



HUTCHISON PORT HOLDINGS MANAGEMENT PTE. LIMITED

(A limited liability company incorporated in the Republic of Singapore under the Companies Act 1967 of Singapore)
(Company registration number: 201100749W)

ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

GENERAL INFORMATION

DIRECTORS

Mr. LAI Kai Ming, Dominic (Chairman)
Ms. Edith SHIH
Mr. IP Sing Chi
Ms. LEE Tung Wan, Diana
Professor CHAN Fan-cheong, Tony
Dr. FONG Chi Wai, Alex
Ms. IM Man Ieng
Mr. LEE Kah Lup
Ms. SEAH Bee Eng (alias Jennifer LOH)

COMPANY SECRETARY

Ms. WONG Yoen Har

REGISTERED OFFICE

1 Harbourfront Avenue
#14-07, Keppel Bay Tower
Singapore 098632

AUDITOR

PricewaterhouseCoopers LLP

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DIRECTORS' STATEMENT

The directors of Hutchison Port Holdings Management Pte. Limited (the "Company") present their statement to the members, together with the audited financial statements of the Company for the year ended 31 December 2025.

In the opinion of the directors,

- (a) the financial statements as set out on pages 6 to 20 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and the financial performance, cash flows and changes in equity of the Company for the financial year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Mr. Lai Kai Ming, Dominic (Chairman)
 Ms. Edith Shih
 Mr. Ip Sing Chi
 Ms. Lee Tung Wan, Diana
 Professor Chan Fan-cheong, Tony
 Dr. Fong Chi Wai, Alex
 Ms. Im Man Ieng
 Mr. Lee Kah Lup
 Ms. Seah Bee Eng (alias Jennifer Loh)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act 1967 of Singapore, none of the directors holding office at the end of the year (or during the year) had any interest in shares in, or debentures of, the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2025	At 1.1.2025	At 31.12.2025	At 1.1.2025
CK Hutchison Holdings Limited ("CKHH")				
- Number of ordinary shares				
Mr. Lai Kai Ming, Dominic	34,200	34,200	–	–
Ms. Edith Shih	187,125	187,125	5,062	5,062
CK Hutchison International (24) (II) Limited				
- 4.75% Notes due 2034				
Ms. Edith Shih	A nominal amount of US\$400,000	A nominal amount of US\$400,000	–	–

DIRECTORS' STATEMENT

Share options

There were no share options granted during the year to anyone to take up unissued shares of the Company.

No shares have been issued during the year by virtue of the exercise of share options to take up unissued shares of the Company.

There were no unissued shares of the Company under share option at the end of the year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Ip Sing Chi
Director

Lee Tung Wan, Diana
Director

5 February 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Hutchison Port Holdings Management Pte. Limited

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of Hutchison Port Holdings Management Pte. Limited (the "Company") are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and of the financial performance, cash flows and changes in equity of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the year ended 31 December 2025;
- the statement of financial position as at 31 December 2025;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Hutchison Port Holdings Management Pte. Limited

Responsibilities of management and directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Hutchison Port Holdings Management Pte. Limited

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 5 February 2026

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Revenue and other income	3	34,737	33,892
Staff costs		(2,267)	(2,017)
Depreciation		(195)	(181)
Other operating expenses		(5,400)	(5,695)
Total operating expenses		(7,862)	(7,893)
Operating profit		26,875	25,999
Finance costs	5	(19)	(3)
Profit before tax	4	26,856	25,996
Tax	6	(4,077)	(3,962)
Profit and total comprehensive income for the year		22,779	22,034
Dividend	7	21,000	28,000

STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Fixed assets	9	–	–
Right-of-use assets	8	470	59
		<u>470</u>	<u>59</u>
Current assets			
Cash and cash equivalents	10	21,037	17,748
Trade and other receivables	11	17,305	18,677
Tax recoverable		–	178
		<u>38,342</u>	<u>36,603</u>
Current liabilities			
Trade and other payables	12	6,791	6,949
Lease liabilities	13	198	60
Current tax liabilities		4,160	4,049
		<u>11,149</u>	<u>11,058</u>
Net current assets		<u>27,193</u>	<u>25,545</u>
Total assets less current liabilities		<u>27,663</u>	<u>25,604</u>
Non-current liability			
Lease liabilities	13	280	–
Net assets		<u>27,383</u>	<u>25,604</u>
EQUITY			
Share capital	14	100	100
Retained profits		27,283	25,504
Total equity		<u>27,383</u>	<u>25,604</u>

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Operating activities			
Net cash from operations	15(a)	27,899	25,507
Interest received		374	769
Interest and other finance costs paid	15(b)	(19)	(3)
Net tax paid		(3,777)	(4,908)
Net cash from operating activities		24,477	21,365
Financing activities			
Dividend paid	7	(21,000)	(28,000)
Principal elements of lease payments	15(b)	(188)	(183)
Cash used in financing activities		(21,188)	(28,183)
Net changes in cash and cash equivalents		3,289	(6,818)
Cash and cash equivalents at beginning of the year		17,748	24,566
Cash and cash equivalents at end of the year	10	21,037	17,748

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital HK\$'000	Retained profits HK\$'000	Total HK\$'000
2025			
Balance at 1 January 2025	100	25,504	25,604
Profit and total comprehensive income for the year	–	22,779	22,779
Transactions with owners, recognised directly in equity			
Dividend (Note 7)	–	(21,000)	(21,000)
Balance at 31 December 2025	100	27,283	27,383
2024			
Balance at 1 January 2024	100	31,470	31,570
Profit and total comprehensive income for the year	–	22,034	22,034
Transactions with owners, recognised directly in equity			
Dividend (Note 7)	–	(28,000)	(28,000)
Balance at 31 December 2024	100	25,504	25,604

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Hutchison Port Holdings Management Pte. Limited (the “Company”) is a limited liability company incorporated in the Republic of Singapore on 7 January 2011 under the Companies Act 1967 of Singapore. The Company’s immediate holding company is CK Hutchison Global Investments Limited, its ultimate holding company is CK Hutchison Holdings Limited, which is incorporated in Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited.

The Company acts as the Trustee-Manager of Hutchison Port Holdings Trust (“HPH Trust”) and has dual responsibilities in safeguarding the interests of unitholders as a whole and managing the business of HPH Trust.

The registered office address of the Company is at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632.

2 Basis of preparation and material accounting policies

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies set out below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the accounting policies of the Company. It also requires the use of certain critical accounting estimates and assumptions. However, there are no areas involving a higher degree of judgements or complexity, or areas where estimates and assumptions are significant to the financial statements.

Adoption of standards and amendments to existing standards

The Company has adopted all of the new and revised standards and amendments issued by the Accounting Standards Council that are mandatory for annual period beginning 1 January 2025. The effect of the adoption of these new and revised standards, amendments and interpretations was not material to the Company’s results or financial position.

Standards and amendments which are not yet effective

At the date of authorisation of the financial statements, the following standards and amendments were in issue but not yet effective and have not been early adopted by the Company:

Amendments to FRS 109 and FRS 107 ⁽¹⁾	Amendments to the Classification and Measurement of Financial Instruments
Annual improvements to FRSs ⁽¹⁾	Annual Improvements to FRSs – Volume 11
FRS 118 ⁽²⁾	Presentation and Disclosure in Financial Statements
FRS 119 and amendments to FRS 119 ⁽²⁾	Subsidiaries and Small Entities without Public Accountability: Disclosures
Amendments to FRS 110 and FRS 28 ⁽³⁾	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

(1) Effective for annual periods beginning 1 January 2026

(2) Effective for annual periods beginning 1 January 2027

(3) New effective date to be determined

The Company is assessing the full impact of these standards and amendments. Certain of them may give rise to change in presentation, disclosure and measurements of certain items in the financial statements. They are not expected to have material impact to the Company.

NOTES TO THE FINANCIAL STATEMENTS

2 Basis of preparation and material accounting policies (Continued)**(a) Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of fixed assets is provided at rates calculated to write off their costs to their residual values over their estimated useful lives on a straight line basis as follows:

Furniture and fixtures	Over the lease term of office premise
Computer equipment	5 years

The gain or loss on disposal or retirement of a fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the statement of comprehensive income.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Asset impairmentImpairment of financial assets

The Company applies the expected credit loss ("ECL") model to assess impairment of financial assets classified at amortised cost. The impairment methodology to be applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by FRS 109, which requires lifetime expected losses for amounts due from customers to be recognised from initial recognition of the trade receivables.

Impairment of other assets

Assets that are subject to depreciation and amortisation are reviewed for impairment to determine whether there is any indication that the carrying values of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in the statement of comprehensive income except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that asset, in which case it is treated as a revaluation decrease and recognised in other comprehensive income.

(c) Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and demand deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts, if any.

NOTES TO THE FINANCIAL STATEMENTS

2 Basis of preparation and material accounting policies (Continued)

(e) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

(f) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a present obligation as a result of past events and a reliable estimate can be made of the amount of the obligation.

(g) Foreign exchange

(i) Functional and presentation currency

The financial statements are presented in Hong Kong dollar whereas the functional currency of the Company is in United States dollar. Any exchange differences arising from translation are recognised in other comprehensive income and accumulated under the heading of exchange reserve.

(ii) Transactions and balances

Transactions in foreign currencies are converted at the rates of exchange ruling at the transaction dates. Monetary assets and liabilities are translated at the rates of exchange ruling at the end of reporting period. Exchange differences are recognised in the statement of comprehensive income.

(h) Current tax

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity.

Pillar Two related top-up tax expenses are recognised and disclosed separately from other current income tax expenses. Qualified domestic top-up tax expenses are recognised and presented as current income tax expenses by the relevant entities in the group that have the legal obligation to settle qualifying domestic top-up taxes with the tax authorities. This includes the designated filing entity and any other entities that have elected to pay a portion of the qualified domestic top-up tax expenses.

(i) Revenue recognition

Revenues are recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Company's performance provides all of the benefits received and consumed simultaneously by the customer.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

NOTES TO THE FINANCIAL STATEMENTS

2 Basis of preparation and material accounting policies (Continued)**(i) Revenue recognition (Continued)**

The progress towards complete satisfaction of the performance obligation is measured based on direct measurements of the value transferred by the Company to the customer.

Transaction price of a contract shall be allocated to individual performance obligation (or distinct good or service). The objective when allocating the transaction price is for an entity to allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

Management and service fee income is recognised over time along with the progress when service is rendered.

Interest income is recognised over time on a time proportion basis using the effective interest method.

(j) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Company determines that the arrangement conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Such determination is made on an evaluation of the substance of the arrangement, regardless of whether the arrangements take the legal form of a lease.

Assets leased to the Company

Leases are initially recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets leased to the Company and the corresponding liabilities are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate; and
- payments of penalties for terminating the lease, if the lease term reflects the Company, as a lessee, exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the incremental borrowing rate of the respective entities. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date, less any lease incentive received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise equipment and small items of office furniture.

NOTES TO THE FINANCIAL STATEMENTS

2 Basis of preparation and material accounting policies (Continued)**(k) Dividend**

Dividend distribution is recorded as a liability on the date of declaration.

3 Revenue and other income

	2025 HK\$'000	2024 HK\$'000
Revenue		
Management and service fee income	34,363	33,123
Other income		
Interest income	374	769
	34,737	33,892

4 Profit before tax

Profit before tax is stated after charging the following:

	2025 HK\$'000	2024 HK\$'000
Depreciation of right-of-use assets (Note 8)	195	181
Staff costs	2,267	2,017
Directors' fees	5,164	5,164

5 Finance costs

	2025 HK\$'000	2024 HK\$'000
Lease liabilities	19	3

6 Tax

	2025 HK\$'000	2024 HK\$'000
Current tax:		
Current tax on profits for the year	4,309	4,198
Overprovision in prior year	(232)	(236)
	4,077	3,962

NOTES TO THE FINANCIAL STATEMENTS

6 Tax (Continued)

The tax charge on the Company's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2025 HK\$'000	2024 HK\$'000
Profit before tax	26,856	25,996
Tax calculated at weighted average tax rate of 17.0% (2024: 17.0%)	4,559	4,411
Tax exemption	(104)	(101)
Expenses not deductible for tax purposes	1	15
Income or gains not subject to tax	(147)	(127)
Overprovision in prior year	(232)	(236)
	<u>4,077</u>	<u>3,962</u>

CK Hutchison Holdings Limited, the ultimate holding company of the Company, is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules. The Company applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Based on the assessment for the year ended 31 December 2025 and the information currently available, the application of Pillar Two legislation is not expected to have material impact to the Company.

7 Dividend

	2025 HK\$'000	2024 HK\$'000
Interim dividend paid of HK\$2.1 (2024: HK\$2.8) per share	<u>21,000</u>	<u>28,000</u>

8 Right-of-use assets

The Company entered into a new lease agreement for office premises in 2025. For this lease, the Company is required to make fixed monthly payments. The Company recognised HK\$596,000 of right-of-use assets and lease liabilities at inception of the lease.

	2025 HK\$'000	2024 HK\$'000
As at 1 January	59	244
Recognition of right-of-use assets	596	–
Depreciation	(195)	(181)
Exchange difference	10	(4)
As at 31 December	<u>470</u>	<u>59</u>

The total cash outflow for the lease in 2025 was HK\$207,000 (2024: HK\$186,000).

NOTES TO THE FINANCIAL STATEMENTS

9 Fixed assets

	Furniture and fixtures HK\$'000	Computer equipment HK\$'000	Total HK\$'000
2025			
At 1 January 2025 and 31 December 2025			
Cost	124	34	158
Accumulated depreciation	(124)	(34)	(158)
Net book value	<u>-</u>	<u>-</u>	<u>-</u>
2024			
At 1 January 2024 and 31 December 2024			
Cost	124	34	158
Accumulated depreciation	(124)	(34)	(158)
Net book value	<u>-</u>	<u>-</u>	<u>-</u>

10 Cash and cash equivalents

	2025 HK\$'000	2024 HK\$'000
Cash at bank	6,819	2,856
Short-term bank deposits	14,218	14,892
	<u>21,037</u>	<u>17,748</u>

Cash and cash equivalents are denominated in the following currencies:

	2025 Percentage	2024 Percentage
Hong Kong dollar	80%	92%
United States dollar	5%	5%
Singapore dollar	15%	3%
	<u>100%</u>	<u>100%</u>

NOTES TO THE FINANCIAL STATEMENTS

11 Trade and other receivables

	2025 HK\$'000	2024 HK\$'000
Trade receivables from HPH Trust	17,293	18,659
Other receivables	12	18
	<u>17,305</u>	<u>18,677</u>

Trade and other receivables are mainly denominated in United States dollar and Hong Kong dollar and the carrying amounts approximate their fair values.

The trade receivables from HPH Trust are unsecured and interest free.

The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables.

12 Trade and other payables

Trade and other payables are mainly denominated in United States dollar and the carrying amounts approximate their fair values.

13 Lease liabilities

The following detail the remaining contractual maturities at the end of the reporting period of the Company's lease liabilities, which are based on contractual discounted principal cash flows and the earliest date on which the Company can be required to pay:

	2025 HK\$'000	2024 HK\$'000
Current	198	60
Non-current	280	–
	<u>478</u>	<u>60</u>

14 Share capital

	Issued and fully paid: number of shares	HK\$
At 31 December 2024 and 2025	<u>10,000,000</u>	<u>100,001</u>

NOTES TO THE FINANCIAL STATEMENTS

15 Notes to statement of cash flows**(a) Reconciliation of operating profit to net cash generated from operations:**

	2025 HK\$'000	2024 HK\$'000
Operating profit	26,875	25,999
Interest income	(374)	(769)
Depreciation (Note 8)	195	181
Foreign exchange (gain)/loss	(11)	22
Operating profit before working capital changes	26,685	25,433
Decrease/(increase) in trade and other receivables	1,372	(1,018)
(Decrease)/increase in trade and other payables	(158)	1,092
Net cash from operations	27,899	25,507

(b) Reconciliation of liabilities arising from financing activities is as follows:

	Lease liabilities 2025 HK\$'000	2024 HK\$'000
As at 1 January	60	247
Increase in lease liabilities from entering into a new lease during the year (Note 8)	596	–
Principal elements of lease payments	(188)	(183)
Interest elements of lease liabilities paid	(19)	(3)
Interest on lease liabilities (Note 5)	19	3
Exchange translation differences	10	(4)
As at 31 December	478	60

16 Related parties transactions

Significant transactions between the Company and related parties during the year that are carried out in the normal course of business are disclosed below:

(i) Income from and expense to related parties

	2025 HK\$'000	2024 HK\$'000
Income:		
Management fees received from HPH Trust (Note a)		
- Base fee	27,018	26,646
- Development fee	7,345	6,477
	34,363	33,123
Expense:		
Lease payments (Note b)	207	186

NOTES TO THE FINANCIAL STATEMENTS

16 Related parties transactions (Continued)**(i) Income from and expense to related parties (Continued)**

Notes:

- (a) Management fees were charged in accordance with the trust deed dated 25 February 2011, the first supplemental deed dated 28 April 2014 and the second supplemental deed dated 8 June 2020 for HPH Trust (collectively, "Trust Deed"). The base fee was charged at a fixed fee of US\$2,500,000 (equivalent to approximately HK\$19,500,000) per annum which is subject to increase each year from 2012 by such percentage representing the percentage increase in the Hong Kong Composite Consumer Price Index. The base fee for the year ended 31 December 2025 is payable in cash. As the December 2025 figure for the Hong Kong Composite Consumer Price Index is yet to be published as at the date of preparation of these financial statements, the adjustment to the base fee, if required, will be accounted for in the subsequent financial year.

Development fee relates to the development project by Yantian East Port International Container Terminals Limited, a joint venture of HPH Trust, was charged in accordance with the Trust Deed which states that the development fee is payable in arrears for every six months after the commencement of the development project in respect of project costs incurred over the previous six-month period. Pursuant to the Trust Deed,

- (1) where the total project costs incurred in the development project is less than US\$500 million, the Company is entitled to receive a fee of 2.5% of the total project costs incurred (pro-rated to HPH Trust's 39.73% effective interest in the subject development project); and
- (2) where the total project costs incurred in the development project is US\$500 million or more, the Company is entitled to receive a fee of US\$12.5 million plus 1.5% of the total project costs incurred which exceeds US\$500 million (pro-rated to HPH Trust's 39.73% effective interest in the subject development project).

Total project costs incurred since commencement of the project up to 31 December 2025 were over US\$500 million. Development fees were calculated based on the 2.5% for the project costs incurred reached and within the US\$500 million threshold and 1.5% for the project costs incurred over US\$500 million threshold for the years ended 31 December 2025 and 2024 and pro-rated to HPH Trust's 39.73% effective interest in the subject development project.

- (b) The Company leases office premises from a related company and was charged at terms pursuant to the relevant agreement.

(ii) Key management compensations

Key management includes directors, the Chief Executive Officer and the Chief Financial Officer. The compensation paid or payable to key management for employee services is shown below:

	2025 HK\$'000	2024 HK\$'000
Salaries and directors' fees	7,326	6,969

NOTES TO THE FINANCIAL STATEMENTS

17 Financial risk and capital management

(a) Cash management and funding

The major financial instruments of the Company include cash and cash equivalents, trade and other receivables, trade and other payables and lease liabilities. Details of these financial instruments are disclosed in the respective notes to the financial statements. The risk management programme of the Company is designed to minimise the financial risks of the Company. These risks include credit risk, foreign currency risk and interest rate risk.

The management of the Company regularly and closely monitors its overall net cash position and reviews its funding costs and maturity profile.

(b) Capital management

The Company's strategy is to ensure optimal returns to shareholders, while maintaining sufficient flexibility to implement growth strategies.

(c) Credit exposure

The Company's holdings of cash and cash equivalents and trade and other receivables expose the Company to counterparty credit risk. The Company controls its credit risk to non-performance by its counterparties through regular review and monitoring their credit ratings.

The receivables from other counterparties also expose the Company to credit risk. The Company controls its credit risk by assessing the credit quality of the receivables, taking into account its financial position, past experience and other factors.

(d) Foreign currency exposure

Currency risk arises on financial instruments denominated in a currency that is not the functional currency and being of a monetary nature.

The Company does not have significant foreign currency exposure as Hong Kong dollar is pegged to United States dollar.

(e) Interest rate exposure

The Company's main interest rate exposure relate to cash and cash equivalents. The Company manages its interest rate exposure with a focus on reducing the Company's overall cost of debt and exposure to changes in interest rates.

The impact of a hypothetical 5 basis points increase in market interest rate at the end of reporting period would increase the Company's profit and increase member's equity by HK\$11,000 (2024: HK\$9,000).

18 Approval of the financial statements

The financial statements set out on pages 6 to 20 were approved by the Board of Directors of the Company for issue on 5 February 2026.

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