) to all Shareholders. In order to safeguard the Company's value and shareholders' interests, the Group started a new round of repurchase in the fourth quarter of 2024. As of the disclosure date of this announcement, an aggregate of 92.31 million of A Shares and 208 million of H Shares had been repurchased, and the total amount paid was approximately RMB3.557 billion, thereby effectively enhancing investors' confidence in long-term investments.

Expanding and developing new horizons by developing global channel

The key for the Group to further strengthening its competitive edges in the global shipping network is to accelerate the development of an integrated and balanced global rail-sea intermodal network and to optimize and upgrade the structure and scale of the fleet in a steady manner.

During the Reporting Period, the Group took delivery of 12 new vessels with a combined capacity of 230,000 TEUs. They included several advanced and environmentally friendly 24,000 TEU mega vessels, 16,000 TEU Panamax vessels and 14,000 TEU Latamax vessels. As at the end of the Reporting Period, the aggregate capacity of the Group's self-operated fleet exceeded 3.3 million TEUs.

With steady growth in total fleet capacity, the Group carried out continuing efforts to increase the density of its network through active collaboration with partners. The Company operated 429 international routes, and called at 629 ports spread across nearly 145 countries and regions in the world. Additionally, by launching and upgrading new services in emerging markets, the Group's cargo volume achieved rapid growth in Central and South America, Africa and Southeast Asia.

In an ever-changing market environment, before the end of cooperation period, all the partners have agreed to extend the collaboration for at least five more years, until 2032. And the OCEAN Alliance launched the DAY8 and DAY9 products, which undoubtedly reflects its confidence in providing customers with higher frequent, stable and reliable services and ensures the stability of global supply chains and sound operations of the market.

The Group continued to deepen the integration between its operating segments, both container shipping business and port business. It attached great importance to the inauguration of the CSP Chancay Terminal in Peru, launched the fastest shipping services in both ways between the CSP Chancay Terminal and the ports in China as well as launched new digital supply chain service products of Chancay series. Meanwhile, the Group got deeply involved in the cooperation between Hainan Free Trade Port and other free trade zones in the world and launched direct services between the sister ports of Yangpu Port and Abu Dhabi Port. COSCO SHIPPING Ports completed the investment in Egypt's Ain Sokhna Container Terminal, signed an investment agreement for Laem chabang Terminal and further enhanced the service capability of its ports such as Piraeus Terminal in Greece. The development of a number of integrated operational models for key hub ports became to take shape, which facilitates the Group to strengthen its global presence.

Igniting fresh vitality to business ecosystem through full-chain digital-intelligent development

The Group insisted on strengthening the cohesion and co-development with external parties. Through ongoing resource inputs and digital transformation, it is committed to building a safe, resilient and efficient global supply chain system.

During the Reporting Period, the Group successfully developed and extensively used various application tools such as supply chain control towers, intelligent warehousing, intelligent trailers and intelligent customer service system. As further progress was made in the application of supply chain visualization and intelligent customer services, the Group accelerated the upgrading of traditional shipping services to digital supply chain service products. Focusing on new business models, the Group released logistics solutions for multiple industries, including vehicle, home appliances and cross-border e-commerce. These solutions played a key role in enhancing the efficiency of the entire industry chain and supporting the global expansion of Chinese enterprises, which demonstrates the Group's commitment to continuously creating value for its customers.

The Group rolled out innovative channel products such as “China's New International Land-Sea Trade Corridor + China-Europe Railway”, “Trans-Caspian Multimodal Transport” and “Sea-rail Express + DIAMOND Line”. Besides, the Group introduced a series of customized supply chain bundle products, including “Customer-Defined Services”, “Global Talent Pegasus” and “Talent Thomas”. A combination of full-chain digital supply chain products, which comprise 38 products and cover over 90 countries and regions, were developed to further support the flourishing development of global trade. In 2024, revenue from supply chain revenue other than ocean shipping amounted to RMB40.939 billion, representing 18.09% growth as compared to that for the same period of previous year.

As for the industry ecosystem development, the Group successfully hosted the Global Supply Chain Partner Summit and the Convention between Carriers and Ports for Ocean Alliance. Leveraging the GSBN digital platform, the Group issued over 380,000 electronic bills of lading. In addition, the Group's self-developed MY Reefer platform Smart PTI expanded coverage to Australia and various countries in Southeast Asia. Through the joint efforts of upstream and downstream partners, a more dynamic and thriving industrial chain and supply chain ecosystem were persistently expanded and strengthened.

Driving sustainable development through green and low-carbon transitions

As a shipping enterprise with a strong sense of social responsibility, the Group aligned itself with the new trends and requirements arising from green and environmentally-friendly development. It leveraged technological innovation as a driving force to drive green and low-carbon growth determinedly.

In 2024, the Group signed an order for the construction of a total of 12 units of 14,000 TEU methanol dual-fuel container vessels for the construction of its green fleets. Together with previous orders and vessel retrofit projects, the Group will have 32 units of methanol dual-fuel container vessels with a total capacity of 590,000 TEU after delivery, and the proportion of new energy vessels will be further increased. At the beginning of 2025, our first methanol dual-fuel container vessel was designated the name of COSCO Shipping Yangpu (中遠海運洋浦).

In terms of the practical use of biofuels, The Group implemented the largest domestic single-vessel biofuel refueling work to date, which further facilitated the transition of its fleet towards green shipping and the construction of “Green Shipping Corridor”. Moreover, the Group issued Hi-ECO Green Shipping Certificates based on GSBN blockchain verification to more customers. This initiative further promotes green transportation practices, better meets customers’ needs for environmentally friendly transport, and moves us closer to fulfilling our carbon reduction commitments under the “Well-to-WAKE” initiative.

In terms of smart and green terminal development, COSCO SHIPPING Ports made multiple breakthroughs in energy digitalization development with extensive applications of intelligent vehicles scheduling at terminals. It made a number of achievements, including the launch of the largest single-port distributed photovoltaic installation project CSP Guangzhou Nansha Port Terminal, and the naming of Xiamen Ocean Gate Terminal as the “Asia-Pacific Green Port” for three times. These accomplishments mark COSCO SHIPPING Ports’ accelerated transformation from a green low-carbon practitioner to a leader in green shipping.

Leveraging capital as the bond to achieve co-created value and shared success

The Group adheres to the principle of high-quality sustainable development. With an aim to strengthening core competitiveness, the Group made use of capital investment to deepen the cooperation with upstream and downstream enterprises in the supply chain.

During the Reporting Period, the Group completed equity investments in Midea Group and SAIC Anji Logistics, and made strategic equity investment in Yantian Port. Additionally, COSCO SHIPPING Lines, a wholly-owned subsidiary of the Company, increased its shareholdings in COSCO SHIPPING Logistics & Supply Chain Management to 19%. The aforementioned equity cooperation has deepened the strategic collaboration between upstream and downstream enterprises in the industrial chain and supply chain, and to some extent, has helped stabilizing the Group’s overall performance. In December 2024, the Group was newly added in a multiple of indexes for dividends, such as the CSI Dividend Index, SSE Dividend Index, SSE State-owned Enterprises Dividend Index, CSI Central State-owned Enterprises Dividend 50 Index, Central-SOEs Shareholder Return Index and CSI State-owned Enterprises Dividend Index, reflecting the capital market’s recognition of its sustainable returns.

Looking ahead, the conditions in container shipping industry will remain complex and volatile. On the one hand, the uncertainties in the Red Sea, and greater impacts of policies relating to trading and tariff greater impacts of geopolitical issues, will bring profound changes in global cargo flow patterns. On the other hand, the resilient global economy, the rise of emerging markets and regional economic integration will create new opportunities for container shipping market.

Against this backdrop, the Group will emphasize the approach to meeting global customers’ needs. Guided by its positioning as “a global digital supply chain operation and investment platform with a primary focus on container shipping”, the Group will take a more forward-looking and systematic approach to accelerating global and scale development. It will also expedite the development of digital supply chain and green and low-carbon transition in order to create the certainty through high-quality development to ride out uncertainties with aiming to deliver superior services for the customers and create greater value for our shareholders.

(II) Major Profit or Loss Items and Cashflow Analysis

1. Table of analysis for related items in the consolidated income statement and consolidated cash flow statement

Items	2024 RMB'000	2023 RMB'000 (Restated)	Difference RMB'000	Percentage change (%)
Revenues	233,859,079	175,452,975	58,406,104	33.29
Cost of services	(166,175,223)	(147,851,737)	(18,323,486)	12.39
Other income	2,120,213	5,143,349	(3,023,136)	(58.78)
Other expenses	(175,488)	(75,388)	(100,100)	132.78
Other income and expense, net (Provision for)/reversal of impairment losses on financial assets,net	1,944,725 (67,950)	5,067,961 225,164	(3,123,236) (293,114)	(61.63) (130.18)
Selling, administrative and general expenses	(10,537,477)	(8,243,817)	(2,293,660)	27.82
Finance income	6,297,079	7,474,087	(1,177,008)	(15.75)
Finance costs	(3,177,195)	(3,735,521)	558,326	(14.95)
Share of profits less losses of – joint ventures	565,522	599,488	(33,966)	(5.67)
– associates	4,378,196	4,091,191	287,005	7.02
Income tax expenses	(11,494,089)	(4,682,974)	(6,811,115)	145.44
Net cash generated from operating activities	69,312,919	22,583,829	46,729,090	206.91
Net cash used in investing activities	(26,971,632)	(18,342,124)	(8,629,508)	47.05
Net cash used in financing activities	(40,620,065)	(60,029,170)	19,409,105	(32.33)

2. Revenues

Management Discussion and Analysis and descriptions below contain amounts and figures, which are in RMB unless otherwise specified.

Overview

In 2024, the revenues of the Group amounted to RMB233,859,079,000, representing an increase of RMB58,406,104,000 or 33.29% as compared to the last year.

Revenue from container shipping business

In 2024, the revenue from container shipping business amounted to RMB225,971,372,000, representing an increase of RMB57,840,372,000 or 34.40% as compared to the last year, of which COSCO SHIPPING Lines generated revenues of RMB156,059,924,000 from container shipping business, representing an increase of RMB40,011,554,000 or 34.48% as compared to the last year.

Revenue from terminal business

In 2024, revenue generated from the terminal business amounted to RMB10,809,999,000, representing an increase of RMB413,837,000 or 3.98% as compared to the last year.

Major customer

Total sales to the top five customers of the Group of 2024 amounted to RMB8,744,431,000, accounting for 3.74% of the total sales for the Reporting Period.

3. Costs

Cost analysis

Components of cost	2024 <i>RMB'000</i>	2023 <i>RMB'000</i> (Restated)	Difference <i>RMB'000</i>	Percentage Change (%)
Equipment and cargo transportation costs	76,919,294	60,401,930	16,517,364	27.35
Voyage costs	37,637,766	38,419,999	(782,233)	(2.04)
Vessel costs	31,695,046	31,588,261	106,785	0.34
Other related business costs	13,662,670	12,152,093	1,510,577	12.43
Tax and surcharges	1,334,680	1,044,034	290,646	27.84
Sub-total – container shipping operating costs	161,249,456	143,606,317	17,643,139	12.29
Container terminals and related business costs	7,709,493	7,183,454	526,039	7.32
Tax and surcharges	66,120	61,165	4,955	8.10
Sub-total – container terminal operating costs	7,775,613	7,244,619	530,994	7.33
Elimination between different businesses	(2,849,846)	(2,999,199)	149,353	(4.98)
Total operating costs	166,175,223	147,851,737	18,323,486	12.39

Overview

In 2024, the operating cost of the Group amounted to RMB166,175,223,000, representing an increase of RMB18,323,486,000 or 12.39% as compared to the last year.

Container shipping business cost

In 2024, the container shipping business cost amounted to RMB161,249,456,000, representing an increase of RMB17,643,139,000 or 12.29% as compared to the last year, of which, the container shipping business cost incurred by COSCO SHIPPING Lines in 2024 amounted to RMB111,098,306,000, representing an increase of RMB11,696,427,000 or 11.77% as compared to the last year.

Terminal business cost

In 2024, the terminal business cost amounted to RMB7,775,613,000, representing an increase of RMB530,994,000 or 7.33% as compared to the last year.

4. Other profit or loss items

Other income and expense, net

In 2024, the other income and expense, net, was RMB1,944,725,000, representing a decrease of RMB3,123,236,000 as compared to the last year, of which, exchange gain net amounted to RMB612,922,000, representing a decrease of RMB1,305,864,000 as compared to the last year. There was a smaller appreciation in the value of US dollar against RMB in 2024 compared to the last year. The foreign exchange risk of the Company in 2024 was lower than that of 2023 as the Company managed the foreign exchange risk by reducing its exposure to exchange risk.

Selling, administrative and general expenses

In 2024, the selling, administrative and general expenses of the Group amounted to RMB10,537,477,000, representing an increase of RMB2,293,660,000 or 27.82% as compared to the last year.

Finance income

In 2024, the finance income of the Group amounted to RMB6,297,079,000, representing a decrease of RMB1,177,008,000 or 15.75% as compared to the last year, of which interest income amounted to RMB6,297,079,000, representing a decrease of RMB1,172,594,000 as compared to the last year, which was mainly due to a decrease in average balance of monetary funds as compared to the last year.

Finance costs

In 2024, the finance costs of the Group amounted to RMB3,177,195,000, representing a decrease of RMB558,326,000 or 14.95% as compared to the last year, which was mainly to a decrease in interest expense as a result of decreasing liabilities.

Share of profits less losses of joint ventures and associated companies

In 2024, the Group's share of profits less losses of joint ventures and associated companies in aggregate amounted to RMB4,943,718,000, representing an increase of RMB253,039,000 as compared to the last year. During the Reporting Period, the Company's investment income from Shanghai International Port (Group) Co., Ltd. and the investment income of COSCO SHIPPING Ports (a subsidiary of the Group) from its non-controlled terminals both increased as compared with the same period last year.

Income tax expenses

In 2024, the income tax expenses of the Group amounted to RMB11,494,089,000, representing an increase of RMB6,811,115,000 or 145.44% as compared to the last year.

Major suppliers

Total purchases from the top five suppliers of the Group in 2024 amounted to RMB27,677,312,000, accounting for 16.80% of the total purchases during the Reporting Period.

5. Cash flow

As of the end of 2024, the cash and cash equivalents amounted to RMB184,189,078,000, representing an increase of RMB3,023,638,000 or 1.67% from the end of last year. The cash and cash equivalents of the Group were principally denominated in RMB and US\$, and the rest were denominated in EUR, HK\$ and other currencies.

(1) Net cash flows from operating activities

In 2024, the net cash generated from operating activities amounted to RMB69,312,919,000, representing an increase of RMB46,729,090,000 or 206.91% as compared to that of the last year. The increase was mainly due to the increase in the operating results of container shipping business of the Group during the Reporting Period as compared to that for the same period of last year.

(2) Net cash flows from investing activities

In 2024, the net cash used in investing activities amounted to RMB26,971,632,000, representing an increase of RMB8,629,508,000 as compared to that of the last year. During the Reporting Period, there was a decrease in the cash paid for external equity investments of the Group as compared to that for the same period of last year, an increase in cash dividends received from associates and joint ventures as compared to that for the same period of last year, and an increase in cash paid for building vessels, construction of containers and construction of terminals as compared to that for the same period of last year.

(3) Net cash flows from financing activities

In 2024, the net cash used in financing activities amounted to RMB40,620,065,000, representing a decrease of RMB19,409,105,000 as compared to that for the same period of last year. During the Reporting Period, cash paid for repayment of borrowings of the Group increased as compared to that for the same period of last year, while cash paid for dividend distribution decreased as compared to that for the same period of last year.

(4) Impact of changes in exchange rate on cash and cash equivalents

The balance of cash and cash equivalents increased by RMB1,302,416,000 as of the end of 2024, which was primarily due to an increase in exchange rate of US\$ against RMB during the Reporting Period.

(III) Working Capital, Financial Resources and Capital Structure

Overview

As of the end of 2024, the total assets of the Group amounted to RMB497,472,214,000, representing an increase of RMB34,901,594,000 or 7.55% as compared to the end of last year. The total liabilities amounted to RMB212,413,437,000, representing a decrease of RMB6,806,158,000 or 3.10% as compared to the end of last year.

As of the end of 2024, the total outstanding borrowings of the Group were RMB34,675,686,000. The cash and cash equivalents, net of the total outstanding borrowings, amounted to net cash of RMB149,513,392,000, representing an increase of RMB11,624,870,000 as compared to the end of last year. As of the end of 2024, the Group's net current assets were RMB83,326,274,000, representing an increase of RMB8,083,114,000 or 10.74% as compared to the end of last year. As of the end of 2024, the net cash (debt) to equity ratio was 37.88%, representing a decrease of 1.89 percentage points as compared to the end of last year. The formula for calculating the net cash (debt) to equity ratio is as follows: net cash (debt) to equity ratio = (cash and cash equivalents – total borrowings – total lease liabilities)/total equity.

The working capital and capital resources of the Group have been and will continue to be generated from the cash flows of operating activities, the proceeds from new share issuance and the debt financing from financial institutions. The cash of the Group has been and is expected to continue to be utilized for various purposes such as payment of operating costs, construction of container vessels, construction of containers, investments in terminals and repayment of loans.

Debt analysis

Categories	2024 RMB'000	2023 RMB'000
Short-term borrowings	1,703,638	2,417,519
Long-term borrowings	32,972,048	40,859,399
Total of long-term and short-term borrowings	<u>34,675,686</u>	<u>43,276,918</u>
Among which:		
Interest payables – Short-term borrowings	2,840	1,052
– Long-term borrowings	256,516	287,147
Total interest payable	<u>259,356</u>	<u>288,199</u>
Long-term borrowings were repayable as follows:		
Among which:		
within one year	2,026,044	8,118,638
in the second year	5,646,275	6,593,829
in the third to fifth years	12,444,410	13,260,597
after the fifth year	12,855,319	12,886,335
Total	<u>32,972,048</u>	<u>40,859,399</u>

Borrowings by categories

As at 31 December 2024, the Group had bank borrowings of RMB31,973,186,000 and other borrowings of RMB2,443,144,000, representing 92.90% and 7.10% of the total borrowings, respectively. Of the bank borrowings, secured borrowings amounted to RMB19,279,856,000 and unsecured borrowings amounted to RMB12,693,330,000, representing 56.02% and 36.88% of the total borrowings, respectively. Most of the borrowings of the Group bear interest at floating rate.

Borrowings by currency

As at 31 December 2024, the borrowings of the Group denominated in US\$ were equivalent to RMB22,379,877,000, borrowings denominated in RMB amounted to RMB7,364,936,000, borrowings denominated in EUR were equivalent to RMB4,023,289,000, and borrowings denominated in HK\$ were equivalent to RMB648,228,000, representing 65.03%, 21.40%, 11.69% and 1.88% of the total borrowings, respectively.

Secured borrowings

As at 31 December 2024, the secured borrowings of the Group totalled RMB19,279,856,000, including mortgaged borrowings and borrowings secured by both guarantees and pledges.

Company's guarantees

As at 31 December 2024, the guarantees provided among the Group's consolidated entities amounted to RMB9,367,077,000 (as at 31 December 2023: RMB10,152,029,000) and guarantees provided to an associated company amounted to RMB364,996,000 (as at 31 December 2023: RMB265,641,000).

Contingent liabilities

The Group was involved in a number of claims and litigations, including but not limited to claims and litigations on disputes arising from vessels damage, loss of cargoes, delivery delay, vessels collision during transportation, early termination of vessel lease contracts and pledge supervision business.

Based on the advice of legal counsel and/or the information available to the Group, the Directors are of the view that the amount of the claims should have no material impact on the Group's consolidated financial statements for the year ended 31 December 2024.

Foreign exchange risk

The Group operates internationally and is exposed to various foreign exchange risks arising from non-functional currencies. Foreign exchange risks are derived from future business transactions and recognized assets and liabilities. The actual foreign exchange risks faced by the Group are therefore primarily with respect to bank balances, receivable and payable balances and bank borrowings denominated in non-functional currencies. The management monitors the exposure to foreign exchange risks and will consider hedging foreign exchange risks with derivative financial instruments in a timely manner.

Capital commitments

As at 31 December 2024, the Group had a total of 43 container vessels under construction, the capital commitments for future construction of container vessels amounted to RMB42,321,931,000.

As at 31 December 2024, the Group's capital commitments for investment in terminals amounted to RMB3,496,761,000 in aggregate, of which the commitments for purchasing fixed assets amounted to RMB2,575,101,000 and the equity investment commitment of terminals amounted to RMB921,660,000.

Facilities

As at 31 December 2024, the unutilized bank loan facilities of the Group were RMB19,823,523,000. The Group pays close attention to the potential financial risks of the loan facilities, and has strengthened the monitor of liabilities and gearing ratio of its subsidiaries and has repaid bank loans in full according to the schedule.

Financing plans

The Group will consider factors including repayment of maturing debts, loan replacement and material future capital expenditures, in order to make financing arrangements in advance, enhance funding and debts management, optimize the funding utilization and control the scale of debts effectively.

(IV) Investment Analysis

Analysis of external equity investments

As of the end of 2024, the balance of the Group's investments in associated companies and joint ventures was RMB72.501 billion, representing an increase of RMB5.622 billion as compared to the end of last year.

1. Significant equity investment

Not applicable

2. Significant non-equity investment

Not applicable

3. Financial assets at fair value

Unit: '000 Currency: RMB

Type of assets	Amount at the beginning of the period	Profits or losses on fair value change for the current period	Cumulative fair value changes recorded in equity	Impairment provision for the current period	Amount purchased for the current period	Amount sold/redeemed for the current period	Other changes	Amount at the end of the period
Financial assets at fair value through profit or loss								
– current	95,000	(3,753)	–	–	5,790	32,191	1,102	65,948
– non-current	425,460	21,202	–	–	–	–	(1,901)	444,761
Financial assets at fair value through other comprehensive income	1,918,241	–	947,263	–	2,020,621	–	30,557	4,916,682
Derivative financial assets	19,106	–	(19,106)	–	–	–	–	–
Total	2,457,807	17,449	928,157	–	2,026,411	32,191	29,758	5,427,391

Investment in securities

Unit: '000 Currency: RMB

Type of securities	Stock code	Stock abbreviation	Initial investment cost	Source of funds	Carrying amount at the beginning of the period	Profits or losses on fair value change in current period	Cumulative fair value change recorded in equity	Amount purchased for the current period	Amount of disposal for the current period	Profits or losses for the investment in the current period	Carrying amount at the end of period	Accounting classification
Stock	601228	Guangzhou Port	1,276,924	Self-owned funds	1,535,854	-	127,578	-	-	21,100	1,663,432	Financial assets at fair value through other comprehensive income ("FVOCI")
Stock	3369.HK	QHD PORT	207,681	Self-owned funds	53,791	-	27,059	-	-	3,687	82,451	FVOCI
Stock	000597	NORTHEAST PHARM	200	Self-owned funds	1,481	-	(22)	-	-	28	1,459	FVOCI
Stock	600821	NYOCOR	99	Self-owned funds	515	-	(61)	-	-	23	454	FVOCI
Stock	0300.HK	Midea Group	2,020,621	Self-owned funds	-	-	769,650	2,020,621	-	-	2,819,452	FVOCI
Stock	600837	Haitong Securities	7,017	Self-owned funds	45,629	-	8,522	-	-	633	54,151	FVOCI
Trust product	87001	Hui Xian REIT	97,178	Self-owned funds	26,959	(12,565)	-	-	-	127	14,664	Financial assets at fair value through profit or loss ("FVPL")
Bonds	127039	Beigang Convertible Bond	321,492	Self-owned funds	380,662	21,202	-	-	-	3,215	401,864	FVPL
Bonds	Multiple stock codes	Bond Investment	376,633	Self-owned funds	380,610	-	-	-	-	19,110	386,006	Financial assets at amortised cost
Stock	Multiple stock codes	Stock Investment	180,449	Self-owned funds	68,040	8,812	-	5,790	32,191	15,855	51,284	FVPL
Total	/	/	4,488,294	/	2,493,541	17,449	932,726	2,026,411	32,191	63,778	5,475,217	/

Container shipping business

(1) Shipping volume

Shipping volume of the Group (TEU)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	4,814,246	4,260,271	13.00
Asia and Europe (including the Mediterranean)	3,778,795	4,358,456	(13.30)
Asia Region (including Australia)	8,878,814	7,991,188	11.11
Other international regions (including the Atlantic)	2,892,437	2,620,626	10.37
Mainland China	5,574,981	4,324,436	28.92
Total	25,939,273	23,554,977	10.12

Shipping volume of COSCO SHIPPING Lines (a subsidiary of the Group) (TEU)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	2,737,472	2,370,159	15.50
Asia and Europe (including the Mediterranean)	2,358,581	2,763,710	(14.66)
Asia Region (including Australia)	5,259,843	4,620,251	13.84
Other international regions (including the Atlantic)	2,412,920	2,138,304	12.84
Mainland China	5,574,981	4,324,436	28.92
Total	18,343,797	16,216,860	13.12

(2) Revenue from routes

Revenue from routes by the Group (RMB'000)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	65,940,570	40,409,240	63.18
Asia and Europe (including the Mediterranean)	46,456,277	32,940,568	41.03
Asia Region (including Australia)	53,884,694	43,830,698	22.94
Other international regions (including the Atlantic)	32,896,450	25,869,260	27.16
Mainland China	12,137,048	11,433,374	6.15
Total	211,315,039	154,483,140	36.79

Of which revenue from routes by COSCO SHIPPING Lines (a subsidiary of the Group) (RMB'000)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	38,433,256	22,626,255	69.86
Asia and Europe (including the Mediterranean)	30,406,672	22,982,495	32.30
Asia Region (including Australia)	33,403,030	26,656,156	25.31
Other international regions (including the Atlantic)	29,502,952	21,422,615	37.72
Mainland China	12,304,110	11,603,220	6.04
Total	144,050,020	105,290,741	36.81

Revenue from routes by the Group (equivalent to US\$'000)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	9,269,127	5,732,783	61.69
Asia and Europe (including the Mediterranean)	6,530,261	4,673,216	39.74
Asia Region (including Australia)	7,574,458	6,218,179	21.81
Other international regions (including the Atlantic)	4,624,185	3,670,023	26.00
Mainland China	1,706,079	1,622,032	5.18
Total	29,704,110	21,916,233	35.53

Of which revenue from routes by COSCO SHIPPING Lines (a subsidiary of the Group) (equivalent to US\$'000)

Routes	2024	2023	Percentage of change (%)
Trans-Pacific	5,402,482	3,209,944	68.30
Asia and Europe (including the Mediterranean)	4,274,202	3,260,483	31.09
Asia Region (including Australia)	4,695,394	3,781,659	24.16
Other international regions (including the Atlantic)	4,147,168	3,039,186	36.46
Mainland China	1,729,562	1,646,127	5.07
Total	20,248,808	14,937,399	35.56

(3) Major performance indicators

Major performance indicators of the container shipping business of the Group (RMB'000)

Items	2024	2023	Difference
Revenue from container shipping business	225,971,372	168,131,000	57,840,372
Including: Supply chain revenue other than shipping fee	40,939,498	34,667,515	6,271,983
EBIT	62,999,277	28,840,571	34,158,706
EBIT margin	27.88%	17.15%	Increased by 10.73 percentage points
Net profit	50,057,735	22,416,634	27,641,101

Among which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (RMB'000)

Items	2024	2023	Difference
Revenue from container shipping business	156,059,924	116,048,370	40,011,554
Including: Supply chain revenue other than shipping fee	27,321,759	21,865,238	5,456,521
EBIT	43,910,737	18,773,650	25,137,087
EBIT margin	28.14%	16.18%	Increased by 11.96 percentage points
Net profit	31,477,050	12,675,919	18,801,131

Major performance indicators of the container shipping business of the Group (equivalent to US\$'000)

Items	2024	2023	Difference
Revenue from container shipping business	31,764,320	23,852,429	7,911,891
Including: Supply chain revenue other than shipping fee	5,754,779	4,918,215	836,564
Revenue per TEU from international routes (US\$/TEU)	1,374.86	1,055.31	319.55
EBIT	8,855,676	4,091,558	4,764,118
Net profit	7,036,510	3,180,206	3,856,304

Among which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (equivalent to US\$'000)

Items	2024	2023	Difference
Revenue from container shipping business	21,937,015	16,463,564	5,473,451
Including: Supply chain revenue other than shipping fee	3,840,562	3,101,980	738,582
Revenue per TEU from international routes (US\$/TEU)	1,450.35	1,117.63	332.72
EBIT	6,172,440	2,663,382	3,509,058
Net profit	4,424,663	1,798,309	2,626,354

Note 1: “Supply chain revenue other than shipping fee” refers to container shipping related supply chain revenue excluding dual-brand shipping fee revenue, which includes non-shipping fee revenue as set out in the terms of dual-brand bills of lading. To fully reflect the data for these indicators, during the Reporting Period, the Group has further optimized and adjusted the calculation by separating the revenue from non-shipping supply chain under the through rate contracts (全程包乾合約) that were previously recognized as shipping fee revenue on a rational basis, and adjusted the figures for the corresponding period of last year accordingly.

Note 2: The revenue from routes and major performance indicators above were translated into US\$ at an average exchange rate of RMB7.1140:US\$1 in 2024 and RMB7.0488:US\$1 in 2023.

Terminal business

In 2024, the total throughput of COSCO SHIPPING Ports (a subsidiary of the Group) amounted to 144.0327 million TEUs, representing an increase of 6.06% as compared to the same period of last year, of which, the throughput of controlled terminals amounted to 32.6554 million TEUs, representing an increase of 6.15% as compared to the same period of last year; and the throughput of non-controlled terminals amounted to 111.3773 million TEUs, representing an increase of 6.03% as compared to the same period of last year.

Location of terminal	2024 (TEU)	2023 (TEU)	Percentage of change (%)
Bohai Rim Region	49,550,213	46,589,991	6.35
Yangtze River Delta Region	16,484,202	14,569,524	13.14
Southeast Coast and others	6,002,237	5,951,456	0.85
Pearl River Delta Region	28,756,347	27,932,139	2.95
Southwest Coast	9,015,200	8,022,100	12.38
Overseas	34,224,523	32,743,344	4.52
Total	144,032,722	135,808,554	6.06
Of which: Controlled terminals	32,655,388	30,762,095	6.15
Non-controlled terminals	111,377,334	105,046,459	6.03

Major acquisition and disposal of assets and equity

The Group had no major acquisition and disposal in respect of its subsidiaries, associates and joint ventures during the Reporting Period.

Other material contracts

The Group had no other material contracts during the Reporting Period.

Other significant events

1. On 28 March 2024, the 2nd meeting of the seventh session of the Board of the Company considered and approved the resolutions in relation to the reduction of the registered capital of the Company, the amendments to the Articles of Association and its appendices, i.e., the Rules of Procedures of Shareholders' General Meetings and the Rules of Procedures of the Board of Directors, as well as the amendments to the Operation Rules for Independent Directors and the operation rules for each of the Board committees. On 29 May 2024, the above resolutions in relation to the reduction of the registered capital of the Company, the amendments to the Articles of Association and its appendices, i.e., the Rules of Procedures of Shareholders' General Meetings and the Rules of Procedures of the Board of Directors were approved at the 2023 annual general meeting of the Company. The amended Articles of Association and its appendices, i.e., the Rules of Procedures of Shareholders' General Meetings and the Rules of Procedures of the Board of Directors, has taken effect upon the completion of registration with the market entity registration and management authority, and the amended Operation Rules for Independent Directors, the Rules of Procedure for the Audit Committee of the Board of Directors, the Operation Rules for the Nomination Committee of the Board of Directors, the Operation Rules for the Remuneration Committee of the Board of Directors, the Rules of Procedures of the Risk Control Committee of the Board of Directors, the Operation Rules for the Strategy Development Committee of the Board of Directors and the Articles of Association, took effect at the same time. For details, please refer to the announcement of the Company dated 28 March 2024, the circular of the Company dated 8 May 2024, the announcement of the Company dated 29 May 2024 and the overseas regulatory announcement of the Company dated 18 July 2024.
2. On 29 May 2024, COSCO (CAYMAN) Mercury Co., Ltd. ("**COSCO Mercury Buyer**") (a wholly-owned subsidiary of the Company), as the buyer, and COSCO SHIPPING Heavy Industry (Yangzhou) Co., Ltd. (揚州中遠海運重工有限公司) ("**Yangzhou Heavy Industry**") (an indirect wholly-owned subsidiary of COSCO SHIPPING), as the builder, entered into separate supplemental agreements (collectively, the "**Supplemental Agreements**") in respect of the four 16,180 TEU container vessel shipbuilding contracts for the construction of four units of 16,180 TEU container vessels at an aggregate consideration of US\$620 million (collectively, the "**Original Shipbuilding Contracts**") and agreed (i) to upgrade the power system of the four units of 16,180 TEU container vessels under construction from single-conventional-fuel-powered to conventional fuel plus methanol dual-fuel-powered, with change of capacity to 16,108 TEU per vessel; (ii) to change the delivery schedule under the Original Shipbuilding Contracts from the period from June 2025 to December 2025 to the period from November 2025 to June 2026; (iii) to increase the consideration for each of the Original Shipbuilding Contracts by US\$28.5 million (the "**Supplemental Consideration**") from US\$155 million to US\$183.5 million (equivalent to approximately HK\$1,431.3 million) and increase the total consideration for the Original Shipbuilding Contracts by US\$114 million from US\$620 million to US\$734 million (equivalent to approximately HK\$5,725.2

million); and (iv) that the Supplemental Consideration and the fifth installment under the Original Shipbuilding Contracts equivalent to 10% of the contract price under the Original Shipbuilding Contracts (i.e., US\$15.5 million) shall be paid by COSCO Mercury Buyer within five working days upon the signing of the respective Supplemental Agreements, and the remaining balance of the fifth installment under the Original Shipbuilding Contracts shall remain to be paid upon delivery of the vessels. For further details of the above transactions, please refer to the announcement of the Company dated 29 May 2024.

3. On 29 August 2024, COSCO Mercury Buyer, as the buyer, entered into twelve shipbuilding contracts (collectively, the “**COSCO MERCURY Shipbuilding Contracts**”) on substantially the same terms with Yangzhou Heavy Industry, as the builder, for the construction of twelve units of 13,700 TEU methanol dual-fuel container vessels (the “**Vessels**”) for a consideration of US\$179.5 million (equivalent to approximately HK\$1,400 million) for each Vessel and for an aggregate consideration of US\$2,154 million (equivalent to approximately HK\$16,800 million) for all twelve Vessels. COSCO SHIPPING and its associates control or are entitled to exercise control over approximately 43.92% of the total issued share capital of the Company. Therefore, COSCO SHIPPING is a controlling shareholder of the Company and a connected person of the Company. Yangzhou Heavy Industry is an indirect wholly-owned subsidiary of COSCO SHIPPING. Accordingly, Yangzhou Heavy Industry is a connected person of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the COSCO MERCURY Shipbuilding Contracts constitute connected transactions of the Company. For further details of the above transactions, please refer to the announcement of the Company dated 29 August 2024, the circular of the Company dated 29 August 2024, and the announcement of the Company dated 13 November 2024.
4. On 6 December 2024, the Company entered into a capital increase agreement (the “**Capital Increase Agreement**”) and a shareholders’ agreement with SAIC Anji Logistics Co., Ltd. (上汽安吉物流股份有限公司) (“**Anji Logistics**”), Shanghai International Port (Group) Co., Ltd. (上海國際港務(集團)股份有限公司) (“**SIPG**”), SAIC Equity Investment Company Limited (上海汽車集團股權投資有限公司), and SAIC Motor Corporation Limited (上海汽車集團股份有限公司). Pursuant to the Capital Increase Agreement, the Company and SIPG has each agreed to subscribe for newly issued share capital of Anji Logistics of RMB75 million (equivalent to approximately HK\$81.2392 million) by way of capital contribution of RMB1 billion (equivalent to approximately HK\$1.083 billion), subject to the terms and conditions set out in the Capital Increase Agreement. SIPG directly holds approximately 20% of the total issued share capital of Shanghai PANASIA Shipping Co., Ltd. (上海泛亞航運有限公司) (“**Shanghai PANASIA**”). As Shanghai PANASIA is a subsidiary of the Company, SIPG constitutes a substantial shareholder of the Company’s subsidiary and therefore constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the capital increase contemplated under the Capital Increase Agreement constitutes a connected transaction of the Company. For further details of the above transactions, please refer to the announcement of the Company dated 6 December 2024.

5. On 20 December 2024, COSCO SHIPPING Lines Co., Ltd. (中遠海運集裝箱運輸有限公司) (“**COSCO SHIPPING Lines**”) (a wholly-owned subsidiary of the Company) and COSCO SHIPPING entered into an equity interest transfer agreement (the “**COSCO SHIPPING Logistics Supply Chain Equity Interest Transfer Agreement**”), pursuant to which COSCO SHIPPING Lines has conditionally agreed to purchase and COSCO SHIPPING has conditionally agreed to sell 12% of the equity interests in COSCO SHIPPING Logistics Supply Chain Management Co., Ltd. (中遠海運物流供應鏈有限公司) (“**COSCO SHIPPING Logistics Supply Chain**”) at the consideration of RMB2,142,606,006 (equivalent to approximately HK\$2,315,204,501.59). COSCO SHIPPING is a controlling shareholder of the Company and a connected person of the Company under Chapter 14A of the Listing Rules. As a result, the transactions contemplated under the COSCO SHIPPING Logistics Supply Chain Equity Interest Transfer Agreement constitute connected transactions of the Company. For further details of the above transactions, please refer to the announcement of the Company dated 20 December 2024.
6. On 24 December 2024, COSCO SHIPPING Lines (Dalian) Co., Ltd. (大連中遠海運集裝箱運輸有限公司) (“**Dalian SHIPPING Lines**”) (a wholly-owned subsidiary of the Company) and COSCO SHIPPING Logistics Supply Chain entered into an equity transfer agreement (the “**Angang Auto Equity Interest Transfer Agreement**”), pursuant to which Dalian SHIPPING Lines has conditionally agreed to sell and COSCO SHIPPING Supply Chain has conditionally agreed to purchase 20.07% of the equity interests in Angang Auto Transport Co., Ltd. (鞍鋼汽車運輸有限責任公司) at the consideration of RMB82,974,841 (equivalent to approximately HK\$89,696,713). COSCO SHIPPING is a controlling shareholder of the Company and COSCO SHIPPING Supply Chain is a 30%-controlled company of COSCO SHIPPING under the Listing Rules, therefore, COSCO SHIPPING Supply Chain is a connected person of the Company under Chapter 14A of the Listing Rules. As a result, transactions contemplated under the Angang Auto Equity Interest Transfer Agreement constitute connected transactions of the Company. For further details of the above transactions, please refer to the announcement of the Company dated 24 December 2024.

DIVIDEND

The Company proposed to distribute a cash dividend of RMB1.03 per share (tax inclusive) to all shareholders. In accordance with the relevant regulations of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited, the A Shares and H Shares repurchased by the Company but not yet canceled are not entitled to dividend distribution. As of the date of this announcement, the Company’s total share capital is 15,961,686,166 Shares, including 92,307,742 repurchased but not yet canceled A Shares and 208,070,500 repurchased but not yet canceled H Shares. Based on the total share capital minus the repurchased but not yet canceled Shares, which amounts to 15,661,307,924 Shares, the total proposed cash dividend distribution is approximately RMB16.131 billion (tax inclusive). The total cash dividend distribution for the year of 2024 (including the interim cash dividend already distributed) amounts to approximately RMB24.431 billion, representing about 50% of the net profit attributable to shareholders of the listed company for the year of 2024.

If there is a change in the number of Shares between the disclosure date of this announcement and the registration date of dividend distribution, the dividend per Share shall remain unchanged, with a corresponding adjustment to the total entitled amount of distribution.

The final dividend in respect of 2023 was RMB0.23 per ordinary Share (tax inclusive), with total amount of RMB3.671 billion.

The total dividend in respect of 2023 amounted to approximately RMB11.867 billion, accounting for approximately 50% of the consolidated net profit attributable to equity holders of the Company for 2023.

The final dividend in respect of 2024 is subject to approval by the Shareholders at the forthcoming annual general meeting. The final dividend in respect of 2024 will be denominated and declared in Renminbi, and payable in Renminbi to holders of A Shares of the Company and in Hong Kong dollars to holders of H Shares of the Company within two months upon approval at the annual general meeting.

The Company will disclose in due course, among other things, further details regarding the expected timetable and arrangement for closure of register of H Shareholders in respect of the proposed payment of final dividend in respect of 2024 for the purpose of ascertaining Shareholders' entitlement to the payment of final dividend in respect of 2024 by the Company.

SUBSEQUENT EVENTS

Since the end of the Reporting Period, there have been no significant events affecting the Group.

DISCUSSION AND ANALYSIS OF THE BOARD CONCERNING THE FUTURE DEVELOPMENT OF THE COMPANY

(I) Industry landscape and trend

Container shipping market

Looking ahead to 2025, global trade and economic activities are expected to maintain growth resilience under the combined effects of easing global inflationary pressures and accommodative monetary policies in Europe and the United States. However, risks including frequent geopolitical tension, intensifying trade frictions, and rising policy uncertainties may lead some unpredictability over the expansion of global trade. The global container shipping market demand is still projected to achieve growth in 2025, albeit at a moderated pace. Emerging markets, regional markets, and third-country markets are anticipated to sustain relatively strong growth momentum. On the other hand, the evolving alliance landscape in the global shipping industry is expected to trigger comprehensive escalation of competition in 2025, particularly in two strategic arenas: digitalized supply chains and green and low-carbon development initiatives. Concurrently, global trade patterns are transitioning from the traditional "Just in Time" and cost-driven models toward strategies emphasizing supply chain resilience and diversified "risk management" approaches.

Terminal business market

Despite increasingly complex external environments and growing uncertainties, China's exports will continue to demonstrate resilience and vitality, leveraging advantages such as comprehensive product categories, flexible transformation of growth drivers, and diversified, stable market strategies. On the import front, China's vast market size and multi-tiered demand structure harbor immense potential. More importantly, China remains committed to proactively expanding imports, sharing development opportunities with the world and injecting fresh momentum into the port industry.

The Company remains focused on its core port operations while driving innovation to expand its comprehensive logistics services. Adhering to the concept of “customer-centric”, the Company continues to build a highly efficient and interconnected global terminal network, accelerating the advancement of global resource allocation. Aligned with COSCO Shipping Group’s integrated “shipping + ports + logistics” development strategy and driven by the needs of customers, the Company optimizes global resource allocation, deepens opportunities in emerging markets, regional markets, and third-country markets. By investing in or acquiring critical resources across the global industrial chain, the Company establishes comprehensive competitive advantages across the entire chain, and dedicates itself to delivering efficient and seamless port logistics supply chain solutions for its clients.

(II) Development strategy of the Company

COSCO SHIPPING Holdings positions itself as a “global digital supply chain operation and investment platform with container shipping at its core”, driving sustained growth in its two core business segments – global container shipping and global container port operations. Leveraging two container shipping companies, one container terminal operation and management company, and dual-listed platforms, the Company is actively building an integrated “container shipping + ports + related logistics” supply chain operation system and refining its “investment + construction + operation” holistic development model, aiming to establish itself as a world-class digital supply chain enterprise anchored in container shipping.

For the container shipping segment, the Company adheres to its integrated “container shipping + ports + related logistics” operation model and is driven by the needs of customers to accelerate globalization and scale expansion, continuously increasing market share while strengthening its core shipping business and competitiveness. It remains steadfast in advancing digital intelligence and green and low-carbon initiatives, developing integrated full-chain products and services for customers, global supply chain ecosystems for partners, and internal digitalized intelligent operation platforms. By upholding elevated standards and implementing pragmatic measures, the Company commits to high-quality growth, striving to build a world-class global shipping technology enterprise.

For the terminal operation and management segment, the Company focuses on its core responsibilities, deepens innovation-driven value creation and harnesses the dual engines of “global deployment” and “lean operations” to pioneer new frontiers in “integration, digital intelligence, and green transformation”. By leveraging the certainty of high-quality development to counter external uncertainties, it will continuously optimize resource allocation, accelerate innovation-driven upgrades, and improve operational efficiency, global competitiveness, and brand influence.

(III) Operation plan

Container shipping business

The Company is committed to optimizing its global layout, accelerating the scaled development of its dual-brand fleet and container assets, and maintaining its position in the first tier in the industry while achieving fleet stability, fleet renewal, green and low-carbon transition, cost efficiency, and high-quality development. The dual-brand fleet focuses on consolidating East-West services, expanding emerging market services, and developing regional market services. Concurrently, the Company is accelerating capacity deployment across key segments, including North America, Europe, the Atlantic, Latin America, Africa, the Middle East, South Asia, and the domestic trade market. In January 2025, the Ocean Alliance, to which the dual-brand fleets belong, launched its DAY9 services product. With a collaborative capacity exceeding 5 million TEU (including an estimated 40% green energy-powered vessels), the DAY9 services product provides 41 East-West services and over 520 direct port-to-port services, maintaining leading position in scale and service frequency.

The Company actively advances digital operations and builds a digital ecosystem across the supply chain. In the era of digitalization, it continues to strengthen its role as a technological innovator, prioritizing digital intelligence and green and low-carbon initiatives to drive integrated technological and industrial advancements. Leveraging cutting-edge technologies such as big data and AI, the Company is enhancing its freight rate and slot management platforms, optimizing intelligent container dispatching systems, promoting AI-powered customer service platforms and accelerating the full deployment of smart reefer container IoT devices.

In regards to accelerating green and low-carbon transition, the Company proactively aligns with global sustainability trends, and implements forward-looking strategies to keep front-runner status in industry-wide green development. Key measures include renewing and greening its fleet, optimizing fleet structure, and conducting practical pilot projects for energy efficiency and emission reduction and vessel retrofitting to ensure compliance with international and domestic regulations to fulfill its corporate responsibility. Additionally, the Company is exploring the establishment of green methanol and other renewable fuel supply chains to provide a strong support for the Company's green and low-carbon transformation and development.

Terminal business

The Company will continue to take global layout as its core development strategy, persistently promoting the service efficiency of its existing global network while accelerating investment deployments in emerging markets, regional markets, and third-country markets. Focusing on key regions and markets targeted by the dual-brand fleet and Ocean Alliance's new capacity expansions, the Company will secure supply chain node resources through investments or acquisitions of global upstream and downstream industrial chain assets, bolstering COSCO SHIPPING Group's high-quality global corridor development.

Guided by lean operations as its core management philosophy, the Company will adopt diversified strategies to drive high-quality development. Under the new landscape of shipping alliances, it will strengthen competitive advantages through improving service quality and precision marketing. Key tactics include strengthening corridor infrastructure, elevating the service capabilities of critical hubs such as CSP Wuhan Terminal, Piraeus Terminal, and CSP Abu Dhabi Terminal, and continuing to position COSCO SHIPPING Ports Chancay PERU S.A. (“**CSP Chancay Terminal**”) as South America’s premier smart green port. By empowering lean management with technological innovation, the Company aims to reduce costs, improve operational efficiency, and enhance customer satisfaction.

Anchored in the dual strategic tracks of “digital intelligence” and “green and low-carbon transition”, the Company will encourage the cultivation of new quality productivity in port operations. Driven by digital intelligence, it will advance smart port development and build a digitally interconnected ecosystem across the supply chain. Efforts include optimizing full-process automation in terminal operations, integrating AI and other innovative technologies into operational scenarios, through which the businesses can expand from traditional cargo handling to integrated logistics services. In green initiatives, the Company will develop low-carbon ports, expand clean energy adoption, and facilitate energy structure transformation. By actively participating in green fuel supply chain development and creating full-chain green products, the Company aims to set industry benchmarks for sustainability and build new competitive advantages.

OTHER INFORMATION

Annual General Meeting

It is proposed that an annual general meeting of the Company be held on Wednesday, 28 May 2025. For the purpose of ascertaining Shareholders’ entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025, both days inclusive, during which no transfer of Shares will be effected. Holders of H Shares of the Company whose names appear on the register of members of the Company on Thursday, 22 May 2025 at 4:30 p.m. are entitled to attend and vote at the annual general meeting of the Company.

The notice and the circular convening the annual general meeting will be despatched to the Shareholders in due course.

Corporate Governance

The Company is committed to maintaining high standards of corporate governance within by the Group. The Board considers that effective corporate governance is essential and makes important contribution to the corporate success and to enhancing Shareholders’ value.

The Company has adopted its own corporate governance code (the “**Code**”) which incorporates all the code provisions in the Corporate Governance Code and a majority of the recommended best practices therein. Having made specific enquiries, the Directors were not aware of any information which reasonably shows that the Company had not complied with the Corporate Governance Code or any applicable code provisions therein at any time during the year ended 31 December 2024.

Model Code for Securities Transactions by Directors

Since the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2005, the Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code for securities transactions by the Directors and Supervisors of the Company. After making specific enquiries with all Directors and Supervisors, each of them has confirmed that they had complied with the required standard set out in the Model Code throughout the year ended 31 December 2024.

Board Committees

The Company has established a strategic development committee, a risk control committee, an audit committee, a remuneration committee and a nomination committee.

Audit Committee

The audit committee of the Company (the “**Audit Committee**”), established in April 2005, comprises 3 independent non-executive Directors. It is chaired by Prof. MA Si-hang Frederick and the other two members are Mr. SHEN Dou and Ms. HAI Chi-yuet. All members of the Audit Committee are competent and experienced in understanding, analyzing and reviewing the financial reports of listed companies.

The annual results of the Company have been reviewed by the Audit Committee.

REPURCHASE, SALE OR REDEMPTION OF LISTED SHARES

On 25 May 2023, the annual general meeting, the class meeting of the A Shareholders and the class meeting of the H Shareholders of the Company considered and approved the grant of a general mandate to the Board to repurchase A Shares and H Shares, so as to repurchase A Shares and H Shares not exceeding 10% of the number of A Shares and H Shares in issue as at the date of the annual general meeting, the class meeting of the A Shareholders and the class meeting of the H Shareholders, respectively. On 29 August 2023, the 27th meeting of the sixth session of the Board of the Company approved the “Proposal on the Share Repurchase Plan of COSCO SHIPPING Holdings”, and agreed to implement the share repurchase plan to safeguard the values of the Company and the interests of the Shareholders, to implement the repurchase of Shares in accordance with the framework of the general mandate for repurchase of Shares approved at the annual general meeting and in compliance with applicable laws. All purchased Shares shall be cancelled and the registered share capital shall be reduced accordingly.

On 29 May 2024, the annual general meeting, the class meeting of the A Shareholders and the class meeting of the H Shareholders of the Company considered and approved the grant of a general mandate to the Board to repurchase A Shares and H Shares, so as to repurchase A Shares and H Shares not exceeding 10% of the number of A Shares (“**General Mandate to Repurchase A Shares**”) and H Shares (“**General Mandate to Repurchase H Shares**”) in issue as at the date of the annual general meeting, the class meeting of the A Shareholders and the class meeting of the H Shareholders, respectively. On 18 October 2024, the Board considered and approved the Resolution on the Shares Repurchase Plan of COSCO SHIPPING Holdings with Special Loans Provided by Bank(s) and Own Funds (《關於中遠海控以銀行專項貸款及自有資金回購公司股份方案的議案》), pursuant to which it is proposed to repurchase A Shares through centralized price bidding pursuant to the General Mandate to Repurchase A Shares (“**A Shares Repurchase Plan**”) and to repurchase H Shares pursuant to the General Mandate to Repurchase H Shares. On 13 November 2024, the extraordinary general meeting of the Company considered and approved the implementation of the A Shares Repurchase Plan. All purchased Shares shall be cancelled and the registered share capital shall be reduced accordingly.

Monthly reports on the repurchase of A Shares and H Shares are as follows:

Repurchase of A Shares

Month of repurchase	Repurchased Shares	Purchase price per Share		Total price (excluding transaction costs) (RMB)
		Highest (RMB/Share)	Lowest (RMB/Share)	
November	50,000,050	14.71	13.51	703,339,984.4
Total	<u>50,000,050</u>			<u>703,339,984.4</u>

Repurchase of H Shares

Month of repurchase	Repurchased Shares	Purchase price per Share		Total price (excluding transaction costs) (HK\$)
		Highest (HK\$/Share)	Lowest (HK\$/Share)	
January	34,032,000	8.46	7.54	271,275,105
February	23,019,000	8.90	7.64	190,659,075
October	3,109,000	11.78	11.46	36,132,640
November	62,412,000	12.64	10.74	736,888,180
December	17,132,500	12.52	11.00	200,743,560
Total	<u>139,704,500</u>			<u>1,435,698,560</u>

During the Reporting Period, on 29 February 2024, the Company cancelled the 57,051,000 H Shares repurchased during the period from 10 January 2024 to 23 February 2024.

As of the date of this announcement, the 50,000,050 A Shares repurchased during the period from 14 November 2024 to 27 November 2024 have not been cancelled and the 82,653,500 H Shares repurchased during the period from 31 October 2024 to 17 December 2024 have not been cancelled.

Except for the aforesaid, neither the Company nor any of its subsidiaries had repurchased or sold any listed securities of the Company during the Reporting Period. No treasury Shares (as defined in the Listing Rules) were held, sold or transferred by the Company, nor were any securities of the Company redeemed during the Reporting Period.

Pre-emptive Rights

The articles of association of the Company and the laws of the PRC contain no provision for any pre-emptive rights which would require the Company to offer new shares to the Shareholders on a pro-rata basis to their shareholdings.

Auditors

The Company has appointed ShineWing (HK) CPA Limited and ShineWing Certified Public Accountants, LLP as the international and domestic auditors of the Company respectively for the year ended 31 December 2024. ShineWing (HK) CPA Limited has conducted the audit of the Group's financial statements which are prepared in accordance with Hong Kong Financial Reporting Standards. Resolutions for the re-appointment of ShineWing (HK) CPA Limited and ShineWing Certified Public Accountants, LLP as the international and domestic auditors of the Company respectively will be proposed at the forthcoming annual general meeting of the Company to be held in due course.

PAST PERFORMANCE AND FORWARD-LOOKING STATEMENTS

The performance and the results of operation of the Group contained in this annual results announcement are historical in nature, and past performance does not guarantee the future results of the Group. Any forward-looking statements and opinions contained in this annual results announcement are based on current plans, estimates and projections, and therefore involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (1) no obligation to correct or update the forward-looking statements or opinions contained in this annual results announcement; and (2) no liability in the event that any of the forward-looking statements or opinions do not materialize or turn out to be incorrect.

PUBLICATION OF ANNUAL REPORT

This annual results announcement has been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company. An annual report for the year ended 31 December 2024 containing all the information required by Appendix D2 to the Listing Rules will be despatched to the Shareholders of the Company and will be available for review on the same websites in due course. In addition, the Company has also published the A Share annual report for the year ended 31 December 2024 prepared under the Enterprise Accounting Standards on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) for investors' reference.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“Accounting Guideline”	the Accounting Guideline issued by the Hong Kong Institute of Certified Public Accountants
“Board”	the board of Directors
“Company” or “COSCO SHIPPING Holdings”	COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 1919) and the A Shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601919)
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“COSCO SHIPPING”	China COSCO SHIPPING Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and the indirect controlling shareholder of the Company
“COSCO SHIPPING Group”	COSCO SHIPPING and its subsidiaries
“COSCO SHIPPING Lines”	COSCO SHIPPING Lines Co., Ltd.* (中遠海運集裝箱運輸有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“COSCO SHIPPING Ports”	COSCO SHIPPING Ports Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1199), and a non-wholly owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Dual Brands”	Two container shipping service brands, namely “COSCO SHIPPING Lines” and “OOCL”
“Enterprise Accounting Standards”	The Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC
“Group”	the Company and its subsidiaries

“GSBN”	the Global Shipping Business Network, jointly initiated by COSCO SHIPPING Lines, OOCL, COSCO SHIPPING Ports (each of which is a subsidiary of the Company) and five other internationally renowned liner companies and port operators, aiming to support and facilitate trustable transactions, seamless cooperation and digital transformation among all participants in global trade with the help of blockchain technology
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKAS”	the Hong Kong Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“OCEAN Alliance”	the alliance formed by COSCO SHIPPING Lines, OOCL, CMA CGM S.A., and Evergreen Marine Corp. (Taiwan) Ltd., with an aim to provide competitive services with wide coverage
“OOCL”	Orient Overseas Container Line Limited, a subsidiary of OOIL
“OOIL”	Orient Overseas (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 0316), and a subsidiary of the Company
“PRC” or “China”	the People’s Republic of China
“Reporting Period”	the year ended 31 December 2024
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) (including A Share(s) and H Share(s) of the Company) of RMB1.00 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By Order of the Board
COSCO SHIPPING Holdings Co., Ltd.*
Xiao Junguang
Company Secretary

Shanghai, the People’s Republic of China
21 March 2025

As at the date of this announcement, the Directors of the Company are Mr. WAN Min¹ (Chairman), Mr. CHEN Yangfan¹ (Vice Chairman), Mr. TAO Weidong¹, Mr. ZHU Tao¹, Mr. YU De², Prof. MA Si-hang Frederick³, Mr. SHEN Dou³ and Ms. HAI Chi-yuet³.

¹ *Executive Director*

² *Non-executive Director*

³ *Independent non-executive Director*

* *For identification purpose only*