

Corporate Governance Report

The Board of Directors of the Company (the “Board”) and the management of the Company are committed to maintaining high standards of corporate governance. The Company considers that effective corporate governance makes an important contribution to corporate success and to the enhancement of shareholder value.

CORPORATE GOVERNANCE CODE

The Company has adopted its own corporate governance code (the “CG Code”), which in addition to applying the principles as set out in the Corporate Governance Code (the “SEHK Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), also incorporates and conforms to local and international best practices. The CG Code sets out the corporate governance principles applied by the Company and its subsidiaries (the “Group”) and is constantly reviewed to ensure its transparency, accountability and independence.

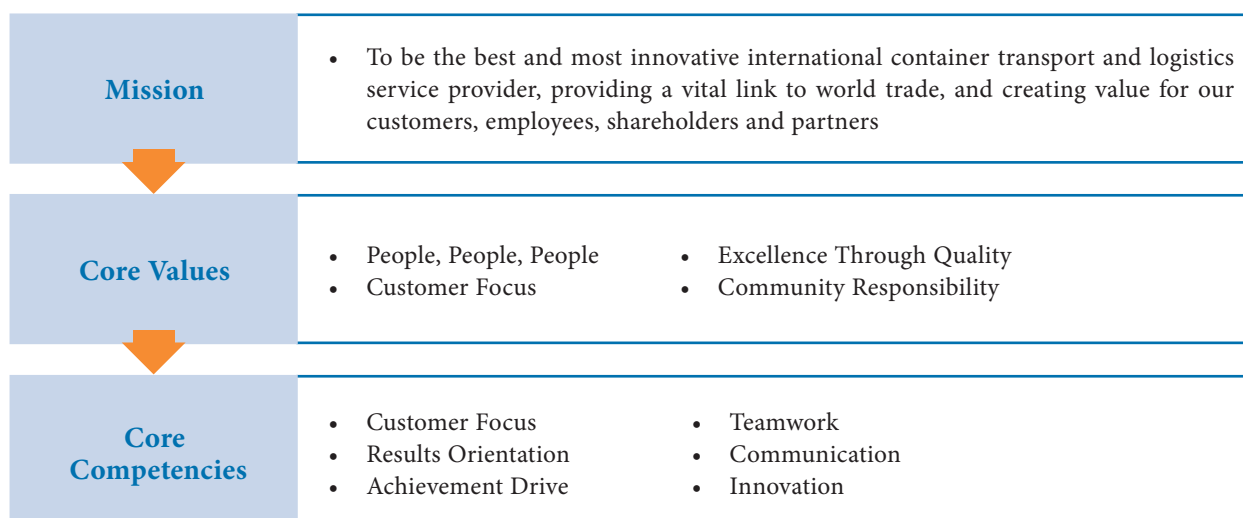
Throughout the year 2025, the Company complied with the SEHK Code, save for two recommended best practices as described below:

- the remuneration of senior management of the Group was disclosed by bands, not on an individual basis
- quarterly operational results, instead of quarterly financial results, were announced and published

A. CORPORATE CULTURE

1. Board Leadership

The Board leads and shapes the corporate culture of the Company, which is anchored against the Company’s mission, values and competencies, and underpinned by the principle of acting lawfully, ethically, responsibly and accountably across all levels of the Group.



2. Tone from the Top and Accountability Framework

The Board sets the tone from the top and ensures that the desired culture is implemented and continuously developed through the Group’s management practices, operating policies and guidelines, and its engagements with employees and other stakeholders to maintain alignment with the strategic focuses of the Group.

The Board holds the Directors, the Chief Executive Officer of the Company and the senior management of the Group accountable for their actions. Senior management, in turn, reinforces the desired culture and sets the ethical tone and direction for middle management. This cascading accountability framework ensures consistent application of the expected business principles and ethics throughout the Group. Accountability of employees at all levels, along with the corporate culture, is embedded in the code of conduct of the employee handbook.

3. Strategic Alignment and Performance Management

To promote a clear and shared understanding of our corporate culture, the Company incorporates corporate culture-related content into orientation programmes for new employees. Other training also serves as a reflection and demonstration of our commitment to the four core values, facilitating the integration of these principles into day-to-day operations and strategic decision-making.

The Group's strategic goals are further elaborated through specific objectives and measures at the workforce level to facilitate effective implementation. Employees at all levels are subject to periodic performance reviews and are eligible for remuneration adjustments and talent development initiatives, which cultivate the required competencies with reference to the expected commitment and responsibilities, and support the delivery of the corporate strategy.

Adherence to, and demonstration of, the core values also serve as one of the key performance indicators in the annual performance review for all employees. A global recognition award programme, the "Take it Personally" (TIP) Awards, is in place to encourage performance excellence through embracing the TIP spirit. These drive employees to act in the Group's best interests while maintaining accountability to the management, the Board and ultimately to the shareholders.

B. BOARD OF DIRECTORS

1. Roles and Duties of the Board

a. Strategic Leadership, Oversight and Governance

The Board provides the overall strategic direction and management of the business and affairs of the Group, with the objective of enhancing shareholder value. Its key responsibilities include formulation of the Group's overall strategies and policies, setting of corporate and management targets, key operational initiatives and policies on risk management and internal control systems pursuant to the Group's strategic objectives, monitoring and control of operational and financial performance, and approval of budgets and major capital expenditures, major investments, material acquisitions and disposals of assets, corporate or financial restructuring, significant operational, financial and management matters.

The Board has a fiduciary duty and statutory responsibility towards the Company and the Group. It ensures that the Company presents a balanced, clear and understandable assessment of its performance, position and prospects in the annual and interim reports, announcements and other financial disclosures as required under the Listing Rules, and reports to regulators any information required to be disclosed pursuant to statutory requirements.

b. Delegation to Management and Board Committees

The Board delegates day-to-day management and operation of the Group's business to the management of the Group under the leadership and supervision of the Chief Executive Officer of the Company, who organises, executes and implements the strategies, policies and objectives approved by the Board, and reports to the Board on their adoption and implementation across the Group.

The Board also delegates certain specific responsibilities to 9 Board committees of the Company, namely Executive Committee, Audit Committee, Remuneration Committee, Nomination Committee, Risk Committee, Compliance Committee, Inside Information Committee, Strategic Development Committee and Sustainability Committee. The composition, functions and authority of each committee are set out on pages 68 to 78 of this annual report. For the efficient management and operation of the Group's principal subsidiary, the Board also delegates and confers certain powers, authorities and discretions on such terms as it thinks fit to the board of directors, the executive committee and certain sub-committees of the Group's principal subsidiary for them to act and operate within the delegated frameworks.

2. Chairman and Chief Executive Officer

As at the date of this annual report, Mr. Wan Min is the Chairman of the Company and Mr. Zhang Feng is the Chief Executive Officer of the Company with their respective roles set out in writing.

a. Chairman

The primary role of the Chairman is to provide leadership to the Board and to ensure that the Board functions effectively in the discharge of its responsibilities. His duties include to:

- ensure that Directors are briefed and have received, in a timely manner, adequate information, which are accurate, clear, complete and reliable, on issues to be discussed at Board meetings;
- ensure that the Board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed in a timely manner and that good corporate governance practices and procedures are established, implemented and maintained;
- approve the agenda drawn up by the Company Secretary for each Board meeting taking into account, where appropriate, any matter proposed by the other Directors for inclusion in the agenda;
- promote a culture of openness and debate by facilitating the effective contribution of the Non-Executive Directors (including the Independent Non-Executive Directors) in particular and ensuring constructive relations between the Executive Directors and the Non-Executive Directors; and encourage Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that Board decisions fairly reflect Board consensus;
- hold meetings at least annually with the Independent Non-Executive Directors without the presence of the other Directors;
- ensure effective communication with the shareholders of the Company and that their views are communicated to the Board; and to
- attend the annual general meetings of the Company and invite the Lead Independent Non-Executive Director (if any) and the chairmen of the Audit Committee, the Remuneration Committee, the Nomination Committee and the other Board committees, or in the absence of the chairman of the respective Board committees, other members of the related Board committees to be available to answer the relevant questions at the annual general meetings.

In case of an equality of votes at any Board meeting, the Chairman shall be entitled to a second or a casting vote.

b. Chief Executive Officer

The primary role of the Chief Executive Officer of the Company is to be responsible for the day-to-day management and business operations of the Group. His duties include to:

- provide leadership and supervise the effective management of the Group and to establish and review from time to time the management system of the Group;
- set up programmes for management development and succession plans for the Group;
- monitor and control the operational and financial performance of the Group;
- organise, execute, implement and report to the Board on the adoption of the Company's strategies, policies and objectives by the Group pursuant to the Board's decisions;
- provide information to the Board (as necessary) to enable the Board to monitor the performance of management and operation of the Group; and to
- organise the implementation of the Board's decisions and implement such duties as directed or delegated by the Board.

3. Board Composition

As at the date of this annual report, the Board is comprised of 3 Executive Directors, 4 Non-Executive Directors and 5 Independent Non-Executive Directors. Their length of tenure and the current period of appointment are set out below:

	Length of Tenure [*] (Approximate number of year(s))	Current Period of Appointment	
		Start Date	End Date
Executive Directors			
Mr. Wan Min (<i>Chairman</i>)	4	6th December 2024	5th December 2027
Mr. Zhang Feng (<i>Chief Executive Officer</i>)	1	16th April 2025	15th April 2028
Mr. Tao Weidong	2	29th May 2024	28th May 2027
Non-Executive Directors			
Mr. Tung Lieh Cheung Andrew	14	1st January 2026	31st December 2028
Mr. Yu Fulin	1	12th December 2025	11th December 2028
Ms. Wang Dan	8	3rd August 2024	2nd August 2027
Mr. Ip Sing Chi	8	3rd August 2024	2nd August 2027
Independent Non-Executive Directors			
Mr. Chow Philip Yiu Wah (<i>Lead Independent Non-Executive Director</i>)	22	2nd January 2024	1st January 2027
Dr. Chung Shui Ming Timpson	8	3rd August 2024	2nd August 2027
Mr. Yang Liang Yee Philip	8	3rd August 2024	2nd August 2027
Ms. Chen Ying	8	3rd August 2024	2nd August 2027
Mr. Chen Hong	1	9th May 2025	8th May 2028

* Represents the continuous period of service as a Director, irrespective of any re-designation during the period.

The Directors have extensive corporate and strategic planning experience and industry knowledge. Their biographical details are set out on pages 42 to 48 of this annual report and on the Company's website at <https://www.oilgroup.com>. Details of the diversity and skills profile of the Board are set out on pages 61 to 63 of this annual report.

4. Nomination, Appointment and Re-election

The Company follows a formal, considered and transparent procedure for the appointment of new Directors. The Nomination Committee of the Company reviews the structure, size and composition of the Board regularly and makes recommendation to the Board to complement the corporate strategy of the Company. The appointment of a new Director is a collective decision of the Board, taking into consideration the nomination policy (the “Nomination Policy”) and the board diversity policy (the “Board Diversity Policy”) formally adopted by the Board.

The Nomination Policy provides the selection criteria of potential candidates for directorship of the Company, and the procedures for selection and appointment of Directors of the Company and certain significant positions of the Group. It is summarised below:

- the Board is responsible for the selection and appointment of the Directors of the Company and for the nomination of the Directors of the Company for election by the shareholders of the Company thereafter at regular intervals by rotation so as to achieve a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s strategic focus and specific business needs. The Nomination Committee is responsible for evaluating and nominating candidates for approval by the Board;
- the Nomination Committee will assess the potential contributions the candidate shall bring to the Board, as well as his/her ability to discharge the responsibilities of a Director effectively, based on the following criteria:
 - structure, size and composition of the current Board;
 - time commitment to the Board;
 - diversity of the Board in all its aspects as set out in the Board Diversity Policy;
 - reputation and integrity;
 - Board succession plan;
 - requirements under the prevailing Listing Rules; and
 - other factors that the Board may consider appropriate;
- the Nomination Committee will monitor and review the Nomination Policy regularly to ensure that it remains relevant to the Company’s strategic focus and specific business needs and reflects both current regulatory requirements and good corporate governance.

The Board Diversity Policy is summarised below:

- the Company ensures that its Board has the appropriate balance of skills, breadth of experience, independence and objectivity, engagement and credibility, rigour and structure and diversity of perspectives of the Board required to support the execution of its strategic focus and specific business needs in order for the Board to be effective;
- the diversity of the Board and selection of candidates will be based on a range of perspectives, including gender, age, cultural and educational background, ethnicity, industry experience, skills, knowledge and length of service. The Board’s appointment should be based on meritocracy and diversity of perspectives appropriate for the Company’s strategic focus and specific business needs and the contribution that the selected candidates will bring to the Board; and
- the Nomination Committee will take the Board Diversity Policy into consideration in identifying and nominating suitable qualified candidates to become members of the Board, and shall ensure that the selected candidates shall have the breadth of experience, independence and objectivity, engagement and credibility, rigour and structure.

The Board believes that changes to the Board composition shall be managed without undue disruption. The Nomination Committee conducts annual review of the Board skills matrix and benchmarks the structure, size and composition of the Board against comparable listed companies in the similar industry. It considers that the Board maintains an appropriate balance of skills, experience and diversity to support effective management of the Company’s business and operations.

During the year 2025, the Nomination Committee reviewed the profiles of Mr. Zhang Feng, Mr. Chen Hong and Mr. Yu Fulin and recommended their respective appointments as Directors of the Company to the Board after taking into consideration the Nomination Policy and the Board Diversity Policy, to support Board succession and refreshment in response to the rapidly evolving business environment and adapt to emerging areas of concerns in order to achieve long-term objectives of the Company and promote the Company's success.

All Directors of the Company are appointed with a fixed term of 3 years and subject to re-election by rotation at least once every 3 years. The re-election of the retiring Directors of the Company is recommended by the Nomination Committee for the Board's consideration and is subject to the shareholders' approval. At the annual general meeting of the Company held on 27th May 2025 (the "Last AGM"), Mr. Wan Min, Mr. Zhang Feng, Mr. Tao Weidong, Mr. Tung Lieh Cheung Andrew, Mr. Ip Sing Chi, Mr. Chow Philip Yiu Wah and Mr. Chen Hong retired and were re-elected as Directors of the Company in accordance with the Listing Rules and the bye-laws of the Company (the "Bye-laws").

5. Independence

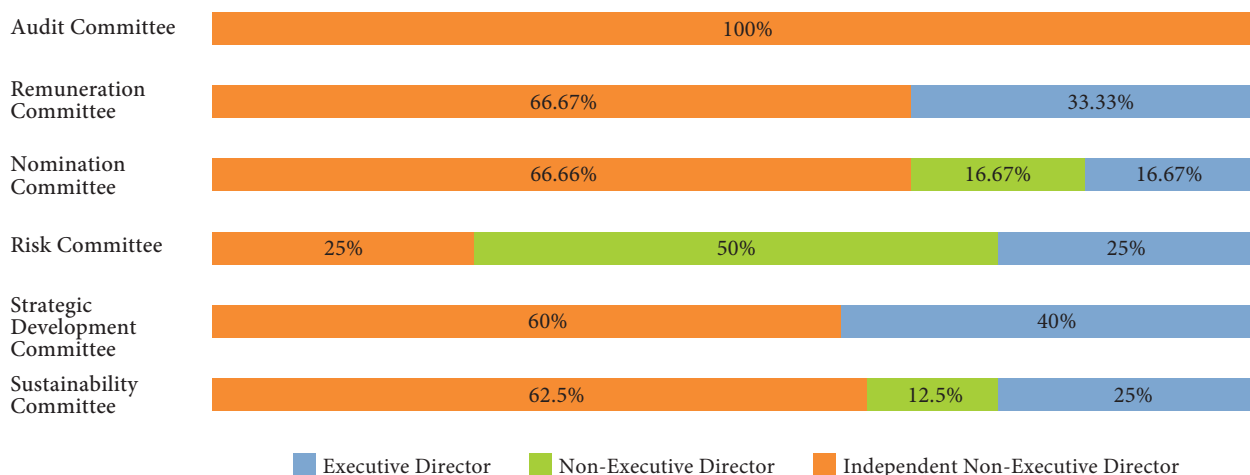
To foster a more proactive independent voice on the Board and uphold high corporate governance standards, an effective mechanism is in place to ensure independent views and input are available to the Board, with its effectiveness subject to the annual review by the Nomination Committee of the Company. During the year 2025, the composition of the Board complied with the Listing Rules requirements in having at least 3 Independent Non-Executive Directors and at least one-third of the Board are Independent Non-Executive Directors, with at least one of them having appropriate professional qualification or accounting or related financial management expertise. The Board considers that there is a reasonable balance between the Executive Directors and the Non-Executive Directors (including the Independent Non-Executive Directors), and it has provided adequate checks and balances for safeguarding the interests of the Company and its shareholders.

All Independent Non-Executive Directors of the Company are financially independent from the Group. The Company has received from each Independent Non-Executive Director an annual confirmation of his/her independence with reference to the independence factors set out in Rule 3.13 of the Listing Rules and considers that all the Independent Non-Executive Directors have satisfied their independence to the Group up to the date of this annual report. Each Independent Non-Executive Director is also required to inform the Company and the Stock Exchange as soon as practicable if there is any change of circumstances which may affect his/her independence.

Mr. Chow Philip Yiu Wah has been designated as the Lead Independent Non-Executive Director of the Company with effect from 13th March 2025. Being the Lead Independent Non-Executive Director of the Company, Mr. Chow serves on more than half of the Board committees and he is the Chairman of the Audit Committee and the Remuneration Committee of the Company. He conveys feedback from other Independent Non-Executive Directors to the Board from time to time. During the year 2025, Mr. Chow attended all 3 general meetings and was available to shareholders for questions and discussions at those meetings. He also served as the chairman of the ad-hoc Independent Board Committees for advising the independent shareholders of the Company on (i) the major and connected transaction regarding construction of fourteen 18,500 TEU class container vessels, and (ii) the continuing connected transactions contemplated under certain new master agreements during the year 2025.

Corporate Governance Report

Our Independent Non-Executive Directors constitute the majority of the members in more than half of the Board committees of the Company. Their engagement ensures essential independent oversight and enriches the Group's strategic direction and policies through their diversified expertise, seasoned judgement and a breadth of experience and skills. Independence weighting in Board committees as at the date of this annual report is set out below:



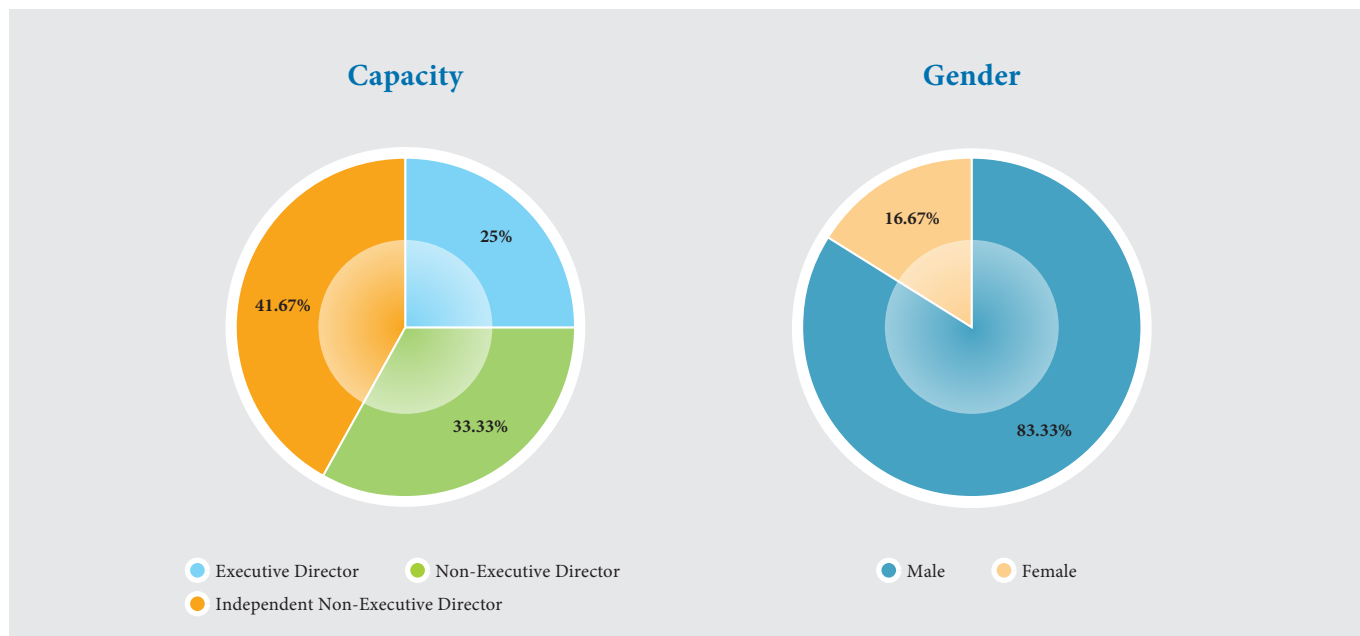
All Directors, including the Independent Non-Executive Directors, are encouraged to express their views and voice their concerns for constructive discussions and debates, and they are requested to declare interests, if any, in proposals or transactions to be considered by the Board at Board meetings and the Director who has material interest shall abstain from voting to avoid conflict of interests in accordance with the CG Code. The Chairman of the Board holds meetings with the Independent Non-Executive Directors at least annually, using an open agenda to enable independent oversight and constructive challenge on matters of interest to the Group.

Ms. Chen Ying, an Independent Non-Executive Director of the Company who will retire and offer for re-election at the Company's annual general meeting to be held in 2026, holds cross-directorship with Mr. Tao Weidong, an Executive Director of the Company, in both the Company and COSCO SHIPPING Lines Co., Ltd. ("COSCO SHIPPING Lines", a company that engages in competing business with the Group). Given that Ms. Chen is an external director of COSCO SHIPPING Lines and does not hold any share in the Company and COSCO SHIPPING Lines, the Board considers that such cross-directorship and Ms. Chen's interest in competing business solely arising from her directorship would not undermine her independence as an Independent Non-Executive Director of the Company.

6. Diversity

The Board Diversity Policy has introduced a broad spectrum of competencies, perspectives and experience to the Board, which drives long-term value creation and sustainable development of the Group.

The diversity profile of the Board as at the date of this annual report is set out below:










Age	51-60		61-70	71 or above	
	6 Directors (50%)		2 Directors (16.67%)	4 Directors (33.33%)	
Length of Service	Less than 3 years		3-8 years		9 years or above
	4 Directors (33.33%)		6 Directors (50%)		2 Directors (16.67%)
Directorship at other listed companies	0-1			2-3	4-5
	9 Directors (75%)			2 Directors (16.67%)	1 Director (8.33%)
Professional qualification	Certified Public Accountant	Legal Professional	Engineer		
	2 Directors	1 Director	5 Directors		

Corporate Governance Report

As at 31st December 2025, the Board achieved all the measurable objectives as set out in the Board Diversity Policy and the female representation at Board level was about 16.67% (i.e. 2 females out of 12 Directors). The Board has not set any target or timeline to enhance its gender diversity.

The Directors of the Company possess a comprehensive range of skills and experience and its current composition is adequate and aligned with the Company's business needs and objectives. The table below illustrates the skill matrix of the Board and explains how each area of expertise attributes to the Company's strategy, governance and long-term growth.

Skill and competency (ranked by importance)	Board proportion (and composition)	Relevance to the Company
1. Shipping operation and management	7 Directors (58.33%) 	Facilitating the effective management of the Company's core business and operations, and reinforcing the Company's direction
2. Leadership experience with other listed company(ies)	11 Directors (91.67%) 	Providing strategic insights and facilitating good practices as a listed company
3. Finance and accounting	4 Directors (33.33%) 	Bringing oversight in the Company's financial performance and capital management
4. Engineering and technology	5 Directors (41.67%) 	Providing insights on the application of industry-specific technologies to advance the Company's core business and innovation pipeline
5. Government and public administration	5 Directors (41.67%) 	Strengthening the Company's governance framework and facilitating the Company's sound governance
6. Legal	1 Director (8.33%) 	Facilitating the Company's governance, compliance and risk mitigation
7. Other industries	4 Directors (33.33%) 	Bringing different perspectives and views to the Board

 Executive Director  Non-Executive Director  Independent Non-Executive Director

The Company considers that the current mix of skills and experience of the Board members is appropriate for the Group's business and strategic direction. The skill matrix assists the Board in identifying strengths and areas of focus and supports informed decision-making in business and governance matters.

The Board will endeavour to ensure diversity not only at Board but also at workforce level, including gender, age, professional background and skills. The Group is committed to a diverse workforce and inclusive working environment whereas the core concept of diversity is embedded in various global policies of the Group. The Group's general workforce diversity policy is founded on the principles of equal opportunity and respect for the individual, and is summarised as follows:

- the Group is committed to being an equal opportunity employer and embraces diversity in all its forms. All employment decisions, including recruitment, selection and evaluation are based on candidates' merit, qualifications, competencies and the specific requirements of the position; and
- the Group is dedicated to maintaining a workplace free from discrimination, where every individual is treated with fairness and respect regardless of race, gender, age, or any other characteristic not pertinent to job performance.

Given the globally distributed nature of the Group's business and operations, the Group does not specify measurable objectives for achieving diversity in workforce. Gender diversities at (i) senior management level, and (ii) workforce level (excluding the senior management of the Group) are disclosed on page 27 of this annual report.

7. Time Commitments and Contributions

a. Time Commitments

All Directors should ensure that sufficient time and attention are given to the Company's affairs. The expected level of each Director's time commitment based on their specific roles in the Board and Board committees have been set out in their letters of appointment, which may vary for different positions as they served.

Each Director shall, at the time of his/her appointment and semi-annually thereafter, disclose to the Company the offices held by such Director in other public companies and organisations, and any other significant external commitments, with an indication of time involved. As at the date of this annual report, none of the Directors of the Company holds more than six directorships in listed companies including the Company.

The Nomination Committee reviews the time commitments and contributions of the Directors annually. Members of the Nomination Committee abstain from participating in discussions concerning their own individual performance during the review. As at the date of this annual report, the Nomination Committee reviewed and considered that there were adequate Directors' time commitment and all Directors discharged their responsibilities effectively during the year 2025, particularly through the following aspects:

- active involvement of the Executive Directors in daily operations and approvals of major business projects via the Executive Committee;
- proactive engagement of all Directors (including Non-Executive Directors and Independent Non-Executive Directors) in the Company's affairs by making enquiries on both the latest industry development and the Company's business updates from time to time;
- considerable attendance and active participation of all Directors at all Board and relevant Board committee meetings and the general meetings of the Company during the year 2025, where each Director had made comments and suggestions on the matters concerned and involved in the substantive discussion at the meetings;
- the diversified Directors' skills and experience which effectively drives the business development of the Company in multiple dimensions; and
- active participation in continuous professional development of all Directors, demonstrating their commitments to professional growth which ensure timely awareness of the latest industry dynamics and business updates.

All Directors have confirmed that they gave sufficient time and attention to the affairs of the Company in 2025 based on their respective experience, professional qualifications and capabilities.

b. Board Performance Evaluation

The Company is firmly committed to high standards of corporate governance. In order to assess the effectiveness of the Board and drive continuous improvement, an internal evaluation of the Board's performance is conducted annually by way of a questionnaire completed by each Director. This evaluation covers, among other areas, Board composition and diversity, processes and procedures, time commitment and continuous professional development. Directors are also invited to provide qualitative feedback and suggestions to enhance Board effectiveness.

To preserve confidentiality and encourage candid feedback, responses are aggregated and anonymised, with no attribution of comments or ratings to individual Directors. The results and the corresponding analysis and action plans formulated are reviewed by the Independent Non-Executive Director members of the Nomination Committee and reported to the Board. The Company, including the Board, refers to the performance evaluation to inform ongoing succession planning, training priorities and process enhancements to sustain high standards of corporate governance.

Evaluation for the year ended 31st December 2024 was conducted in the first quarter of 2025. The results indicated that the Board fully fulfilled its duties by jointly leading and monitoring the Company's affairs with dedication of sufficient time and attention in 2024. Acting on the recommendation arising from such evaluation, the Company convened a dedicated symposium in 2025 to deliberate on a broad range of matters directly or indirectly related to the shipping industry. This initiative further enhanced communication and alignment among Board members, as well as between the Board and the senior management of the Group.

Based on the evaluation results for the year ended 31st December 2025, the Directors are satisfied with the Board's performance in year 2025. By leveraging a diverse mix of skills and experience and devoting sufficient time and attention, the Board effectively discharged its duties and responsibilities and provided sound leadership and oversight of the Company's affairs. To further enhance the decision-making and to keep abreast of the latest business developments, the Board agreed on the action plans that the senior management of the Group should continue to provide the Board with timely and sufficient information on the Company's performance, financial position and progress so as to enable the Board to respond effectively and efficiently to evolving challenges and emerging trends.

8. Induction and Continuous Professional Development

Newly appointed Director of the Company receives a comprehensive induction pack at the time of his/her appointment to ensure understanding of his/her responsibilities and obligations as a director under the Listing Rules and the relevant regulatory requirements, his/her specific roles and duties at the Board and relevant Board committees of the Company and the Group's corporate governance practices and business operations.

Mr. Zhang Feng, Mr. Chen Hong and Mr. Yu Fulin, who were all appointed during the year 2025, had obtained legal advice referred to in Rule 3.09D of the Listing Rules from a firm of solicitors qualified to advise on Hong Kong law on 15th April 2025, 2nd May 2025 and 8th December 2025 respectively, and all of them confirmed that they understood their obligations as a Director of the Company.

Mr. Yu Fulin, being a first-time director with no prior experience of serving as a director of a company listed on the Main Board or GEM of the Stock Exchange or any other stock exchange (as defined under Rule 3.09H of the Listing Rules), is required to complete no less than 24 hours of continuous professional development within 18 months of the date of his appointment. As at the date of this annual report, Mr. Yu has fulfilled the aforesaid training requirement.

The Directors are committed to participating in continuous professional development programme to develop and refresh their knowledge and skills to help ensure that their contribution to the Board remains informed and relevant. The Company's programme for continuous professional development of Directors may take various forms, including but not limited to:

- the Company briefing Directors on important issues which have a material impact on the Group's business, financial and operational matters, including major investments, corporate governance practices and funding strategies;
- Directors meeting with senior management of the Group on issues specific to the Group's business;
- Directors reading materials and updates on the regulatory changes followed by briefings by the Company Secretary of the Company, if requested; and
- Directors attending seminars, briefings and visits on business, financial, governance, regulatory and other issues relevant to the Group's activities.

All the Directors of the Company participated in continuous professional development programme in the year 2025 to support their on-going effectiveness and ensure timely awareness of regulatory, governance and business developments. Details of training records are as follows:

	Total training hours ^(Note 2)	Training Topics (with indication of modes, hours and providers of the training ^(Note 1))					Technology development and information security
		Board and Directors' duties	Regulatory compliance and relevant updates	Corporate governance and environmental, social and governance ("ESG")	Risk management and internal control	Industry and business updates	
Executive Directors							
Mr. Wan Min	32	E (14) S (3.5 – external materials)	E (14) S (3.5 – external materials)	E (18.5) S (4.5 – external materials)	E (9) I (3.5) S (0.5 – external materials)	E (4) I (3.5) S (1.5 – external materials)	E (4) S (2 – internal materials)
Mr. Zhang Feng ^(Note 3)	37	E (17) S (7 – internal and external materials)	E (17) S (6 – internal and external materials)	E (21.5) S (7 – internal and external materials)	E (13) I (3.5) S (2 – external materials)	E (4) I (3.5) S (1.5 – external materials)	E (4) S (1.5 – internal materials)
Mr. Tao Weidong	33.5	E (14) S (5 – external materials)	E (14) S (5 – external materials)	E (18.5) S (6 – external materials)	E (9) I (3.5) S (2 – external materials)	E (4) I (3.5) S (1.5 – external materials)	E (4) S (2 – internal materials)
Mr. Chen Yangfan ^(Notes 4 and 9)	0.5	-	-	-	-	-	S (0.5 – internal materials)

Training Topics (with indication of modes, hours and providers of the training ^(Note 1))							
Total training hours ^(Note 2)	Board and Directors' duties	Regulatory compliance and relevant updates	Corporate governance and environmental, social and governance ("ESG")	Risk management and internal control	Industry and business updates	Technology development and information security	
Non-Executive Directors							
Mr. Tung Lih Cheung Andrew	16.5	E (3) S (3.5 - external materials)	E (3) S (2.5 - external materials)	E (7.5) S (3.5 - external materials)	S (0.5 - external materials)	E (4) S (1.5 - external materials)	E (4) S (2 - internal materials)
Mr. Yu Fulin ^(Note 5)	31	E (4.5) S (7 - internal and external materials)	E (6) S (4 - internal and external materials)	E (14) S (9 - internal and external materials)	E (1.5) S (2 - external materials)	E (4) S (1.5 - external materials)	E (4)
Ms. Wang Dan	16.5	E (3) S (3.5 - external materials)	E (3) S (2.5 - external materials)	E (7.5) S (3.5 - external materials)	S (0.5 - external materials)	E (4) S (1.5 - external materials)	E (4) S (2 - internal materials)
Mr. Ip Sing Chi	45.5	E (4) S (5.5 - external materials)	E (4) S (3.5 - external materials)	E (26.5) S (8 - external materials)	E (1) I (3.5) S (2 - external materials)	E (4) I (3.5) S (1.5 - external materials)	E (7) S (2 - internal and external materials)
Mr. Gu Jinshan ^(Notes 6 and 9)	7	S (2.5 - external materials)	S (1.5 - external materials)	E (2) S (2.5 - external materials)	S (0.5 - external materials)	-	S (2 - internal materials)
Independent Non-Executive Directors							
Mr. Chow Philip Yiu Wah	20	E (3) S (3.5 - external materials)	E (3) S (2.5 - external materials)	E (7.5) S (3.5 - external materials)	I (3.5) S (0.5 - external materials)	E (4) I (3.5) S (1.5 - external materials)	E (4) S (2 - internal materials)
Dr. Chung Shui Ming Timpson	20	E (3) S (3.5 - external materials)	E (3) S (2.5 - external materials)	E (7.5) S (3.5 - external materials)	I (3.5) S (0.5 - external materials)	E (4) I (3.5) S (1.5 - external materials)	E (4) S (2 - internal materials)
Mr. Yang Liang Yee Philip	23	E (4) S (3.5 - external materials)	E (4) S (2.5 - external materials)	E (8.5) S (4 - external materials)	E (1) I (3.5) S (1 - external materials)	E (5) I (3.5) S (1.5 - external materials)	E (4) S (2 - internal materials)
Ms. Chen Ying	24	E (7) S (3.5 - external materials)	E (7) S (2.5 - external materials)	E (11.5) S (3.5 - external materials)	I (3.5) S (0.5 - external materials)	E (4) I (3.5) S (1.5 - external materials)	E (4) S (2 - internal materials)
Mr. Chen Hong ^(Note 7)	17.5	E (3) S (5.5 - internal and external materials)	E (3) S (4.5 - internal and external materials)	E (7.5) S (5.5 - internal and external materials)	S (0.5 - external materials)	E (4) S (1.5 - external materials)	E (4) S (1 - internal materials)
Mr. So Gregory Kam Leung ^(Notes 8 and 9)	10.5	S (2.5 - external materials)	S (1.5 - external materials)	E (2) S (2.5 - external materials)	I (3.5) S (0.5 - external materials)	I (3.5)	S (2 - internal materials)

E External I Internal S Self-study (internal and/or external materials)

Notes:

1. Director's training can take various modes and are indicated as follows:
 - (a) External: attending seminars, briefings and courses organised by the regulatory bodies or relevant associations such as The Stock Exchange of Hong Kong, The Hong Kong Chartered Governance Institute and Hong Kong Accounting and Financial Reporting Council.
 - (b) Internal: attending symposiums, briefings and visits organised by the Company.
 - (c) Self-study: reading materials provided by the Company or published by the regulatory bodies or relevant associations.
2. Trainings taken may cover various topics. The total training hours only count the same training once.
3. Appointed as an Executive Director of the Company with effect from 16th April 2025.
4. Resigned as an Executive Director of the Company with effect from 16th April 2025.
5. Appointed as a Non-Executive Director of the Company with effect from 12th December 2025.
6. Resigned as a Non-Executive Director of the Company with effect from 10th December 2025.
7. Appointed as an Independent Non-Executive Director of the Company with effect from 9th May 2025.
8. Passed away on 13th December 2025.
9. The relevant training records are up to the cessation dates of their appointments and are based on the information available to the Company only.

Mr. Xiao Jinguang, the Company Secretary of the Company, undertook no less than 15 hours of professional training in the year 2025 to update his professional skills and knowledge.

9. Board Meetings

Regular Board meetings are scheduled at the end of each preceding year to maximise the attendance of Directors. The Board meets at least 4 times each year and has a formal schedule of matters referred to it for consideration and decision. Additional meetings may be convened as and when necessary. Notice of at least 14 days is served for regular Board meetings and reasonable notice is given for all other Board meetings. Directors are consulted and provided with an opportunity to include matters in the agenda for discussion at the Board meetings. The Company Secretary assists the Chairman in preparing the agenda for each Board meeting and ensures that the procedures and applicable rules and regulations regarding the meetings are observed. The final agenda together with the Board papers are distributed to the Directors at least 3 days before the Board meetings.

If a Director or a substantial shareholder of the Company has a conflict of interest in any matter to be considered by the Board, the Company Secretary shall ensure that such matter is dealt with by a physical Board meeting rather than a written resolution. If considered appropriate, the Board meeting shall be attended by the Independent Non-Executive Directors who have no material interests in the matter. The Director(s) concerned shall abstain from voting on any such resolution in which they or any of their associates have a material interest and shall not be counted in the quorum present at that Board meeting.

Matters considered and decisions reached at the Board or Board committees meetings, including any concerns raised by the members or dissenting views expressed, are properly recorded in minutes in sufficient detail. Draft minutes of Board or Board committees are circulated to the relevant members for comments within a reasonable time and the signed minutes are available for inspection by all Directors.

Supply of and Access to Information

All Directors and/or members of the Board Committees have access to the relevant Board and Board committee papers and other materials (if applicable) either from the Company Secretary or the Chairman or the Chief Executive Officer so that they are able to make informed decisions on matters placed before them. Directors can access meeting materials and the signed minutes of the Board and the Board committee meetings, and training materials and reference documents provided by the Company through an electronic platform, which ensures timely and secure delivery of information to the Board and Board committee members. Periodic financial reports and operational updates are also provided to all Directors to enable them to keep abreast of the latest business dynamics of the Group.

Effective communication between the Board and the senior management of the Group is maintained through open dialogues and proactive engagement. The Board receives regular updates on the Group's performance and outlook during the Board meetings. The Chief Executive Officer and the Chief Financial Officer of the Company, and the Chief Operating Officer of the Group's principal subsidiary, as representatives of the senior management of the Group, attend Board meetings to address any queries from the Directors. The Directors are also able to independently access the senior management for further information.

The Company Secretary of the Company provides the Directors with updates on developments regarding the Listing Rules and other applicable regulatory requirements from time to time. Any Director of the Company may request the Company Secretary to arrange independent professional advice at the expense of the Company to assist them to effectively discharge their duties to the Company.

10. Board Committees

In addition to the Audit Committee, the Remuneration Committee and the Nomination Committee established in compliance with the Listing Rules, the other 6 committees of the Company are the Executive Committee, the Compliance Committee, the Inside Information Committee, the Risk Committee, the Strategic Development Committee and the Sustainability Committee. Each committee has its own well-defined scope of duties and terms of reference. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the websites of the Company and the Stock Exchange. The Company Secretary shall make available the terms of reference of the committees to the shareholders of the Company upon their written request.

Each Board committee is empowered to make decisions on matters within the terms of reference of such committee. The updates on key matters considered by each of the committees and the decisions reached would be reported to the Board. Members of the respective committees and the Directors of the Company have access to the minutes of the relevant committees.

a. Executive Committee

The Executive Committee was established in 1996 and its members are the Executive Directors of the Company. As at the date of this annual report, the Executive Committee is comprised of Mr. Wan Min (chairman of the Executive Committee), Mr. Zhang Feng (appointed as a member of the Executive Committee with effect from 16th April 2025) and Mr. Tao Weidong, and Mr. Xiao Junguang is the secretary.

The Executive Committee operates as an executive management committee under the direct authority of the Board. Its primary duties include to:

- formulate strategies and policies and to set corporate and management targets and operational initiatives and policies on risk management, and plans and operational directions for the Group;
- monitor, control and manage operational and financial performance and business affairs of the Group;
- review the disclosure of the Company required under the Listing Rules, regulatory or statutory requirements and recommend to the Board for consideration and approval, if appropriate;
- approve capital expenditure of a specified amount;
- review, discuss and approve, if appropriate, major or unbudgeted asset acquisitions or disposals; major or unbudgeted mergers and/or acquisitions by the business units of the Group's principal subsidiary; and setting up of major or unbudgeted joint-ventures and partnerships with a company not currently controlled and managed by the Group;
- consider and evaluate the share transactions of the Company, including but not limited to share repurchase (whether on-market or off-market and whether by exercise of repurchase mandates), issue of bonus shares, scrip dividend scheme, top-up placing, share subscription and placement of the Company's shares;

- review (i) the removal of the ordinary shares of the Company from the principal register in Bermuda to the branch register in Hong Kong or vice versa, at the request of shareholders; and (ii) the issuance of share certificates to the shareholders who have reported the loss of the Company's share certificates and in connection with the share transactions referred above;
- liaise and consult with, advise and make recommendations to its subsidiaries and make such decisions with regard thereto as the Executive Committee shall in its absolute discretion think fit, and refer such matters as it thinks fit to the Board for consideration, approval and/or ratification, if necessary; and to
- report to the Board on its decisions, and any matter in respect of which it considers that action is needed, and its recommendations as to the steps to be taken.

b. Audit Committee

The Audit Committee was established in 1992 and its members are the Independent Non-Executive Directors of the Company. As at the date of this annual report, the Audit Committee is comprised of Mr. Chow Philip Yiu Wah (chairman of the Audit Committee), Dr. Chung Shui Ming Timpson, Mr. Yang Liang Yee Philip and Ms. Chen Ying. Ms. Lai Yuen Ying Vivian, the Head of Internal Audit Department, is the secretary and Mr. Xiao Junguang is the assistant secretary.

The Audit Committee is delegated by the Board with the responsibility to provide an independent review and supervision of financial reporting and to ensure the effectiveness of the Group's risk management and internal control systems and the adequacy of the external and internal audit. To perform its duties, the Audit Committee is provided with sufficient resources and is supported by the Internal Audit Department to examine all matters relating to the Group's adopted accounting principles and practices and to review all material financial, operational and compliance controls.

The primary duties of the Audit Committee include to:

- recommend to the Board the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and the terms of engagement of the external auditor, and any question of its resignation or dismissal;
- act as the key representative body overseeing the Company's relation with the external auditor;
- seek from the external auditor, on an annual basis, information about policies and processes for maintaining independence and monitoring compliance with the relevant requirements, including provision of non-audit services and requirements regarding rotation of audit partners and staff;
- discuss with the external auditor any recommendation arising from the audit, and to review the external auditor's management letter and any material query raised by the external auditor to management about accounting records, financial statements or systems of control and management's response, and to ensure that the Board will provide timely response to the issues raised in the external auditor's management letter;
- establish and review from time to time the procedure to review and monitor the external auditor's independence and objectivity, and the effectiveness of the audit process in accordance with the applicable standards and the scope of the external auditor, and to discuss and understand the factors considered by the external auditor in determining the nature and scope of the audit and reporting obligations before the audit commences;
- establish and review from time to time the policy relating to hiring of employees or former employees of the external auditor and monitor the application of such policy, and to consider whether as a result of such hiring there has been any impairment of the auditor's judgment or independence in respect of the audit;

- establish and review from time to time the policy on engaging external auditor to supply non-audit services and to review such services do not impair the external auditor's independence or objectivity in relation to non-audit services including whether the skills and experience of the external auditor make it a suitable supplier of non-audit services; whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit because the external auditor provides non-audit services; and the nature of non-audit services, the related fee levels and fee levels individually and in total relative to the external auditor;
- review the Group's financial and accounting policies and practices;
- monitor the integrity of the Company's financial statements, annual, quarterly (if prepared for publication) and interim financial reports and to review any significant financial reporting judgment and estimation contained in them, with particular focus on changes in accounting policies and practices, major judgmental areas, any significant audit adjustment, the going concern assumption and any qualification, compliance with any applicable legal requirement and accounting standard, and compliance with the requirements of the Listing Rules and other legal requirements in relation to financial reporting;
- consider any significant or unusual item that is, or may need to be, reflected in the report and financial statements and to give due consideration to any matter that has been raised by the Financial Compliance Officer of the Company, the external auditor, the Head of Internal Audit Department or the staff responsible for the accounting and financial reporting function;
- review with the Group's management, the external auditor and the internal auditor, the adequacy of the Group's policies and procedures regarding internal control system (including financial, operational and compliance controls) to ensure that such system is effective with audit trails to protect the accuracy and integrity of financial data and to pursue relevant enquiries into matters having, or likely to have, a material effect on the business and financial conditions of the Group. The result of the review is to be reported in the Corporate Governance Report of the Company, including a Directors' statement that they have conducted a review of its internal control system;
- provide an independent review on the effectiveness of the risk management system including the risk management framework, policies and processes;
- discuss with management the scope and quality of the risk management and internal control systems and to ensure that management has performed its duty to have effective systems including the adequacy of resources, staff qualifications and experience, training programmes and budget and experience of staff of the accounting, internal audit and financial reporting functions;
- review findings of internal investigation and management's response of any suspected fraud or irregularity or failure of risk management and internal control or infringement of laws, rules and regulations;
- review the scope and effectiveness of the internal audit functions and to review the results of the internal audit functions regularly with the internal auditor matters including planning of the Audit Committee meetings and, if required by the internal auditor, the internal audit programme; and to ensure co-ordination between the internal and external auditors and that the internal audit function is adequately resourced and has appropriate standing within the Company and to review and monitor its effectiveness;
- review the effectiveness and monitor the use of the whistleblowing policy and procedures for employees to raise concerns, in confidence, to the Audit Committee about improprieties in financial reporting, internal control and other matters; and to ensure that proper arrangements are in place for fair and independent investigation of these improprieties and for appropriate follow-up action;
- report to the Board on the matters raised in the SEHK Code; and to
- report to the Board, identifying and making recommendations on any matter where action or improvement is needed and to consider other topics identified and referred to the Audit Committee by the Board.

Under the Group's whistleblowing policy, employees may report any concern regarding accounting, internal accounting controls and auditing matters to the Audit Committee without fear of dismissal or retaliation, in order to ensure that the Group complies with all the applicable laws and regulations, accounting standards, accounting controls and audit practices. The Audit Committee will review each complaint, the investigations and the follow-up actions, including disciplinary actions, by management on substantiated cases.

During the year 2025, the Audit Committee passed resolutions by way of meeting and written resolution, and the work performed is summarised as follows:

- (i) reviewed and discussed the annual financial statements for 2024 and the interim financial statements for 2025 with the external auditor and management of the Company, with recommendations to the Board for approval;
- (ii) reviewed the significant audit and accounting issues arising from the external auditor's statutory audit of the 2024 annual financial statements and issues arising from the review of the 2025 interim financial statements;
- (iii) reviewed the impact of the new and revised accounting standards and any significant changes in accounting judgement and estimation on the Company;
- (iv) reviewed the external auditor's audit strategy and approach;
- (v) reviewed the non-audit services provided by the external auditor in 2024;
- (vi) considered and recommended the proposed appointment of new external auditor for year 2025 to the Board for consideration;
- (vii) met with the external auditor without the presence of management to discuss issues from the audits and any other matters the external auditor might raise;
- (viii) reviewed the Internal Audit Department's audit objectives and approved the annual internal audit plan;
- (ix) reviewed the findings and recommendations of the Internal Audit Department on the audits carried out on the principal activities of the Group and their internal control implementation status by management;
- (x) reviewed the effectiveness of the risk management and internal control systems;
- (xi) reviewed the relevant sections in the Corporate Governance Report for the year ended 31st December 2024 concerning the Audit Committee;
- (xii) reviewed the adequacy of the resources, staff qualifications and experience, training programmes and budget and experience of staff of the Company's accounting, internal audit and financial reporting functions;
- (xiii) reviewed the continuing connected transactions and their annual caps; and
- (xiv) reviewed the continuous implementation of the whistleblowing policy.

c. Remuneration Committee

The Remuneration Committee was established in 2005. As at the date of this annual report, the Remuneration Committee is comprised of Mr. Chow Philip Yiu Wah (chairman of the Remuneration Committee), Mr. Zhang Feng (appointed as a member of the Remuneration Committee with effect from 16th April 2025) and Mr. Yang Liang Yee Philip, majority of whom are the Independent Non-Executive Directors of the Company, and Mr. Xiao Jinguang is the secretary.

The primary duties of the Remuneration Committee include to:

- review and recommend to the Board the Company’s policy and structure of the remuneration of the Directors of the Company, senior management (including the chief executive officer of the principal subsidiary of the Group) and employees of the Group, including performance-based bonus scheme on the basis that they are fairly but reasonably rewarded for their individual contribution to the overall performance of the Company;
- establish and review a formal and transparent procedure for developing the remuneration policy;
- (i) review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives, and determine the remuneration packages of individual Executive Directors of the Company and senior management (including the chief executive officer of the principal subsidiary of the Group); and (ii) recommend to the Board the remuneration of the Non-Executive Directors of the Company;
- consult the Chairman of the Board and/or the Chief Executive Officer of the Company about their remuneration proposals for the other Executive Directors of the Company and senior management (including the chief executive officer of the principal subsidiary of the Group);
- review and approve compensation payable to the Executive Directors of the Company and senior management (including the chief executive officer of the principal subsidiary of the Group) for any loss or termination of office to ensure that it is consistent with the contractual terms and is otherwise fair and not excessive;
- review and approve compensation arrangements relating to the dismissal and removal of the Directors for their misconduct to ensure that they are consistent with the contractual terms and are otherwise reasonable and appropriate;
- ensure that no Director or any of his/her associates or senior management (including the chief executive officer of the principal subsidiary of the Group) is involved in deciding his/her own remuneration; and to
- advise the Board any matter relating to the remuneration and reward of the Executive Directors of the Company or senior management (including the chief executive officer of the principal subsidiary of the Group) or employees of the Group, including but not limited to matters relating to share incentive plans or share option schemes (if any).

During the year 2025, the Remuneration Committee passed resolutions by way of meeting and written resolution, and the work performed is summarised as follows:

- (i) reviewed the Company’s remuneration policy and structure for the Directors of the Company, and the senior management and employees of the Group, and ensured compliance with the Listing Rules and in line with recommended best practices;
- (ii) reviewed the procedure for developing the Company’s remuneration policy;
- (iii) recommended to authorise the Board to fix the Directors’ remuneration at the Last AGM;
- (iv) reviewed the discretionary management bonus of the Executive Directors of the Company, and the senior management and employees of the Group for year 2024;

- (v) reviewed the global general salary adjustment of the employees of the Group for year 2025; and
- (vi) reviewed and recommended to the Board or determined with delegated responsibilities, as the case may be, in accordance with the terms of reference of the Remuneration Committee, the remuneration packages of the Directors of the Company and the senior management of the Group for year 2025, the remuneration of the new Directors of the Company, and the adjustments to the remuneration of the relevant Directors of the Company as a result of their respective changes in positions at the Company, if appropriate.

d. Nomination Committee

The Nomination Committee was established in 2012. As at the date of this annual report, the Nomination Committee is comprised of Mr. Wan Min (chairman of the Nomination Committee), Mr. Yu Fulin (appointed as a member of the Nomination Committee with effect from 12th December 2025), Mr. Chow Philip Yiu Wah, Dr. Chung Shui Ming Timpson, Mr. Yang Liang Yee Philip and Ms. Chen Ying, majority of whom are the Independent Non-Executive Directors of the Company, and Mr. Xiao Janguang is the secretary.

The primary duties of the Nomination Committee include to:

- review the Nomination Policy and recommend to the Board on the selection criteria of the potential candidates for the directorship of the Company;
- review and report annually to the Board the implementation and effectiveness of mechanism to ensure independent views and input are available to the Board;
- review and recommend to the Board the succession plan to ensure the stability of the Board to complement the Company's corporate strategy;
- review and report annually against any measurable objectives set for the implementation of the Board Diversity Policy and the Nomination Policy, and progress (if relevant);
- review and report to the Board annually the implementation and effectiveness of the Board Diversity Policy, including review of the structure, size and composition (including gender, age, cultural and education background, ethnicity, skills, knowledge, industry experience and length of service) of the Board, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed change to the Board to complement the Company's corporate strategy;
- receive from the Board referral of suitable qualified candidate for it to assess if the potential candidate meets the selection criteria, which shall be based on the Nomination Policy and the Board Diversity Policy appropriate for the Company's strategic focus and specific business needs; assess and recommend to the Board for approval the nomination of a selected candidate as a director of the Company either to fill a casual vacancy or as an addition to the existing Board and/or a member of any Board committee of the Company;
- review and recommend to the Board the appointment, re-appointment or re-election of Directors and succession plan for the Directors to maintain a balance of skills, knowledge, experience and diversity of perspectives of the Board;
- assess and report to the Board the qualifications of any person proposed by a shareholder of the Company for election as a director of the Company to ensure compliance with the Nomination Policy and the requirements as provided in the Listing Rules are satisfied;
- assess the independence of the Independent Non-Executive Directors of the Company;

- regularly review and report to the Board each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his/her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships at other listed companies in Hong Kong and other significant external time commitments of such Director, as well as other factors or circumstances relevant to the Director's character, integrity, independence and experience;
- assess the performance of the Executive Directors of the Company and conduct a regular evaluation of the Board's performance by members of the Nomination Committee, who are the Independent Non-Executive Directors of the Company, and report results of the evaluation to the Board; and to
- review the appointment of the chairman of the board and the chief executive officer of the principal subsidiary of the Group, and report result of the review to the Board of the Company for consideration and approval.

During the year 2025, the Nomination Committee passed resolutions by way of written resolution and the work performed is summarised as follows:

- reviewed the Nomination Policy and its implementation, including the procedures for selection and appointment of new Directors of the Company;
- reviewed the implementation and effectiveness of the Board Diversity Policy, including the structure, size and composition of the Board of the Company;
- assessed the independence of the Independent Non-Executive Directors of the Company;
- reviewed the implementation and effectiveness of the Company's mechanism to ensure independent views and input to the Board;
- recommended re-election of the retiring Directors at the Last AGM;
- reviewed the contribution of the Directors of the Company for the year 2024, including other significant external time commitments of each Director, and evaluated performance of the Board and assessed performance of the Executive Directors of the Company by members of the Nomination Committee, who are the Independent Non-Executive Directors of the Company; and
- reviewed and recommended to the Board the appointment of new Directors of the Company and chairman or members of the Board committees (where applicable) for Board succession and refreshment.

e. Risk Committee

The Risk Committee was established in 2015. As at the date of this annual report, the Risk Committee is comprised of Mr. Zhang Feng (appointed as the chairman of the Risk Committee with effect from 16th April 2025), Mr. Tao Weidong, Mr. Tung Lieh Cheung Andrew, Mr. Yu Fulin (appointed as a member of the Risk Committee with effect from 12th December 2025), Ms. Wang Dan, Mr. Ip Sing Chi, Mr. Chow Philip Yiu Wah, Mr. Chen Hong (appointed as a member of the Risk Committee with effect from 9th May 2025), Mr. Ye Jianping Kenny, Mr. Xiao Junguang, who is also the secretary, and Mr. Pan Zhigang (appointed as a member of the Risk Committee with effect from 3rd April 2025).

The primary duties of the Risk Committee include to:

- establish risk appetite, risk management strategy, and a strong and independent internal control and review systems;
- align strategic direction and business objectives of the Group with risk appetite;

- oversee adequacy of the Group's risk management policies, process and system. In pursuing the Group's strategic direction and business objectives, aim to optimise risk and return;
- identify, assess and manage principal risks to pursue the Group's strategic and business objective;
- provide direction on the importance of risk management and risk management culture; and to
- identify, assess and manage sustainability risks and ensure appropriate and effective risk management systems are in place.

During the year 2025, the Risk Committee passed resolutions by way of meeting and the work performed is summarised as follows:

- (i) reviewed and recommended to the Board the Group's risk appetite, risk management strategy, risk management policies, process and system in pursuit of the Group's strategic direction and business objectives;
- (ii) identified, reviewed, assessed and managed principal risks of the Group to pursue the Group's strategic and business objectives; and
- (iii) reviewed and reported to the Board the Company's compliance with the SEHK Code in relation to risk management.

f. Compliance Committee

The Compliance Committee was established in 2004. As at the date of this annual report, the Compliance Committee is comprised of Mr. Ye Jianping Kenny, Mr. Xiao Junguang (chairman of the Compliance Committee), Mr. Pan Zhigang (appointed as a member of the Compliance Committee with effect from 3rd April 2025), Ms. Lau Siu Ping Karen and Ms. Lai Yuen Ying Vivian. The Board has delegated the responsibility for monitoring the corporate governance compliance to the Compliance Committee.

The primary duties of the Compliance Committee include to:

- review, monitor and provide administrative support on the compliance control of the Group and compliance of the following corporate governance functions of the Company:
 - (a) on the Company's policies and practices on corporate governance and make recommendations to the Board;
 - (b) on the training and continuous professional development of Directors of the Company and senior management of the Group;
 - (c) on the Company's policies and practices on compliance with legal and regulatory requirements;
 - (d) on the development of the code of conduct and compliance manuals (if any) applicable to employees of the Group and Directors of the Company;
 - (e) on the Company's compliance with the CG Code and the SEHK Code;
 - (f) to report the above items (a) to (e) to the Board regularly; and
 - (g) to prepare (i) the Corporate Governance Report covering all mandatory disclosure requirements as set out in the Listing Rules; and/or (ii) information required to be disclosed by the Compliance Committee in the Company's results announcements, the annual reports, the interim reports and any other documents, pursuant to the Listing Rules;

- review and report to the Board regularly the shareholders' communication policy to ensure its effectiveness; and to
- ensure the Company is in compliance with the Listing Rules including disclosure and compliance obligations for matters including notifiable transactions, connected transactions, continuing connected transactions, advance to an entity, financial assistance and guarantees to affiliated companies of the Company, loan agreements with covenants relating to specific performance of the controlling shareholder of the Company, breach of a loan agreement by the Company, disclosure of financial information pursuant to Appendix D2 to the Listing Rules, disclosure obligations under ESG reporting code pursuant to Appendix C2 to the Listing Rules and general obligations of disclosure under Rule 13.09 of the Listing Rules.

During the year 2025, the Compliance Committee passed resolutions by way of written resolution and the work performed is summarised as follows:

- (i) reviewed the Company's policies and practices on corporate governance, and made recommendations to the Board;
- (ii) reviewed and monitored the training and continuous professional development of Directors of the Company and the senior management of the Group;
- (iii) reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements, particularly on legal, financial and accounting, internal control and audit, risk management and ESG-related compliance;
- (iv) reviewed and monitored the code of conduct and compliance manuals (if any) applicable to employees of the Group and Directors of the Company;
- (v) reviewed the Company's compliance with the CG Code and the SEHK Code and the disclosure requirements in the Corporate Governance Report;
- (vi) reviewed the Company's compliance with the disclosure requirements in the Sustainability Report;
- (vii) reviewed and reported to the Board on the implementation and effectiveness of the shareholders' communication policy;
- (viii) reviewed and reported to the Board on the notifiable transactions, connected transactions and the continuing connected transactions of the Group; and
- (ix) reviewed and endorsed the amendments to CG Code and relevant documents corresponding to the amendments to the Listing Rules and the SEHK Code.

g. Inside Information Committee

The Inside Information Committee was established in 2013. As at the date of this annual report, the Inside Information Committee is comprised of Mr. Zhang Feng (appointed as the chairman of the Inside Information Committee with effect from 16th April 2025), Mr. Tao Weidong, Mr. Tung Lieh Cheung Andrew and Mr. Xiao Janguang, who is also the secretary.

The primary duties of the Inside Information Committee include to:

- ensure proper systems and control are in place to collect, review and verify potential inside information;

- identify, assess and escalate potential inside information to the attention of the Board, and report to the Board on the recommendation of the Inside Information Committee, and any matter in respect of which it considers that action is needed, and its recommendation as to the actions to be taken and what information to be disclosed;
- vet and clear announcements or other public disclosures; and to
- supervise the Company's compliance with continuing disclosure obligations.

h. Strategic Development Committee

The Strategic Development Committee was established in 2021. As at the date of this annual report, the Strategic Development Committee is comprised of Mr. Zhang Feng (appointed as the chairman of the Strategic Development Committee with effect from 16th April 2025), Mr. Tao Weidong, Dr. Chung Shui Ming Timpson, Mr. Yang Liang Yee Philip and Mr. Chen Hong (appointed as a member of the Strategic Development Committee with effect from 9th May 2025), and Mr. Xiao Junguang is the secretary.

The primary duties of the Strategic Development Committee include to:

- review and advise on the mid to long development strategies and business plans of the Group, including overall-strategic positioning and vision plan, operation strategies and investment strategies;
- study and make recommendations on the operation plan and annual budget plan of the Group;
- review and make recommendations on new business development of the Group (including expansion to new markets, launch of new businesses and research and development of new products);
- study and advise on the relevant issues influencing the Group's development;
- review the strategic direction of the Group's business and consider responsibilities of the Company towards the shareholders and the other stakeholders; and to
- monitor and review the implementation, and report and/or make relevant recommendations to the Board on the above-mentioned matters.

i. Sustainability Committee

The Sustainability Committee was established in 2024. As at the date of this annual report, the Sustainability Committee is comprised of Mr. Zhang Feng (appointed as the chairman of the Sustainability Committee with effect from 16th April 2025), Mr. Tao Weidong, Mr. Tung Lieh Cheung Andrew, Mr. Chow Philip Yiu Wah, Dr. Chung Shui Ming Timpson, Mr. Yang Liang Yee Philip, Ms. Chen Ying and Mr. Chen Hong (appointed as a member of the Sustainability Committee with effect from 9th May 2025). Ms. Zhou Lan, the Head of Corporate Strategy Development Department, is the secretary and Mr. Xiao Junguang is the assistant secretary.

The primary duties of the Sustainability Committee include to:

- formulate the Group's strategies and management approach on sustainability, which covers (i) environmental, (ii) social, (iii) safety, security and health, and (iv) corporate governance on sustainability;
- set sustainability targets of the Group; review the progress on achieving these targets;
- review the effectiveness of the sustainability frameworks; oversee the implementation of the Group's sustainability policies and measures, and the compliance with the relevant standards, guidelines, laws and regulations on sustainability applicable to the Group;

- review the sustainability performance of the Group including the stakeholder engagement and the corporate social responsibility; and where appropriate, recommend the strategies for improvements;
- monitor and report to the Board (or relevant Board committees) (as appropriate) on the current and emerging sustainability-related issues that are considered material to the Group's business; and to
- review the disclosure of the Sustainability Report pursuant to the applicable standards and the Listing Rules and provide to the Compliance Committee to ensure compliance of the Company with its disclosure obligations under the Listing Rules.

11. Attendance Records of Board Meetings, Board Committee Meetings and General Meetings

The attendance records of each Director and each member of the Board committees of the Company at the relevant meetings held in year 2025 are as follows:

	Actual attendance/number of meetings a director or member is entitled to attend										
	Board	Executive Committee	Audit Committee	Remuneration Committee	Nomination Committee	Risk Committee	Compliance Committee	Inside Information Committee	Strategic Development Committee	Sustainability Committee	General Meetings
No. of meetings held in 2025	5	1	2	2	0	2	0	0	1	2	3
Executive Directors											
Mr. Wan Min (<i>Chairman</i>)	3/5	1/1	-	-	N/A	-	-	-	-	-	3/3
Mr. Zhang Feng (<i>Chief Executive Officer</i>) ^(Note 1)	3/4	N/A	-	1/1	-	1/1	-	N/A	1/1	1/1	3/3
Mr. Tao Weidong	5/5	1/1	-	-	-	1/2	-	N/A	1/1	1/2	3/3
Mr. Chen Yangfan ^(Note 2)	0/1	0/1	-	0/1	-	0/1	-	N/A	N/A	0/1	N/A
Non-Executive Directors											
Mr. Tung Lieh Cheung Andrew	5/5	-	-	-	-	2/2	-	N/A	-	2/2	3/3
Mr. Yu Fulin ^(Note 3)	N/A	-	-	-	N/A	N/A	-	-	-	-	N/A
Ms. Wang Dan	2/5 ^(Note 4)	-	-	-	-	1/2	-	-	-	-	3/3
Mr. Ip Sing Chi	3/5	-	-	-	-	1/2	-	-	-	-	3/3
Mr. Gu Jinshan ^(Note 5)	3/4	-	-	-	N/A	2/2	-	-	-	-	3/3
Independent Non-Executive Directors											
Mr. Chow Philip Yiu Wah (<i>Lead Independent Non-Executive Director</i>) ^(Note 6)	5/5	-	2/2	2/2	N/A	2/2	-	-	-	2/2	3/3
Dr. Chung Shui Ming Timpson	5/5	-	2/2	-	N/A	-	-	-	1/1	2/2	3/3
Mr. Yang Liang Yee Philip	5/5	-	2/2	2/2	N/A	-	-	-	1/1	2/2	3/3
Ms. Chen Ying ^(Note 7)	5/5	-	2/2	-	N/A	-	-	-	-	2/2	3/3
Mr. Chen Hong ^(Note 8)	2/3	-	-	-	-	1/1	-	-	1/1	0/1	3/3
Mr. So Gregory Kam Leung ^(Note 9)	4/5	-	2/2	-	-	-	-	-	0/1	-	2/3
Others											
Mr. Ye Jianping Kenny	-	-	-	-	-	2/2	N/A	-	-	-	- ^(Note 12)
Mr. Xiao Junguang	-	-	-	-	-	2/2	N/A	N/A	-	-	- ^(Note 12)
Mr. Pan Zhigang ^(Note 10)	-	-	-	-	-	1/1	N/A	-	-	-	- ^(Note 12)
Ms. Lau Siu Ping Karen	-	-	-	-	-	-	N/A	-	-	-	- ^(Note 12)
Ms. Lai Yuen Ying Vivian	-	-	-	-	-	-	N/A	-	-	-	- ^(Note 12)
Ms. Zheng Qi ^(Note 11)	-	-	-	-	-	1/1	N/A	-	-	-	- ^(Note 12)
Average attendance rate	75.48%	66.67%	100%	75%	N/A	80.77%	N/A	N/A	83.33%	72.22%	97.44%

Notes:

1. Appointed as an Executive Director, the Chief Executive Officer, a member of the Executive Committee and the Remuneration Committee, and the chairman of the Risk Committee, the Inside Information Committee, the Strategic Development Committee and the Sustainability Committee of the Company with effect from 16th April 2025.
2. Resigned as an Executive Director and the Chief Executive Officer, and ceased as a member of the Executive Committee and the Remuneration Committee, and the chairman of the Risk Committee, the Inside Information Committee, the Strategic Development Committee and the Sustainability Committee of the Company with effect from 16th April 2025.
3. Appointed as a Non-Executive Director and a member of the Nomination Committee and the Risk Committee of the Company with effect from 12th December 2025.
4. For the Board meetings that Ms. Wang Dan did not attend during the year, she had considered the matters to be tabled and given voting instructions, and authorised the chairman of the meeting to cast votes on her behalf.
5. Resigned as a Non-Executive Director and ceased as a member of the Nomination Committee and the Risk Committee of the Company with effect from 10th December 2025.
6. Designated as the Lead Independent Non-Executive Director of the Company with effect from 13th March 2025.
7. Appointed as a member of the Nomination Committee of the Company with effect from 13th March 2025.
8. Appointed as an Independent Non-Executive Director and a member of the Risk Committee, the Strategic Development Committee and the Sustainability Committee of the Company with effect from 9th May 2025.
9. Passed away on 13th December 2025.
10. Appointed as the Chief Financial Officer and a member of the Risk Committee and the Compliance Committee of the Company with effect from 3rd April 2025.
11. Retired as the Chief Financial Officer and ceased as a member of the Risk Committee and the Compliance Committee of the Company with effect from 3rd April 2025.
12. Attended the general meetings as the Board committee members, with the majority also being the senior management of the Group.

12. Directors' and Officers' Liabilities Insurance

Since 1992, the Company has arranged insurance cover for the directors' and officers' liabilities including cover for the Directors of the Company, and the directors, officers and senior management of the Group arising out of corporate activities of the Group.

13. Securities Transactions by Directors

The Company has adopted its own code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules.

All Directors of the Company have confirmed, following specific enquiry by the Company, that they fully complied with the required standards set out in both the Company's own code and the Model Code for the year ended 31st December 2025.

14. Share Interests of Directors and Senior Management

a. Directors

Directors' interests in the ordinary shares of the Company are set out on pages 90 and 91 of this annual report.

b. Senior Management ^(Note)

As at 31st December 2025, the number of ordinary shares of the Company held by the senior management of the Group are as follows:

Name	Number of ordinary shares held
Mr. Tao Weidong	-
Mr. Ye Jianping Kenny	-
Mr. Xiao Junguang	-
Ms. Wu Yu	-
Mr. Xu Weiguo Michael	-
Mr. Pan Chung Ming Peter	-
Mr. Pan Zhigang	-
Ms. Cheng Jing Irene	-

Note: Biographical details of Mr. Tao Weidong are set out on page 43 of this annual report and biographical details of other senior management are set out on pages 49 to 50 of this annual report.

15. Emoluments of Directors and Senior Management

a. Emoluments of Directors

The Company has established a combined time-based and benchmarked approach in determining the remuneration levels of the Directors of the Company, which should remain sufficient to attract, motivate and retain the Directors. The fees payable to the Non-Executive Directors (including Independent Non-Executive Directors) do not involve equity-based remuneration with performance-related elements and they are subject to the annual review of the Board and the Remuneration Committee and shareholders' authorisation to the Board to fix the Directors' remuneration. No Directors of the Company were involved in determining their own remuneration in 2025.

The emoluments of the Directors of the Company for the year ended 31st December 2025 are set out in note 10(a) to the consolidated financial statements on pages 141 to 142 of this annual report.

b. Emoluments of Senior Management

Emoluments to the senior management of the Group are determined by the Remuneration Committee in consultation with the Chairman and/or the Chief Executive Officer of the Company with reference to market terms, personal commitments, experience and such individual's obligations and responsibilities within the Group (if applicable).

The emoluments of the senior management of the Group for the year ended 31st December 2025 are set out below:

Emolument bands (US\$)	Number of individuals in 2025
64,103 ~ 128,202 (HK\$500,001 ~ HK\$1,000,001)	2
128,202 ~ 192,300 (HK\$1,000,001 ~ HK\$1,500,000)	3
384,601 ~ 448,700 (HK\$3,000,001 ~ HK\$3,500,000)	1
448,701 ~ 512,800 (HK\$3,500,001 ~ HK\$4,000,000)	1
897,401 ~ 961,500 (HK\$7,000,001 ~ HK\$7,500,000)	1
1,025,601 ~ 1,089,700 (HK\$8,000,001 ~ HK\$8,500,000)	1
1,730,701 ~ 1,794,800 (HK\$13,500,001 ~ HK\$14,000,000)	1
Total	10^(Note)

Note: Inclusive of 2 senior management who ceased as senior management during the year 2025.

B. ACCOUNTABILITY AND AUDIT

1. External Auditor

Following the retirement of PricewaterhouseCoopers at the conclusion of the Last AGM, SHINEWING (HK) CPA Limited was appointed as the Company's new external auditor by the shareholders of the Company at the same meeting until conclusion of the next annual general meeting of the Company.

The Company has established a policy on the appointment of external auditor in providing non-audit services to the Group, setting out the principles by which an external auditor may be appointed to provide non-audit services, with a view to ensuring the independence of the external auditor.

The fee in respect of audit and non-audit services provided by the external auditor to the Company for the year ended 31st December 2025 is set out in note 11 to the consolidated financial statements on page 144 of this annual report.

2. Directors' and Auditor's Acknowledgement

All Directors of the Company have acknowledged their responsibilities for preparing the consolidated financial statements for the year ended 31st December 2025.

SHINEWING (HK) CPA Limited has acknowledged the reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31st December 2025.

3. Internal Controls

The Board is responsible for establishing and maintaining appropriate and effective internal control systems for the Group, and through the Audit Committee, conducts reviews of the effectiveness of such systems at least annually, covering all material controls including financial, operational and compliance controls and risk management functions. The process used in reviewing the effectiveness of these internal control systems includes discussion with management on risk areas identified by management of the Company and principal subsidiary of the Group and review of significant issues arising from internal and external audits. The Company's internal control systems comprise a well-established organisational structure and comprehensive policies and standards. Procedures have been designed to safeguard assets against unauthorised use or disposition, to maintain proper accounting records, for assurance of the reliability of financial information for internal use or publication, and to ensure compliance with applicable laws and regulations. The purpose of the Company's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Company's objectives.

The Board has established the following measures to provide effective internal controls:

- a distinct organisational structure for the principal subsidiary with defined authority responsibilities and control/ measures;
- an annual budget for the principal subsidiary allocating resources in accordance with identified and prioritised business opportunities. The annual budget for the principal subsidiary is approved by the Board on an annual basis;
- a comprehensive management accounting system for the principal subsidiary to provide financial and operational performance indicators to the relevant management, and financial information for reporting and disclosure purposes. Actual operational results are measured against budget each month. Detailed forecasts for the year and long-term forecasts of profit and loss, cash flow and balance sheets are regularly reviewed and updated. Variances to budget are analysed and explained and appropriate action taken, if necessary;

- systems and procedures are in place to identify, measure, manage and control risks including business, compliance, operational, financial and information services risks that may have an impact on the Group and the principal subsidiary. Exposure to these risks is monitored by the Risk Committee of the Company and the board of directors, the executive committee and the management of the principal subsidiary;
- clearly defined procedures are in place for the control of capital and major expenditure commitments, off-balance sheet financial instruments and the supervision, control and review of the investment portfolio; and
- the Internal Audit Department performs independent reviews of the risks and controls identified to provide reasonable assurance to management of the Company and principal subsidiary and the Audit Committee that controls have been set in place and adequately addressed.

The internal audit function, which is centrally controlled, monitors compliance with policies and standards as well as the effectiveness of internal control structures across the Company and the Group. To preserve the independence of the internal audit function, the Head of Internal Audit Department reports functionally to the Audit Committee whose chairman is an Independent Non-Executive Director of the Company who has direct access to the Board. Using a risk-based approach, the Internal Audit Department plans its internal audit schedules annually in consultation with, but independent of, management of the Company and the principal subsidiary. The Internal Audit Department has unrestricted access to information that allows it to review all aspects of the Group's risk management, control and governance processes. Independent reviews of different financial, business and functional operations and activities are conducted with audit resources being focused on high risk areas. Ad hoc reviews are also conducted on areas of concern identified by the Audit Committee and management of the Company and the principal subsidiary. The management of the Company and the principal subsidiary including the affected subsidiary are notified of the deficiencies noted for rectification, and the Internal Audit Department follows up with the implementation of audit recommendations.

The Audit Committee on behalf of the Board assesses the effectiveness of the internal control systems including detecting fraud and other irregularities by reviewing the Internal Audit Department's work and findings. On a half-yearly basis, the Internal Audit Department summarises the major audit findings and other relevant information that have come to the Internal Audit Department's attention during the course of the audits and reports to the Audit Committee.

Based on the reviews conducted during the year, including reports from management, Internal Audit Department and external consultants, and having regard to the scope and results of such reviews, the Audit Committee and the Board concluded that the Group's risk management and internal control systems were, in all material respects, adequate and effective during the year. The annual review covered the effectiveness of the Group's risk management and internal control systems in respect of financial reporting, operational processes, compliance with applicable laws and regulations, and information technology and cybersecurity controls. In the course of the review, the Board and the relevant Board committees considered the Group's principal and functional risks, and assessed the adequacy of the related control and mitigation measures. No significant control deficiencies that would have a material adverse impact on the Group's operations, financial reporting or compliance with applicable laws and regulations were identified during the review. Where improvement opportunities were identified during the review, management was required to implement remedial actions within agreed timelines, with progress monitored by the Internal Audit Department and reported to the Audit Committee.

The Board recognises that the Group's risk management and internal control systems are designed to manage, rather than eliminate risks, and can provide only reasonable assurance against material misstatement or loss. The Board is satisfied that the Company and the Group have complied with the relevant code provisions on internal control as set forth in the SEHK Code for the year ended 31st December 2025.

To ensure on-going compliance with the SEHK Code, the Audit Committee reviewed the adequacy of staffing of the accounting, internal audit and financial reporting functions on behalf of the Board and was satisfied with the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions.

The Company has implemented the following procedures and internal controls for the handling and dissemination of inside information:

- a) it monitors any inside information and makes appropriate announcement as required by the Listing Rules;
- b) it conducts its affairs by reference to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission;
- c) it has established procedures for handling external affairs about the Group; and
- d) it has established guidelines to be followed by senior management and employees in dealing with confidential and inside information.

4. Risk Management

The Board acknowledges that risks are inherent in the Group’s business operations and the dynamic market environment, and risk-taking is an integral part of pursuing strategic and business objectives. Effective risk management can be a value driver for competitive advantage and the exercising of risk management abilities can become an advantage to differentiate the Group from its competitors.

The Group has built and maintained sound and effective risk management and internal control systems to safeguard the Group’s assets. While these systems offer reasonable assurance against material misstatement or loss, they are not a guarantee of absolute protection. The systems aim to manage, rather than eliminate, risks of operational failure and to support the achievement of the Group’s strategic and business objectives.

The Board defines and oversees the Group’s risk tolerance in line with its strategic objectives, ensuring risks are identified, evaluated, and managed proactively through the established risk management framework. In light of the Group’s capital structure and business models, the Board regularly re-assesses the risk appetite, taking into consideration the Group’s business strategy and return targets. The Group adopts a proactive risk strategy, determined upon analysis results for a specific risk through the risk management process. Identified risks are addressed through a group-wide framework designed to ensure they are understood, minimised, transferred or contained.

The Group promotes a risk-intelligent culture that encourages calculated risk-taking in business decisions – after identifying inherent risks, exploring mitigation options, and assessing relevant costs and benefits. The Board sets the “tone from the top”, ensuring this culture of integrity, compliance, and accountability is communicated and reinforced at all levels. A flexible approach “risk-averse, risk-neutral, or risk-seeking” is adopted as circumstances justify.

A formal risk management policy ensures a common understanding of these principles across the Group. Policies and guidelines are reviewed periodically and updated to reflect changes in the business environment and operations.

The Risk Committee reviews the adequacy and effectiveness of the risk management systems and internal audits are conducted as part of ongoing review on the effectiveness of the risk management and internal control systems. Emerging risks that may have an impact on the Group are also discussed in the Risk Committee meetings and shared with the Audit Committee.

The Risk Committee delegates the design and setting of risk management parameters to management. Management works with relevant stakeholders across business and operation units to identify key risk areas and formulate control measures to mitigate risks and guide local and regional offices. Key risk management areas are regularly reviewed to identify areas for improvement. Where necessary, policies and procedures are developed to manage risks impacting the Company and its subsidiaries, covering both strategic and operational levels. This ensures business continuity, optimises business results, and ensures compliance with relevant rules and regulations.

The Group’s risk management organisation structure has a “top-down” approach on oversight, risk identification and assessment, and mitigation of risk at corporate level; and a “bottom-up” approach on risk identification and assessment, and mitigation of risk at business unit level and cross functional areas for its risk management.

The Group has adopted an activity-based “three lines of defence” risk governance model to delegate and coordinate essential risk management and control duties in a clear and cohesive manner:

- a) First line of defence – Functional units establish risk and control environments in the Group’s day-to-day business operations, and as risk owners, are responsible for risk identification, formulation of risk mitigation strategy and upward reporting of risk monitoring progress;
- b) Second line of defence – The Legal and Risk Management Department monitors the risk management system and internal control systems to ensure its effectiveness and facilitates the development and setting of policies and guidelines and its effective implementation of the risk management and internal control systems. It also provides advice and guidance to the first-line functional units on implementation of the risk management and internal control systems; and
- c) Third line of defence – The Internal Audit Department provides independent review on the effectiveness of the risk management and internal control systems.

The Group’s Enterprise Risk Management (ERM) process is underpinned by its risk culture and aligned with the Group’s overall ethics. It considers the organisation structure, nature of business, and operational, reporting, and compliance objectives across the Company and its subsidiaries and is used to identify, evaluate and manage the Group’s significant risks.

The Group has developed a risk register with a principal risk dashboard and functional risk dashboards, that enables the categorisation and prioritisation of risks, facilitates risk documentation and reporting, and supports ongoing monitoring of risk evolution. The principal risk dashboard summarises major risks whose potential consequences may trigger risk events that could become significant to the Group. While functional risk dashboards serve the Company and principal subsidiaries – functional units will translate risk events into quantitative tolerance limits aligned with the Board’s strategy and communicate recommended mitigation plans to the Legal and Risk Management Department.

In 2025, management conducted a comprehensive risk assessment covering both internal and external factors, including capital structure, fleet and network configuration, geopolitical tensions, economic volatility, climate-related risks, and cybersecurity threats etc. The key risks identified for the year included geopolitical risk, digital transformation and cybersecurity risk, and environmental and climate-related risk. These risks, among others, are plotted on a principal risk dashboard, which evaluates their potential impact and likelihood and provides a point-in-time assessment of the risk profile of the Group for the Risk Committee and the Board on the nature and extent of the risks faced by the Group.

For the year ended 31st December 2025, following management’s confirmation to the Risk Committee on its scope and quality of its ongoing risks monitoring systems; and satisfaction on the effectiveness of the risk management systems with no significant risk issues were identified that could have a material adverse impact on the Group or the interests of shareholders, the Risk Committee has reported twice to the Board on their review and confirmation of its satisfaction on the adequacy and effectiveness of the risk management systems, including the scope and quality of the Group’s ongoing monitoring of risks.

The Board confirmed that it is responsible for the risk management and internal control systems of the Company and its subsidiaries, and that these systems are appropriate and effective. The Board is satisfied that the Company and the Group have fully complied with the code provisions on risk management as set forth in the SEHK Code for the year ended 31st December 2025.

C. COMMUNICATION WITH SHAREHOLDERS

The Company attaches great importance to communications with the shareholders of the Company. Extensive information on the Group's activities, business strategy and developments is provided in the Company's annual reports and interim reports. Shareholders of the Company are encouraged to attend the general meetings of the Company which offer a valuable forum for dialogue and interaction with management of the Company. The Chairman of the Board, the Lead Independent Non-Executive Director, and the chairpersons of the Audit Committee, the Remuneration Committee, the Nomination Committee and other Board committees, or in their absence, other members of the relevant committees, are available at the annual general meetings to answer questions from shareholders on the business of the Group. Shareholders can raise their questions and concerns at the question-and-answer session at the end of the general meetings. Management of the Company also attend a press meeting after each general meeting to answer question in relation to the Group's business. A separate resolution would be proposed by the chairman of the general meetings in respect of each agenda item at the general meetings.

The Company has a shareholders' communication policy, which is available on written request to the Company Secretary of the Company, to ensure shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company. Communication channels, including the Company's website, general meetings, periodic investors and analysts conferences, and direct contact with the Company's Investor Relations and Public Relations Team, enable shareholders to communicate with and provide feedback to the Company from time to time. The Compliance Committee is responsible for regular review of the implementation and effectiveness of the shareholders' communication policy and considers that the shareholders' communication policy was properly implemented during the year 2025 and is effective with these multiple channels in place to promote two-way communication and active engagement with shareholders.

Since the publication of the Company's 2010 interim report, the Company has offered to the shareholders of the Company the following options to choose the language and means of receipt of the corporate communications^(Note) of the Company in support of environment protection and for the purpose of saving printing and mailing costs:

- (1) to access the corporate communications electronically on the Company's website at <https://www.ooilgroup.com>, and to receive an email notification or a printed notification letter (as the case may be) of the publication of the corporate communications; or
- (2) alternatively, to receive the printed English version, the printed Chinese version or both the printed English and Chinese versions of the Company's corporate communications through written request.

Details of the arrangements for dissemination of the Company's corporate communications are set out on the Company's website.

Note: Corporate communications include but are not limited to annual and interim reports, notices of meetings, listing documents, circulars and proxy forms of the Company, as defined in the Listing Rules.

D. SHAREHOLDERS' RIGHTS

1. Convening a special general meeting

Pursuant to the Bermuda Companies Act and the Company's Bye-laws, the shareholder(s) of the Company holding not less than one-tenth of the paid up capital of the Company having the right to vote at general meetings of the Company shall have the right, by written requisition sent to the Company's registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and preferably, copied to the Company's principal office at 31st Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong, China, for the attention of the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition.

The written requisition must state the purpose of the general meeting, signed by the shareholder(s) concerned and may consist of several documents in like form, each signed by one or more of those shareholders.

Upon receipt of confirmation from the Company's share registrar(s) that the shareholder(s) submitting the requisition is/are qualified to attend and vote at a general meeting, the Company will convene a special general meeting by serving sufficient notice in accordance with the statutory requirements to all shareholders of the Company.

2. Putting forward proposals at general meetings

Shareholder(s) of the Company holding not less than one-twentieth of the total voting rights of all shareholders having the right to vote at the general meeting of the Company; or not less than 100 shareholders of the Company, can submit:

- (i) a written request stating the resolution intended to be moved at an annual general meeting; or
- (ii) a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting.

The written request or statement must be signed by the shareholder(s) concerned and deposited at the Company's registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and preferably, copied to the Company's principal office at 31st Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong, China, for the attention of the Company Secretary of the Company, not less than 6 weeks before the general meeting in the case of a requisition requiring notice of a resolution, and not less than 1 week before the general meeting in the case of any other requisition.

Upon receipt of confirmation from the Company's share registrar(s) that the shareholder(s) making the proposal is/are qualified to attend and vote at the general meeting, the Company will:

- (i) include the resolution in the agenda for the general meeting; or
- (ii) circulate the statement for the general meeting,

provided that the shareholder(s) concerned has deposited a sum of money sufficient to meet the Company's expenses in serving the notice of the resolution and/or circulating the statement to all shareholders.

Shareholder(s) may also propose a person (other than that shareholder) for election as a Director at the general meeting. Detailed procedures are posted on the Company's website.

3. Minutes of general meetings

The Company maintains proper records of its general meetings and ensures that matters raised and discussed at the general meetings are duly recorded in the minutes. Shareholders of the Company may inspect the minutes of general meetings or obtain copies thereof by written request sent to the Company Secretary of the Company at 31st Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong, China.

4. Putting enquiries to the Board

Shareholders who have enquiries to put to the Board of the Company may write to the Company Secretary of the Company at 31st Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong, China.

5. Dividend Policy

Shareholders of the same class of shares shall have equal rights to dividends and distributions. The Company has formally adopted a dividend policy (the "Dividend Policy") that balances the objectives of appropriately rewarding the shareholders for their investment and retaining reserves for long-term development and future expansion of the Company, and enhances transparency facilitating shareholders and investors to make informed investment decisions.

The Dividend Policy applicable for the year 2025 had a target annual dividend payout of 30% to 50% of the consolidated net profit attributed to the shareholders of the Company in the financial years of 2024, 2025 and 2026, whether as interim and/or final dividends, subject to, inter alia, the financial performance, liquidity position, future plans and working capital requirements of the Company and the prevailing economic, financial, business and regulatory circumstances. The Company may also declare special dividends from time to time in addition to the semi-annual dividends.

The declaration of dividends is subject to the sole discretion of the Board. There can be no assurance that dividends will be paid in any particular amount of any given period. The Dividend Policy shall not constitute a legally binding document in respect of future dividend declaration of the Company and/or in no way oblige the Company to declare a dividend at any time or from time to time. The distribution and payment of dividends of the Company will be subject to compliance with the Company's Bye-laws and applicable laws and regulations. During the year 2025, all dividend decisions made by the Board were made in accordance with the Dividend Policy.

Details of the dividend paid by the Company during the year 2025 are set out in note 15 to the consolidated financial statements on page 146 of this annual report.

E. INVESTOR RELATIONS

The Company continues to promote and enhance investor relations and communication with its investors. The Company's Investor Relations and Public Relations Team maintains regular dialogue with institutional investors, analysts and fund managers to keep them abreast of the latest development of the Group.

Shareholders, investors and members of the public are able to access up-to-date corporate information and events related to the Group on the Company's website.

1. Shareholding Information

As at 31st December 2025:

- Authorised share capital: US\$205,000,000, comprising 900,000,000 ordinary shares of US\$0.1 each, 65,000,000 limited voting convertible redeemable preferred shares of US\$1 each and 50,000,000 redeemable preferred shares of US\$1 each.
- Issued and fully-paid up capital: US\$66,037,329.7 comprising 660,373,297 ordinary shares of US\$0.1 each.

Details of the shareholding of the ordinary shares of the Company as at 31st December 2025 are set out on page 53 of this annual report.

2. Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Company maintained at least 25% of public float as at 31st December 2025 and the date of this annual report.

3. Financial Calendar

Important dates for the shareholders are set out on page 51 of this annual report.

4. Memorandum of Association and Bye-Laws

There was no change to the memorandum of association of the Company and the Bye-laws during the year 2025, and the consolidated version is available on the websites of the Company and the Stock Exchange.