

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**雲建綠砼**  
— **GHPC** —

**YCIH Green High-Performance Concrete Company Limited**

**雲南建投綠色高性能混凝土股份有限公司**

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

**(Stock Code: 1847)**

## **2025 INTERIM RESULTS ANNOUNCEMENT**

### **FINANCIAL HIGHLIGHTS:**

<b>Items</b>	<i>Unit: RMB million</i>		
	<b>January- June 2025 (Unaudited)</b>	<b>January- June 2024 (Unaudited)</b>	<b>Change in percentage</b>
Operating income	<b>556.9</b>	354.2	57.2%
Gross profit	<b>60.0</b>	27.2	120.6%
Total profit (Total losses are shown with “-”)	<b>-17.7</b>	-24.5	27.8%
Net profit (Net losses are shown with “-”)	<b>-20.7</b>	-27.9	25.8%
Net profit attributable to owners of the parent company (Net losses are shown with“-”)	<b>-17.8</b>	-25.5	30.2%
Basic earnings per share (RMB)	<b>-0.04</b>	-0.06	33.3%

*Note:*

The unaudited consolidated financial statements and interim results of the Group for the six months ended June 30, 2025 have been prepared in accordance with PRC Accounting Standards for Business Enterprises (“**PRC ASBE**”) and related regulations.

The Board announced the unaudited consolidated interim results of the Group for the six months ended June 30, 2025, together with comparative figures for the same period in 2024, as follows:

## CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2025

		<i>Unit: RMB</i>	
Items	Note	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
<b>I. Total operating income</b>	4	<b>556,853,313.53</b>	354,163,146.97
Including: Operating income	4	<b>556,853,313.53</b>	354,163,146.97
<b>II. Total operating costs</b>		<b>556,195,751.84</b>	391,730,562.30
Including: Operating costs		<b>496,928,737.63</b>	327,021,052.10
Taxes and surcharges		<b>3,476,431.01</b>	2,888,009.47
Selling expenses		<b>6,998,053.21</b>	9,501,283.92
Administrative expenses		<b>34,820,175.98</b>	32,995,808.87
Research and development expenses		<b>3,441,655.90</b>	6,046,256.07
Financial expenses	5	<b>10,530,698.11</b>	13,278,151.87
Including: Interest expenses		<b>10,616,295.21</b>	12,500,818.50
Interest income		<b>215,250.64</b>	615,919.37
Add: Other income	6	<b>4,510,572.45</b>	1,414,176.39
Investment income (Losses are shown with “-”)		<b>-752,561.60</b>	-3,001,601.53
Including: Income from investments in associates and joint ventures			
Gains on derecognition of financial assets measured at amortized cost		<b>-752,561.60</b>	
Net exposure hedge gains (Losses are shown with “-”)			
Gains on changes in fair value (Losses are shown with “-”)			
Credit impairment losses (Losses are shown with “-”)	7	<b>-22,726,885.31</b>	14,108,982.38
Impairment losses on assets (Losses are shown with “-”)			
Gains on asset disposal (Losses are shown with “-”)	8	<b>4,594.91</b>	1,521,307.08

Items	Note	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
<b>III. Operating profit (Losses are shown with “-”)</b>		<b>-18,306,717.86</b>	-23,524,551.01
Add: Non-operating income	9	<b>2,276,966.28</b>	2,882,052.85
Less: Non-operating expenses	10	<b>1,648,833.74</b>	3,868,632.12
<b>IV. Total profit (Total losses are shown with “-”)</b>		<b>-17,678,585.32</b>	-24,511,130.28
Less: Income tax expenses	11	<b>2,989,875.59</b>	3,434,327.55
<b>V. Net profit (Net losses are shown with “-”)</b>		<b>-20,668,460.91</b>	-27,945,457.83
<b>1. Classified by the attribution of ownership</b>			
(1) Net profit attributable to owners of the parent company (Net losses are shown with “-”)		<b>-17,799,262.85</b>	-25,485,659.24
(2) Gains or losses on non-controlling interests (Net losses are shown with “-”)		<b>-2,869,198.06</b>	-2,459,798.59
<b>2. Classified by continuity of operations</b>			
(1) Net profit from continuing operations (Net losses are shown with “-”)		<b>-20,668,460.91</b>	-27,945,457.83
(2) Net profit from discontinued operations (Net losses are shown with “-”)			
<b>VI. Net other comprehensive income after tax</b>			
Net after-tax amount of other comprehensive income attributable to owners of the parent company			
1. Other comprehensive income that cannot be reclassified to profit or loss			
2. Other comprehensive income to be reclassified to profit or loss			
Net after-tax amount of other comprehensive income attributable to non-controlling interests			
<b>VII. Total comprehensive income</b>		<b>-20,668,460.91</b>	-27,945,457.83
Total comprehensive income attributable to owners of the parent company		<b>-17,799,262.85</b>	-25,485,659.24
Total comprehensive income attributable to non-controlling interests		<b>-2,869,198.06</b>	-2,459,798.59
<b>VIII. Earnings per share:</b>			
1. Basic earnings per share	12	<b>-0.04</b>	-0.06
2. Diluted earnings per share	12	<b>-0.04</b>	-0.06

# CONSOLIDATED BALANCE SHEET

As at June 30, 2025

Unit: RMB

Items	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Current assets:</b>			
Monetary funds		97,718,399.14	124,776,906.10
Financial assets held for trading			
Derivative financial assets			
Notes receivable		51,875,005.26	47,051,196.34
Accounts receivable	14	3,097,960,423.82	3,191,840,908.17
Receivables financing		1,960,763.34	4,985,731.37
Prepayments		9,644,028.69	16,735,470.67
Other receivables		41,993,361.02	36,888,228.69
Including: Interest receivable			
Dividends receivable			
Inventories		23,844,512.81	23,059,585.68
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		22,489,396.95	29,670,578.85
<b>Total current assets</b>		<b>3,347,485,891.03</b>	<b>3,475,008,605.87</b>

<b>Items</b>	<i>Note</i>	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Non-current assets:</b>			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments			
Investments in other equity instruments			
Other non-current financial assets			
Investment properties			
Fixed assets		<b>245,996,486.33</b>	242,572,648.47
Construction in progress		<b>11,303,748.48</b>	33,459,848.64
Productive biological assets			
Oil and gas assets			
Right-of-use assets		<b>9,339,763.07</b>	11,519,247.38
Intangible assets		<b>39,884,178.19</b>	40,271,331.68
Development expenses			
Goodwill			
Long-term deferred expenses		<b>994,617.16</b>	2,030,243.57
Deferred tax assets		<b>75,456,423.17</b>	77,455,741.55
Other non-current assets		<b>1,085,663.72</b>	1,085,663.72
<b>Total non-current assets</b>		<b>384,060,880.12</b>	408,394,725.01
<b>Total assets</b>		<b>3,731,546,771.15</b>	3,883,403,330.88

<b>Items</b>	<i>Note</i>	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current liabilities:</b>			
Short-term borrowings		<b>509,702,469.08</b>	559,864,798.56
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable		<b>47,470,000.00</b>	109,379,014.35
Accounts payable	15	<b>1,621,458,700.18</b>	1,629,288,555.59
Advances from customers			
Contract liabilities		<b>11,328,967.74</b>	5,147,903.43
Employee benefits payable		<b>138,363,748.01</b>	134,576,994.52
Taxes and dues payable		<b>10,109,249.52</b>	4,280,558.83
Other payables		<b>182,984,150.24</b>	168,183,725.42
Including: Interest payable			
Dividends payable		<b>11,100,291.10</b>	11,820,291.10
Liabilities held for sale			
Non-current liabilities due within one year		<b>23,198,548.19</b>	65,738,069.05
Other current liabilities		<b>1,472,765.81</b>	669,193.46
<b>Total current liabilities</b>		<b>2,546,088,598.77</b>	2,677,128,813.21

Items	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Non-current liabilities:</b>			
Long-term borrowings			
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		1,177,761.41	1,323,978.40
Long-term payables			
Long-term employee benefits payable			
Provisions		1,105,217.64	1,719,375.14
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
<b>Total non-current liabilities</b>		<b>2,282,979.05</b>	<b>3,043,353.54</b>
<b>Total liabilities</b>		<b>2,548,371,577.82</b>	<b>2,680,172,166.75</b>
<b>Shareholders' equity:</b>			
Share capital		446,272,000.00	446,272,000.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		303,383,982.18	303,383,982.18
Less: Treasury shares			
Other comprehensive income			
Special reserve		8,991,395.71	8,441,158.75
Surplus reserve		94,909,590.28	94,909,590.28
Undistributed profit		256,247,802.41	274,047,065.26
Total shareholders' equity attributable to the parent company		<b>1,109,804,770.58</b>	<b>1,127,053,796.47</b>
Non-controlling interests		73,370,422.75	76,177,367.66
<b>Total shareholders' equity</b>		<b>1,183,175,193.33</b>	<b>1,203,231,164.13</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,731,546,771.15</b>	<b>3,883,403,330.88</b>

# NOTES TO THE FINANCIAL STATEMENTS

*For the six months ended June 30, 2025*

## 1. BASIC INFORMATION OF THE COMPANY

YCIH Green High-Performance Concrete Company Limited (hereinafter referred to as the “**Company**”, and collectively as the “**Group**” when including subsidiaries) is a limited liability company incorporated in Yunnan Province, People’s Republic of China on June 19, 2007 by YNJG Green High-Performance Concrete Co. Ltd. As at June 30, 2025, the registered capital of the Company was RMB446,272,000.00. The registered address is beside Zhaotong Avenue, Zhaoyang District, Zhaotong City, Yunnan Province (Yunnan Construction Investment Zhaotong Development Building).

The H Shares issued by the Company have been listed on the Main Board of the Hong Kong Stock Exchange from October 31, 2019 onwards.

The Group operates in the manufacturing industry and is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. At the same time, the Group is vigorously advancing the comprehensive utilization of solid waste resources, with an emphasis on phosphogypsum, by researching and developing, producing, and selling new materials such as phosphogypsum aggregates and coatings. The Group is also actively promoting the charging and swapping business for new energy heavy trucks, and providing commissioned processing, quality technical services, management services, and other related business.

The parent company of the Company is Yunnan Construction and Investment Holding Group Co., Ltd. and the ultimate controlling party is the State-owned Assets Supervision and Administration Commission of Yunnan Provincial People’s Government.

Save as otherwise specified, these notes to the financial statements are presented in RMB.

## 2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

### 2.1 Basis for the preparation of financial statements

The Group’s financial statements have been prepared based on transactions and events that have actually occurred, in accordance with the PRC ASBE issued by the Ministry of Finance of the PRC and related regulations, and the relevant disclosures required by the *Hong Kong Companies Ordinance* and the Hong Kong Listing Rules, and in accordance with the accounting policies and estimates described in “Significant accounting policies and accounting estimates”.

## **2.2 Going concern**

The Group incurred consecutive losses in 2023, 2024 and the first half of 2025, and approximately RMB56.4998 million of funds were frozen as at June 30, 2025, due to litigation and other matters. These matters or circumstances indicate material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. In response to the significant doubts regarding the Group's ability to continue as a going concern mentioned above, the Group intends to take the following measures to ameliorate the situation:

Firstly, to further reinforce market exploitation. While continuously signing new contracts for various industries, the Group will constantly enhance the conversion efficiency of its existing contracts (as of the date of this results announcement, the value of existing contracts reaches approximately RMB1.526 billion), thereby promoting steady growth in operating income.

Secondly, to further strengthen the management of debt. The Group will intensify its efforts to collect accounts receivable. On the basis of achieving a collection amount exceeding the operating income of the corresponding period for three consecutive years (2022-2024) and the first half of 2025, it will further refine the collection working mechanism and make every effort to reduce the balance of accounts receivable.

Thirdly, to further enhance communication and coordination. The Group will actively communicate with banks and other financial institutions to maintain a generally stable level of credit extension and continuously optimize the debt structure. It will also actively communicate with suppliers, and take multiple measures to resolve existing lawsuits on a contractual basis, ensuring a stable and orderly procurement and supply.

The Board believes the above improvement measures are feasible and effective. Accordingly, the financial statements of the Reporting Period of the Group have been prepared on a going concern basis.

## **3. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**

Specific accounting policies and accounting estimates formulated by the Group in accordance with the actual production and operation characteristics include the operating cycle, recognition and measurement of bad debt provision for receivables, classification of fixed assets and depreciation methods, amortization of intangible assets, recognition of provisions, and recognition and measurement of revenue.

There were no changes in the accounting policies adopted for the preparation of the financial statements for the current period.

## 4. SEGMENT INFORMATION AND OPERATING INCOME

### 4.1 Operating segment information

The Group's income and contribution to consolidated results mainly arise from the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. These are treated as a single operating segment in a manner consistent with the way in which information used as a basis for the management of resources and the appraisal of performance is reported internally to the senior management of the Group. In addition, all assets used by the Group are located in Mainland China. Therefore, apart from disclosures relating to the entity as a whole, no segment information is presented on the basis of profit, assets, or liabilities.

### 4.2 Operating income

The Group is primarily engaged in the R&D, production, and sales of ready-mixed commercial concrete, along with upstream and downstream building materials such as cement, aggregates, admixtures, and prefabricated components. The Group's operating income is analyzed as follows:

Items	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
Sales of building materials	538,905,684.46	338,916,519.47
Sales of solid waste and new materials	6,286,693.49	2,951,491.48
Services	10,492,741.94	7,690,219.06
New energy charging and swapping	979,384.49	310,923.34
Others	188,809.15	4,293,993.62
<b>Total</b>	<b>556,853,313.53</b>	<b>354,163,146.97</b>

## 5. FINANCIAL EXPENSES

Items	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
Interest expenses	10,616,295.21	12,500,818.50
Less: Interest income	215,250.64	615,919.37
Net gain on exchange		
Add: Net loss on exchange	16,032.67	8,302.01
Other expenses	113,620.87	1,401,554.75
<b>Total</b>	<b>10,530,698.11</b>	<b>13,278,151.87</b>

## 6. OTHER INCOME

<b>Sources of other income</b>	<b>January-June 2025 (Unaudited)</b>	<b>January-June 2024 (Unaudited)</b>
Additional deduction for value-added tax	1,486,245.78	795,502.76
Individual income tax handling fee refund	20,396.53	48,673.63
Government grants	3,003,836.51	570,000.00
Tax concessions	93.63	
<b>Total</b>	<b>4,510,572.45</b>	<b>1,414,176.39</b>

## 7. CREDIT IMPAIRMENT LOSSES

<b>Items</b>	<b>January-June 2025 (Unaudited)</b>	<b>January-June 2024 (Unaudited)</b>
Bad debt losses on notes receivable	-32,684.00	6,662.35
Bad debt losses on accounts receivable	-20,290,345.47	12,322,181.96
Bad debt losses on other receivables	-2,403,855.84	1,780,138.07
<b>Total</b>	<b>-22,726,885.31</b>	<b>14,108,982.38</b>

## 8. GAINS ON ASSET DISPOSAL

<b>Items</b>	<b>January-June 2025 (Unaudited)</b>	<b>January-June 2024 (Unaudited)</b>
Gain on disposal of fixed assets		-14,166.25
Gain on disposal of right-of-use assets	4,594.91	1,535,473.33
<b>Total</b>	<b>4,594.91</b>	<b>1,521,307.08</b>

## 9. NON-OPERATING INCOME

<b>Items</b>	<b>January-June 2025 (Unaudited)</b>	<b>January-June 2024 (Unaudited)</b>
Gain on destruction and scrapping of non-current assets	241,788.29	16,652.48
Litigation gains	1,642,519.99	2,714,936.86
Income from fines	8,202.60	
Others	384,455.40	150,463.51
<b>Total</b>	<b>2,276,966.28</b>	<b>2,882,052.85</b>

## 10. NON-OPERATING EXPENSES

Items	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
Litigation losses	1,582,908.88	3,330,263.27
Losses on destruction and scrapping of non-current assets	33,350.55	98,000.87
Expenditures on fines	38,618.38	424,504.91
Others	-6,044.07	15,863.07
<b>Total</b>	<b>1,648,833.74</b>	<b>3,868,632.12</b>

## 11. INCOME TAX EXPENSES

Items	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
Income tax expenses for the period	990,557.21	436,991.16
Deferred tax expenses	1,999,318.38	2,997,336.39
<b>Total</b>	<b>2,989,875.59</b>	<b>3,434,327.55</b>

The Company and its subsidiaries, Polymer Company, Qujing Building Material and Yuxi Building Material have the qualification of High-tech Enterprises, and are subject to the preferential income tax rate of 15% for the period from January to June 2025 and the period from January to June 2024. Baoshan Building Material is subject to the policy for the development of the western region for the period from January to June 2025 and the period from January to June 2024, and therefore, it is entitled to the preferential income tax rate of 15%. Other subsidiaries are subject to an applicable income tax rate of 25%.

## 12. EARNINGS PER SHARE:

Items	January-June 2025 (Unaudited)	January-June 2024 (Unaudited)
Net profit attributable to owners of the parent company	-17,799,262.85	-25,485,659.24
Weighted average of the issued ordinary shares	446,272,000.00	446,272,000.00
Basic earnings per share	-0.04	-0.06
Diluted earnings per share	-0.04	-0.06

## 13. DIVIDEND

On August 27, 2024, the Board did not propose the distribution of an interim dividend for the six months ended June 30, 2024.

On March 25, 2025, the Board did not propose the distribution of a final dividend for 2024.

On August 26, 2025, the Board did not propose the distribution of an interim dividend for the six months ended June 30, 2025.

#### 14. ACCOUNTS RECEIVABLE

Items	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Accounts receivable	3,282,008,420.85	3,355,598,559.73
Less: Bad debt provision for accounts receivable	<u>184,047,997.03</u>	<u>163,757,651.56</u>
<b>Total</b>	<b><u>3,097,960,423.82</u></b>	<b><u>3,191,840,908.17</u></b>

The aging analysis of accounts receivable as at June 30, 2025 based on invoice dates is as follows:

Aging	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Within 1 year (including 1 year)	930,604,174.14	836,396,524.03
1-2 years	596,837,431.10	796,856,460.69
2-3 years	609,322,756.88	689,182,595.99
3-4 years	550,698,584.47	599,501,140.25
4-5 years	536,095,250.51	388,555,999.58
Over 5 years	<u>58,450,223.75</u>	<u>45,105,839.19</u>
<b>Total</b>	<b><u>3,282,008,420.85</u></b>	<b><u>3,355,598,559.73</u></b>

#### 15. ACCOUNTS PAYABLE

The aging analysis of accounts payable as at June 30, 2025 based on invoice dates is as follows:

Aging	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Within 1 year (including 1 year)	824,859,590.34	754,211,696.54
1-2 years	463,410,615.47	328,122,915.99
2-3 years	35,673,798.38	119,045,768.32
Over 3 years	<u>297,514,695.99</u>	<u>427,908,174.74</u>
<b>Total</b>	<b><u>1,621,458,700.18</u></b>	<b><u>1,629,288,555.59</u></b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### I. INDUSTRY OVERVIEW

At present, the world is undergoing changes unseen in a century at an accelerated pace, with frequent geopolitical conflicts and trade frictions, causing the global economy to struggle amid turbulence. However, in the first half of 2025, the national economy withstood the pressure and forged ahead, maintaining a generally stable and improving performance. According to the statistical data from the National Bureau of Statistics of China (國家統計局), from January to June 2025, the national fixed asset investment (excluding rural households) increased by 2.8% period-on-period, whereas the real estate development investment decreased by 11.2% period-on-period. According to the statistical data from the Yunnan Provincial Bureau of Statistics (雲南省統計局), in the first half of 2025, the province's fixed asset investment increased by 0.6% period-on-period, infrastructure investment rose by 14.4% period-on-period, driving the total investment growth by 6.0 percentage points (among which, transportation construction continued to release growth momentum, with transportation investment increasing by 17.0%), and real estate sales showed signs of recovery and improvement. The sales area of commercial property increased by 4.0% period-on-period, and sales amount rose by 1.6% period-on-period. In addition, for the national concrete and cement-based products industry, due to the continuous and in-depth adjustment of the real estate industry, the low-speed but stable growth of infrastructure investment and various factors, the effective market demand was insufficient, and the industry continued to be under pressure. According to the data analysis of the National Bureau of Statistics of China, from January to June 2025, the cumulative output of commercial concrete decreased by 5.8% period-on-period. The principal business income of the concrete and cement-based products industry above designated scale decreased by 11.2% compared with the same period in 2024, and the total profit dropped by 26.4% compared with the same period in 2024. All of these factors have had a certain impact on the business operations of the Group, presenting both opportunities and challenges for the Group to continuously promote green and low-carbon transformation and upgrading development.

### II. BUSINESS OVERVIEW

#### (I) Overview

The Company is a building materials supplier mainly engaged in ready-mixed commercial concrete located in Yunnan Province and is also a National High-Tech Enterprise. We have a team with extensive management experience and robust technical capabilities, and have powerful research and development capabilities with an integration of technical research and development, results promotion and application and technical services. We have introduced modernized, scientific and green and environmentally-friendly manufacturing concepts into our production, and lead and drive the technological progress and green and low-carbon development in the concrete industry of Yunnan Province. In recent years, the Company has continued to carry out transformation and upgrading. While focusing on the research and development, production, and sales of ready-mixed commercial concrete as its core as well as building materials for upstream and downstream products such as cement, aggregates, admixtures, and prefabricated components, the Company has also vigorously expanded the comprehensive utilization of solid waste resources, particularly Phosphogypsum, which includes the research and development,

production, and sales of new materials such as Phosphogypsum aggregates and coatings. Additionally, the Company has also actively promoted the charging and swapping business for new energy heavy trucks, and provided services such as commissioned processing, quality and technology services, and management services, basically forming the production capacity layout for synchronous business development covering the east, west, south and north markets in the main urban area of Kunming, as well as prefectures and cities in Yunnan Province. Our business scope covers housing construction and infrastructure construction, including railways, highways, integrated pipeline networks and other projects. We have established a complete industrial chain of “technical research and development, resource processing, production and sales”.

As at June 30, 2025, the Group had 36 concrete batching plants and 71 production lines with an annual production capacity of 17.64 million m<sup>3</sup>. The Group also had a total of 311 vehicles including concrete mixer trucks, loaders, aggregate transporters, bulk material transporters, etc., among which 121 were electric vehicles (including 7 unmanned electric loaders), along with 1 rooftop distributed photovoltaic power station, 1 integrated energy station of charging, swapping and storing for heavy trucks, 3 mini power swapping stations and 21 charging stations.

## **(II) Results of operation and financial review**

### ***1. General information***

For the six months ended June 30, 2025, the Group is principally engaged in five major businesses: namely building materials business, solid waste and new materials business, new energy charging and swapping business, services business and other businesses. The Group recorded an operating income of approximately RMB556.9 million, representing a period-on-period increase of 57.2%; a total profit of approximately RMB-17.7 million, representing a period-on-period decrease in losses of 27.8%; a net profit of approximately RMB-20.7 million, representing a period-on-period decrease in losses of 25.8%; and a net profit attributable to owners of the parent company of approximately RMB-17.8 million, representing a period-on-period decrease in losses of 30.2%.

### ***2. Operating income***

For the six months ended June 30, 2025, the Group recorded an operating income of approximately RMB556.9 million, representing an increase of approximately RMB202.7 million or 57.2% compared to the corresponding period of 2024.

(1) By business category

The following table sets forth the breakdown of the operating income by business category of the Group for the six months ended June 30, 2025 and the six months ended June 30, 2024:

Business	For the six months ended June 30, 2025		For the six months ended June 30, 2024	
	<i>RMB million</i>	<i>Percentage of operating income</i>	<i>RMB million</i>	<i>Percentage of operating income</i>
Building materials	538.9	96.8%	338.9	95.7%
Solid waste and new materials	6.3	1.1%	3.0	0.8%
New energy charging and swapping	1.0	0.2%	0.3	0.1%
Services	10.5	1.9%	7.7	2.2%
Others	0.2	0.0%	4.3	1.2%
<b>Total</b>	<b>556.9</b>	<b>100.0%</b>	<b>354.2</b>	<b>100.0%</b>

In terms of business category, for the six months ended June 30, 2025, the Group's growth in operating income was mainly due to the increase in the operating income of the building materials business. Of which, the operating income from the building materials business was approximately RMB538.9 million, accounting for 96.8% of the operating income, representing an increase of approximately RMB200.0 million or 59.0%, compared with the same period in 2024. The growth was mainly attributed to the sales volume of ready-mixed concrete in the building materials rising from 1.079 million m<sup>3</sup> in the first half of 2024 to 2.067 million m<sup>3</sup> in the first half of 2025, representing a period-on-period increase of 91.6%, and leading to an increase of 61.4% in income from ready-mixed concrete sales.

(2) By customer category

The following table sets forth the breakdown of the operating income by customer category of the Group for the six months ended June 30, 2025 and the six months ended June 30, 2024:

Customer	For the six months ended June 30, 2025		For the six months ended June 30, 2024	
	<i>RMB million</i>	<i>Percentage of operating income</i>	<i>RMB million</i>	<i>Percentage of operating income</i>
Independent third-party customers	230.4	41.4%	104.1	29.4%
Connected customers	326.5	58.6%	250.1	70.6%
<b>Total</b>	<b>556.9</b>	<b>100.0%</b>	<b>354.2</b>	<b>100.0%</b>

In terms of customer category, for the six months ended June 30, 2025, the Group's growth in operating income was mainly attributed to the increase in operating income from independent third-party customers. Of which, the operating income from independent third-party customers was approximately RMB230.4 million, accounting for 41.4% of the operating income, and representing an increase of approximately RMB126.3 million or 121.3%, compared with the same period in 2024. Such increases were mainly attributed to the Group's continuous efforts to explore the external market in recent years, with part of these efforts converting into operating income during the Reporting Period.

### 3. Operating costs

For the six months ended June 30, 2025, the Group recorded operating costs of approximately RMB496.9 million, representing an increase of approximately RMB169.9 million or 52.0%, compared with the same period in 2024. The increase in operating costs was mainly attributed to the increase in sales volume of ready-mixed concrete in the building materials during the Reporting Period.

The following table sets forth the breakdown of the operating costs by business category of the Group for the six months ended June 30, 2025 and the six months ended June 30, 2024:

Business	For the six months ended June 30, 2025		For the six months ended June 30, 2024	
	<i>RMB million</i>	<i>Percentage of operating costs</i>	<i>RMB million</i>	<i>Percentage of operating costs</i>
Building materials	479.5	96.5%	313.6	95.9%
Solid waste and new materials	4.9	1.0%	2.3	0.7%
New energy charging and swapping	1.0	0.2%	0.6	0.2%
Services	11.4	2.3%	7.1	2.2%
Others	0.1	0.0%	3.4	1.0%
<b>Total</b>	<b>496.9</b>	<b>100.0%</b>	<b>327.0</b>	<b>100.0%</b>

#### 4. Gross profit and gross margin

The following table sets forth the breakdown of gross profit and gross margin by business category of the Group for the six months ended June 30, 2025 and the six months ended June 30, 2024.

Business	For the six months ended June 30,				Change in gross profit	Change in percentage of gross margin
	2025 (RMB million)		2024 (RMB million)			
	Gross profit	Gross margin	Gross profit	Gross margin		
Building materials	59.4	11.0%	25.3	7.5%	134.8%	3.5
Solid waste and new materials	1.4	22.2%	0.7	23.3%	100.0%	-1.1
New energy charging and swapping	0.0	2.5%	-0.3	-100.0%	100.0%	102.5
Services	-0.9	-8.6%	0.6	7.8%	-250.0%	-16.4
Others	0.1	50.0%	0.9	20.9%	-88.9%	29.1
Total	60.0	10.8%	27.2	7.7%	120.6%	3.1

During the Reporting Period, the Group recorded a gross profit of approximately RMB60.0 million (for the six months ended June 30, 2024: approximately RMB27.2 million), and the overall gross margin for the first half of 2025 was approximately 10.8%, representing an increase of 3.1 percentage points compared to the corresponding period of 2024. Such an increase in gross profit and gross margin was mainly due to the increase in operating income by approximately 57.2% compared to the corresponding period of 2024, whereas the operating costs increased by approximately 52.0% compared to the corresponding period of 2024, which led to a higher increase magnitude of operating income than that of operating costs.

In terms of business category, in the first half of 2025, the Group's gross margin was 11.0% for the building materials business, 22.2% for the solid waste and new materials business, 2.5% for the new energy charging and swapping business, -8.6% for the services business and 50.0% for the other businesses.

#### 5. Total profit and net profit

For the six months ended June 30, 2025, the Group recorded a total profit of approximately RMB-17.7 million, representing a period-on-period decrease in losses of 27.8%, and a net profit of approximately RMB-20.7 million, representing a period-on-period decrease in losses of 25.8%, and a net profit attributable to owners of the parent company of approximately RMB-17.8 million, representing a period-on-period decrease in losses of 30.2%. These changes were mainly attributed to the increase in operating income of approximately RMB202.7 million during the Reporting Period over the same period of 2024.

## **6. Basic earnings per share**

For the six months ended June 30, 2025, the basic earnings per share of the Group were approximately RMB-0.04.

## **7. Income tax expense**

For the six months ended June 30, 2025, the income tax expense of the Group was approximately RMB3.0 million.

## **8. Period costs**

For the six months ended June 30, 2025, the period costs of the Group were approximately RMB55.7 million, representing a decrease of RMB6.1 million or 9.9% as compared with the same period in 2024. Among them, selling expenses were approximately RMB7.0 million, representing a decrease of RMB2.5 million or 26.3% as compared with the same period in 2024, mainly due to the slight decrease in sales personnel coupled with the adjustment of remuneration policies, resulting in a decrease in total remuneration. The research and development expenses were approximately RMB3.4 million, representing a decrease of RMB2.6 million or 43.3% as compared with the same period in 2024, mainly due to the slight decrease in R&D personnel coupled with the adjustment of remuneration policies, resulting in a decrease in total remuneration. Financial expenses were approximately RMB10.5 million, representing a decrease of RMB2.8 million or 21.1% as compared with the same period in 2024, mainly due to the decrease in financing interest expenses after controlling the financing scale.

<b>Expenses categories</b>	<b>For the six months ended June 30,</b>			
	<b>2025</b>	<b>2024</b>	<b>Amount change</b>	<b>Percentage change</b>
	<b>(RMB million)</b>	<b>(RMB million)</b>	<b>(RMB million)</b>	
Selling expenses	<b>7.0</b>	9.5	-2.5	-26.3%
Administrative expenses	<b>34.8</b>	33.0	1.8	5.5%
Research and development expenses	<b>3.4</b>	6.0	-2.6	-43.3%
Financial expenses	<b>10.5</b>	13.3	-2.8	-21.1%
<b>Total</b>	<b>55.7</b>	61.8	-6.1	-9.9%

## 9. Assets and liabilities

As at June 30, 2025, the total assets of the Group were approximately RMB3,731.5 million (December 31, 2024: approximately RMB3,883.4 million), representing a decrease of 3.9% as compared with that as at the end of 2024. The main components of total assets are as follows (in descending order):

Assets categories	As at June 30, 2025		As at December 31, 2024	
	<i>RMB million</i>	<i>Percentage of total assets</i>	<i>RMB million</i>	<i>Percentage of total assets</i>
Accounts receivable	3,098.0	83.0%	3,191.8	82.2%
Fixed assets	246.0	6.6%	242.6	6.3%
Monetary funds	97.7	2.6%	124.8	3.2%
<b>Total</b>	<b>3,441.7</b>	<b>92.2%</b>	<b>3,559.2</b>	<b>91.7%</b>

As at June 30, 2025, the total liabilities of the Group were approximately RMB2,548.4 million (December 31, 2024: approximately RMB2,680.2 million), representing a decrease of 4.9% as compared with that as at the end of 2024. The main components of total liabilities are as follows (in descending order):

Liabilities categories	As at June 30, 2025		As at December 31, 2024	
	<i>RMB million</i>	<i>Percentage of total liabilities</i>	<i>RMB million</i>	<i>Percentage of total liabilities</i>
Accounts payable	1,621.5	63.6%	1,629.3	60.8%
Bank borrowings	519.9	20.4%	616.8	23.0%
Other payables	183.0	7.2%	168.2	6.3%
<b>Total</b>	<b>2,324.4</b>	<b>91.2%</b>	<b>2,414.3</b>	<b>90.1%</b>

As at June 30, 2025, the gearing ratio (i.e. total liabilities divided by total assets) of the Group was 68.3% (December 31, 2024: 69.0%).

## 10. Borrowings and solvency

As at June 30, 2025, the total borrowings of the Group were approximately RMB519.9 million (December 31, 2024: approximately RMB616.8 million), all of which were bank borrowings and repayable within one year.

As at June 30, 2025, the weighted average effective interest rate for bank borrowings of the Group was 4.5%. And for the six months ended June 30, 2025, the total interest expenses of the Group were approximately RMB10.6 million (for the six months ended June 30, 2024: approximately RMB12.5 million) and the profit before interest and tax was approximately RMB-7.1 million (for the six months ended June 30, 2024: approximately RMB-12.0 million). Therefore, the interest coverage ratio (profit before interest and tax divided by interest expenses) was -0.7 (for the six months ended June 30, 2024: -1.0), mainly resulting from the losses during the first half of 2025.

## ***11. Liquidity and capital resources***

The Group attaches importance to financial management, focuses on maintaining a stable financial policy and a reasonable capital structure, and strictly manages its treasury affairs with safety as prerequisite. The capital resources of the Group mainly include cash flows generated from operation activities, loans from financial institutions and its own funds, which are mainly used for operating expenses. No financial instruments were used by the Group for hedging purposes.

As at June 30, 2025, the current assets of the Group were approximately RMB3,347.5 million (December 31, 2024: approximately RMB3,475.0 million), and a current ratio (current assets divided by current liabilities) of 131.5% (December 31, 2024: 129.8%). The main components of current assets are as follows (in descending order):

<b>Current assets categories</b>	<b>As at June 30, 2025</b>		<b>As at December 31, 2024</b>	
	<i>RMB million</i>	<i>Percentage of current assets</i>	<i>RMB million</i>	<i>Percentage of current assets</i>
Accounts receivable	<b>3,098.0</b>	<b>92.5%</b>	3,191.8	91.9%
Monetary funds	<b>97.7</b>	<b>2.9%</b>	124.8	3.6%
Notes receivable	<b>51.9</b>	<b>1.6%</b>	47.1	1.4%
<b>Total</b>	<b><u>3,247.6</u></b>	<b><u>97.0%</u></b>	<b><u>3,363.7</u></b>	<b><u>96.9%</u></b>

For the six months ended June 30, 2025, net cash outflow from operating activities was approximately RMB16.2 million (for the six months ended June 30, 2024: net cash outflow of approximately RMB123.1 million), of which cash inflow from operating activities amounted to approximately RMB570.3 million (for the six months ended June 30, 2024: approximately RMB663.6 million); cash outflow from operating activities stood at approximately RMB586.5 million (for the six months ended June 30, 2024: approximately RMB786.7 million). These changes were mainly due to the significant decrease in cash paid for commodities procurement and receipt of labour services by the Group during the Reporting Period, which decreased by approximately RMB252.8 million as compared with the same period in 2024.

### **(III) Major operation and management measures**

#### ***1. Targeted market expansion drives significant improvement in operational quality and efficiency***

In the first half of 2025, the Group implemented targeted market expansion and continued to implement precise measures, achieving significant improvement in operational quality and efficiency. Remarkable achievements were made in large-scale projects, external markets and new products and new businesses. **Firstly**, the Company efficiently integrated its operating resources and focused on major customers and large projects. The Company successfully won the bid for the Yuanmou-Dayao (Xinjie) Highway Project. Kunming Building Material won the bid for the Phase II of Urban Village Renovation Project in Puzi Community, Guandu District, Kunming City, and Yuxi Building Material won the bid for the Phase I Construction Project of Sinograin Yuxi Direct-affiliated Warehouses, laying the foundation for the stable improvement of the Group's operating results. **Secondly**, external market expansion, particularly by subsidiaries, delivered remarkable results. Baoshan Building Material derived 100% of its operating income from the external market, and signed 14 external market projects such as Baoshan Wuyue Plaza Project (Phase III, Plot 1); Polymer Company applied water reducing agent and quick-setting agent to more than 10 key provincial projects, and vigorously expanded the online and offline sales channels of coatings, with its operating income from the external market accounting for more than half of its operating income. **Thirdly**, new products and new businesses accelerated landing. Green Development Company widely utilized PC products, culverts and other new products in Xingye Plaza, Chuncheng Huafu, Kunming Changshui International Airport Reconstruction and Expansion Project and other projects, to achieve the scaled and intensive development of new materials business; Chuxiong Building Material was highly recognized by the customer side for its involvement in water diversion project in Dianzhong, the Southeast Ring Expressway RPC cover plates project; income from new energy charging and swapping business saw gradual increase, emerging as a new growth point of operating income.

#### ***2. Comprehensively deepen decentralization and empowerment as well as lean management***

In the first half of 2025, the Group closely followed the core task of perfecting the corporate governance structure, deeply advanced the reform of streamlining administration and delegating authority and empowerment, continuously promoted lean management, optimized resource allocation, and boosted the quality and efficiency of the Company's development with lean management. **Firstly**, the Company continued to optimize its corporate governance. The Supervisory Committee of the Company was abolished in a timely manner, with relevant powers and functions being exercised by the audit and risk committee of the Company (the "**Audit and Risk Committee**"), and the composition of the special committees of the Board was optimized, so as to promote the overall efficiency of decision-making and further improve the standard of corporate governance through a two-pronged approach. The Articles of Association was systematically amended, and the Rules of Procedure for Shareholders' Meetings, the Rules of Procedure of Meetings of the Board as well as the work rules for the special committees of the Board were simultaneously revised to improve the rules and systems of corporate governance of the Company and to provide fundamental institutional safeguards for the Company's compliant operation. **Secondly**, the Company continued to innovate its management mode to enhance the efficiency of its operations and management. By streamlining the organization, compressing the

hierarchy, and implementing the two-tier management of “management department + grassroots unit”, the Company has further strengthened the autonomy of subsidiaries’ operations and reinforced the status of grassroots unit as the main body of management, so as to promote the continuous enhancement of the market-oriented operational capabilities. **Thirdly**, the Company strengthened cost management and control by means of the project economic responsibility system, and further consolidated the results of cost reduction and efficiency enhancement by optimizing the procurement strategy and promoting centralized procurement to reduce the cost of raw materials and transportation costs effectively.

### ***3. New achievements achieved in green and low-carbon transformation and upgrading***

In the first half of 2025, the Company focused on its primary responsibilities and main businesses, continued to promote transformation and upgrading, and achieved remarkable results in green and low-carbon development. **Firstly**, the Company’s transformation and upgrading and green and low-carbon development ushered in a key node. The Company continued to promote the Anning Phosphogypsum Comprehensive Utilization Project at a high level, and YCIH Phosphogypsum Company was successfully established on July 18, 2025. This Joint Venture Company is under the actual control of the Company and consolidated into the Group’s financial statements as a subsidiary of the Company. **Secondly**, the energy saving and emission reduction of the Group’s new energy system continued to help reduce costs and increase efficiency. According to the statistical data of the Company, the Group’s new energy system has realized direct and indirect economic benefits amounting to RMB46.51 million in aggregate and reduced carbon dioxide emissions by 12,467 tons in aggregate since its establishment. At the same time, the Group fully implemented the policy requirements of promoting green construction and green building materials, and in the first half of 2025, the Group organized and completed the annual review of Green Building Materials Product Certification for four sites, ensuring the continuous compliance and validity of the relevant certificates held by the Group. Up to now, the Group has a total of 7 three-star sites and 2 two-star sites for Green Building Materials Product Certification. **Thirdly**, subsidiaries are catching up in transformation and upgrading and green and low-carbon development. Polymer Company was awarded “2024 National Green Factory” (2024年度國家級綠色工廠) by the Ministry of Industry and Information Technology of the PRC (國家工業和信息化部) for its excellent performance in green and low-carbon development; Yuxi Building Material was recognized as Green High-performance Concrete Engineering and Technology Research Center in Yuxi City; Kunming Building Material orderly advanced the utilization of recycling resources such as waste slurry and water, solid waste sand, recycled coarse aggregates and other bulk solid waste and municipal construction waste; and further explored the development potential of resource circular economy.

#### **(IV) Business update**

In the first half of 2025, the amount of newly signed sales contracts of the Group was approximately RMB1.38 billion, representing an increase of approximately 62.2% as compared with that of the corresponding period of 2024. Among them: the amount of newly signed sales contracts for concrete business was approximately RMB1.30 billion, and the amount of newly signed sales contracts in relation to the new products such as concrete admixtures, powders, RPC cover plates and prefabricated components, as well as the new solid waste processing business was approximately RMB80 million; the proportion of large-scale projects with contract amounts of more than RMB10 million accounted for approximately 79.3%, which mainly included the Yuanmou-Dayao (Xinjie) Highway Project, the Phase I Construction Project of Sinograin Yuxi Direct-affiliated Warehouses, the Phase II of Urban Village Renovation Project in Puzi Community, Guandu District, Kunming City and Baoshan Wuyue Plaza Project (Phase III, Plot 1), etc.

The Group has continuously entered into the concrete supply contracts in relation to the Kunming Changshui International Airport Reconstruction and Expansion Project. As of July 30, 2025, the Group has entered into centralized concrete supply contracts with a cumulative contract amount of approximately RMB283 million covering a concrete demand of approximately 1.6821 million m<sup>3</sup>. The specific projects involved mainly include the Terminal 2 Project (South Section, North Section), the Ground Road and Comprehensive Utility Tunnel Project in the North Working Area of the Airport, etc.

#### **III. HUMAN RESOURCES**

As at June 30, 2025, we employed a total of 836 employees (June 30, 2024: 929). The table below sets out a breakdown of the number of employees by role as at June 30, 2025:

<b>Role</b>	<b>Number</b>
Management	124
Production management	223
Quality and technology	189
Procurement (materials supply)	71
Marketing	77
Administration and finance	140
Others	12
<b>Total</b>	<b>836</b>

The Group recruits employees in the open market, and has established a scientific, reasonable, fair and impartial remuneration management system. The remuneration of employees mainly includes fixed salary, allowances and subsidies, performance-related salary and benefits. In accordance with the PRC laws, the Group also makes contributions to pension, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund for employees. For the six months ended June 30, 2024 and the six months ended June 30, 2025, employee benefits and labor expenses were approximately RMB74.7 million and approximately RMB66.8 million, respectively.

We consider employees to be our most valuable resource for our success. To ensure the quality of employees at all levels, we have set up in-house training programs to provide training for employees. In accordance with the Company's development goals and focusing on annual key tasks, key businesses, and talent development status, the Company continuously refines various training systems. It gradually achieves the scientific, standardized, and institutionalized management of training work. In accordance with the Employee Training and Development Management Measures, with a focus on qualification certification training, key personnel training, fundamental management training and new employee training. In the first half of 2025, the Company successfully organized 102 eligible employees to participate in training and examinations for junior, intermediate and senior professional titles, while 222 certificates related to job positions were also obtained or renewed. A cumulative of 2,687 employees received training at different levels and categories with specific focus based on the particular features of various work positions, including the business capabilities enhancement of internal audit, the business capabilities enhancement of legal affairs personnel, the competence advancement of the market operations personnel, the professional competence advancement of the human resources, the business ability reinforcement of the security management personnel, the comprehensive quality and skills improvement of the employees, etc.

During the Reporting Period, we did not have any operation interruption attributable to major labor disputes nor any complaints or claims from employees that were seriously adverse to our business. The Directors believe that we maintain a good relationship with employees and the Group did not have any major labor disputes that had a material impact on its normal business management during the Reporting Period.

#### **IV. MATERIAL ACQUISITION, DISPOSAL AND INVESTMENTS**

For the six months ended June 30, 2025, the Company did not make any material acquisitions or disposals of subsidiaries, associates or joint ventures. As at June 30, 2025, the Group did not hold any significant investments.

On May 30, 2025, the Company entered into the Investment Cooperation Agreement regarding the establishment of the Joint Venture Company. On July 8, 2025, the Investment Cooperation Agreement and the transaction contemplated thereunder were considered and approved by the second extraordinary general meeting (the “EGM”) of the Company. On July 18, 2025, the Joint Venture Company, YCIH Phosphogypsum Company was incorporated. For details, please refer to the relevant content in VII. EVENTS AFTER THE REPORTING PERIOD under the “OTHER INFORMATION” section of this results announcement.

## **V. CHARGE ON ASSETS**

On May 23, 2023, the land use right of the Group's state-owned construction site with a cost of approximately RMB12.08 million (carrying amount as at June 30, 2025: approximately RMB11.03 million) was pledged to a bank as collateral for the borrowings of the Group. On March 31, 2025, the pledge had been released.

In addition, on December 25, 2024 and February 20, 2025, the Group's real estate rights with a total cost of approximately RMB81.42 million (aggregate carrying amount as at June 30, 2025: approximately RMB51.78 million) were pledged to banks as collateral for borrowings of the Group.

Save as disclosed in this results announcement, as at June 30, 2025, the Group did not have any other charge on its assets.

## **VI. FOREIGN EXCHANGE RISK**

Although the Company operates in China and collects revenues and pays costs/fees in RMB, the Company is listed on the Hong Kong Stock Exchange and raised proceeds denominated in HKD of approximately HK\$366.11 million (less the underwriting commission and other estimated expenses paid and payable by the Company for the global offering (the “**Global Offering**”)). As at June 30, 2025, the balance of the Group's carrying cash and bank deposits denominated in HKD amounted to approximately HK\$1.14 million. As at August 26, 2025, the balance of bank deposits of the Group denominated in HKD was approximately HK\$1.14 million. We settled foreign exchange in a timely manner by paying attention to exchange rate changes to reduce the effect of exchange rate fluctuations on foreign currency held by us.

## **VII. CONTINGENT LIABILITIES**

As at June 30, 2025, the Group had no material contingent liabilities.

## **VIII. MATERIAL INVESTMENT PLAN**

According to the green and low-carbon development plans of the PRC and Yunnan Province, the Group will take “becoming a frontrunner in the green building materials field that integrates green and low-carbon building materials, comprehensive utilization of industrial solid waste and urban construction waste, commerce and new energy logistics systems” as the primary development direction. This aims to optimize the industrial layout and structure, expand related new businesses, promote the green and low-carbon transformation and upgrading of traditional businesses, enhance comprehensive competitiveness, and seize the development opportunities of industrial circular economy and industrial park economy in Yunnan Province.

Firstly, the Group will continue to facilitate the comprehensive utilization project of Phosphogypsum resources and promote the transformation and upgrading of the Company, playing an active role in improving the comprehensive utilization rate of Phosphogypsum, resolutely fighting the tough battle of Phosphogypsum governance in Yunnan Province, and improving the security and resilience of the industrial chain and supply chain. Secondly, the Group will continue to deploy and optimize its regional green and low-carbon system. This involves promoting the planning, investment and construction of key projects such as the Zhaotong and Dehong green new material production bases. Thirdly, the Group will engage in the acquisition of new energy equipment and facilities, green and low-carbon upgrading and transformation, and related equipment procurement. Examples include procuring pure electric transporters and other green new energy equipment and facilities. If the aforementioned investment projects are undertaken within the next year, their source of funding will mainly come from the Company's working capital or multi-channel financing.

## **IX. OUTLOOK**

Looking ahead, the Group still confronts multifaceted risks, including those stemming from the macro-environment and its own operational management. Among them, in terms of the macro environment, the Group's business and future growth may be influenced by the political and economic conditions, the performance of the construction industry and real estate market, as well as policies and laws and regulations in China and within Yunnan Province. With regard to our own operational management, the Group may also experience constraints on future business performance to a certain extent due to working capital liquidity issues arising from losses.

However, while analyzing the above risks and uncertainties, we are also actively paying attention to changes in the macro environment. In the first half of 2025, the GDP was approximately RMB66.1 trillion, representing an increase of 5.3% period-on-period. Yunnan Province's regional GDP realized approximately RMB1.6 trillion, representing an increase of 4.4% period-on-period, and the social economy development continued to improve. In July 2025, the Central Urban Work Meeting was convened. The meeting made it clear that it is necessary to foster a new development model for the real estate industry at a faster pace, steadily promote the renovation of urban villages and dilapidated houses, and focus on building a green and low-carbon beautiful city, which will have a great impact and reshape the real estate industry and bring new development opportunities. In addition, in the face of the complex and ever-changing international and domestic economic landscapes, the State, the governments of provincial and regional levels will also promote the implementation of more active and effective policies and measures tailored to specific sectors.

Consequently, in general, the external development environment for the concrete industry is poised to progressively enhance. On this basis, we will focus on the following operational management work to seize development opportunities:

## **(I) Spare every effort to promote key projects**

In the second half of 2025, we will focus on accelerating the implementation of the comprehensive utilization project of Phosphogypsum, including making every effort to advance key tasks such as administrative approval, equipment procurement, construction, talent team and institutional system construction, project financing, implementation of subsidy policies, scientific and technological development, and spare no effort to create a benchmark demonstration project for the comprehensive utilization of Phosphogypsum.

We will strengthen the management of key projects by enhancing resource guarantee and process coordination for key projects, and enhance lean management. We will continue to deepen key projects such as the Yuanmou to Dayao (Xinjie) Highway Project, the Kunming Changshui International Airport Reconstruction and Expansion Project, closely monitor major engineering supporting projects such as Longpan Hydropower Station, Gushui Hydropower Station, and actively promote the contract implementation of the Huotanshan Entrusted Processing Project of Yunlong-Yongping Highway.

## **(II) Endeavor to promote green and low-carbon transformation and development**

We will actively respond to the development strategy for the national resource circular economy, focus on the Company's primary responsibilities and main businesses, and deeply integrate the development direction of new quality productive forces. Taking the utilization of Phosphogypsum resources, the research and development of green and low-carbon new materials, the upgrading of new energy logistics and transportation systems, and the innovation of intelligent construction technology as the strategic stronghold, and leveraging on technological innovation and industrial collaborative mechanism, we will build the entire chain of "solid waste collection-technology conversion-high-value utilization" to promote the transformation of solid waste from "environmental burden" to "green raw materials", and release new momentum of circular economy.

We will accelerate the green and low-carbon transformation and development of our subsidiaries. We will continue to promote the use of new energy vehicles in subsidiaries such as Kunming Building Material and Lijiang Building Material; fully leverage the localized advantages of subsidiaries, and increase the promotion of green building materials products in a way that suits local conditions. We will also intensify the marketing of new products such as PC/RPC components, permeable bricks, commercial mortar, and architectural coatings to create new revenue growth points and enhance market recognition and market share. We will also promote the construction of distributed photovoltaic power stations in subsidiaries at an appropriate time to expand the coverage of green and low-carbon development and continuously extend the green development footprint of the Group.

### **(III) Strive to deepen reform to improve quality and efficiency**

We will continue to promote streamlining administration and delegating power to stimulate the vitality at the grassroots level, persistently simplify organizational structures and optimize staffing, and continue to advance the optimization and adjustment of the Company's headquarters management departments to refine functions and responsibilities and enhance the labor productivity of all employees.

We will continue to enhance compliance management and implement the 2025 "Year for Enhancement of Compliance Management" initiative. We will enhance supervision of internal audit, promote the in-depth integration of audit supervision with corporate strategy, and take the rectification of the problems found in audit as an opportunity to further improve the Company's compliance management, prevent compliance risks and achieve cost reduction and efficiency enhancement.

We will continue to strengthen the debt collection and settlement, make overall use of funds, continuously optimize capital allocation, intensify collection efforts and alleviate debt pressure, and build a new pattern of debt settlement and litigation prevention.

## **OTHER INFORMATION**

### **I. PROCEEDS FROM THE GLOBAL OFFERING**

As at October 31, 2019, the net proceeds from the Global Offering of the Company was approximately HK\$366.11 million (equivalent to approximately RMB329.50 million). The Company did not issue any equity securities thereafter. With regard to the proceeds from the Global Offering, the Board adjusted the use and amount from time to time in accordance with the national and industry policies, the Company's development strategy and development progress of projects, and made announcements in accordance with the Hong Kong Listing Rules.

During the Reporting Period, the Board did not make changes to the use of the proceeds from the Global Offering available for further decision-making, and the actual usage of the proceeds from the Global Offering during the Reporting Period is as follows:

**Table of usage of the proceeds from the Global Offering as of June 30, 2025**

*Unit: RMB million*

<b>No.</b>	<b>Usage of Proceeds</b>	<b>Unutilized amount as at December 31, 2024</b>	<b>Utilized amount during the Reporting Period</b>	<b>Unutilized amount as at June 30, 2025</b>
1	Improvement, integration and expansion of the existing concrete production lines	0	0	0
2	Construction of new product manufacturing base	0	0	0
3	Acquisition and consolidation of aggregate mining resources and investments in related fixed assets	0	0	0
4	Technical renovation of concrete production and related equipment purchases and investments in fixed assets	0	0	0
5	Research and development of new products and new technologies and related equipment purchases and investments in fixed assets	0	0	0
6	Upgrading and renovation of green and low-carbon concrete and purchases of new energy equipment and facilities, new concrete production lines and related equipment	0	0	0
7	Upgrading and renovation of green and low-carbon concrete, purchases of new energy equipment and facilities, new concrete production lines and related equipment and equity investment	0	0	0
8	Working capital and general corporate purposes	42.75	14.22	28.53
	<b>Total</b>	<u>42.75</u>	<u>14.22</u>	<u>28.53</u>

As at the date of this results announcement: under “working capital and general corporate purposes”, the Company’s unutilized amount is approximately RMB28.53 million. Taking into account the information currently available, the Board reasonably estimates that all the unutilized proceeds from the Global Offering are expected to be utilized by the end of 2026.

## **II. INTERIM DIVIDEND**

The Board does not recommend paying any interim dividend for the six months ended June 30, 2025.

## **III. CORPORATE GOVERNANCE CODE**

The Company has been committed to improving corporate governance standards since its establishment. It has established a modern corporate governance structure comprising the shareholders' meeting, the Board and the senior management of the Company that effectively exercise checks and balances on each other and operate independently, which emphasizes the corporate governance principles of transparency, accountability and safeguarding the rights and interests of all Shareholders.

For the six months ended June 30, 2025, the Company had complied with the principles and all applicable code provisions as set out in Part 2 of the Corporate Governance Code.

## **IV. MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as its code of conduct for all Directors, Supervisors and relevant employees of the Company (as defined in the Corporate Governance Code) to conduct transactions of the Company's securities. After specific inquiries made to all Directors and Supervisors, all Directors have confirmed that they have continued to strictly comply with the required standards set out in the Model Code for the six months ended June 30, 2025; all Supervisors have confirmed that at any time during the period from January 1, 2025 to June 26, 2025, they have continued to strictly comply with the required standards set out in the Model Code (the Company has abolished the Supervisory Committee since June 26, 2025).

## **V. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities for the six months ended June 30, 2025 (including the sale of any treasury shares (as defined under the Hong Kong Listing Rules)). The Company did not have any treasury shares as at June 30, 2025.

## **VI. AUDIT AND RISK COMMITTEE**

The Audit and Risk Committee consists of at least three members, according to the Work Rules for the Audit and Risk Committee of the Board of Directors. As at the date of this results announcement, the Audit and Risk Committee consisted of five members, including three independent non-executive Directors, namely Mr. Li Hongkun (chairman), Mr. Wong Kai Yan Thomas and Mr. Yu Dingming, and two non-executive Directors, namely Ms. Yang Jia and Mr. Jin Ming.

The Audit and Risk Committee has adopted terms of reference that comply with the requirements of the Corporate Governance Code. The Audit and Risk Committee has reviewed the Group's unaudited condensed consolidated interim results for the six months ended June 30, 2025.

## **VII. EVENTS AFTER THE REPORTING PERIOD**

As of the date of this results announcement, the events required to be disclosed by the Group after the Reporting Period are as follows:

On July 8, 2025, after consideration and approval at the EGM, it approved the Investment Cooperation Agreement entered into by YCIH, the Company and Infrastructure Investment Company and the transaction contemplated thereunder, and agreed to establish the Joint Venture Company to carry out the Anning Phosphogypsum Comprehensive Utilization Project. For details, please refer to the circular dated June 17, 2025, and the announcements dated May 30, 2025 and July 8, 2025 published by the Company on the websites of the Hong Kong Stock Exchange and the Company.

In addition, according to the Investment Cooperation Agreement, on July 18, 2025, the approved Joint Venture Company was established, whose registered name is YCIH Phosphogypsum Comprehensive Utilization Industry Technology Co., Ltd., with a registered capital of RMB50 million. The industrial and commercial registration procedures with the Anning Administration for Market Regulation, Yunnan Province (雲南省安寧市市場監督管理局) has been completed and the Joint Venture Company obtained the Business License. For details, please refer to the announcement dated July 23, 2025 published by the Company on the websites of the Hong Kong Stock Exchange and the Company.

For the above matters, please also refer to the relevant contents contained in IV. MATERIAL ACQUISITION, DISPOSAL AND INVESTMENTS under the section headed “MANAGEMENT DISCUSSION AND ANALYSIS” of this interim results announcement.

## **VIII. PUBLICATION OF THE 2025 INTERIM RESULTS ANNOUNCEMENT AND THE 2025 INTERIM REPORT ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY**

This interim results announcement is published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.ynhnt.com](http://www.ynhnt.com)), respectively. The 2025 interim report containing all the information required under the Hong Kong Listing Rules will be published on the websites of the Hong Kong Stock Exchange and the Company, respectively, in due course.

### **DEFINITIONS**

In this results announcement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

“Anning Phosphogypsum Comprehensive Utilization Project”	Anning Green Building Materials Industrial Park Project with annual treatment of 1 million tons of Phosphogypsum + 1 million tons of industrial solid waste
“Articles of Association”	the Articles of Association of YCIH Green High-Performance Concrete Company Limited (as amended, modified or otherwise supplemented from time to time)
“Baoshan Building Material”	YCIH Baoshan Yongchang Building Material Co., Ltd.* (雲南建投保山永昌建材有限公司), a subsidiary of our Company
“Board”	the board of Directors of our Company
“China”, “Mainland China”, “PRC” or “State”	the People’s Republic of China, for the purpose of this results announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan region of the PRC
“Chuxiong Building Material”	Yunjian Green Concrete Chuxiong Green Building Material Co., Ltd.* (雲建綠砼楚雄綠色建材有限公司), a subsidiary of our Company
“Company” or “our Company”	YCIH Green High-Performance Concrete Company Limited (雲南建投綠色高性能混凝土股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Hong Kong Stock Exchange
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“Director(s)”	the director(s) of our Company

“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Green Building Materials Product Certification”	the certification issued by a certification body with the qualification for green building materials product certification after the building materials product meets the relevant national technical requirements and standards and has been approved by the National Certification and Accreditation Administration (國家認證認可監督管理委員會). The products feature “energy conservation, emission reduction, safety, convenience and recyclability”
“Green Development Company”	YCIH Green Development Co., Ltd.* (雲南建投綠色發展有限公司), a subsidiary of our Company
“Group” or “our” or “we” or “us”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are listed and traded on the Main Board of the Hong Kong Stock Exchange
“High-tech Enterprise(s)”	the knowledge-intensive and technology-intensive economic entity(ies) that continuously carry(ies) out research and development as well as transformation of technological achievements under the High and New Technology Areas with Key State Support issued by the State and form(s) independent core intellectual property rights and carry(ies) out business activities on this basis
“HKD” or “HK\$”	Hong Kong dollars and Hong Kong cents, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“independent third party(ies)”	person(s) or entity(ies) which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is (are) not considered as connected person(s) of the Company under the Hong Kong Listing Rules

“Infrastructure Investment Company”	Yunnan Infrastructure Investment Co., Ltd.* (雲南建設基礎設施投資股份有限公司), a subsidiary of YCIH
“Investment Cooperation Agreement”	the investment cooperation agreement entered into by YCIH, the Company and Infrastructure Investment Company on May 30, 2025
“Joint Venture Company”	a limited liability company jointly funded and established by YCIH, the Company and the Infrastructure Investment Company under the Investment Cooperation Agreement for the purpose of investment, financing, construction and operation of the Anning Phosphogypsum Comprehensive Utilization Project (i.e. YCIH Phosphogypsum Company)
“Kunming Building Material”	Yunjian Green Concrete Kunming Green Building Material Co., Ltd.* (雲建綠砼昆明綠色建材有限公司), a subsidiary of our Company
“Lijiang Building Material”	Jiantou Group Lijiang Green Building Material Co., Ltd.* (建投集團麗江綠色建材有限公司), a subsidiary of our Company
“Listing”	the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
“m <sup>3</sup> ”	cubic meter
“Main Board”	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with GEM of the Hong Kong Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“Phosphogypsum”	the by-product generated during the wet process phosphoric acid production, the main component of which is calcium sulfate dihydrate (CaSO <sub>4</sub> •2H <sub>2</sub> O), containing environmentally harmful impurities such as phosphoric acid and fluorides. It is classified as Class II industrial solid waste of general industrial solid waste, of which treatment and resource utilization are closely related to the sustainable development of the phosphorus chemical industry and the ecological environment protection of the Yangtze River Basin
“Polymer Company”	YCIH Polymer Material Co., Ltd.* (雲南建投高分子材料有限公司), a subsidiary of our Company

“Qujing Building Material”	YCIH Qujing Building Material Co., Ltd.* (雲南建投曲靖建材有限公司), a subsidiary of our Company
“Reporting Period”	the six months ended June 30, 2025
“RMB”	Renminbi, the lawful currency of China
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and Domestic Shares
“Shareholder(s)”	holder(s) of the Share(s)
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of our Company
“Supervisory Committee”	the supervisory committee of our Company
“treasury shares”	has the meaning ascribed to it under the Hong Kong Listing Rules
“YCIH”	Yunnan Construction and Investment Holding Group Co., Ltd.* (雲南省建設投資控股集團有限公司), a controlling shareholder of our Company under the meaning of the Hong Kong Listing Rules
“YCIH Phosphogypsum Company”	YCIH Phosphogypsum Comprehensive Utilization Industry Technology Co., Ltd.* (雲南建投磷石膏綜合利用產業技術有限公司), a subsidiary of our Company
“Yunnan Province”	Yunnan Province, China
“Yuxi Building Material”	YCIH Yuxi Building Material Co., Ltd.* (雲南建投玉溪建材有限公司), a subsidiary of our Company
“%”	per cent

\* *For identification purpose only*

*Certain amounts and percentage figures included in this results announcement have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.*

By Order of the Board  
**YCIH Green High-Performance Concrete Company Limited**  
**Li Zhangjian**  
*Chairman*

Kunming, China, August 26, 2025

*As at the date of this announcement, the Board comprises Mr. Li Zhangjian, Mr. Zhang Long, Mr. Liu Zhen and Ms. Wang Fang (employee Director) as executive Directors; Ms. Yang Jia and Mr. Jin Ming as non-executive Directors; and Mr. Wong Kai Yan Thomas, Mr. Yu Dingming and Mr. Li Hongkun as independent non-executive Directors.*