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CHINA ORIENTAL GROUP COMPANY LIMITED
中國東方集團控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 581)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2025	2024	Changes
Sales volume (<i>tonnes</i>)			
– Self-manufactured steel products	4.01 million	3.76 million	6.5%
– Trading of steel products	0.03 million	0.07 million	(57.1%)
	4.04 million	3.83 million	5.5%
Revenue (<i>RMB</i>)			
– Sales of self-manufactured steel products	12.01 billion	13.19 billion	(9.0%)
– Sales of power equipment	1.90 billion	1.92 billion	(1.2%)
– Real estate	0.05 billion	0.02 billion	100.2%
– Trading of steel products, iron ore and related raw materials and others	5.90 billion	7.44 billion	(20.7%)
	19.86 billion	22.57 billion	(12.0%)
Gross profit/(loss) (<i>RMB</i>)			
– Sales of self-manufactured steel products	938 million	643 million	45.9%
– Sales of power equipment	160 million	136 million	17.6%
– Real estate	(31) million	7 million	(542.9%)
– Trading of steel products, iron ore and related raw materials and others	176 million	114 million	54.4%
	1,243 million	900 million	38.1%
Gross profit per tonne (<i>RMB</i>)			
– Sales of self-manufactured steel products	234	171	36.8%

* For identification purposes only

	For the six months ended 30 June		
	2025	2024	Changes
EBITDA ¹ (RMB)	1,065 million	815 million	30.6%
EBITDA ¹ margin	5.4%	3.6%	N/A
EBIT ² (RMB)	459 million	250 million	83.8%
EBIT ² margin	2.3%	1.1%	N/A
Profit before income tax (RMB)	421 million	143 million	194.2%
Profit for the period (RMB)	243 million	123 million	97.5%
Profit for the period attributable to owners of the Company (RMB)	203 million	94 million	116.0%
Basic earnings per share (RMB)	0.05	0.03	66.7%
Interim dividend per share (HK\$)	—	—	—
Return on equity ³	0.9%	0.4%	N/A
Adjusted profit for the period (a non-HKFRS measure) ⁴ (RMB)	386 million	123 million	213.4%
	As at		
	30 June	31 December	
	2025	2024	Changes
Total assets (RMB)	49.47 billion	50.08 billion	(1.2%)
Net assets value per share (exclude non-controlling interests) (RMB)	6.00	5.99	0.2%
Debt-to-capital ratio ⁵	59.5%	65.8%	N/A

¹ China Oriental Group Company Limited (the “Company”) defines EBITDA as profit for the period before finance costs — net, income tax expense, amortisation, depreciation and non-cash non-recurring items. During the six months ended 30 June 2025, there were no adjustments of non-cash non-recurring items in the calculation (2024 corresponding period: nil).

² The Company defines EBIT as profit for the period before finance costs — net, income tax expense and non-cash non-recurring items. During the six months ended 30 June 2025, there were no adjustments of non-cash non-recurring items in the calculation (2024 corresponding period: nil).

³ Return on equity is calculated as profit attributable to owners of the Company divided by the average of the beginning and ending balances of the equity attributable to owners of the Company for that period.

⁴ The Company defines the adjusted profit for the period (a non-HKFRS measure) as profit for the period excluding non-recurring gain and the provision for impairment of both (i) properties under development and held for sale; and (ii) loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC. Please refer to the sub-section headed “Management Discussion and Analysis — Non-HKFRS Measure” for details of the non-HKFRS measure.

⁵ Debt-to-capital ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, lease liabilities and loans from related parties. Total capital includes non-current borrowings, non-current lease liabilities and equity attributable to owners of the Company.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 June	
		2025	2024
	Notes	RMB'000	RMB'000
		Unaudited	
Revenue	4	19,863,893	22,565,340
Cost of sales		(18,620,634)	(21,665,160)
Gross profit		1,243,259	900,180
Distribution costs		(77,974)	(56,936)
Administrative expenses		(490,556)	(360,675)
Research and development expenses		(202,146)	(192,680)
Provision for impairment of financial and contract assets, net		(169,252)	(14,833)
Other expenses		(20,112)	(22,033)
(Losses)/gains from derivative financial instruments	6	(11,423)	32,843
Other income	6	86,149	73,808
Other gains and losses	6	118,576	(111,407)
Operating profit	6	476,521	248,267
Finance income	7	96,488	145,646
Finance costs	7	(134,639)	(252,328)
Share of results of associates and joint ventures		(17,299)	1,518
Profit before income tax		421,071	143,103
Income tax expense	8	(178,055)	(20,074)
Profit for the period		243,016	123,029

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(continued)*

		Six months ended 30 June	
		2025	2024
Notes		RMB'000	RMB'000
		Unaudited	
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Fair value gains on debt investments at fair value through other comprehensive income		–	1,856
<i>Item reclassified to profit or loss</i>			
Transfer of fair value losses previously credited to reserve to statement of profit or loss upon disposal of debt investments at fair value through other comprehensive income		–	34
Other comprehensive income for the period, net of income tax		–	1,890
Total comprehensive income for the period		243,016	124,919
Profit for the period attributable to:			
– Owners of the Company		203,147	94,063
– Non-controlling interests		39,869	28,966
		243,016	123,029
Total comprehensive income attributable to:			
– Owners of the Company		203,147	95,953
– Non-controlling interests		39,869	28,966
		243,016	124,919
Earnings per share for profit attributable to owners of the Company for the period <i>(expressed in RMB per share)</i>			
	– Basic earnings per share	9 RMB0.05	RMB0.03
	– Diluted earnings per share	9 RMB0.05	RMB0.03

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2025	As at 31 December 2024
	Notes	RMB'000 Unaudited	RMB'000 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	11	14,665,527	14,478,729
Right-of-use assets		1,052,381	1,054,429
Investment properties	11	111,760	134,865
Intangible assets	11	1,615,453	1,596,498
Investment in associates and joint ventures	12	1,473,568	1,063,547
Financial assets at fair value through other comprehensive income		355,000	355,000
Financial assets at fair value through profit or loss	17	202,063	223,839
Amount due from a related party		–	10,000
Properties under development and held for sale	13	111,994	108,059
Prepayments, deposits and other receivables	16	71,814	84,396
Long-term bank deposits		–	300,000
Loan receivables	18	522,027	721,376
Deferred income tax assets		852,063	855,151
Total non-current assets		21,033,650	20,985,889
Current assets			
Properties under development and held for sale	13	302,989	219,905
Inventories	14	3,368,604	3,967,046
Trade receivables	15	3,561,289	3,340,461
Contract assets	15	1,209,529	1,136,959
Prepayments, deposits and other receivables	16	4,162,857	4,168,628
Financial assets at fair value through profit or loss	17	2,979,177	2,902,164
Amounts due from related parties		130,171	115,678
Prepaid current income tax		72,533	54,157
Loan receivables	18	737,348	832,302
Notes receivable - bank acceptance notes	19	245,305	406,307
Derivative financial instruments		8,713	–
Restricted bank balances		5,423,840	7,970,256
Cash and cash equivalents		5,774,805	3,516,253
Structured bank deposits		459,024	460,931
Total current assets		28,436,184	29,091,047
Total assets		49,469,834	50,076,936

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)

		As at 30 June 2025	As at 31 December 2024
	Notes	RMB'000 Unaudited	RMB'000 Audited
EQUITY			
Equity attributable to owners of the Company			
Share capital		380,628	380,628
Share premium		3,532,234	3,532,234
Other reserves		1,910,220	1,862,230
Retained earnings		16,509,092	16,510,475
		<u>22,332,174</u>	<u>22,285,567</u>
Non-controlling interests		<u>2,659,428</u>	<u>2,669,706</u>
Total equity		<u><u>24,991,602</u></u>	<u><u>24,955,273</u></u>
LIABILITIES			
Non-current liabilities			
Borrowings	20	3,311,605	2,794,383
Lease liabilities		12,801	24,101
Contingent consideration liability		30,113	—
Deferred revenue		28,291	31,145
Deferred income tax liabilities		111,570	111,511
		<u>3,494,380</u>	<u>2,961,140</u>
Total non-current liabilities		<u>3,494,380</u>	<u>2,961,140</u>
Current liabilities			
Trade payables	21	4,277,875	4,058,661
Accruals and other current liabilities		2,897,052	2,882,654
Contract liabilities		1,122,852	1,018,490
Amounts due to related parties		203,717	191,148
Current income tax liabilities		370,818	349,825
Lease liabilities		17,614	14,467
Derivative financial instruments		22,543	—
Borrowings	20	11,823,912	13,593,786
Long-term payables, current portion		—	8,342
Dividends payable		247,469	43,150
		<u>20,983,852</u>	<u>22,160,523</u>
Total current liabilities		<u>20,983,852</u>	<u>22,160,523</u>
Total liabilities		<u><u>24,478,232</u></u>	<u><u>25,121,663</u></u>
Total equity and liabilities		<u><u>49,469,834</u></u>	<u><u>50,076,936</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	
Net cash generated from operating activities	1,852,558	1,253,428
Net cash used in investing activities	(1,077,727)	(414,910)
Net cash generated from financing activities	1,486,031	883,641
Net increase in cash and cash equivalents	2,260,862	1,722,159
Effect of foreign exchange rate changes	(2,310)	6,832
Cash and cash equivalents, beginning of period	3,516,253	3,618,030
Cash and cash equivalents, end of period	<u>5,774,805</u>	<u>5,347,021</u>

SELECTED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in Bermuda on 3 November 2003 as an exempted company with limited liability under the Companies Act 1981 of Bermuda as a result of a group reorganisation. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's shares have been listed on the Stock Exchange since 2 March 2004.

The Company together with its subsidiaries are hereinafter collectively referred to as the Group. The Group is principally engaged in the manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials, sales of power equipment and real estate business. The Group has major manufacturing plants in Hebei Province, Shandong Province, Chongqing Municipality, Jiangsu Province, Guangxi Province and Guangdong Province of the PRC and sells mainly to customers located in the PRC. The Group also carries out real estate development business which are mainly in the PRC and Australia.

These condensed consolidated financial statements are presented in thousands of units of RMB, which is the same as the functional currency of the Company, unless otherwise stated. These condensed consolidated financial statements have been approved for issue by the Board on 27 August 2025.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by HKICPA as well as the applicable disclosure requirements of the Listing Rules.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

For the six months ended 30 June 2025, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards for the six months ended 30 June 2025 has had no material impact on the Group's consolidated financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE

The Group is principally engaged in the manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials, sales of power equipment and real estate business. Sales recognised for the six months ended 30 June 2025 and 2024 were as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Sales:		
– H-section steel products	5,855,549	5,869,916
– Iron ore	4,752,267	5,435,032
– Strips and strip products	3,804,891	5,392,807
– Power equipment	1,896,619	1,918,771
– Sheet piling	1,569,508	1,483,270
– Cold rolled sheets and galvanised sheets	488,098	712,975
– Billets	420,277	50,289
– Coke	175,149	819,684
– Steel scrap	93,322	90,187
– Real estate	46,810	23,382
– Others	761,403	769,027
	<u>19,863,893</u>	<u>22,565,340</u>

5. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the management committee, which comprises all executive directors. The chief operating decision-maker reviews the Group's internal reporting in order to assess performance and allocate resources.

Based on these reports, the chief operating decision-maker considers the business from a business perspective. From a business perspective, the chief operating decision-maker assesses the performance of the iron and steel and the real estate segments.

- (i) Iron and steel – Manufacturing and sales of iron and steel products, trading of steel products, iron ore and related raw materials and sales of power equipment; and
- (ii) Real estate – Development and sales of properties.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of revenue and operating profit. This measurement is consistent with that in the consolidated financial statements for the year ended 31 December 2024.

The segment information provided to the chief operating decision-maker for the reportable segments for the period was as follows:

	Six months ended 30 June 2025		
	Iron and steel <i>RMB'000</i>	Real estate <i>RMB'000</i> Unaudited	Total <i>RMB'000</i>
Revenue	19,817,083	46,810	19,863,893
Segment results:			
Operating profit/(loss)	497,834	(21,313)	476,521
Finance (costs)/income – net	(39,534)	1,383	(38,151)
Share of results of associates and joint ventures	(17,299)	–	(17,299)
Profit before income tax			421,071
Income tax expense			(178,055)
Profit for the period			243,016
Other profit or loss items			
Depreciation and amortisation	602,083	3,217	605,300
Capital expenditure	1,057,618	–	1,057,618

	Six months ended 30 June 2024		
	Iron and steel	Real estate	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
		Unaudited	
Revenue	<u>22,541,958</u>	<u>23,382</u>	<u>22,565,340</u>
Segment results:			
Operating profit	244,150	4,117	248,267
Finance (costs)/income – net	(111,144)	4,462	(106,682)
Share of results of associates and a joint venture	<u>1,518</u>	<u>–</u>	<u>1,518</u>
Profit before income tax			143,103
Income tax expense			<u>(20,074)</u>
Profit for the period			<u><u>123,029</u></u>
Other profit or loss items			
Depreciation and amortisation	<u>564,744</u>	<u>320</u>	<u>565,064</u>
Capital expenditure	<u><u>609,402</u></u>	<u><u>–</u></u>	<u><u>609,402</u></u>

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets are determined after deducting related allowance that is reported as direct offsets in the statement of financial position.

Segment liabilities are those operating liabilities that result from the operating activities of a segment.

The segment assets and liabilities as at 30 June 2025 were as follows:

	Iron and steel RMB'000	Real estate RMB'000	Elimination RMB'000	Total RMB'000
		Unaudited		
Segment assets	44,411,383	1,507,969	(1,378,091)	44,541,261
Segment assets for reportable segments				44,541,261
Unallocated:				
Deferred income tax assets				852,063
Financial assets at fair value through other comprehensive income				355,000
Financial assets at fair value through profit or loss				3,181,240
Derivative financial instruments				8,713
Structured bank deposits				459,024
Prepaid current income tax				72,533
Consolidated total assets				49,469,834
Segment liabilities	8,500,926	1,467,480	(1,378,091)	8,590,315
Segment liabilities for reportable segments				8,590,315
Unallocated:				
Current income tax liabilities				370,818
Current borrowings				11,823,912
Non-current borrowings				3,311,605
Derivative financial instruments				22,543
Dividends payable				247,469
Deferred income tax liabilities				111,570
Consolidated total liabilities				24,478,232

The segment assets and liabilities as at 31 December 2024 were as follows:

	Iron and steel <i>RMB'000</i>	Real estate <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
		Audited		
Segment assets	<u>44,777,961</u>	<u>1,545,562</u>	<u>(1,397,829)</u>	<u>44,925,694</u>
Segment assets for reportable segments				44,925,694
Unallocated:				
Deferred income tax assets				855,151
Financial assets at fair value through other comprehensive income				355,000
Financial assets at fair value through profit or loss				3,126,003
Structured bank deposits				460,931
Long-term bank deposits				300,000
Prepaid current income tax				<u>54,157</u>
Consolidated total assets				<u><u>50,076,936</u></u>
Segment liabilities	<u>8,173,143</u>	<u>1,453,694</u>	<u>(1,397,829)</u>	<u>8,229,008</u>
Segment liabilities for reportable segments				8,229,008
Unallocated:				
Current income tax liabilities				349,825
Current borrowings				13,593,786
Non-current borrowings				2,794,383
Dividends payable				43,150
Deferred income tax liabilities				<u>111,511</u>
Consolidated total liabilities				<u><u>25,121,663</u></u>

6. OPERATING PROFIT

The operating profit of the Group has been derived after crediting/(charging) the following items:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Depreciation of property, plant and equipment (<i>Note 11</i>)	(544,937)	(498,368)
Depreciation of right-of-use assets	(21,618)	(27,681)
Amortisation of intangible assets (<i>Note 11</i>)	(33,431)	(33,314)
Depreciation of investment properties (<i>Note 11</i>)	(5,314)	(5,701)
Provision for impairment of deposits, other receivables and amounts due from related parties	(37,313)	–
Provision for impairment of loan receivables	(97,806)	(349)
Provision for impairment of trade receivables and contract assets	(34,133)	(14,484)
Provision for impairment of properties under development and held for sale	(45,045)	–
Provision for impairment of inventories to net realisable value	(2,567)	(13,354)
Other income		
– Interest income from loan receivables	2,866	5,301
– Government grants	67,550	41,210
– Dividend income from financial assets at fair value through other comprehensive income	9,120	2,937
– Rental income	6,613	23,148
– Interest income from financial assets at fair value through other comprehensive income	–	1,212
	<u>86,149</u>	<u>73,808</u>
Other gains and losses		
– Fair value losses from financial assets at fair value through profit or loss	(22,577)	(154,090)
– Other foreign exchange losses – net	(16,564)	(39,232)
– Investment income from financial assets at fair value through profit or loss	130,767	69,416
– Losses on disposal of intangible assets	(1,265)	–
– Gains on disposal of property, plant and equipment	8,897	3,076
– Gains on disposal of right-of-use assets	4,056	–
– Investment income from structured bank deposits	11,122	108
– Losses on derecognition of notes receivable	(540)	(715)
– Provision for impairment of intangible assets (<i>Note 11</i>)	(19,661)	–
– Others	24,341	10,030
	<u>118,576</u>	<u>(111,407)</u>
(Losses)/gains from derivative financial instruments	<u>(11,423)</u>	<u>32,843</u>

7. FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Interest expenses on borrowings	(151,173)	(278,811)
Interest expenses on lease liabilities	(722)	(734)
Net foreign exchange gains on borrowings and dividends payable	2,500	6,726
Total finance costs	(149,395)	(272,819)
Less: amounts capitalised as qualifying assets	14,756	20,491
Finance costs	(134,639)	(252,328)
Finance income – interest income	96,488	145,646
Finance costs – net	(38,151)	(106,682)

For the six months ended 30 June 2025, a capitalisation rate of 3.01% (six months ended 30 June 2024: 3.12%) was applied, representing the average borrowing cost of the loans relating to financing the construction of property, plant and equipment.

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Current income tax		
– PRC EIT	115,639	51,807
– Withholding tax	58,672	9,774
– Singapore profits tax	5,729	2,581
	180,040	64,162
Deferred income tax		
– PRC EIT	(1,985)	(44,088)
	178,055	20,074

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average applicable tax rate of 22.53% (six months ended 30 June 2024: 15.00%) to respective profits of the consolidated entities for the six months ended 30 June 2025 and 2024 as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	Unaudited	Unaudited
Profit before income tax	421,071	143,103
Taxation calculated at statutory tax rates applicable in corresponding countries and regions	94,875	21,471
Tax exemption of subsidiaries with preferential tax policy	(5,582)	(26,267)
Temporary differences and tax losses for which no deferred income tax asset was recognised	50,194	50,414
Utilisation of previously unrecognised tax losses and temporary differences	(7,931)	(4,015)
Withholding tax on dividends from subsidiaries	58,672	9,774
Additional deduction of research and development expenses and other expenses	(32,102)	(26,158)
Effect of non-taxable income	(5,953)	(6,497)
Effect of non-deductible expenses	25,882	1,352
	178,055	20,074

The Group is subject to the global minimum top-up tax Pillar Two Rules. Pillar Two Rules have become effective in Hong Kong and Singapore, where the Company and its subsidiary, China Oriental Singapore Pte. Ltd. (“**China Oriental Singapore**”), conduct business operations. The statutory tax rates in Hong Kong and Singapore are 16.5% and 17%, respectively.

The top-up tax relates to the Group's operation in Singapore, where China Oriental Singapore has been awarded the “Global Trader Programme” status since 1 April 2011 and continued to be awarded from 1 March 2021 to 31 December 2025. Income from qualifying transactions will be taxed at the concessionary corporate tax rate of 5% (six months ended 30 June 2024: 5%), subject to China Oriental Singapore's fulfilment of certain terms and conditions as stated in the letter issued by International Enterprise Singapore. Therefore, the annual effective income tax rate of China Oriental Singapore is estimated to be below 15%, a top-up tax is accrued for the six months ended 30 June 2025 using the tax rate based on the estimated adjusted covered taxes and net globe income for the year.

The Group has recognised a current tax expense of approximately RMB4 million (six months ended 30 June 2024: nil) related to the Pillar Two Rules for the six months ended 30 June 2025 which is expected to be levied on China Oriental Singapore.

The Group has applied the temporary mandatory exception from recognising and disclosing deferred income tax assets and liabilities for the impacts of the Pillar Two Rules and accounts for it as a current income tax when it is incurred.

9. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025 Unaudited	2024 Unaudited
Profit attributable to owners of the Company (<i>RMB'000</i>)	203,147	94,063
Weighted average number of ordinary shares in issue (<i>thousands of shares</i>)	3,722,569	3,722,569
Basic earnings per share (<i>RMB per share</i>)	0.05	0.03

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As at 30 June 2025 and 2024, the Group did not have any dilutive potential ordinary share. Therefore, diluted earnings per share was the same as basic earnings per share.

10. DIVIDENDS

	Six months ended 30 June	
	2025 <i>RMB'000</i> Unaudited	2024 <i>RMB'000</i> Unaudited
Dividends recognised for distribution (<i>a</i>)	204,530	169,876

- (a) At the Board meeting held on 27 March 2025, the Board proposed a final dividend of approximately HK\$37 million (equivalent to approximately RMB34 million), representing HK\$0.01 per ordinary share and a special dividend of approximately HK\$186 million (equivalent to approximately RMB171 million), representing HK\$0.05 per ordinary share for the year ended 31 December 2024. The proposed final and special dividends were approved by the Shareholders at the AGM on 6 June 2025 and were paid on 8 August 2025.

At the Board meeting held on 27 March 2024, the Board proposed a special dividend of approximately HK\$186 million (equivalent to approximately RMB170 million), representing HK\$0.05 per ordinary share for the year ended 31 December 2023. The proposed special dividend was approved by the Shareholders at the AGM on 28 June 2024 and was paid on 20 August 2024.

- (b) At the Board meetings held on 27 August 2025 and 29 August 2024, the Board did not recommend the distribution of an interim dividend for the six months ended 30 June 2025 and 2024.

11. CAPITAL EXPENDITURE

	Property, plant and equipment <i>RMB'000</i>	Investment properties <i>RMB'000</i> Unaudited	Intangible assets <i>RMB'000</i>
Six months ended 30 June 2025			
Opening carrying amount as at 1 January 2025 (Audited)	14,478,729	134,865	1,596,498
Additions	617,558	–	1,138
Acquisition of a subsidiary	133,974	–	72,174
Disposals	(19,797)	–	(1,265)
Transfer	–	(17,791)	–
Depreciation and amortisation (<i>Note 6</i>)	(544,937)	(5,314)	(33,431)
Impairment (<i>Note 6</i>)	–	–	(19,661)
	<hr/>	<hr/>	<hr/>
Closing carrying amount as at 30 June 2025 (Unaudited)	14,665,527	111,760	1,615,453
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Six months ended 30 June 2024			
Opening carrying amount as at 1 January 2024 (Audited)	14,396,707	166,367	1,710,649
Additions	574,721	–	2,642
Disposals	(65,411)	–	–
Depreciation and amortisation (<i>Note 6</i>)	(498,368)	(5,701)	(33,314)
	<hr/>	<hr/>	<hr/>
Closing carrying amount as at 30 June 2024 (Unaudited)	14,407,649	160,666	1,679,977
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Impairment assessment

The Group regularly conducts impairment assessments on the non-financial assets. The assessments include the best estimates of the impairment indicators that are reasonably available as of the date of this announcement. Based on the results of the assessment, a goodwill impairment provision of approximately RMB20 million (six months ended 30 June 2024: nil) was recognised during the six months ended 30 June 2025.

12. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

(a) Investment in associates, unlisted

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
At 1 January (audited)	187,749	179,702
Share of results of associates	2,340	4,592
Dividends received	(3,986)	—
	<hr/>	<hr/>
At 30 June (unaudited)	186,103	184,294
	<hr/> <hr/>	<hr/> <hr/>

In the opinion of the Directors, none of the associates principally affected the results or net assets of the Group.

(b) Investment in joint ventures, unlisted

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
At 1 January (audited)	875,798	5,202
Capital injection	431,306	—
Share of results of joint ventures	(19,639)	(3,074)
	<hr/>	<hr/>
At 30 June (unaudited)	1,287,465	2,128
	<hr/> <hr/>	<hr/> <hr/>

Details of the Group's principal joint ventures as at 30 June 2025 are as follows:

Names	Place and date of incorporation	Percentage of equity interest attributable to the Group	Financial information as presented in the financial statements of the joint ventures			
			Assets	Liabilities	Revenue	Net Loss
			<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
					Unaudited	
ArcelorMittal Jinxi New Materials (Changzhou) Co., Ltd. (“ArcelorMittal Jinxi Changzhou”) (i)	PRC 20 December 2024	50% (Directly held)	1,735,873	20,617	–	(36,343)
ArcelorMittal Jinxi New Materials (Tangshan) Co., Ltd. (“ArcelorMittal Jinxi Tangshan”) (i)	PRC 20 December 2024	50% (Directly held)	965,068	105,381	–	(2,935)

- (i) Pursuant to two joint venture agreements between the Company and ArcelorMittal, a substantial shareholder of the Company, on 16 October 2024, the Company and ArcelorMittal each invest 50% to establish two joint ventures, respectively.

During the six months ended 30 June 2025, the Company injected approximately RMB431 million into ArcelorMittal Jinxi Tangshan.

13. PROPERTIES UNDER DEVELOPMENT AND HELD FOR SALE

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Non-Current		
Properties under development comprise:		
– Land use rights	202,496	202,496
– Construction costs	138,933	134,998
Less: impairment provision	(229,435)	(229,435)
	<u>111,994</u>	<u>108,059</u>
Current		
Properties under development comprise:		
– Land use rights	17,791	–
– Construction costs	72,648	46,476
	<u>90,439</u>	<u>46,476</u>
Completed properties held for sale	362,351	289,835
Less: impairment provision	(149,801)	(116,406)
	<u>212,550</u>	<u>173,429</u>
	<u>302,989</u>	<u>219,905</u>
Total	<u><u>414,983</u></u>	<u><u>327,964</u></u>

14. INVENTORIES

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Raw materials and materials in-transit	1,843,991	2,596,690
Work-in-progress	310,310	294,150
Finished goods	1,247,329	1,106,665
Less: impairment provision	(33,026)	(30,459)
Inventories – net	<u><u>3,368,604</u></u>	<u><u>3,967,046</u></u>

15. TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Trade receivables	3,875,332	3,631,542
Contract assets	1,298,341	1,214,670
Less: impairment provision for trade receivables	(314,043)	(291,081)
impairment provision for contract assets	(88,812)	(77,711)
	<hr/>	<hr/>
Trade receivables and contract assets – net	4,770,818	4,477,420
	<hr/>	<hr/>

As at 30 June 2025 and 31 December 2024, the carrying amount of the Group's trade receivables and contract assets approximated their fair values.

As at 30 June 2025 and 31 December 2024, the ageing analysis of the gross amount of trade receivables and contract assets based on invoice date was as follows:

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Within 3 months	2,230,553	2,348,250
4–6 months	1,241,799	959,798
7–12 months	804,248	512,635
Over 1 year	897,073	1,025,529
	<hr/>	<hr/>
	5,173,673	4,846,212
	<hr/>	<hr/>

As at 30 June 2025, trade receivables amounting to approximately RMB376 million (31 December 2024: approximately RMB382 million) were secured by letters of credit issued by third party customers.

As at 30 June 2025, trade receivables amounting to approximately RMB299 million (31 December 2024: approximately RMB12 million) were pledged as security for the Group's bank borrowings (Note 20).

16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Non-current		
Prepayments for purchase of long-term assets	15,290	6,514
Prepaid expenses	13,603	2,222
Other receivables related to leases	51,192	84,813
Less: impairment provision	(8,271)	(9,153)
Other receivables related to leases – net	42,921	75,660
	71,814	84,396
Current		
Prepayments for purchase of inventories	1,444,648	1,300,062
Other receivables	2,207,296	2,248,911
Less: impairment provision	(243,694)	(216,682)
Other receivables – net	1,963,602	2,032,229
Deposits	497,027	361,129
Prepaid expenses	14,848	78,585
Prepaid tax	153,953	326,215
Other receivables related to leases	105,066	77,659
Less: impairment provision	(16,287)	(7,251)
Other receivables related to leases – net	88,779	70,408
	4,162,857	4,168,628
Total	4,234,671	4,253,024

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Non-current		
Listed equity interests	202,063	223,839
	<u>202,063</u>	<u>223,839</u>
Current		
Listed bond investments	1,047,422	948,453
Investment funds	833,159	972,546
Money market funds	444,274	236,148
Bond market funds	289,314	197,430
Financial investment products	184,842	277,310
Listed equity interests	180,166	270,277
	<u>2,979,177</u>	<u>2,902,164</u>
Total	<u><u>3,181,240</u></u>	<u><u>3,126,003</u></u>

18. LOAN RECEIVABLES

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Non-current		
Long-term loan receivables (a)	884,719	1,032,487
Less: impairment provision (c)	(362,692)	(311,111)
	<u>522,027</u>	<u>721,376</u>
Current		
Short-term and current portion of long-term loan receivables (b)	753,805	848,554
Less: impairment provision (c)	(16,457)	(16,252)
	<u>737,348</u>	<u>832,302</u>
Total loan receivables, net of provision	<u><u>1,259,375</u></u>	<u><u>1,553,678</u></u>

The Group provided loans to third parties. The details of the loans are set out below:

- (a) As at 30 June 2025, long-term loan receivables of approximately RMB661 million (31 December 2024: approximately RMB812 million) comprised of various loans with individual amount ranging from RMB10 million to approximately RMB267 million. The loans were secured by the pledge of certain assets.
- (b) As at 30 June 2025, current portion of long-term loan receivable of approximately RMB348 million (31 December 2024: approximately RMB348 million) was secured by pledge of certain production capacity of the borrower, facilitated by the government department concerned, interest-free, with repayment terms of 5 years and is wholly repayable in 2025.

As at 30 June 2025, current portion of long-term loan receivable of approximately RMB197 million (31 December 2024: approximately RMB254 million) was borrowed by Mr. Liu Feng and Ms. Liu Yanhua, the non-controlling shareholders of HJT. The loan was interest-free and secured by the pledge of borrowers' listed equity shares of HJT. Approximately RMB57 million was recovered during the six months ended 30 June 2025.

As at 30 June 2025, short-term loan receivable of approximately RMB178 million (31 December 2024: approximately RMB178 million) was borrowed by Huzhou Fenglin Volcanic Equity Investment Partnership (Limited Partnership)* (湖州風林火山股權投資合夥企業(有限合夥), “**Fenglin Volcanic**”), which was secured by the borrower's pledge of listed equity shares of Jiangsu Shentong Valve Co., Ltd.* (江蘇神通閥門股份有限公司, “**Jiangsu Shentong**”), interest bearing at rate of 8% per annum. Fenglin Volcanic was the second largest shareholder of Jiangsu Shentong, and Mr. Han Li, the director of the Company, was the largest shareholder and the chairman of Jiangsu Shentong.

- (c) As at 30 June 2025, provisions amounting to approximately RMB379 million (31 December 2024: approximately RMB327 million) were recognised on the loan receivables based on expected credit losses given that the decline in the value of underlying asset and evolved uncertainty in the recoverable amount.

The fair values of loan receivables approximated their carrying amounts as at the end of the period, as the impact of discounting was not significant.

19. NOTES RECEIVABLE – BANK ACCEPTANCE NOTES

	As at 30 June 2025 RMB'000 Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Notes receivable classified as financial assets at fair value through other comprehensive income	245,305	406,307

The settlement of the notes receivable was guaranteed by banks with maturity dates within 1 year and the credit risks in respect of the notes receivable were considered to be low.

As at 30 June 2025, notes receivable amounting to approximately RMB85 million (31 December 2024: RMB53 million) was pledged as security for the Group's notes payable (Note 21).

As at 30 June 2025 and 31 December 2024, the ageing analysis of notes receivable was as follows:

	As at 30 June 2025 RMB'000 Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Within 3 months	150,061	258,005
4-6 months	95,244	138,236
7-12 months	–	10,066
	245,305	406,307

20. BORROWINGS

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Non-current		
Bank borrowings		
– Secured (i)	932,192	1,140,463
– Unsecured	2,379,413	1,653,920
	<u>3,311,605</u>	<u>2,794,383</u>
Current		
Bank borrowings		
– Secured (i)	7,188,244	9,008,236
– Unsecured	4,630,331	4,580,213
	<u>11,818,575</u>	<u>13,588,449</u>
Other borrowings, unsecured (ii)	5,337	5,337
	<u>11,823,912</u>	<u>13,593,786</u>
Total borrowings	<u><u>15,135,517</u></u>	<u><u>16,388,169</u></u>

- (i) The secured bank borrowings as at 30 June 2025, totalling approximately RMB8,120 million were secured by property, plant and equipment, right-of-use assets, trade receivables (Note 15), and restricted bank balances of the Group.

The secured bank borrowings as at 31 December 2024, totalling approximately RMB10,149 million were secured by property, plant and equipment, right-of-use assets, trade receivables (Note 15), long-term bank deposits and restricted bank balances of the Group.

- (ii) The other unsecured borrowings of approximately RMB5 million (31 December 2024: approximately RMB5 million) represented a borrowing from a local county government without fixed term of repayment. Interest is charged at the one-year fixed bank deposit rate of RMB.

As at 30 June 2025 and 31 December 2024, the Group's borrowings were repayable as follows:

	Bank borrowings		Other borrowings	
	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Within 1 year	11,818,575	13,588,449	5,337	5,337
Between 1 and 2 years	2,455,205	1,902,483	–	–
Between 2 and 5 years	747,400	663,900	–	–
Over 5 years	109,000	228,000	–	–
	<u>15,130,180</u>	<u>16,382,832</u>	<u>5,337</u>	<u>5,337</u>

21. TRADE PAYABLES

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Account payables	2,251,311	1,994,742
Notes payable	2,026,564	2,063,919
	<u>4,277,875</u>	<u>4,058,661</u>

As at 30 June 2025, notes payable of approximately RMB1,750 million (31 December 2024: approximately RMB1,745 million) represented bank acceptance notes which were secured by certain restricted bank balances, approximately RMB183 million (31 December 2024: approximately RMB246 million) represented commercial acceptance notes which were guaranteed by credit and approximately RMB94 million (31 December 2024: approximately RMB73 million) represented bank acceptance notes which were secured by notes receivable - bank acceptance notes (Note 19).

As at 30 June 2025 and 31 December 2024, the ageing analysis of the trade payables was as follows:

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Within 3 months	2,423,681	1,959,292
4–6 months	1,380,270	1,281,325
7–9 months	156,498	225,491
10–12 months	209,183	102,503
Over 1 year	108,243	490,050
	<u>4,277,875</u>	<u>4,058,661</u>

22. CAPITAL COMMITMENTS

	As at 30 June 2025 <i>RMB'000</i> Unaudited	As at 31 December 2024 <i>RMB'000</i> Audited
Purchase of property, plant and equipment		
– Contracted but not provided for	686,827	768,377
– Authorised but not contracted for	354,981	352,217
	<u>1,041,808</u>	<u>1,120,594</u>
Investments		
– Contracted but not provided for	3,043,417	3,688,140
Purchase of properties under development	<u>446,381</u>	<u>458,206</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. Analysis of Industry Current Situation

(1) Supply and Demand Pattern

Looking back at the first half of 2025, the global economy showed weak overall growth momentum, mainly dragged down by multiple factors such as volatile U.S. tariff policies, geopolitical tensions, debt crises and fluctuating inflationary pressures. In this backdrop, benefiting from short-term policy stimuli, the global economy still demonstrated certain resilience in growth, by continuing the post-pandemic recovery trend. Amid the complex and changing international environment, China's economy achieved a "better-than-expected" steady growth.

China's iron and steel industry was in a phase of "development with reduced production volume and optimisation of existing production capacity (減量發展、存量優化)", and the market was in a pattern of "both weak supply and demand". The operation of downstream industries of the iron and steel sector presented a "structural" differentiation trend. Among them, infrastructure investment registered a year-on-year growth of approximately 4.6%, sending signals of gradual recovery; the newly started construction area of real estate sector dropped by approximately 20.0% year-on-year, with the decline narrowing, yet the demand for steel consumption remained sluggish; both the production and sales volume of automobiles achieved double-digit "dual growth" year-on-year, with the industrial vitality continuously released; the engineering machinery industry showed a recovering and improving trend; the manufacturing industry continued to play a "ballast stone (壓艙石)" role, but the overall downstream demand for steel products remained weak. On the other hand, driven by factors such as falling raw material prices, industry self-disciplined production control, and "cost reduction outweighing price reduction", the overall profitability of enterprises improved with a significant year-on-year growth. According to data from the National Bureau of Statistics of China, the total profit of the iron and steel industry in the first half of 2025 was approximately RMB46.28 billion. The national output of pig iron, crude steel and steel products was approximately 435 million tonnes, approximately 515 million tonnes and approximately 734 million tonnes respectively, representing a decrease of approximately 0.8%, a decrease of approximately 3% and an increase of approximately 4.6% respectively compared with the corresponding period in 2024.

(2) Policy Orientation

In February 2025, the MIIT promulgated the “Normative Conditions for the Steel Industry (2025 Edition)” (《鋼鐵行業規範條件 (2025年版) 》)”, which refined the high-quality development indicators, established a hierarchical and classified management system, and promoted the aggregation of factor resources to advantageous enterprises. In March 2025, the NDRC mentioned in the “Draft of 2025 National Economic and Social Development Plan” (《2025年國民經濟和社會發展計劃草案》)” that the iron and steel industry would continue to implement crude steel production control in 2025 to promote the output reduction and restructuring of the iron and steel industry. In March 2025, the MEE promulgated the “Work Plan for Including the Steel, Cement, and Aluminum Smelting Industries in the National Carbon Emissions Trading Market” (《全國碳排放權交易市場覆蓋鋼鐵、水泥、鋁冶煉行業工作方案》)”, marking the official entry of the first expansion of the industry coverage of the national carbon emissions trading market into the implementation stage. In April 2025, the MEE issued the “Notice on Preparing for the Relevant Work of the National Carbon Emissions Trading Market in 2025” (《關於做好2025年全國碳排放權交易市場有關工作的通知》)”, which clearly stated that it would strengthen the management of the list of key emission units, the quality management of carbon emission data, and the management of carbon emission quota allocation and settlement. In June 2025, the MIIT promulgated the “Implementation Plan for Further Promoting the Green and Low-Carbon Standardisation Work of Industry and Information Technology” (《關於深入推進工業和信息化綠色低碳標準化工作的實施方案》)”, aiming to gradually improve the green and low-carbon standard system of industry and information technology and further enhance the effectiveness of standardisation work. In summary, the policies of China’s iron and steel industry continue to focus on optimising the supply-demand balance, improving energy efficiency, green and low-carbon transformation, and carbon peak.

II. Operations of the Company

(1) Financial Performance

In the first half of 2025, despite the continued weak downstream demand in the iron and steel industry, which led to a sustained decline in the average selling price of steel products during the period, the Group still achieved a significant increase in net profit, mainly attributable to the combined effects of the following factors, including, among others, (i) a decline in prices of major raw materials, which have a steeper price decreasing trend comparing to that of the steel products; and (ii) the continuous thorough execution of the Group's lean management strategy, in respect of, among others, cost reduction, efficiency improvement, and procurement management optimisation, resulting in an overall reduction of cost per tonne of steel products. Meanwhile, through continuous efforts, the Group actively responded to the dual challenges of macro-economic fluctuations and in-depth industrial adjustment, with innovation-driven development, green transformation, deepened management and promotion of high-quality development as the primary business strategies. For the six months ended 30 June 2025, the Group recorded a revenue of approximately RMB19.9 billion, representing a decrease of approximately 12.0% compared with the corresponding period last year. Compared with the corresponding period in 2024, the average selling price of self-manufactured steel products fell by approximately 14.5% to approximately RMB2,998 per tonne, while the gross profit increased by approximately 45.9% to approximately RMB938 million. The Group's interim net profit was approximately RMB243 million, representing an increase of approximately 97.5% compared with the net profit of approximately RMB123 million in the corresponding period of 2024. The Group's EBITDA for the period increased from approximately RMB815 million in the corresponding period last year to approximately RMB1,065 million. The basic earnings per Share for the period was RMB0.05 (2024 corresponding period: RMB0.03).

(2) Honors and Achievements

During the period, the Company was selected as the 340th on the “2025 Fortune China Top 500 Enterprises”. Jinxi Heavy Industry and Hebei Jinxi New Material Technology Co., Ltd.* (河北津西新材料科技有限公司), subsidiaries of the Company, were recognised by the Department of Industry and Information Technology of Hebei Province as a “Five-Star Provincial Green Factory” (五星省級綠色工廠) and a “Class A R&D Institutions of Industrial Enterprises of Hebei Province” (河北省工業企業A級研發機構) respectively. Meanwhile, the former was also awarded as an “Outstanding Private Enterprise of Hebei Province in 2024” (2024年度河北省優秀民營企業) by the People's Government of Hebei Province. In addition, another subsidiary, Jinxi Limited, ranked 7th in both the “2024 Top 100 Hebei Enterprises” (2024河北企業100強) and “2024 Top 100 Hebei Manufacturing Enterprises” (2024河北製造業企業100強) lists released by the Hebei Provincial Enterprise Confederation and its employees won two innovation achievement awards issued by the China Machinery, Metallurgy and Building Materials Workers' Technical Association* (中國機械冶金建材職工技術協會).

(3) Business Initiatives

1. Iron and Steel Segment

Lean Management: In the first half of 2025, in response to the challenges faced by the domestic iron and steel market, the Group comprehensively promoted lean management, continued to accurately grasp the market trends and constantly optimise its business strategies; persisted in benchmarking and improving to build core competitiveness; strengthened the development of professional talent teams to activate the talent engine; accelerated digital and intelligent transformation to achieve digitalisation and intellectualisation of management; and enhanced safety management to firmly hold the bottom line of safety.

During the period, the proportion of low-price areas in raw material procurement reached over 71%, representing an increase of by approximately 6% compared with the corresponding period last year. The Group drove the transformation of product sales through technology-driven marketing and optimised the logistics layout, reducing costs by approximately RMB38 million. By optimising the production organisation, the operational efficiency was continuously improved. Jinxi Limited's self-generated electricity ratio increased by approximately 10% compared with the corresponding period last year, and its electricity consumption per tonne of steel products decreased by 11 kWh year-on-year. Jinxi Limited rationally planned technical renovation projects, reducing scattered projects by approximately RMB560 million year-on-year and promoted the integrated information system and optimised the use of funds. The Group has enhanced the control over operational details and continuously optimised capital occupation, with the capital occupied by inventories recording a significant decrease compared with the corresponding period last year.

Green Environmental Protection: Cultivating the foundation of green development to support the Group in advancing circular economy and low-carbon development. During the period, the Group successively implemented green energy-saving and emission-reduction projects including ultra-low emission transformation of blast furnaces, desulfurisation transformation and grid connection of sintering machines, photovoltaic new energy sector projects, roller ring production capacity improvement transformation, and construction of a new rotary hearth furnace with an annual processing capacity of 250 thousands tonnes. Jinxi Limited achieved a reduction of external electricity purchases by approximately 120 million kWh during the period. Through increasing the use of clean energy, the Group has achieved a 270MW photovoltaic power generation capacity, with power generation reaching 145 million kWh during the period; coupled with the planned 200MW and 400MW

photovoltaic and wind power projects for the NEMM Project (defined as below) in the future, the total power generation capacity of the Group together with the related investments of joint ventures will exceed 1,000MW, providing support for green power production in the main iron and steel business. Going forward, leveraging its strength of “Grade A in Environmental Protection Performance Rating (new)* (新「環保績效評級A級」)” and differentiated environmental management and control policies, the Group strives to become an ultimate exemplary and benchmarking enterprise in terms of energy efficiency and a first-class enterprise in the industry.

In addition, the Group completed the construction of the Branch-line Railway Project for transportation of materials and inventories for the business of the Group in 2022, which will be put into operation in the second half of 2025 when the local government completes the capacity expansion and transformation of its responsible “Zunxiao Railway”. The Branchline Railway will be used for connecting the Group’s facilities with the railway transportation hub system and ports nearby. In the first half of 2025, the Group sold approximately 1.95 million tonnes of self-manufactured H-section steel products and kept securing its leading position in the H-section steel market of the PRC since 2009.

Implementation of New Project: To seize the market opportunities in the new energy soft magnetic materials (NEMM) sector, on 16 October 2024, the Company and ArcelorMittal, its substantial Shareholder, entered into an upstream joint venture agreement and a downstream joint venture agreement for the purpose of establishing upstream and downstream joint ventures and engaging in the production of hot-rolled coils substrates and other products and NEMM products respectively (“**NEMM Project**”). On 20 December 2024, all the conditions precedent to the establishment of the joint venture companies were fulfilled, and the joint venture companies were established on the same day. Upon completion of the establishment, each of the joint venture companies is owned as to 50% by the Company and 50% by ArcelorMittal, with the total investment of the project expected to be approximately US\$2.66 billion.

In the first half of 2025, the Company and ArcelorMittal fully accelerated the promotion of the NEMM Project. The key progresses of the upstream joint venture and the downstream joint venture included the completion of upstream and downstream land acquisitions, the implementation of upstream and downstream long-term equipment procurement orders, and the signing of upstream and downstream green power joint venture agreements, among others. The overall project is progressing in order according to the control milestones.

In August 2025, with the active advancement of the construction and preparations for the upstream and downstream joint ventures, the specific equipment design and supporting facilities of the upstream joint venture have been gradually clarified. To support the development of the NEMM Project and meet the slab supply requirements, Jinxi Limited has confirmed to invest in the technological transformation of its existing steelmaking production lines. The main transformation contents include two RH refining furnaces, two KR desulfurisation units, two continuous casting machines and related auxiliary equipment (the **“Steelmaking Technological Transformation Project”**). The budgeted capital expenditure is approximately RMB1.06 billion, together with the anticipated disposal losses of relevant existing machinery and the full-cycle financing costs, etc., the total investment is approximately RMB1.53 billion. It is expected that after completion, the billets of Jinxi Limited will be upgraded from the existing 1,000 mm width to 1,800 mm width, and the purity will be upgraded to meet the slab product specifications required for NEMM products. The regular annual slab output will be 3.50 million tonnes. It is expected to bring a strategic upgrade to the Group’s product structure, especially the current strips and strip products, to high-end plates, and strengthen the core competitiveness and added value of the products.

Taking account of the additional investment and production costs that will be incurred in the Steelmaking Technological Transformation Project, the Company has, together with ArcelorMittal, discussed and implemented the refinement of the relevant pricing mechanism under the terms of the existing slab supply framework agreement with respect to the continuing connected transaction concerning the slab supply arrangement between Jinxi Limited and the upstream joint venture, so as to reflect the impact of the Steelmaking Technological Transformation Project on the increase in future operating and production costs.

In addition, in terms of project management and governance, the recruitment and appointment of key project management positions have been completed, and personnel training and cultural development are being carried out in an orderly manner. The project steering committee for the NEMM Project is operating efficiently, effectively ensuring decision-making efficiency, and continuously focusing closely on project implementation, mainly concentrating on core areas such as safety, quality, schedule, budget, organisational structure, and corporate governance. The project planning integrates features such as high technology, digitisation, intelligent manufacturing, and green low-carbon at the same time, and the project management team is striving to get the downstream joint venture selected as one of the national major foreign-invested projects. Overall, the project-related capital expenditures during the period were controlled within the budget, and the overall progress was smooth and in line with expectations.

Business Linkage and Integration: During the first half of 2025, the Group continuously strengthened the upstream and downstream linkage and integration with its subsidiary HJT’s major business of the power transmission equipment business. HJT is mainly engaged in the research and development, manufacturing, and sales of power transmission equipment. It currently has production plants in operation in China with a total annual production capacity of approximately 650,000 tonnes. In the first half of 2025, HJT contributed approximately RMB1.90 billion (2024 corresponding period: approximately RMB1.92 billion) in sales revenue of power equipment to the Group. In addition, the Group has also carried out business linkages with other subsidiaries, such as Beijing Jinxi Lvjian Technology Industrial Group Co., Ltd.* (北京津西綠建科技產業集團有限公司) and Hebei Jinxi New Material Technology Co., Ltd.* (河北津西新材料科技有限公司) in the fields of steel structures and photovoltaic brackets which drove the research, development and sales of section steel products through technology-driven marketing.

To lay out its presence in the field of precision robot joint reducers and implement the “Specialisation, Industry chain extension, High-tech and high-end* (「專、長、高」)” strategy, Jinxi Unique (Tangshan) Precision Technology Co., Ltd., a direct wholly-owned subsidiary of Jinxi Heavy Industry (which is in turn an indirect non-wholly owned subsidiary of the Company), completed the acquisition of 55% equity interest in SIMA Transmission Machinery Co., Ltd. (“**SIMA Transmission**”), a high-tech enterprise, on 31 March 2025 at a consideration of approximately RMB124 million plus additional contingent consideration of up to approximately RMB76 million. SIMA Transmission is principally engaged in research and development, manufacturing and sales of reducers for robots, with an annual production capacity of approximately 60,000 to 80,000 units and an annual output of approximately 30,000 units in the financial year of 2023. Since SIMA Transmission is a pioneer in the high-end precision reducer industry in the PRC, its business and research and development capability are expected to resonate with the Group’s strategies to enter the high-end precision reducer market and supplement the current casting products business of Jinxi Heavy Industry. This acquisition marks a significant step for the Group in optimising its industrial structure, fostering new drivers of development, and pursuing a path of distinctive high-quality development.

Trading Business: In the first half of 2025, the Group's revenue and gross profit generated from the trading of the steel products, iron ore and related raw materials were approximately RMB5.15 billion (2024 corresponding period: approximately RMB6.67 billion) and approximately RMB66 million (2024 corresponding period: approximately RMB26 million) respectively.

2. Real Estate Segment

In addition to mainly developing traditional real estate projects in China, the Group is also committed to promoting the development of green prefabricated steel structure buildings. Simultaneously, it is expanding overseas real estate development business, to explore and seize diversified development opportunities.

During the period, for most of the units in several projects located in Tangshan City and Suzhou City of China, sales and delivery were completed in previous years. Meanwhile, the Honsby Townhouse project in Sydney and the Denman Park Estate project in the Upper Hunter Region of New South Wales of Australia are in an orderly manner. During the period, foundation construction and planning & design work were completed respectively, with progress in line with expectations. Among them, the Honsby Townhouse project is planned to consist of 20 townhouses with a GFA of approximately 2,800 m², and is expect to be completed in 2026. The Denman Park Estate project is planned as a land subdivision project with 194 lots, involving a GFA of approximately 246,500 m². The Group provides buyers with independent land subdivision and supporting necessary infrastructure, including water, electricity, internet, natural gas, sewage disposal and transportation, etc., for them to build residences by themselves until the buyers obtain independent property rights. This project is also expected to be completed in 2026.

In the first half of 2025, the Donghu Bay project in Tangshan City and Jinxi Meishu Hall project in Fangchenggang City continued to record sales and deliveries and the Group realised revenue and incurred an operating loss from the real estate business of approximately RMB47 million and approximately RMB21 million respectively.

Given the performance for the first half of 2025 and taking into account that the iron and steel industry is still facing a persistently unstable external market environment, the Board did not recommend the distribution of an interim dividend for 2025 and would like to consider the dividend arrangement for the 2025 whole year at the year-end results.

III. Future Outlook

(1) Macro-economic and Industry Trends

Entering July 2025, the global economy still faces numerous challenges, including the fluctuating U.S. tariff policies, the uncertainty regarding the monetary policy directions of major economies, and the continuous escalation of geopolitical conflicts, all of which make the outlook for the global economy in the second half of the year full of uncertainties. At the same time, although China's domestic economy is still under pressures such as the persistent sluggishness of the real estate market and the commodity prices hovering at low levels, it is supported by positive factors such as the continuous intensification of policy efforts, the accelerated release of the potential of service consumption, and the steady progress of infrastructure investment. As a result, the economic operation is expected to continue the trend of stabilising and improving.

In terms of the iron and steel industry, it will enter a development stage characterised by “strict output control, strong self-discipline, and increased efficiency” in the future. The downstream demand and product prices are expected to improve. The decline in real estate development investment will continue the trend of narrowing, the growth rate of infrastructure investment is expected to be maintained, the engineering machinery industry will continue the steady recovery trend, and the manufacturing industry will make steady progress and is expected to become the “core driving force” for steel demand. A rebound in downstream industries is expected in the second half of 2025, which will drive the gradual recovery of the demand for steel products, and there is no risk of a significant decline in the annual steel consumption. Overall, the Group expects that there will still be uncertain factors in the business environment of the iron and steel industry in the second half of 2025, but the overall development trend will gradually improve.

(2) Corporate Development Strategy

- 1. Enhancing Core Competitiveness:** The Group will continue to actively follow up on China's industrial policies, keep pace with the times, leverage its advantages, strengthen confidence, and formulate corporate-level strategies from top to bottom in to achieve green, low-carbon, and high-quality development. Through lean management, advancing digitalisation, informatisation, and intelligentisation, improving efficiency and reducing costs, developing and increasing the proportion of high-value-added products, expanding sales channels, continuously upgrading equipment, and actively promoting technological transformation and innovation, etc., the Group will continuously enhance its core competitiveness and strive for a leading position in the industry. During the first half of 2025, the Group completed multiple projects to build green and low-carbon factories, and it is expected to continue to promote projects such as the NEMM Project, photovoltaic new energy sector project, digital factory project, and new 145MW power generation project in the second half of 2025.

2. **Product R&D and Business Linkage:** In the second half of 2025, the Group will continue to promote the iteration and upgrading of existing products and launch high-value-added products in a timely manner. In accordance with the three-year product plan, it will focus on researching and developing high-value-added section steel, sheet piling, slabs for NEMM, hot-rolled power angle steel, and photovoltaic brackets and other products. The Group will strengthen upstream and downstream linkage and integration with its subsidiaries such as HJT, Beijing Jinxi Lvjian Technology Industrial Group Co., Ltd.* (北京津西綠建科技產業集團有限公司), Hebei Jinxi New Material Technology Co., Ltd.* (河北津西新材料科技有限公司), and SIMA Transmission in businesses including ultra-high voltage power (UHV) transmission towers, prefabricated steel structure buildings, high-end equipment manufacturing, new materials, new energy, and precision robot joint reducers.
3. **Diversified Business Expansion:** In addition to focusing on the steel manufacturing business, the Group will continue to expand into businesses such as the trading of steel products and raw materials, the production of precast steel structure components and precast concrete components products for downstream prefabricated buildings in the steel industry, the development of steel slag pavement concrete, scrap steel processing and trading, and precision robot joint reducers. It will also advance the green new materials business involving the recycling and sales of solid waste residues generated during production, so as to bring about new developments in multiple aspects.
4. **Green and Low-Carbon Development:** In order to achieve the goals of carbon peaking and carbon neutrality in the iron and steel industry, adhering to the concept of green and sustainable development, the Group closely follows the development of policies, explores the feasibility of different carbon-reduction technical solutions, and conducts research and deployment for emission-reduction work in advance. The Group continuously invests in equipment upgrade and environmental protection equipment projects to improve the energy structure, reduce emissions, and enhance cost-effectiveness. The NEMM Project, being joint ventures with ArcelorMittal, is an important step towards achieving the goal of becoming a carbon-neutral enterprise by 2050.
5. **Strategic Investment and Growth:** Currently, the Group has sufficient cash and resources. In addition to focusing on the manufacturing and sales of iron and steel products, it will continuously and actively explore business opportunities that are in line with the corporate strategy, including opportunities for horizontal and vertical (especially downstream) corporate mergers and acquisitions, joint ventures, associates, etc. Thus, it aims to broaden revenue sources, enhance profitability, achieve sustainable growth, and increase corporate value. At the same time, it will assess the possibility of increasing dividend distribution from time to time under appropriate circumstances to reward Shareholders for their support.

(3) Long-term Development Goals

Since completing its initial public offering in 2004, the Group has withstood the challenges of multiple iron and steel industry cycles over the past 21 years. Despite facing numerous economic uncertainties, it has still maintained a vigorous development trend. At the beginning of its listing, the Group had a production capacity of approximately 3.10 million tonnes of steel products per year, mainly selling billet and strip steel products. Up to now, the overall revenue has increased by approximately 5 times compared with 2004, and the annual steel production capacity has exceeded 10 million tonnes. The products are abundant in variety, covering H-section steel products (including power angle steel), sheet piling, strips and strip products, billets, cold-rolled sheets and galvanised sheets, etc. The business scope has been continuously expanded, extending to downstream businesses such as real estate and power equipment. The Group also holds a subsidiary listed on the A-share market of the Shanghai Stock Exchange, as well as 13 high-tech enterprises holding High-tech Enterprise Certificate, 6 provincial-level and 2 national-level “little giant” (小巨人) enterprises, which refer to the novel elites of China’s small and medium-sized enterprises (SMEs) that are engaged in manufacturing, specialise in a niche market and boast cutting-edge technologies* (專精特新企業). The H-section steel products produced by the Group have maintained a leading position in China, and the Company has also become a constituent stock of the Hang Seng Composite Index Series years ago.

Going forward, the Group will set its goal to enter the Fortune Global 500. With the “Specialisation, Industry chain extension, High-tech and high-end” (「專、長、高」) strategy as the guarantee, it will integrate into the new era of high-quality development, move towards green development and innovation, continuously optimise the industrial structure, cultivate new drivers of development, and follow a path of characteristic development. The Group will be committed to effectively utilising its existing sound financial position and efficient management model. On the one hand, the Group will be guided by the “Specialisation, Industry chain extension, High-tech and high-end” strategy for transformation and upgrade. Among them, “Specialisation” means taking deep cultivation in professional fields as the core, supported by products such as green section steel, sheet piling, and power angle steel. It focuses on high-end and differentiated products, continuously optimises the industrial and product structure, and builds the largest section steel production and application base in the country. “Industry chain extension” means lengthening the industrial chain, including strengthening and extending the industrial chain, and expanding into industries such as UHV electricity transmission and prefabricated steel structure constructions to create a full-process industrial chain. “High-tech and high-end” refers to becoming a high-tech enterprise and producing high-end green products. Taking new product research and development as a breakthrough, the Group will drive the creation of a new situation of high-quality development through

innovation. On the other hand, the Group will actively explore new models and paths in line with the concept of green development to promote the Group's green, low-carbon and sustainable development. By means of effective capital and asset allocation, it will create value for Shareholders and maximise business growth opportunities, remaining stable and flexible in the ever-changing business environment to achieve the maximisation of Shareholder value.

Finally, the Board would like to express its heartfelt gratitude to the Shareholders for their unwavering support over the years, as well as appreciation to all the employees for their hard work and contributions. The Group will continue to strive hard to create greater value for the Shareholders and achieve long-term business success.

BUSINESS REVIEW

Sales Analysis on Self-manufactured Steel Products

Sales Volume

For the six months ended 30 June 2025, the Group's total sales volume was approximately 4.01 million tonnes (2024 corresponding period: approximately 3.76 million tonnes), representing an increase of approximately 6.5%.

The sales volume breakdown during the period and 2024 corresponding period was as follows:

	For the six months ended 30 June				Changes in sales volume <i>Increase/ (Decrease)</i>
	2025		2024		
	Sales volume		Sales volume		
	<i>(’000 tonnes)</i>		<i>(’000 tonnes)</i>		
H-section steel products	1,946	48.6%	1,614	42.9%	20.6%
Strips and strip products	1,340	33.5%	1,627	43.2%	(17.6%)
Cold rolled sheets and galvanised sheets	107	2.7%	111	3.0%	(3.6%)
Billets	153	3.8%	16	0.4%	856.3%
Sheet piling	459	11.4%	394	10.5%	16.5%
Total	4,005	100%	3,762	100%	6.5%

Revenue

Revenue for the six months ended 30 June 2025 was approximately RMB12,008 million (2024 corresponding period: approximately RMB13,189 million), representing a decrease of approximately 9.0%. Export to foreign countries contributed approximately RMB184 million (2024 corresponding period: approximately RMB234 million) to the revenue, representing approximately 1.5% (2024 corresponding period: approximately 1.8%) of revenue from sales of self-manufactured steel products.

The breakdown of revenue and average selling price by product (excluding value-added tax) during the period and the corresponding period in 2024 were as follows:

	For the six months ended 30 June					
	2025		2024		Changes in	
	Revenue	Average selling price	Revenue	Average selling price	Revenue	Average selling price
	(RMB million)	(RMB/tonne)	(RMB million)	(RMB/tonne)	Increase/(Decrease)	
	Unaudited		Unaudited			
H-section steel products	5,766	2,963	5,747	3,561	0.3%	(16.8%)
Strips and strip products	3,805	2,839	5,382	3,307	(29.3%)	(14.2%)
Cold rolled sheets and galvanised sheets	447	4,194	527	4,726	(15.2%)	(11.3%)
Billets	420	2,744	50	3,124	740.0%	(12.2%)
Sheet piling	1,570	3,419	1,483	3,764	5.9%	(9.2%)
Total/Combined	12,008	2,998	13,189	3,505	(9.0%)	(14.5%)

The decrease in revenue from self-manufactured steel products was primarily due to the decrease in average selling price of the Group's steel products by approximately 14.5% to approximately RMB2,998 per tonne for the six months ended 30 June 2025 from approximately RMB3,505 per tonne for the corresponding period in 2024. The decrease in average selling price of the Group's steel products was mainly due to a continuous sluggish downstream demand for the iron and steel products for the six months ended 30 June 2025.

Cost of Sales and Gross Profit

The gross profit for the six months ended 30 June 2025 was approximately RMB938 million (2024 corresponding period: approximately RMB643 million), representing an increase of approximately 45.9%. Gross profit margin was approximately 7.8% (2024 corresponding period: approximately 4.9%).

Average unit cost, gross profit/(loss) per tonne and gross profit/(loss) margin during the period and the corresponding period in 2024 were as follows:

	For the six months ended 30 June					
	2025			2024		
	Average unit cost (RMB/tonne)	Gross profit/(loss) per tonne (RMB)	Gross profit/ (loss) margin	Average unit cost (RMB/tonne)	Gross profit per tonne (RMB)	Gross profit margin
H-section steel products	2,676	287	9.7%	3,340	221	6.2%
Strips and strip products	2,670	169	6.0%	3,216	91	2.8%
Cold rolled sheets and galvanised sheets	4,200	(6)	(0.1%)	4,618	108	2.3%
Billets	2,560	184	6.7%	2,996	128	4.1%
Sheet piling	3,146	273	8.0%	3,451	313	8.3%
Combined	<u>2,764</u>	<u>234</u>	<u>7.8%</u>	<u>3,334</u>	<u>171</u>	<u>4.9%</u>

Gross profit per tonne of the Group's steel products increased to approximately RMB234 for the six months ended 30 June 2025 from approximately RMB171 for the corresponding period in 2024, reflecting an increase of approximately 36.8%. Gross profit margin increased to approximately 7.8% for the six months ended 30 June 2025 from approximately 4.9% for the corresponding period in 2024. The increase in gross profit margin was due to (i) a decline in prices of major raw materials, which have a steeper price decreasing trend comparing to that of the steel products; and (ii) the continuous thorough execution of the Group's lean management strategy in respect of, among others, cost reduction, efficiency improvement and procurement management optimisation, resulting in an overall reduction of cost per tonne of steel products in the first half of 2025.

Real Estate Development

For the six months ended 30 June 2025, the revenue from sales of completed properties held for sale of the Group amounted to approximately RMB46 million. The GFA of properties delivered was approximately 8,700 m². The average selling price of properties delivered was approximately RMB5,300 per m².

As at 30 June 2025, the Group had the following projects under construction with a GFA of approximately 497,300 m²:

No.	Country - city/region	Property project	Phase of project	GFA under construction (m ²)	Estimated time of completion	Effective interest owned
1	PRC - Fangchenggang	Jinxi Xijiang Bay	Main structure	248,000	2029	97.6%
2	Australia - Sydney	Honsby Townhouse	Foundation construction	2,800	2026	100.0%
3	Australia - Upper Hunter	Denman Park Estate	Planning and designing	246,500	2026	86.0%

The above projects are expected to be completed in 2026 or 2029.

FINANCIAL REVIEW

Non-HKFRS Measure

Given that the real estate market in the PRC went through a consolidation phase since 2023 and certain real estate companies faced the ongoing financial pressure, the Group adopted a prudent approach to make a provision of approximately RMB42 million for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC for the financial year ended 31 December 2024.

To supplement the Group's consolidated financial information which is prepared and presented in accordance with HKFRS, where applicable, the Company also used adjusted profit for the relevant financial period as an additional financial measure that is not required by, or presented in accordance with HKFRS. The Group defines adjusted profit for the relevant financial period as the Group's profit for such period excluding non-recurring gain and the provision for impairment of properties under development and held for sale and loan receivables related to the real estate industry in the second-and-lower-tier cities in the PRC. Despite the uncertainty as to the development of the real estate market of the PRC, with the introduction of various market stabilisation measures by the central and governments at all levels, the Company expects the real estate market of the PRC to gradually stabilise in the future. Therefore, the Company believes that by eliminating the impact of provision for impairment of properties under development and held for sale and loan receivables related

to the real estate industry in the second-and-lower-tier cities in the PRC, such adjusted profit provides Shareholders and potential investors with useful supplementary information in understanding and evaluating the Group's underlying performance in the same manner as they do for our management. The following table sets forth the reconciliation of the Group's adjusted profit for the relevant financial period as a non-HKFRS measure for the periods indicated to the most directly comparable financial measure prepared in accordance with HKFRS. The Group's adjusted profit for the six months ended 30 June 2025 was approximately RMB386 million (2024 corresponding period: approximately RMB123 million), demonstrating the Group's resilient performance amid the challenging market environment.

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	Unaudited	Unaudited
Profit for the period	243,016	123,029
<i>Adjustments made in respect of:</i>		
Provision for impairment of properties under development and held for sale [#]	45,045	—
Provision for impairment of loan receivables relating to the real estate industry in second-and- lower-tier cities in the PRC [#]	97,508	—
Adjusted profit for the period	<u>385,569</u>	<u>123,029</u>

[#] The Company did not recognise the relevant current income tax or deferred income tax impact when making such provisions, and therefore did not calculate the relevant after-tax impact when presenting the adjustments.

However, the Company's presentation of adjusted profit is not intended to be considered in isolation from, or as a substitute for, the financial information prepared and presented in accordance with HKFRS. The use of the non-HKFRS measure above has its limitations as an analytical tool, and the adjusted profit presented by the Company may be different from similarly titled non-HKFRS measures presented by other companies. Shareholders and potential investors are therefore advised to consider the financial information of the Group in its entirety.

Liquidity and Financial Resources

In order to sustain a stable financial status, the Group closely monitors its liquidity and financial resources.

As at 30 June 2025, the Group had unutilised banking facilities of approximately RMB13.1 billion (as at 31 December 2024: approximately RMB14.5 billion).

As at 30 June 2025, the current ratio of the Group, representing current assets divided by current liabilities, was approximately 1.4 times (as at 31 December 2024: approximately 1.3 times) and the gearing ratio, representing total liabilities divided by total assets, was approximately 49.5% (as at 31 December 2024: approximately 50.2%).

As at 30 June 2025, the cash and cash equivalents of the Group amounted to approximately RMB5,775 million (as at 31 December 2024: approximately RMB3,516 million).

After considering its cash and cash equivalents as well as the banking facilities currently available to the Group, it is believed that the Group has sufficient capital to fund its future operations and for general business expansion and development.

Capital Structures

As at 30 June 2025, borrowings of approximately RMB12,313 million of the Group bore fixed interest rates ranging from approximately 0.70% to approximately 4.96% per annum and borrowings of approximately RMB2,823 million of the Group bore floating interest rates ranging from approximately 2.26% to approximately 5.60% per annum. The Group's exposure to changes in market interest rates was considered to be limited. During the six months ended 30 June 2025, the Group also entered into certain foreign currency forward contracts to manage its exposure to foreign currency exchange rates fluctuation. As at 30 June 2025, the notional amounts of these derivative instruments amounted to nil.

The Group monitors its capital on the basis of the debt-to-capital ratio. This ratio is calculated as total debt divided by total capital. Total debt includes current and non-current borrowings, lease liabilities and loans from related parties. The Group regards its non-current borrowings, non-current lease liabilities and equity attributable to owners of the Company as its total capital. As at 30 June 2025, the debt-to-capital ratio of the Group was approximately 59.5% (as at 31 December 2024: approximately 65.8%).

The consolidated interest expenses and capitalised interest for the six months ended 30 June 2025 amounted to approximately RMB152 million (2024 corresponding period: approximately RMB280 million). The interest coverage ratio (dividing profit for the period before finance costs – net and income tax expense by total interest expenses) was approximately 3.0 times (2024 corresponding period: approximately 0.9 times).

Capital Commitments

As at 30 June 2025, the Group had capital commitments of approximately RMB4,532 million (as at 31 December 2024: approximately RMB5,267 million). It is estimated that the capital commitments will be financed by the Group's internal resources and available banking facilities.

Guarantees and Contingent Liabilities

As at 30 June 2025, the Group had no contingent liabilities (as at 31 December 2024: nil).

Pledge of Assets

As at 30 June 2025, the net book value of the Group's leasehold land and land use rights amounting to approximately RMB154 million (as at 31 December 2024: approximately RMB249 million), property, plant and equipment amounting to approximately RMB1,149 million (as at 31 December 2024: approximately RMB337 million), trade receivable amounting to approximately RMB299 million (as at 31 December 2024: approximately RMB12 million), notes receivable - bank acceptance notes amounting to approximately RMB85 million (as at 31 December 2024: approximately RMB53 million), long-term bank deposits amounting to nil (as at 31 December 2024: approximately RMB300 million) and restricted bank balances amounting to approximately RMB5,424 million (as at 31 December 2024: approximately RMB6,998 million) had been pledged as securities for the Group's notes payable issuing, bank borrowings, letters of credit issuing and letters of guarantee issuing.

Exchange Risks

Foreign exchange risk is the risk to the Group's financial conditions and results of operations arising from movements of foreign exchange rates. The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. The Group's foreign exchange risk primarily arises from the procurement of iron ores and the relevant products from overseas suppliers and the Group's foreign currency borrowings, which are denominated and settled in USD. Foreign exchange rates fluctuate in reaction to the macro-economic performance of different countries and fund flows between countries arising from trade or capital commitments. In view of continuous fluctuation of the RMB exchange rate against USD, during the six months ended 30 June 2025, the Group entered into certain foreign currency forward contracts so as to reduce the impact of the volatility of the RMB exchange rate against USD. The Group also reviewed and rearranged its monetary assets to mitigate the impact from the change of RMB to USD exchange rate. The management of the Group shall continue to classify and regularly monitor the Group's foreign exchange exposure from time to time and consider hedging against such exposure shall the need arise.

Steel Products, Iron Ore and Related Raw Materials Derivative Financial Instruments

In view of the significant fluctuation of steel products, iron ore and related raw materials prices during the six months ended 30 June 2025, the Group entered into certain steel products, iron ore and related raw materials future and future option contracts so as to reduce the impact of the volatility of the steel products, iron ore and related raw materials prices on the Group. The Group used a combination of steel products, iron ore and related raw materials derivatives to achieve the above purpose. The investment losses from steel products, iron ore and related raw materials derivative financial instruments amounted to approximately RMB11 million (2024 corresponding period: gains of approximately RMB33 million) for the six months ended 30 June 2025.

Dividend

The Board did not recommend the distribution of an interim dividend for the six months ended 30 June 2025.

The Board proposed a final dividend of approximately HK\$37 million (equivalent to approximately RMB34 million), representing HK\$0.01 per ordinary share and a special dividend of approximately HK\$186 million (equivalent to approximately RMB171 million), representing HK\$0.05 per ordinary share for the year ended 31 December 2024. The proposed final and special dividends were approved by the Shareholders at the AGM on 6 June 2025 and were paid on 8 August 2025.

Events after the Period

There were no significant events occurred to the Group from 30 June 2025 to the date of this announcement.

Financial Assets at Fair Value Through Profit or Loss

As at 30 June 2025, the Group held financial assets at fair value through profit or loss of approximately RMB3,181 million, accounting for approximately 6.4% of total assets, particulars of which are set out below:

Money Market Funds

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
Harvest Fund Management Company Limited					
嘉實基金管理有限公司					
Harvest Express Monetary Market Fund*					
嘉實快線貨幣市場基金	79,074	79,074	79,074	422	0.16%
Harvest Monetary Market Fund*					
嘉實貨幣市場基金	15,253	15,253	15,253	257	0.03%
Harvest HuoQiBao Monetary Market Fund*					
嘉實活期寶貨幣市場基金	–	–	–	146	–
Others	–	–	–	293	–
Bosera Asset Management Company Limited					
博時基金管理有限公司					
Bosera Cash Pot Money Market Fund					
博時現金寶貨幣市場基金	150,000	150,000	150,000	361	0.30%
China Southern TianTianLi Monetary Market Fund*					
南方天天利貨幣市場基金	–	–	–	22	–
China Southern Asset Management Company Limited					
南方基金管理股份有限公司					
China Southern TianTianLi Monetary Market Fund*					
南方天天利貨幣市場基金	35,452	35,452	35,452	201	0.07%
China Southern Cash ZengLi Fund*					
南方現金增利基金	2,370	2,370	2,370	14	<0.01%
China Southern ShouYiBao Monetary Market Fund*					
南方收益寶貨幣市場基金	–	–	–	11	–
Others	1,012	1,012	1,012	8	<0.01%

Name of the financial assets	Number of units held as at 30 June 2025 (<i>'000</i>)	Investment cost as at 30 June 2025 (<i>RMB'000</i>)	Fair value as at 30 June 2025 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2025 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2025
HwaBao WP Fund Management Company Limited					
華寶基金管理有限公司					
HwaBao Cash Pot Monetary Market Fund*					
華寶現金寶貨幣市場基金	40,167	40,167	40,167	255	0.08%
HuaAn Fund Management Co., Ltd.					
華安基金管理有限公司					
HuaAn Cash Pot Money Market Fund*					
華安現金寶貨幣市場基金	—	—	—	69	—
GF Fund Management Co., Ltd.					
廣發基金管理有限公司					
GF Fund RuiXuan FOF Single Asset Management Plan*					
廣發基金睿選FOF單一資產管理計劃	22,505	31,438	31,438	1,641	0.06%
Others	—	—	—	7	—
CCB Wealth Management Co., Ltd.					
建信理財有限責任公司					
CCB Principal Tiantianyi Money Market Fund*					
建信天添益貨幣市場基金	51,868	51,868	51,868	400	0.10%
HFT Investment Management Co., Ltd.					
海富通基金管理有限公司					
HFT TianYi Money Market Fund*					
海富通添益貨幣市場基金	—	—	—	179	—
UBS SDIC Fund Management Co., Ltd.					
國投瑞銀基金管理有限公司					
UBS SDIC QianDuoBao Money Market Fund					
國投瑞銀錢多寶貨幣市場基金	—	—	—	58	—

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
CSC Financial Co., Ltd. 中信建投證券股份有限公司 CSC Financial ZhiDuoXin Monetary Type Assembled Asset Management Plan* 中信建投智多鑫貨幣型集合資產管理計劃	22,640	22,640	22,640	48	0.05%
ICBC Credit Suisse Asset Management Co., Ltd. 工銀瑞信基金管理有限公司 ICBC Credit Suisse XinJin Money Market Fund* 工銀瑞信薪金貨幣市場基金	–	–	–	41	–
E Fund Management Co., Ltd. 易方達基金管理有限公司 E Fund Day Wealth Management Money Market Fund 易方達天天理財貨幣市場基金	–	–	–	36	–
Aegon-Industrial Fund Management Company Limited 興證全球基金管理有限公司 Aegon-Industrial Monetary Market Securities Investment Fund* 興全貨幣市場證券投資基金 Others	– –	– –	– –	27 7	– –
Others	15,000	15,000	15,000	50	0.03%
Total		444,274	444,274	4,553	0.90%

Investment strategies of money market funds

Unless otherwise specified, money market funds are funds generally investing in money market instruments with security and high liquidity. As the investment targets are mainly concentrated in short-term money market instruments, money market funds possess characteristics of high liquidity, low risk and relatively low return (but higher than deposits). The terms of investment targets generally are less than 1 year, and the investment scope mainly includes cash, bank fixed deposits, certificates of deposits, bonds with a remaining term of within 397 days, central bank notes with a term of within 1 year, bond repurchases, as well as other money market instruments with good liquidity approved by the CSRC and the People’s Bank of China.

GF Fund Management Co., Ltd. (廣發基金管理有限公司)

GF Fund RuiXuan FOF Single Asset Management Plan* (廣發基金睿選FOF單一資產管理計劃) is a hybrid single asset management plan. Under the premise of strict risk control, the plan pursues steady appreciation of the entrusted property during the entrusted period. The main investments include: 1. equity assets: publicly offered infrastructure securities investment funds (REITs); 2. fixed income assets: including treasury bonds, central bank notes, bank deposits, money market funds as well as exchange-traded and interbank market reverse repurchases; and 3. cash assets: bank demand deposits. The plan shall allocate a minimum of 80% of its total assets to publicly offered funds. The proportion of equity assets of the total assets of the asset management plan shall range from 20% to 100%. The proportion of fixed income assets within the total assets of the asset management plan shall fall between 0% and 80% (exclusive), while the ratio of cash assets shall range from 0% to 100% of the asset management plan.

CSC Financial Co., Ltd. (中信建投證券股份有限公司)

Under the premise of strictly controlling liquidity risks, CSC Financial ZhiDuoXin Monetary Type Assembled Asset Management Plan* (中信建投智多鑫貨幣型集合資產管理計劃) selects assets from top to bottom, striving to create investment returns for investors that exceed the performance comparison benchmark. This assembled plan invests in financial instruments permitted by laws, regulations and regulatory authorities, specifically as follows: 1. cash; 2. bank deposits, central bank bills, and interbank certificates of deposit with a term of within 1 year (including 1 year); 3. bond repurchases with a term of within 1 month; 4. treasury bonds, policy-based financial bonds, enterprise bonds, corporate bonds, short-term financing bonds, medium-term notes, ultra-short-term financing bonds with a remaining term of within 397 days (including 397 days); and 5. other money market instruments with good liquidity recognised by the CSRC. This assembled plan shall not invest in the following financial instruments: 1. stocks; 2. convertible bonds and exchangeable bonds; 3. floating rate bonds with the fixed deposit interest rate as the benchmark interest rate, except for those that have entered the last interest rate adjustment period; 4. enterprise bonds, corporate bonds, short-term financing bonds, medium-term notes with the principal credit rating and debt credit rating below the highest level, and ultra-short-term financing bonds with the principal credit rating below the highest level. When the issuer has credit ratings from more than two domestic rating agencies, the lower rating shall be determined in accordance with the principle of taking the lower one; and 5. other financial instruments prohibited from investment by the CSRC.

Financial Investment Products

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
China Construction Bank Corporation and CCB Wealth Management Co., Ltd.					
中國建設銀行股份有限公司及 建信理財有限責任公司					
QianYuan - RiXinYueYi (Daily) Open-end RMB Financial Investment Product*					
乾元－日鑫月溢（按日）開放式資產組合型 人民幣理財產品					
	5,200	5,200	5,200	8	0.01%
CCB Wealth Management “TianTianLi” (Daily) Open-end Investment Product*					
建信理財「天天利」按日開放式理財產品					
	–	–	–	65	–
CSC Financial Co., Ltd.					
中信建投證券股份有限公司					
CSC Financial Snowball ZengLi VIP No. 11 Assembled Assets Management Plan*					
中信建投雪球增利貴賓11號集合資產管理計劃					
	11,098	10,146	9,963	30,191	0.02%
Topsperity Securities Co., Ltd.					
德邦證券股份有限公司					
Tebon Assets Management XingRui Weekly Gain No. 1 Assembled Assets Management Plan*					
德邦資管星瑞周周盈1號集合資產管理計劃					
	–	–	–	5,760	–
AVIC Trust Company Limited					
中航信託股份有限公司					
AVIC Trust • TianQi No. [2020] 552 Sunac Qingdao One Sino Park Equity Investment Assembled Funds Trust Plan*					
中航信託 • 天啟[2020]552號融創青島壹號院 股權投資集合資金信託計劃					
	34,807	34,807	34,807	–	0.07%
Guotong Trust Co., Ltd.					
國通信託有限責任公司					
Guotong Trust • Zhongsheng No. 1 Single Fund Trust*					
國通信託 • 中勝1號單一資金信託					
	100,000	100,000	33,716	–	0.07%
Guotong Trust • Changyuan No. 1 Single Fund Trust*					
國通信託 • 昌源1號單一資金信託					
	70,000	70,000	13,897	–	0.03%

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
China Universal Asset Management Company Limited					
匯添富基金管理股份有限公司					
China Universal - Tianfuniu No. 116					
Assembled Assets Management Plan*					
匯添富－添富牛116號集合資產管理計劃	5,987	7,120	9,649	–	0.02%
Shanghai JunXi Investment Management Co., Ltd.					
上海君犀投資管理有限公司					
JunXi XiZhou No. 8 Private Equity Investment Fund*					
君犀犀舟8號私募證券投資基金	46,656	49,517	56,118	767	0.11%
Others	10,010	20,010	21,492	5,234	0.04%
Total		296,800	184,842	42,025	0.37%

Investment strategies of financial investment products

Unless otherwise specified, financial investment products are generally bank wealth management products issued by certain reputable banking institutions in the PRC. The investment strategies are with security and liquidity in priority, while pursuing appropriate level of returns. They mainly invest in cash assets, money market instruments, money market funds, standardised fixed income assets, non-standardised debt assets and other regulatory-compliant assets portfolios. On this basis, they may conduct reasonable allocations of debt assets, equity assets, other assets or asset combinations that comply with regulatory requirements, so as to further increase the return level.

China Construction Bank Corporation (中國建設銀行股份有限公司) and CCB Wealth Management Co., Ltd. (建信理財有限責任公司)

CCB Wealth Management “TianTianLi” (Daily) Open-end Investment Product* (建信理財「天天利」按日開放式理財產品) adopts active management investment strategy, and strives to improve product returns on the premise of controlling interest rate risk, minimising the fluctuation risk of net asset value of products and satisfying liquidity. The investment scope of this product is as follows: 1. cash; 2. bank deposits within 1 year (including 1 year), bond repurchases, central bank notes, interbank deposits; 3. bonds with a remaining term of

within 397 days (including 397 days), asset-backed securities issued in the interbank market and the stock exchange market; and 4. other monetary market instruments with good liquidity approved by the CBIRC and the People's Bank of China. The product shall not invest in the following financial instruments: (1) stocks; (2) convertible bonds and exchangeable bonds; (3) floating rate bonds with fixed deposit interest rate as the benchmark interest rate, except for those that have entered the last interest rate adjustment period; (4) bonds and asset-backed securities with credit rating below AA+; and (5) other financial instruments prohibited by the CBIRC and the People's Bank of China.

CSC Financial Co., Ltd. (中信建投證券股份有限公司)

CSC Financial Snowball ZengLi VIP No. 11 Assembled Assets Management Plan* (中信建投雪球增利貴賓11號集合資產管理計劃) invests primarily in commodities and financial derivative-based financial instruments striving to realise investment returns for the plan's assets under the premise of strict risk control. The assembled plan has an investment scope that covers fixed income assets as well as commodities and financial derivatives. Fixed income assets include bank deposits, money market funds, while commodities and financial derivatives include over-the-counter options, returns swaps and non-principal protected income certificates with a snowball structure. The investment proportion includes: (1) investment in fixed income assets shall represent 0% to 20% of its total assets; and (2) investment in commodities and financial derivatives shall represent 80% to 100% of its total assets.

Topsperity Securities Co., Ltd. (德邦證券股份有限公司)

Tebon Assets Management XingRui Weekly Gain No. 1 Assembled Assets Management Plan* (德邦資管星瑞周周盈1號集合資產管理計劃) is designed to achieve a steady appreciation of entrusted assets under the premises of strict risk control. The assembled plan mainly invests in the following areas: 1. asset-backed securities, asset-backed notes, debentures, subordinated bonds of financial institutions, corporate bonds, treasury bonds, local government bonds, financial bonds, central bank notes, short-term financing bonds, ultra short-term financing bonds, interbank certificates of deposit, medium-term notes, project income bonds, PPNs, bond repurchases, publicly issued convertible bonds, publicly issued exchangeable bonds which are issued domestically in accordance with laws as well as fixed-income securities permitted by laws and regulations; and 2. other cash management tools such as bond reverse repurchases, bank demand deposits and money market funds. The allocation proportion of the above categories of assets is as follows: 1. the proportion of fixed-income assets invested by the assembled plan shall not be less than 80% of the total assets of the assembled plan; and 2. the proportion of PPNs, non-public issued debentures, subordinated bonds of financial institutions, asset-backed securities and asset-backed notes invested by the assembled plan shall not be more than 60% of the total assets of the assembled plan, of which the total proportion of investment in asset-backed securities and asset-backed notes shall not exceed 20% of the net assets.

AVIC Trust Company Limited (中航信託股份有限公司)

AVIC Trust • TianQi No. [2020] 552 Sunac Qingdao One Sino Park Equity Investment Assembled Funds Trust Plan* (中航信託 • 天啟[2020]552號融創青島壹號院股權投資集合資金信託計劃) is limited to the amount of funds raised under the trust plan, and will contribute capital to Beijing Sunac Jiamao Information Consulting Co., Limited* (北京融創嘉茂信息諮詢有限公司, “**Beijing Sunac**”) on a 70%:30% basis with Sunac (Qingdao) Real Estate Co., Limited* (融創(青島)置地有限公司, “**Sunac Qingdao**”), after the transfer of 70% equity interest in Beijing Sunac from Sunac Qingdao. Beijing Sunac shall use the entire contribution to acquire from Sunac Qingdao a 50% equity interest in Qingdao Haozhong Real Estate Co., Limited* (青島浩中房地產有限公司) which is held by Qingdao Haiyue Wenhua Industrial Co., Limited* (青島海悅文華實業有限公司, “**Haiyue Wenhua**”) on Sunac Qingdao’s behalf, who is the effective holder, so that AVIC Trust can ultimately enjoy the investment income from the real estate projects to be developed and constructed on the land parcels in Laoshan District, Qingdao (the “**Qingdao Subject Project**”), through its indirect equity interest in Haiyue Wenhua by virtue of its shareholdings in Beijing Sunac. The Qingdao Subject Project is a luxury residential project located in Laoshan District, Qingdao, which lies within 3 km from the service area of the planned “Qingdao Jinjialing Financial Zone”. The project’s developer is Sunac China while AVIC Trust is responsible for its supervision. It is pledged with the project company’s equity interest.

Guotong Trust Co., Ltd. (國通信託有限責任公司)

Guotong Trust • Zhongsheng No. 1 Single Fund Trust* (國通信託 • 中勝1號單一資金信託) and Guotong Trust • Changyuan No. 1 Single Fund Trust* (國通信託 • 昌源1號單一資金信託) manage, utilise and distribute the trust properties for the benefits of the beneficiary in accordance with the wishes of the trustee, so as to preserve and enhance the value of the trust properties. Both trust funds will principally invest in: 1. publicly offered funds (e.g. equity funds, bond funds, hybrid funds, money market funds, LOF funds, ETF funds, etc.); 2. securities investment private equity funds registered with Asset Management Association of China (“AMAC”); 3. trust protection funds; and 4. others (bank deposits, money market funds, wealth management products offered by the banks under cash management category).

China Universal Asset Management Company Limited (匯添富基金管理股份有限公司)

China Universal - Tianfuniu No. 116 Assembled Assets Management Plan* (匯添富－添富牛116號集合資產管理計劃) pursues the steady appreciation of the entrusted asset under the premises of strictly controlling risk. The plan mainly invests in the following types of assets permitted by laws and regulations and regulatory institutions: (1) fixed income assets: treasury bonds, local government bonds, central bank notes, policy financial bonds, financial bonds, corporate bonds, debentures, perpetual bonds, medium-term notes, collective notes, short-term financing bonds, convertible bonds, exchangeable bonds, asset-backed securities and asset-backed notes, government supported institution bonds, private placement financing debt instruments (PPN), interbank certificates of deposit, bonds repurchase, bonds reverse repurchase, deposit; (2) equity assets: stocks and depositary receipts issued and listed in

accordance with laws, stocks within the scope of Stock Connect for South bound Trading, preferred shares; (3) commodities and financial derivative assets: stock index futures, treasury bond futures, stock options, stock index options, derivative assets limited to those traded on exchanges; and (4) equity investment fund: stock funds, bond funds, hybrid funds, money market funds, publicly offered infrastructure equity investment funds, QDII funds and other types of funds. This asset management plan is a hybrid plan, its investment in equity assets accounts for 0% to 95% of the total assets of the plan, while proportion of the contractual value in fixed income assets and futures do not exceed 80% of the total assets of the plan.

Shanghai JunXi Investment Management Co., Ltd. (上海君犀投資管理有限公司)

JunXi XiZhou No. 8 Private Equity Investment Fund* (君犀犀舟8號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The fund will carry out top-down approach asset allocation according to macroeconomic analysis and changes in the overall market valuation level, lowering market risk and pursuing higher return at the same time. The investment scope includes stocks issued and listed on the Shanghai or Shenzhen stock exchanges (limited to shares issued from the conversion of convertible bonds or exchangeable bonds only), bonds and asset-backed securities issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in interbank market, fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreement in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, publicly offered funds, bank financial investment products, asset management plans of securities companies, insurance companies and futures companies, asset management plans for specific clients of fund managers, privately offered funds issued by privately offered securities investment fund manager who are registered and published on the official website of the AMAC. The investment restrictions of the fund include: 1. it must not invest in funds without custodian or safekeeping financial institutions (commercial banks, securities companies); 2. it must not invest in partnership shares without filings in the AMAC; 3. it must not invest in inferior share of structured financial product, and the priority rating of invested asset-backed securities and asset-backed notes shall be AAA; 4. the fund's total fund asset value shall not exceed 160% of fund net asset value; 5. it must not participate in the subscription of non-public issued shares in stock exchange; and 6. the debt rating of invested debentures must be AA or above. If the invested debentures do not have a debt rating or their debt ratings do not reach AA or above, their issuer ratings shall be AA or above. Rate securities such as treasury bonds, policy financial bonds, local debts, etc., are not restricted by ratings.

Listed Bond Investments

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
Shanghai Longlife Investment Co., Ltd.					
上海久期投資有限公司					
Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund*					
久期津西純債1號私募證券投資基金	1,341	114,504	107,883	8,052	0.22%
Shanghai JunXi Investment Management Co., Ltd.					
上海君犀投資管理有限公司					
JunXi XiZhou No. 8 Private Equity Investment Fund*					
君犀犀舟8號私募證券投資基金	906	82,272	78,497	1,275	0.16%
China Futures Co., Ltd.					
中信建投期貨有限公司					
China Futures JinYing No. 1 Sole Asset Management Plan*					
中信建投期貨津盈1號單一資產管理計劃	3,080	311,636	313,273	3,171	0.63%
PingAn Trust Co., Ltd.					
平安信託有限責任公司					
PingAn Trust JinYing No. 2 Sole Fund Trust*					
平安信託津盈2號單一資金信託	3,140	317,587	318,726	2,557	0.64%
Shanghai Hesheng Asset Management Co., Ltd.					
上海合晟資產管理股份有限公司					
MingSheng No. 1 Private Investment Fund*					
明晟1號私募投資基金	1,677	169,750	172,534	1,043	0.35%
The National Trust Co., Ltd.					
國民信託有限公司					
The National Trust Hengyi No. 3 Bond Single Fund Trust*					
國民信託恒益3號債券單一資金信託	480	48,912	48,912	1,478	0.10%
Others	59	7,221	7,597	49	0.02%
Total		<u>1,051,882</u>	<u>1,047,422</u>	<u>17,625</u>	<u>2.12%</u>

Investment strategies of listed bond investments

Shanghai Longlife Investment Co., Ltd. (上海久期投資有限公司)

Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund* (久期津西純債1號私募證券投資基金) uses bonds as major investment subject. During different economic cycles, from the three dimensions of interest rate (duration), credit, and fixed income to carry out asset allocation, it strives to obtain steady return independent of economic cycle. In the aspect of risk control and strengthening return, it calculates the basic return from bond interest income. It sets a strict risk limit according to basic return level, so as to control drawdown risk. Within the risk limit, it adopts the approach of adjusting the duration of bonds, searching for wrongly priced debentures and fixed income assets' equity attributes, etc. to obtain excess return over basic return. The restrictions of the fund include: 1. it must not invest the fund assets in small to medium enterprises' private placement debts; and 2. debt or issuer ratings of corporate debts, debentures, convertible bonds, detachable convertible bond must be AA or above; debt rating of short-term financing bonds of A-1 and issuer rating must be A+ or above; private exchangeable bonds can be without rating.

Shanghai JunXi Investment Management Co., Ltd. (上海君犀投資管理有限公司)

JunXi XiZhou No. 8 Private Equity Investment Fund* (君犀犀舟8號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The fund will carry out top-down approach asset allocation according to macroeconomic analysis and changes in the overall market valuation level, lowering market risk and pursuing higher return at the same time. The investment scope includes stocks issued and listed on the Shanghai or Shenzhen stock exchanges (limited to shares issued from the conversion of convertible bonds or exchangeable bonds only), bonds and asset-backed securities issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in interbank market, fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreement in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, publicly offered funds, bank financial investment products, asset management plans of securities companies, insurance companies and futures companies, asset management plans for specific clients of fund managers, privately offered funds issued by privately offered securities investment fund manager who are registered and published on the official website of the AMAC. The investment restrictions of the fund include: 1. it must not invest in funds without custodian or safekeeping financial institutions (commercial banks, securities companies); 2. it must not invest in partnership shares without filings in the AMAC; 3. it must not invest in inferior share of structured financial product, and the priority rating of invested asset-backed securities and asset-backed notes shall be AAA; 4. the fund's total fund asset value shall not exceed 160% of fund net asset value; 5. it must not participate in the subscription of non-public issued shares in stock exchange; and 6. the debt rating of invested debentures must be AA or above. If the invested debentures do not have a debt rating or their debt ratings do not reach AA or above, their issuer ratings shall be AA or above. Rate securities such as treasury bonds, policy financial bonds, local debts, etc., are not restricted by ratings.

China Futures Co., Ltd. (中信建投期貨有限公司)

China Futures JinYing No. 1 Sole Asset Management Plan* (中信建投期貨津盈1號單一資產管理計劃) seeks to achieve long-term and stable returns under the premise of effective risk control. The plan invests in: fixed-income products including treasury bonds, central bank notes, financial bonds, local government bonds, corporate bonds, debentures, short-term financing bonds, ultra-short-term financing bonds, medium-term notes, project income notes, private placement note, subordinated bonds of securities companies, subordinated bonds of commercial banks, hybrid capital bonds, other financial institution bonds, insurance debentures, convertible bonds (including private placement), exchangeable bonds (including private placement), interbank certificates of deposit, publicly listed securitisation products of corporate/credit asset (excluding subordinated products), asset-backed notes (excluding subordinated products), each of which includes sustainable instruments; money market instruments and depositary instruments including negotiated deposits, interbank deposits, bond repurchases, bond reverse repurchases, money market funds and public bond funds; and derivatives including treasury bond futures and margin offsetting business of government bonds on various Futures Exchanges. The issuer and debt (if any) of the bonds invested by the plan shall have a credit rating not lower than AA.

PingAn Trust Co., Ltd. (平安信託有限責任公司)

PingAn Trust JinYing No. 2 Sole Fund Trust* (平安信託津盈2號單一資金信託) is an assembled funds trust with fixed income, which selects appropriate fixed income assets in accordance with the approach to use the entrusted properties as stipulated in the trust agreement, so as to build an investment portfolio that realises a long-term and stable appreciation for the assets. The trust invests in those varieties including: 1. fixed income varieties: treasury bonds, central bank notes, financing bonds, local government bonds, corporate bonds, debentures, short-term financing bonds, ultra short-term financing bonds, medium-term notes, project revenue notes, private placement financing debt instruments, subordinated bonds of securities companies, subordinated bonds of commercial banks, hybrid capital bonds, bonds of other financial institutions, bonds of insurance companies, convertible bonds (including private placement), exchangeable bonds, interbank certificates of deposits, publicly listed securitisation products of corporate/trusted assets (excluding subordinated), asset-backed notes (excluding subordinated), each of which includes permanent varieties; 2. money market instruments, publicly offered funds and deposits instruments: negotiated deposits, interbank deposits, bond repurchases, money market funds and publicly offered debt funds; 3. derivatives: treasury bonds, futures and margin offsetting business of treasury bonds on various futures exchanges; and 4. guaranteed funds in the trust business.

Shanghai Hesheng Asset Management Co., Ltd. (上海合晟資產管理股份有限公司)

MingSheng No. 1 Private Investment Fund* (明晟1號私募投資基金) realises long-term, continuous and stable appreciation for the assets of its clients under the premise of controlled risk. The fund deploys its assets with a top-down approach based on macro-economy analysis and changes in overall market valuation, aiming for higher returns with minimised market risks. The fund's investment scope covers: 1. bonds and asset-backed securities (including subordinated tranche) issued and traded in domestic stock exchanges or interbank market, asset-backed notes (including subordinated tranche) issued and traded in interbank market, standardised notes traded in interbank bond market, securities repurchases, pledge-style quoted repurchase in domestic stock exchanges; 2. publicly-offered funds; and 3. cash, bank deposits (including time deposits, demand deposits, negotiated deposit, structured deposits and other bank deposits), financial investment products from bank and interbank certificates of deposits.

The National Trust Co., Ltd. (國民信託有限公司)

The National Trust Hengyi No. 3 Bond Single Fund Trust* (國民信託恒益3號債券單一資金信託) entrusts the trustor's funds to the trustee for management to obtain investment returns for the trustor. The trust funds invest in the following financial instruments: 1. bank deposits, money market funds, bond funds, trust industry guarantee funds, etc.; and 2. standardised bonds, corporate bonds, company bonds, non-public directional debt financing instruments, short-term financing bills, ultra-short-term financing bills, medium-term notes, project revenue bonds, asset-backed securities, asset-backed notes, bond reverse repurchases, etc., which are listed and traded in the national inter-bank bond market and stock exchange markets. Investment restrictions include: 1. the proportion of investment in a single bond to the net value of the trust property shall be 0%-100%; 2. the proportion of investment in creditor's rights assets such as deposits and bonds shall not be less than 80%; 3. the trust property shall not be used for the purpose of fund lending, loans, mortgage financing or external guarantees, etc.; 4. the trust property shall not be used for investments that may bear unlimited liability or unlimited joint and several liabilities; 5. the trust property shall not be used for stock index futures investment, margin trading and short selling, or new share subscription; and 6. no investment shall be made in securities issued by entities that have or may have affiliated relationships with the trustee or the trustor.

Investment Funds

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
Beijing Yuhua Fund Management Co., Ltd.					
北京譽華基金管理有限公司					
Yuhua Key & Core Technology (Tangshan)					
Equity Investment Fund (Limited Partnership)*					
譽華硬科技（唐山）股權投資基金（有限合夥）	— ¹	20,000	20,000	—	0.04%
Shenzhen Bishuo Private Securities					
Fund Management Co., Ltd.*					
深圳碧燦私募證券基金管理有限公司					
Bishuo Huiyang No. 4 Private Securities					
Investment Fund*					
碧燦匯陽四號私募證券投資基金	31,902	35,000	34,706	—	0.07%
Beijing Ren Bridge Asset Management Co., Ltd.					
仁橋（北京）資產管理有限公司					
Ren Bridge JinXuanZeYuan Phase 11					
Private Securities Investment Fund*					
仁橋金選澤源11期私募證券投資基金	—	—	—	468	—
Y2 Capital Partners Limited					
Y2 ESG Opportunity Fund — Offshore	3	21,476	28,867	—	0.06%

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
Yian (Shanghai) Investment Co., Ltd. 翊安（上海）投資有限公司					
Yian Investment Convertible Bond No. 8 Private Securities Investment Fund*					
翊安投資可轉債8號私募證券投資基金	21,853	29,916	28,343	(77)	0.06%
Yian Investment Convertible Bond No. 9 Private Securities Investment Fund*					
翊安投資可轉債9號私募證券投資基金	29,516	29,727	31,228	(281)	0.06%
Two Sigma China Co., Ltd. 騰勝投資管理（上海）有限公司					
Two Sigma China Accumulative Macro Strategy No. 1 Private Securities Investment Fund*					
騰勝中國聚量宏觀策略1號私募證券投資基金	16,552	30,139	33,133	(686)	0.07%
Shanghai Hesheng Asset Management Co., Ltd. 上海合晟資產管理股份有限公司					
Hesheng Tonghui No. 72 Private Securities Investment Fund*					
合晟同暉72號私募證券投資基金	18,106	20,640	26,755	640	0.05%
Beijing Yizhuang International Technology Innovation Private Equity Fund Management Co., Ltd.* 北京亦莊國際科技創新私募基金管理有限公司					
Beijing Xinchuang Technology Phase 1 Venture Capital Centre (Limited Partnership)*					
北京芯創科技一期創業投資中心（有限合夥）	— ¹	30,000	30,000	—	0.06%
Shanghai Ruiliang Private Equity Fund Management Co., Ltd.* 上海睿量私募基金管理有限公司					
Ruiliang Yuanzi No. 1 Private Securities Investment Fund*					
睿量原子1號私募證券投資基金	478	1,305	1,723	6,390	<0.01%
Others	—	—	—	1,635	—

Name of the financial assets	Number of units held as at 30 June 2025 (^{'000})	Investment cost as at 30 June 2025 (RMB ^{'000})	Fair value as at 30 June 2025 (RMB ^{'000})	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB ^{'000})	Fair value to the total assets of the Group as at 30 June 2025
Beijing Fengquan Investment Management Co., Ltd.*					
北京楓泉投資管理有限公司					
Fengquan Jinghui Phase 1 Private Securities Investment Fund*					
楓泉景輝1期私募證券投資基金	7,156	17,869	22,541	(1,458)	0.05%
GF Fund Management Co., Ltd.					
廣發基金管理有限公司					
GF Fund RuiXuan FOF Single Asset Management Plan*					
廣發基金睿選FOF單一資產管理計劃	16,771	66,306	71,393	3,461	0.14%
Beijing Comb Fortune Investment Management Co., Ltd.					
北京蜂巢財富資本管理有限公司					
Comb Danxiang Stable Private Investment Fund*					
蜂巢丹享穩健私募投資基金	45,055	33,750	32,525	–	0.07%
Others	5,588	4,000	2,815	697	0.01%
Shanghai JunXi Investment Management Co., Ltd.					
上海君犀投資管理有限公司					
JunXi XiZhou No. 8 Private Equity Investment Fund*					
君犀犀舟8號私募證券投資基金	21,999	21,434	21,814	832	0.04%
Beijing Snowball Capital Management Co., Ltd.					
北京雪球私募基金管理有限公司					
Beijing Snowball ChangXue All-Weather GaoBo No. 3 Private Securities Investment Fund*					
北京雪球長雪全天候高波3號私募證券投資基金	–	–	–	(3,477)	–

Name of the financial assets	Number of units held as at 30 June 2025 (<i>'000</i>)	Investment cost as at 30 June 2025 (<i>RMB'000</i>)	Fair value as at 30 June 2025 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2025 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2025
Shanghai ChinaL Asset Management Company					
上海禪龍資產管理有限公司					
ChinaL Star No. 1 Private Securities Investment Fund*					
禪龍星辰1號私募證券投資基金	53,652	56,133	55,905	6,133	0.11%
ChinaL Fuyao No. 9 Private Securities Investment Fund*					
禪龍扶搖9號私募證券投資基金	50,150	50,000	52,608	–	0.11%
IFQuant					
亦賦私募基金管理（海南）有限公司					
IF Galaxy No. 3 CSI 500 Index Enhanced Private Securities Investment Fund*					
亦賦銀河3號中證500指數增強私募證券投資基金	24,943	30,975	33,119	1,289	0.07%
Dacheng Fund Management Co., Ltd.					
大成基金管理有限公司					
Dacheng Emerging Industry Mixed Securities Investment Fund*					
大成新銳產業混合型證券投資基金	–	–	–	3,186	–
Shenzhen Hongchou Investment Co., Ltd.*					
深圳市紅籌投資有限公司					
Hongchou No. 21 Private Securities Investment Fund*					
紅籌21號私募證券投資基金	30,000	30,000	32,859	–	0.07%
Shanghai Xiaoyong Private Equity Fund Management Co., Ltd.					
上海孝庸私募基金管理有限公司					
Xiaoyong Magic Cube Stock Preferred No. 1 Private Securities Investment Fund*					
孝庸魔方匯股票優選一號私募證券投資基金	41,234	75,000	85,304	702	0.17%

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
Hainan Chuiyun Private Equity Fund Management Partnership Enterprise (Limited Partnership)* 海南垂雲私募基金管理合夥企業（有限合夥） Chuiyun Zhongling No. 1 Private Securities Investment Fund*					
垂雲鐘靈1號私募證券投資基金	102,340	121,082	102,340	21,082	0.21%
Mingrui (Beijing) Capital Management Co., Ltd.* 明睿（北京）資本管理有限公司 Mingrui Xiaoyun Strategic Private Securities Investment Fund*					
明睿驍雲策略私募證券投資基金	15,821	20,000	21,438	–	0.04%
Beijing Caiyu Asset Management Enterprise (Limited Partnership) 北京才譽資產管理企業（有限合夥） Caiyu Xinyu China Value Multi-Strategy No. 2 Private Securities Investment Fund*					
才譽信譽中國價值多策略2號私募證券投資基金	17,500	19,703	24,302	(354)	0.05%
Others	39,006	39,528	39,441	7,979	0.08%
Total		<u>803,983</u>	<u>833,159</u>	<u>48,161</u>	<u>1.68%</u>

Note:

- These investments are presented by way of fair value instead of units.

Investment strategies of investment funds

Beijing Yuhua Fund Management Co., Ltd. (北京譽華基金管理有限公司)

Yuhua Key & Core Technology (Tangshan) Equity Investment Fund (Limited Partnership)* (譽華硬科技(唐山)股權投資基金(有限合夥)) realises capital appreciation of the fund and creates satisfactory investment return for investors by carrying out equity or equity related investments. The fund gives priority to investing in enterprises in Tangshan and enterprises importing related technology industry to Tangshan, and mainly invests in emerging industry with large development potential such as new generation information technology, high-end equipment manufacturing, new materials, etc.

*Shenzhen Bishuo Private Securities Fund Management Co., Ltd.** (深圳碧燦私募證券基金管理有限公司)

Bishuo Huiyang No. 4 Private Securities Investment Fund* (碧燦匯陽四號私募證券投資基金) is a contractual private placement investment fund. The goal is to construct an investment portfolio based on in-depth research, striving to achieve continuous steady appreciation of the fund assets. The investment scope of the fund includes: 1. equity: domestically legally issued and listed stocks, participation in margin trading and securities lending, lending held securities as margin securities to securities finance companies; 2. fixed income: bond repurchases; 3. cash management: cash, bank deposits, interbank certificates of deposit, large negotiable certificates of deposit, money market funds; 4. exchange-traded derivatives: derivatives listed and traded on exchanges; 5. spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange; and 6. others: publicly offered securities investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment products approved by laws and regulations or the CSRC for fund investment. The portfolio of the fund shall be subject to the following restrictions: 1. the private equity funds invested by the fund must have a custodian institution; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds issued by non-securities private fund managers.

Beijing Ren Bridge Asset Management Co., Ltd. (仁橋(北京)資產管理有限公司)

Ren Bridge JinXuanZeYuan Phase 11 Private Securities Investment Fund* (仁橋金選澤源11期私募證券投資基金) constructs investment portfolios based on in-depth research and seeks to achieve long-term stable investment returns under the premise of strict control of investment risks. The investment scope includes: (1) stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stock/hybrid publicly offered funds, and stocks within the scope of Stock Connect for Southbound Trading; (2) bonds traded on the stock exchange and in the interbank market (including only treasury bonds, financial bonds, debentures, corporate bonds, convertible bonds, and exchangeable bonds), repurchases and reverse repurchases of bonds traded on the stock exchange and in the interbank market, and publicly offered bond funds; (3) cash, bank deposits, money market funds; (4) options and futures listed on stock exchanges and futures exchanges, margin trading and short selling; and (5) income swaps traded only with China International Capital Corporation Limited or China CICC Wealth Management Securities Company Limited as counterparty, over-the-counter options traded only with China International Capital Corporation Limited or China CICC Wealth Management Securities Company Limited as counterparty. The fund shall not invest in subordinated/inferior shares of structured financial products.

Y2 Capital Partners Limited (“Y2 Capital”)

Y2 ESG Opportunity Fund – Offshore strives to generate consistent risk adjusted returns for investors through exploiting fundamental mispricing with a resilient portfolio of stocks in China/Asia, riding on their ESG transformation and scaling up the subsequent impacts. Y2 Capital employs a deep-dive fundamental equity long/short strategy integrating ESG risks/opportunities and potential regulations in the investment process. The fund’s investment scope includes: 1. focus on diversified sector verticals that are impacted by climate transition and demographic change; 2. long-term structural winners and misunderstood/overlooked stocks with fundamental mispricing but ESG/regulation resilience; 3. short companies that are on the wrong side of sustainability transition or regulation. Tactical shorts to hedge macro/sector risks; 4. moderate/low net exposure to protect downside and preserve capital; and 5. responsible ownership/engagement to lower risks and catalyse ESG improvement to maximise return.

Yian (Shanghai) Investment Co., Ltd. (翊安(上海)投資有限公司)

Yian Investment Convertible Bond No. 8 Private Securities Investment Fund* (翊安投資可轉債8號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives to achieve sustainable and stable appreciation of the fund's assets. Its investment scope includes: stocks issued and listed domestically in accordance with laws, new shares subscriptions, non-public traded shares of companies listed on the Shanghai and Shenzhen stock exchanges, stocks of companies listed on the selected tier under the National Equities Exchange and Quotations ("NEEQ"), preferred shares, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, public offered equity funds, public offered balanced funds, participation in margin trading and short selling, lending securities held in the fund as underlying of short sale to securities finance companies, bonds, bond repurchases, publicly offered bond funds, cash, bank deposits, interbank certificates of deposit, transferable certificates of large amount time deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, exchange-listed derivatives, income swaps, cross-border income swaps and over-the-counter options with institutional counterparties possessing corresponding business qualifications, interest rate swaps, asset-backed securities, asset-backed notes, income certificates issued by securities companies, and other varieties approved by laws and regulations or the CSRC for fund investment. The fund shall not invest in private investment funds issued by private equity fund managers of non-security types.

Yian Investment Convertible Bond No. 9 Private Securities Investment Fund* (翊安投資可轉債9號私募證券投資基金) builds its investment portfolio on the basis of in-depth research and aims to achieve stable investment returns. The investment scope includes: convertible bonds issued and listed domestically in accordance with laws, exchangeable bonds, bonds reverse repurchases, bonds repurchases, cash, treasury bonds, bank deposits, publicly offered securities investment funds. The investment restrictions include: 1. the fund shall not proactively buy stocks issued and listed domestically in accordance with laws, except for shares issued from the conversion of convertible bonds and exchangeable bonds; and 2. the fund's total assets shall not exceed 200% of its net assets.

Two Sigma China Co., Ltd. (騰勝投資管理(上海)有限公司)

Two Sigma China Accumulative Macro Strategy No. 1 Private Securities Investment Fund* (騰勝中國聚量宏觀策略1號私募證券投資基金) seeks to achieve absolute returns denominated in RMB with the investment risks managed to the greatest extent. Its investment scope includes: (1) cash and fixed income assets: cash, reverse repurchases, bank deposits, negotiated deposits, transferable certificates of large amount deposit, interbank certificates of deposit, money market funds, treasury bonds and policy financial bonds and their pledged repurchases, etc.; and (2) derivative assets: various derivatives listed on domestic exchanges, including China Financial Futures Exchange, Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai International Energy Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, Guangzhou Futures Exchange, Shanghai Gold Exchange, and other exchanges established under the permission of the State Council. The fund's investment portfolio shall be subject to the following restrictions: (A) the fund shall not invest in private equity funds under the custody of institutions that are not qualified to be entrusted with securities investment funds; (B) the fund shall not invest in equity interests of partnerships that are not registered with the AMAC; and (C) the fund shall not invest in the subordinated/inferior shares (except for public offered funds) of structured financial products.

Shanghai Hesheng Asset Management Co., Ltd. (上海合晟資產管理股份有限公司)

Hesheng Tonghui No. 72 Private Securities Investment Fund* (合晟同暉72號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives for long-term and stable investment returns under strict investment risk control. Its investment scope includes “Hesheng Tonghui No. 7 Private Securities Investment Fund* (合晟同暉7號私募證券投資基金)” managed by Shanghai Hesheng Asset Management Co., Ltd., cash, bank deposits and money market funds. The fund's investment portfolio shall be subject to the following restrictions: 1. the fund shall not invest in private equity funds that are not under the custody of institutions qualified to be entrusted with securities investment funds; and 2. the fund shall not invest in the subordinated/inferior shares (except for public offered funds) of structured financial products.

Beijing Yizhuang International Technology Innovation Private Equity Fund Management Co., Ltd. (北京亦莊國際科技創新私募基金管理有限公司)*

The business purpose of Beijing Xinchuang Technology Phase 1 Venture Capital Centre (Limited Partnership)* (北京芯創科技一期創業投資中心(有限合夥)) is to combine the relevant policies of Beijing Municipality on the development of small and medium-sized enterprises (SMEs) with the market-oriented operation of equity investment, to invest in SMEs in line with the urban function positioning of Beijing Municipality and relevant industrial policies, especially those technology-based and innovative SMEs in the early stage, the initial start-up period and the early and medium-term, to promote the development of SMEs, and to obtain good returns from the fund through professional management. The fund makes equity investments with its entire investment amount. The investment principles include: 1. focusing on investing in SMEs in the early stage, the initial start-up period and the early and medium-term which are in line with the urban functional positioning of Beijing Municipality and relevant industrial policies; 2. SMEs in the early stage and initial start-up period refer to enterprises that meet the classification standards of SMEs and the following conditions: (1) the establishment period shall not exceed 3 years; (2) the number of employees shall not exceed 200; (3) technical personnel directly engaged in research and development account for more than 20% of the total number of employees; (4) total assets shall not exceed RMB20 million; and (5) annual sales or turnover shall not exceed RMB30 million.

Shanghai Ruiliang Private Equity Fund Management Co., Ltd. (上海睿量私募基金管理有限公司)*

Ruiliang Yuanzi No. 1 Private Securities Investment Fund* (睿量原子1號私募證券投資基金) strives to generate stable income and returns for fund investors under the premise of strict control of investment risks. The investment scope of the fund includes: 1. stocks issued and listed in the PRC under the laws, companies' shares listed and traded in the NEEQ, depositary receipts, various investment products and instruments issued by the exchanges and various overseas exchanges that are approved by regulatory authorities for investment by domestic investors, public securities investment funds, bonds and different types of fixed income instruments (including but not limited to government bonds, central bank notes, financial bonds, local government bonds, corporate bonds, enterprise bonds, convertible bonds, exchangeable bonds, segregated convertible bonds, SME private placement bonds, subordinated bonds, medium-term notes, short-term financing bills, super short-term financing bills, interbank certificates of deposit, non-public targeted debt financing instruments, etc.), asset-backed securities, asset-backed notes, money market instruments, repurchase and reverse repurchase agreements, bond pledged repurchase agreements, margin trading and short selling, refinancing, futures, exchange-traded options, warrants, returns swap, income certificates, all products of the Shanghai Gold Exchange, other standardised trading products traded on trading venues agreed by the State Council and other standardised trading products recognised by other regulatory bodies; 2. private financial products: trust schemes, asset management schemes of securities companies and their subsidiaries on fund management, asset management schemes of fund managers and their subsidiaries, asset management schemes of insurance companies and their subsidiaries, asset management schemes of futures

companies and their subsidiaries, private securities investment funds issued by private fund management institutions and managed by custodians. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund's investment in a single money market fund shall not, by market value, exceed 100% of its total assets; 2. the fund's total assets shall not exceed 200% of its net assets; and 3. the fund shall not hold basic layer and innovative layer stocks with the aggregate amount exceeding 20% of the fund's net assets, when calculated at cost.

Beijing Fengquan Investment Management Co., Ltd. (北京楓泉投資管理有限公司)*

Fengquan Jinghui Phase 1 Private Securities Investment Fund* (楓泉景輝1期私募證券投資基金) seeks long-term appreciation of fund assets through the adoption of multi-dimensional investment strategies under the premise of strict risk control. The investment scope of the fund covers stocks listed and traded on the Shanghai and Shenzhen stock exchanges, bonds (including interbank bonds, exchange-traded bonds, convertible bonds, and exchangeable bonds), preferred stocks, securities repurchases, deposits, publicly-offered securities investment funds (including structured fund B, but excluding primary market subscription and redemption of non-monetary ETF funds), futures, exchange-traded options, warrants, asset-backed securities issued on exchanges or in the interbank market, income certificates of securities companies, return swaps, and over-the-counter options (limited to those with securities companies and their subsidiaries and subsidiaries of futures companies as counterparties as permitted by regulatory authorities). The fund may participate in margin trading and short selling, Stock Connect for Southbound Trading transactions, and new shares subscriptions, and may also utilise their holding securities as underlying of short sale lending to securities finance companies.

GF Fund Management Co., Ltd. (廣發基金管理有限公司)

GF Fund RuiXuan FOF Single Asset Management Plan* (廣發基金睿選FOF單一資產管理計劃) is a hybrid single asset management plan. Under the premise of strict risk control, the plan pursues steady appreciation of the entrusted property during the entrusted period. The main investments include: 1. equity assets: publicly offered infrastructure securities investment funds (REITs); 2. fixed income assets: including treasury bonds, central bank notes, bank deposits, money market funds as well as exchange-traded and interbank market reverse repurchases; and 3. cash assets: bank demand deposits. The plan shall allocate a minimum of 80% of the total assets of the asset management plan to publicly offered funds. The proportion of equity assets of the total assets of the asset management plan shall range from 20% to 100%. The proportion of fixed income assets of the asset management plan within the total assets of the asset management plan shall fall between 0% and 80% (exclusive), while the ratio of cash assets shall range from 0% to 100% of the total assets of the asset management plan.

Beijing Comb Fortune Investment Management Co., Ltd. (北京蜂巢財富資本管理有限公司)

Comb Danxiang Stable Private Investment Fund* (蜂巢丹享穩健私募投資基金) aims to seek stable investment returns for investors under the premise of strict risk control by fully leveraging on the asset manager's professional abilities in 'stock (bond) selection' and 'timing selection,' and fully utilise the company's resource advantages. The investment scope of this fund covers stocks listed and traded on domestic stock exchanges, bonds, preference shares, securities repurchases, deposits, public offered securities investment funds, futures, exchange-traded options, warrants, asset-backed securities, return swaps, over-the-counter options, trust schemes, asset management schemes of securities companies (including subsidiaries of such securities companies), specific client asset management schemes of fund managers (including subsidiaries of such fund managers), asset management schemes of futures companies (including subsidiaries of such futures companies), asset management schemes of insurance companies (including subsidiaries of such insurance companies), contractual private investment funds issued by private fund managers who are registered with the AMAC while being entrusted to institutions qualified for custody securities investment fund or under the comprehensive private fund services of institutions with relevant qualifications, and bank wealth management products. This fund may participate in margin trading and short selling, Stock Connect for Southbound Trading transactions, and new shares subscriptions, and the fund may also lend its held securities to securities finance companies as collateral for securities lending.

Shanghai JunXi Investment Management Co., Ltd. (上海君犀投資管理有限公司)

JunXi XiZhou No. 8 Private Equity Investment Fund* (君犀犀舟8號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The fund will carry out top-down approach asset allocation according to macroeconomic analysis and changes in the overall market valuation level, lowering market risk and pursuing higher return at the same time. The investment scope includes stocks issued and listed on the Shanghai or Shenzhen stock exchanges (limited to shares issued from the conversion of convertible bonds or exchangeable bonds only), bonds and asset-backed securities issued and traded in the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in interbank market, fixed income securities of securities companies, bond repurchases, pledge-style quoted repurchase agreement in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, publicly offered funds, bank financial investment products, asset management plans of securities companies, insurance companies and futures companies, asset management plans for specific clients of fund managers, privately offered funds issued by privately offered securities investment fund manager who are registered and published on the official website of the AMAC. The investment restrictions of the fund include: 1. it must not invest in funds without custodian or safekeeping financial institutions (commercial banks, securities companies); 2. it must not invest in partnership shares without filings in the AMAC; 3. it must not invest in inferior share of structured financial product, and the priority rating of invested asset-backed securities and asset-backed notes shall be AAA; 4. the fund's total fund asset value shall not exceed 160% of fund net asset value; 5. it must not participate in the subscription of non-public issued shares in stock exchange; and 6. the debt rating of invested debentures must be AA or above. If the invested debentures do not have a debt rating or their debt ratings do not reach AA or above, their issuer ratings shall be AA or above. Rate securities such as treasury bonds, policy financial bonds, local debts, etc., are not restricted by ratings.

Beijing Snowball Capital Management Co., Ltd. (北京雪球私募基金管理有限公司)

The Beijing Snowball ChangXue All-Weather GaoBo No. 3 Private Securities Investment Fund* (北京雪球長雪全天候高波3號私募證券投資基金) constructs its investment portfolio based on in-depth research and endeavors to achieve the continuous and stable appreciation of the fund assets. The investment scope of this fund includes: 1. equity category: stocks traded on stock exchanges, stocks of companies listed on the NEEQ, preferred stocks, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, participation in margin trading and securities lending, and lending the held securities as the target securities for securities lending to securities financial companies; 2. cash management category: cash, bank deposits, negotiable certificates of deposit among financial institutions, large-denomination negotiable certificates of deposit, money market funds; 3. on-exchange derivatives: derivatives listed and traded on exchanges; 4. off-exchange derivatives: total return swaps, over-the-counter options, and interest rate swaps with institutions having corresponding business qualifications as the counterparty; 5. spot deferred delivery contract varieties listed and traded on the Shanghai Gold Exchange; and 6. others: publicly offered securities investment funds, asset-backed securities, yield warrants issued by securities companies, and other investment varieties that are permitted by laws, regulations or the CSRC for fund investment. The investment portfolio of this fund will comply with the following restrictions: 1. the private equity investment funds in which this fund invests must have a custodian institution; 2. the total value of the fund assets of this fund shall not exceed 200% of the net value of the fund assets; 3. this fund shall not invest in non-securities private equity investment funds; and 4. other investment restrictions stipulated by laws, regulations or regulatory authorities.

Shanghai ChinaL Asset Management Company (上海禪龍資產管理有限公司)

ChinaL Star No. 1 Private Securities Investment Fund* (禪龍星辰1號私募證券投資基金) constructs investment portfolios based on in-depth research, so as to achieve long-term and stable investment returns under the premise of rigid control of investment risks. The investment scope includes: stocks issued and listed on the Shanghai or Shenzhen stock exchanges, companies' shares listed and traded in the selected tier of the NEEQ, stocks within the scope of the Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference shares issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond repurchases, pledge-style quoted repurchase agreements on the Shanghai or Shenzhen stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, futures listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, options listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, warrants traded on stock exchanges, contracts listed on the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties (including only return swaps and over-the-counter options), publicly offered funds, bank wealth management

products, trust plans, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of fund companies and their subsidiaries, private funds issued by private securities investment fund managers registered on the official website of the AMAC. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in private funds entrusted to an institution without the qualification to custody securities investment funds; 2. the fund shall not invest in subordinated/inferior shares of structured financial products; 3. the total assets of the fund shall not exceed 200% of the fund's net assets; 4. the depositary receipts held in the fund shall not exceed 100% of the fund's net asset value by market value in aggregate; 5. the fund shall not participate in the subscription of non-public issued shares of listed companies on the Shanghai and Shenzhen stock exchanges; and 6. the fund's investment in stocks of companies listed on the selected tier of the NEEQ, measured by market value in aggregate, shall not exceed 100% of the fund's total assets.

ChinaL Fuyao No. 9 Private Securities Investment Fund* (禪龍扶搖9號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives to achieve long-term and stable investment returns under the premise of strict control of investment risks. The investment scope includes stocks issued and listed on the Shanghai and Shenzhen Stock Exchanges, stocks within the target scope of Stock Connect, depositary receipts issued and listed on the Shanghai and Shenzhen Stock Exchanges, preferred stocks issued and listed on stock exchanges, bonds and asset-backed securities issued and traded on the Shanghai and Shenzhen Stock Exchanges or the interbank market, asset-backed notes issued and traded on the interbank market, securities company income certificates, bond repurchases, pledged-style quoted repurchases on the Shanghai and Shenzhen Stock Exchanges, cash, bank deposits, interbank certificates of deposit, margin financing and securities lending, refinancing securities lending, stock index futures, commodity futures, treasury bond futures, stock options and commodity options listed on stock exchanges and futures exchanges, warrants listed on stock exchanges, contract varieties listed on the Shanghai Gold Exchange, public funds, bank wealth management products, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, specific client asset management plans of fund companies and their subsidiaries, private funds issued by registered private securities investment fund managers publicly disclosed on the official website of the AMAC, trust plans, and over-the-counter derivatives in the securities and futures market with only securities companies/futures companies/banks and their subsidiaries as counterparties. The investment portfolio of the fund's assets shall comply with the following restrictions: 1. the fund shall not invest in private funds that are not custodied by institutions with securities investment fund custody qualifications; 2. the fund shall not invest in partnership interests that are not filed with the AMAC; 3. the fund shall not invest in subordinated/inferior tranches of structured financial products; 4. the ratio of the total value of the fund's assets to the net asset

value of the fund shall not exceed 200%; 5. the fund shall not participate in subscribing to non-publicly offered stocks on stock exchanges; 6. the aggregate market value of depositary receipts held by the fund shall not exceed 100% of the fund's net asset value; and 7. if the fund invests in trust plans, the funds shall not be used to invest in the following targets: non-standard debt assets, equities of unlisted enterprises, other asset management products and private funds except publicly offered securities investment funds, and various asset income rights.

IFQuant (亦賦私募基金管理(海南)有限公司)

IF Galaxy No. 3 CSI 500 Index Enhanced Private Securities Investment Fund* (亦賦銀河3號中證500指數增強私募證券投資基金) aims to construct investment portfolios based on in-depth research, striving to achieve sustainable and stable growth of the fund's assets. The investment scope of the fund includes: domestically legally issued and listed stocks, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, participation in margin trading and short selling, lending held securities as underlying securities for short selling to securities finance companies, bonds, bond repurchases, pledge-style quoted repurchase agreements, cash, bank deposits, interbank certificates of deposit, large negotiable fixed-term certificates of deposit, money market funds, spot deferred settlement contracts listed and traded on the Shanghai Gold Exchange, derivatives listed and traded on exchanges, income swaps with institutions having corresponding business qualifications as counterparties, interest rate swaps, publicly offered securities investment funds, asset management plans of fund companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, trust plans, private investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment varieties permitted by laws, regulations or the CSRC for fund investment. The portfolio of the fund shall be subject to the following restrictions: 1. the private equity funds invested by the fund must have a custodian institution; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds issued by non-securities private fund managers.

Dacheng Fund Management Co., Ltd. (大成基金管理有限公司)

Dacheng Emerging Industry Mixed Securities Investment Fund* (大成新銳產業混合型證券投資基金) mainly invests in high-quality listed companies in emerging industry to share the growth benefits of emerging force economic growth in China and to pursue the long-term steady appreciation of the fund's assets. The fund adopts a combination of top-down and bottom-up investment strategies, fully explores the investment themes of the emerging industries and selects high-quality stocks of listed companies in the relevant industries in pursuit of excess returns while effectively controlling investment risks. This fund invests in financial instruments with good liquidity, including domestic legally issued and listed stocks, depositary receipts, bonds, money market instruments, bank deposits, warrants, asset-backed securities, stock index futures, and other financial instruments permitted by laws, regulations or regulatory authorities to be invested in by the fund. The proportion of equity assets and depositary receipts to this fund's assets ranges from 60% to 95%; cash (excluding settlement funds, deposited deposits, subscription receivables, etc.) and government bonds with a maturity of less than one year shall not be less than 5% of the fund's net asset value; the proportion of investment in warrants, stock index futures and other financial instruments shall be in accordance with the provisions of laws, regulations and supervisory authorities; this fund will invest more than 80% of its assets in stocks and depositary receipts related to emerging industries.

Shenzhen Hongchou Investment Co., Ltd. (深圳市紅籌投資有限公司)*

Hongchou No. 21 Private Securities Investment Fund* (紅籌21號私募證券投資基金) constructs investment portfolios based on in-depth research and seeks to achieve long-term stable investment returns while strictly controlling investment risks. The investment scope includes: 1. equity: stocks traded on the Shanghai and Shenzhen Stock Exchanges and depositary receipts traded on the Stock Exchanges; 2. fixed income: bank demand deposits, cash, securities exchange pledged quotation repurchase, convertible bonds, bond general pledged repurchase; 3. futures and derivatives: over-the-counter derivatives (income swaps only), futures traded on the Stock Exchanges and Futures Exchanges; and 4. others: securities permitted to be invested in under the mechanism of interconnection and interoperability between Domestic and Overseas Securities Markets (境內與境外證券市場互聯互通機制), public funds, securities lending and borrowing transactions under the transfer and financing facility, and securities financing transactions.

Shanghai Xiaoyong Private Equity Fund Management Co., Ltd. (上海孝庸私募基金管理有限公司)

Xiaoyong Magic Cube Stock Preferred No. 1 Private Securities Investment Fund* (孝庸魔方匯股票優選一號私募證券投資基金) aims to achieve long-term, sustainable and stable appreciation of client assets while controlling risks. This fund selects stocks through data analysis and data modelling, and buys and holds them to gain excess returns. This fund's investment scope includes items listed and traded on domestic stock exchanges (referring to stocks, depositary receipts, preferred stocks and warrants), items listed and traded on the NEEQ (including stocks, convertible corporate bonds and other securities), interest rate bonds, convertible bonds (excluding non-publicly-traded corporate bonds), bond general pledged repurchase (including treasury reverse repurchase and other bond general pledged repurchase), deposits, publicly offered securities investment funds, futures, exchange-traded options, standardised notes traded in the interbank bond market, asset-backed securities and asset-backed notes issued on exchanges or between banks (but excluding subordinated ones), securities companies' certificates of income, income swaps (including cross-border income swaps) and over-the-counter options, items traded on the Shanghai Gold Exchange, and interest rate swaps traded in the interbank market. The fund may participate in the subscription of new shares, securities financing transactions, lend securities held by this fund to securities finance companies as the underlying securities for securities financing, and may also invest in items in line with the investment scope stipulated in the contract through the Hong Kong Stock Connect (港股通) and other trading interconnection mechanisms.

Hainan Chuiyun Private Fund Management Partnership Enterprise (Limited Partnership) (海南垂雲私募基金管理合夥企業(有限合夥))*

Chuiyun Zhongling No. 1 Private Securities Investment Fund* (垂雲鐘靈1號私募證券投資基金) constructs its investment portfolio based on in-depth research. With the precondition of strictly controlling investment risks, it endeavors to achieve long-term and stable investment returns. The investment scope of this fund includes stocks traded on stock exchanges, securities permitted for investment under the interconnection mechanism between domestic and overseas securities markets, depositary receipts traded on stock exchanges, bonds traded on stock exchanges or in the inter-bank market, asset-backed securities traded on stock exchanges or in the inter-bank market, asset-backed notes and standardised notes traded in the inter-bank market, yield warrants of securities companies, bond repurchases, pledged quoted repurchases on stock exchanges, cash, bank deposits, interbank certificates of deposit, margin trading and short selling transactions, securities lending transactions of transferable financing, derivatives traded on stock exchanges and futures exchanges, contract varieties traded on the Shanghai Gold Exchange, public offering funds, bank wealth management products, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of fund management companies and their subsidiaries, private equity funds issued by private securities investment fund managers whose registration information is publicly announced on the official website of the AMAC, over-

the-counter derivatives in the securities and futures markets with only securities companies/futures companies/banks and their subsidiaries as counterparties, credit protection instruments on stock exchanges, financial derivatives in the inter-bank market, and trust plans. The investment portfolio of this fund's property should abide by the following restrictions: 1. this fund shall not invest in the subordinated/inferior shares of structured financial products; 2. the ratio of the total value of the fund assets of this fund to the net value of the fund's assets shall not exceed 200%; 3. the combined market value of the depositary receipts held by this fund shall not exceed 100% of the net value of the fund's assets; and 4. this fund shall not invest in private equity funds that are not entrusted to institutions with the qualification for custody of securities investment funds.

Mingrui (Beijing) Capital Management Co., Ltd. (明睿(北京)資本管理有限公司)*

Mingrui Xiaoyun Strategy Private Securities Investment Fund* (明睿驍雲策略私募證券投資基金) pursues the appreciation of the fund's assets on the premise of risk control. The investment scope of the fund comprises: 1. stocks, options, bonds, bond repurchases, bond reverse repurchases and other financial products listed and traded on the Shanghai Stock Exchange, Shenzhen Stock Exchange and NEEQ; 2. stock trading under Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect; 3. depositary receipts and Shanghai-London Stock Connect; 4. futures, options and other financial products listed and traded on the China Financial Futures Exchange, Shanghai Futures Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai International Energy Exchange Center, etc., 5. financial products listed and traded in the interbank market; 6. central bank bills; 7. financial products listed and traded on the Shanghai Gold Exchange; 8. margin financing and securities lending; 9. refinancing securities lending; 10. derivatives with securities companies as counterparties, including income swaps, income certificates and over-the-counter options; 11. derivatives transactions with futures companies and their subsidiaries as counterparties; 12. bank wealth management products, bank deposits, money market funds and cash; 13. publicly offered securities investment funds; and 14. asset management products issued by securities companies or their asset management subsidiaries, fund management companies or their subsidiaries, futures companies or their subsidiaries, insurance companies or their subsidiaries, private securities investment funds, and trust products. Investment restrictions include: 1. during the duration of the fund, the ratio of the fund's total assets to net assets shall not exceed 200%; 2. private investment funds directly invested by the fund shall be custodied by custodians established in accordance with the law and holding fund custodian qualifications; 3. the market value of the fund's assets invested in stocks listed and traded on the NEEQ shall not exceed 20% of the fund's net assets; 4. the market value of investments in a single depositary receipt shall not exceed 70% of the fund's net assets; 5. the amount invested in a single Shanghai-London Stock Connect instrument shall not exceed 70% of the total asset value of the fund; and 6. the fund shall not engage in physical delivery of gold.

Beijing Caiyu Asset Management Enterprise (Limited Partnership) (北京才譽資產管理企業(有限合夥))

Caiyu Xinyu China Value Multi-Strategy No. 2 Private Securities Investment Fund* (才譽信譽中國價值多策略2號私募證券投資基金) constructs its investment portfolio based on in-depth research and strives to achieve long-term and stable investment returns under the premise of strict control of investment risks. The investment scope includes stocks traded on the Shanghai and Shenzhen Stock Exchanges, securities permitted to be invested under the interconnection mechanisms between domestic and overseas securities markets, depositary receipts traded on stock exchanges, bonds traded on stock exchanges or the interbank market, asset-backed securities traded on stock exchanges or the interbank market, asset-backed notes and standardised notes traded on the interbank market, securities company income certificates, bond reverse repurchases, pledged-style quoted repurchases on stock exchanges, cash, bank deposits, interbank certificates of deposit, margin trading and short selling, refinancing securities lending, derivatives traded on stock exchanges and futures exchanges, contract varieties traded on the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with only securities companies/futures companies/banks and their subsidiaries as counterparties, and public funds. The investment portfolio of the fund's assets shall comply with the following restrictions: 1. the fund shall not invest in subordinated/inferior tranches of structured financial products; 2. the ratio of the total value of the fund's assets to the net asset value of the fund shall not exceed 200%; 3. the aggregate market value of depositary receipts held by the fund shall not exceed 100% of the net asset value of the fund; 4. the cost of a single bond held by the fund shall not exceed 20% of the net asset value of the fund; 5. the market value of a single stock held by the fund shall not exceed 20% of the net asset value of the fund; 6. the total amount of premiums paid and received for stock option contracts held by the fund shall not exceed 20% of the net asset value of the fund; and 7. the margin for positions in the fund's futures accounts shall not exceed 30% of the net asset value of the fund.

Listed Equity Interests

Name of the financial assets	Number of units held as at 30 June 2025 (‘000)	Investment cost as at 30 June 2025 (RMB‘000)	Fair value as at 30 June 2025 (RMB‘000)	Realised investment income/(loss) for the six months ended 30 June 2025 (RMB‘000)	Fair value to the total assets of the Group as at 30 June 2025
China Risun Group Limited	approximately 97.09 million shares	170,560	223,998	2,141	0.45%
China Asset Management Co., Ltd. 華夏基金管理有限公司 ChinaAMC Future XinShi SiXiang No. 2 Private Securities Investment Fund [*] 華夏未來鑫時私享2號私募證券投資基金	—	—	—	100	—
CSC Financial Co., Ltd. 中信建投證券股份有限公司 China Vanke Co., Ltd. 萬科企業股份有限公司	—	—	—	36	—
Poly Developments and Holdings Group Co., Ltd. 保利發展控股集團股份有限公司	5,300	49,056	42,930	114	0.09%
Hunan Valin Steel Co., Ltd. 湖南華菱鋼鐵股份有限公司	2,000	10,013	8,800	7,896	0.02%
Others ¹	700	5,969	5,778	405	0.01%
Beijing Ziwei Private Equity Fund Management Co., Ltd.* 北京紫薇私募基金管理有限公司 Ziwei Jinxi No. 7 Private Securities Investment Fund [*] 紫薇津汐7號私募證券投資基金	152	8,227	10,671	(4,041)	0.02%
Shenzhen Bishuo Private Securities Fund Management Co., Ltd.* 深圳碧燦私募證券基金管理有限公司 Bishuo New Starting Point No. 4 Private Securities Investment Fund [*] 碧燦新起點四號私募證券投資基金	21,548	22,000	22,733	—	0.05%
Beijing Comb Fortune Investment Management Co., Ltd. 北京蜂巢財富資本管理有限公司 Comb Jinyuan No. 1 Private Equity Securities Investment Fund [*] 蜂巢津遠1號私募證券投資基金	1,322	15,709	15,390	2,355	0.03%
Shanghai Longlife Investment Co., Ltd. 上海久期投資有限公司 Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund [*] 久期津西純債1號私募證券投資基金	890	14,936	16,294	1,050	0.03%
Beijing Wellspring Capital Management Co., Ltd. 北京清和泉資本管理有限公司 Wellspring Value Stable Phase 7A Private Securities Investment Fund [*] 清和泉價值穩健7期A私募證券投資基金	—	—	—	1,557	—
Yinshang Huijin Investment Management Co., Ltd. 烏蘭察布銀商匯金投資管理有限公司 Yinshang Huijin - Jinxi No. 1 Private Securities Investment Fund [*] 銀商匯金—津西1號私募證券投資基金	83	7,030	6,673	2,686	0.01%
Others¹	20,186	35,042	28,962	3,686	0.06%
Total		338,542	382,229	17,985	0.77%

Note:

1. The number of shares held by the Group in each of the companies represents less than 1% of their issued shares.

Investment strategies of listed equity interests

China Risun Group Limited (“Risun Group”)

During the year ended 31 December 2018, the Company subscribed for approximately 24.80 million shares of Risun Group, representing approximately 2.58% of its enlarged registered capital, at a cash consideration of approximately RMB128 million. During the year ended 31 December 2021 and 31 December 2022, the Company further acquired 7.50 million shares and 2.01 million shares of Risun Group from the open market on the exchange respectively, representing approximately 0.17% and 0.05% of its registered share capital. As at 30 June 2025, the Company’s shareholding of Risun Group represented approximately 2.18% of its registered capital. Risun Group was incorporated in 1995. It is a large-scale enterprise group with principal business of producing, and domestic and foreign trading of coal chemical products. It is a leading enterprise in China’s coke and coal chemicals, also being one of the major suppliers of coke of the Group. Risun Group was listed on main board of the Stock Exchange on 15 March 2019 with stock code 1907. During the six months ended 30 June 2025, dividend income received from Risun Group was approximately RMB2.1 million which was classified as realised investment income.

China Asset Management Co., Ltd. (華夏基金管理有限公司)

ChinaAMC Future XinShi SiXiang No. 2 Private Securities Investment Fund* (華夏未來鑫時私享2號私募證券投資基金) constructs an investment portfolio based on in-depth research. It seeks to achieve stable and long-term investment returns under the premise of strict control of investment risks. The fund invests in stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stocks of companies listed on the selected tier under the NEEQ, stocks within the underlying scope of Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference stocks issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or in the interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or in the interbank market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond reverse repurchases, cash, bank deposits, interbank certificates of deposit, financing bill transactions, securities lending through transfer facilities (i.e. the fund lends its holding of securities to securities finance companies as the underlying securities for financing), futures listed on the Shanghai or Shenzhen stock exchanges and Futures Exchange, options listed on the Shanghai or Shenzhen stock exchanges and Futures Exchange, contractual products listed on the Shanghai Gold Exchange, over-the-counter derivatives (including but not limited to income swaps and over-the-counter options) in the securities and futures market with only securities companies/futures companies/banks and their subsidiaries as counterparties, public-offered fund and bank wealth management products. The fund’s investment portfolio shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products (inclusive of asset securitisation products); 2. the fund shall not participate in the subscription of non-publicly issued shares; and 3. the fund shall not invest in shares of ST, *ST, S, SST, S*ST.

During the six months ended 30 June 2025, the Group made direct short-term equity investments on the stock exchange to acquire shares of individual listed companies with competitive advantages in the real estate, steel, etc. industry with relatively attractive stock prices. The major investment targets included companies listed on the A-share market in the PRC, such as Poly Developments and Holdings Group Co., Ltd. (保利發展控股集團股份有限公司) (“**Poly Developments**”), Hunan Valin Steel Co., Ltd. (湖南華菱鋼鐵股份有限公司) (“**Valin Steel**”) and a number of other companies listed on the A-share market in the PRC.

Since the year of 2023, the Group acquired shares of Poly Developments, a company listed on the Shanghai Stock Exchange (stock code: 600048), directly from the open market on the exchange as an equity investment. As at 30 June 2025, the number of shares held by the Group in Poly Developments accounted for less than 1% of its issued shares. Poly Developments is a leading enterprise in the real estate industry, principally engaging in real estate development and sales, property services, territorial management, sales agency, commercial management, real estate finance, etc. Poly Developments has been first among the central enterprises of the real estate industry for many years. Poly Developments ranked 243rd on the 2024 Forbes Global 2000 List.

Since the year of 2022, the Group acquired shares of Valin Steel, a company listed on the Shenzhen Stock Exchange (stock code: 000932), directly from the open market on the exchange as equity investment. As at 30 June 2025, the shares of Valin Steel held by the Group accounted for less than 1% of its issued shares. Valin Steel is principally engaged in the production and sale of steel products with production bases established in Xiangtan, Loudi and Hengyang in Hunan Province and Yangjiang City in Guangdong Province. It possesses technical equipment for the entire process of coking, sintering, ironmaking, steelmaking, rolling mill and steel products deep processing, etc. It is one of the top ten steel enterprises in the PRC with industry-leading primary equipment and production technology.

During the six months ended 30 June 2025, dividend incomes received from Poly Developments, Valin Steel and others were nil, approximately RMB0.2 million and approximately RMB0.1 million respectively, which were classified as realised investment income.

*Beijing Ziwei Private Equity Fund Management Co., Ltd.** (北京紫薇私募基金管理有限公司)

Ziwei Jinxi No. 7 Private Securities Investment Fund* (紫薇津汐7號私募證券投資基金) aims to build an investment portfolio based on in-depth research and strives to achieve long-term stable investment returns under the premise of strictly controlling investment risks. The investment scope of the fund includes stocks listed on stock exchanges, securities allowed for investment under the Stock Connect Arrangement of the Domestic and Overseas Securities Markets (境內與境外證券市場互聯互通機制), depositary receipts traded on stock exchanges, bonds traded on stock exchanges or interbank markets, asset-backed securities traded on stock exchanges or interbank markets, asset-backed notes and standardised notes traded on interbank markets, securities company income certificates, bond repurchases, bond reverse repurchase, pledge-style quoted repurchase on the stock exchanges, cash, bank deposits, interbank certificates of deposit, margin trading and short selling, refinancing securities lending, derivatives traded on stock exchanges and futures exchanges, contracts traded on Shanghai Gold Exchange, over-the-counter derivatives on the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties, public funds, bank wealth management products, trust plans, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of fund companies and their subsidiaries, and private equity funds issued by registered private securities investment fund managers published on the official website of the AMAC. The investment portfolio of the fund's properties shall be subject to the following restrictions: 1. the fund shall not invest in private funds that are not under the custody of institutions qualified to be entrusted with securities investment funds; 2. the fund shall not invest in the subordinated/inferior shares of structured financial products; 3. the fund's total fund asset value shall not exceed 200% of the fund's net asset value; 4. the depositary receipts held in the fund, when calculated in aggregation by market value, shall not exceed 100% of the fund's net asset value; 5. the balance of funds from the repurchase of bonds held by the fund shall not exceed 100% of the net asset value of the fund; and 6. the individual bond held by the fund, when calculated in aggregation by cost, shall not exceed 25% of the net asset value of the fund.

*Shenzhen Bishuo Private Securities Fund Management Co., Ltd.** (深圳碧燦私募證券基金管理有限公司)

Bishuo New Starting Point No. 4 Private Securities Investment Fund* (碧燦新起點四號私募證券投資基金) constructs investment portfolios based on in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope includes: stocks issued and listed on the Shanghai or Shenzhen stock exchanges, stocks within the scope of the Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai or Shenzhen stock exchanges, preference shares issued and traded on the Shanghai or Shenzhen stock exchanges, bonds issued and traded on the Shanghai or Shenzhen stock exchanges or interbank market, asset-backed securities issued and traded on the Shanghai or Shenzhen stock exchanges or interbank

market, asset-backed notes issued and traded in the interbank market, income certificates of securities companies, bond reverse repurchases, pledge-style quoted repurchase agreements in the Shanghai or Shenzhen stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending transactions, futures listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, options listed on the Shanghai or Shenzhen stock exchanges and futures exchanges, warrants of stock exchanges, contracts listed on the Shanghai Gold Exchange, publicly offered funds, bank wealth management products, and asset management plans of securities companies and their subsidiaries. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products; 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the depositary receipts held in the fund, measured by market value in aggregate, shall not exceed 100% of the fund's net asset value.

Beijing Comb Fortune Investment Management Co., Ltd. (北京蜂巢財富資本管理有限公司)

Based on in-depth research, Comb Jinyuan No. 1 Private Equity Securities Investment Fund*(蜂巢津遠1號私募證券投資基金) constructs an investment portfolio, striving to achieve the continuous and stable appreciation of the fund's assets. The investment scope of this fund is as follows: domestic legally issued and listed stocks, new share subscriptions, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, depositary receipts, equity public offering funds, hybrid public offering funds, participation in margin trading and securities lending, lending the held securities as underlying securities for securities lending to securities finance companies, bonds, bond repurchases, bond public offering funds, cash, bank deposits, interbank certificates of deposit, large-denomination negotiable certificates of deposit, money market funds, spot deferred settlement contract varieties listed and traded on the Shanghai Gold Exchange, derivatives listed and traded on exchanges, income swaps with institutions having corresponding business qualifications as counterparties, cross-border income swaps, over-the-counter options, interest rate swaps, asset management plans of fund companies and their subsidiaries, asset management plans of futures companies and their subsidiaries, asset management plans of securities companies and their subsidiaries, asset management plans of insurance companies and their subsidiaries, trust plans, private investment funds, asset-backed securities, bank wealth management products, income certificates issued by securities companies, and other investment varieties permitted by laws, regulations or the CSRC for fund investment.

Shanghai Longlife Investment Co., Ltd. (上海久期投資有限公司)

Longlife Jinxi Pure Bond No. 1 Private Equity Investment Fund* (久期津西純債1號私募證券投資基金) uses bonds as major investment subject. During different economic cycles, from the three dimensions of interest rate (duration), credit, and fixed income to carry out asset allocation, it strives to obtain steady return independent of economic cycle. In the aspect of risk control and strengthening return, it calculates the basic return from bond interest income. It sets a strict risk limit according to basic return level, so as to control drawdown risk. Within the risk limit, it adopts the approach of adjusting the duration of bonds, searching for wrongly

priced debentures and fixed income assets' equity attributes, etc. to obtain excess return over basic return. The restrictions of the fund include: 1. it must not invest the fund assets in small to medium enterprises' private placement debts; and 2. debt or issuer ratings of corporate debts, debentures, convertible bonds, detachable convertible bond must be AA or above; debt rating of short-term financing bonds of A-1 and issuer rating must be A+ or above; private exchangeable bonds can be without rating.

Beijing Wellspring Capital Management Co., Ltd. (北京清和泉資本管理有限公司)

Wellspring Value Stable Phase 7A Private Securities Investment Fund* (清和泉價值穩健7期A私募證券投資基金) constructs an investment portfolio based on in-depth research, and seeks to achieve long-term and stable investment returns under the premise of strict control of investment risks. The fund's investment scope includes cash, bank deposits, bank wealth management products and money market funds. The portfolio of the fund's investment assets shall be subject to the following restrictions: 1. the fund shall not invest in subordinated/inferior shares of structured financial products (inclusive of asset securitisation products); 2. the fund's total assets value shall not exceed 200% of its net asset value; and 3. the fund shall not invest in private equity funds that are not entrusted by an institution qualified to custody securities investment fund.

Yinshang Huijin Investment Management Co., Ltd. (烏蘭察布銀商匯金投資管理有限公司)

Based on in-depth research, Yinshang Huijin - Jinxi No. 1 Private Securities Investment Fund* (銀商匯金—津西1號私募證券投資基金) constructs an investment portfolio based on the premise of strict control of investment risks, it strives to achieve long-term and stable investment returns. The scope of investment includes: stocks issued and listed on the Shanghai and Shenzhen Stock Exchanges, stocks of companies listed on the Select Layer of the NEEQ, stocks within the scope of the Stock Connect for Southbound Trading, depositary receipts issued and listed on the Shanghai and Shenzhen Stock Exchanges, preferred stocks issued and traded on the Shanghai and Shenzhen Stock Exchanges, bonds and asset-backed securities issued and traded on the Shanghai and Shenzhen Stock Exchanges or the interbank market, asset-backed notes issued and traded on the interbank market, securities company income certificates, bond reverse repurchases, pledge-style quoted repurchases on the Shanghai and Shenzhen Stock Exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, options and futures listed on the Shanghai and Shenzhen Stock Exchanges and futures exchanges, warrants on securities exchanges, contract varieties listed on the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with only securities companies/futures companies/banks and their subsidiaries as counterparties, publicly offered funds, bank wealth management products, asset management plans of securities companies and their subsidiaries, asset management plans of fund companies and their subsidiaries, and private funds issued by private securities investment fund managers whose registration has been publicly announced

on the official website of the AMAC. The investment portfolio of the fund's assets shall comply with the following restrictions: 1. this fund shall not invest in private funds that are not custodied by institutions qualified for securities investment fund custody; 2. this fund shall not invest in the subordinated/junior tranches of structured financial products; 3. the ratio of the total value of the fund's assets to the net asset value (NAV) of the fund shall not exceed 200%; 4. the total market value of depositary receipts held by this fund shall not exceed 100% of the fund's NAV; 5. this fund shall not invest in ST, *ST, S, SST, or S*ST stocks; and 6. the total market value of stocks of companies listed on the NEEQ Select Layer invested in by this fund shall not exceed 100% of the total value of the fund's assets.

Bond Market Funds

Name of the financial assets	Number of units held as at 30 June 2025 (<i>'000</i>)	Investment cost as at 30 June 2025 (<i>RMB'000</i>)	Fair value as at 30 June 2025 (<i>RMB'000</i>)	Realised investment income/(loss) for the six months ended 30 June 2025 (<i>RMB'000</i>)	Fair value to the total assets of the Group as at 30 June 2025
Prudence Investment Management (Hong Kong) Limited					
Prudence Enhanced Income Fund	19	117,809	142,064	197	0.29%
E Fund Management (Hong Kong) Co., Limited					
E Fund (HK) Asia High Yield Bond Fund	438	35,793	22,978	56	0.05%
Dawn Opus Asset Management Co., Ltd.					
北京晨樂資產管理有限公司					
Dawn Opus Yufeng No. 1 Private Securities Investment Fund*					
晨樂裕豐1號私募證券投資基金	23,217	23,131	23,692	153	0.05%
CITIC Securities Brokerage (HK) Limited					
CSBHK Leveraged Bond Linked Note	100,000	100,000	100,580	–	0.20%
Others	–	–	–	12	–
Total		<u>276,733</u>	<u>289,314</u>	<u>418</u>	<u>0.58%</u>

Investment strategies of bond market funds

Prudence Investment Management (Hong Kong) Limited

Prudence Enhanced Income Fund pursues stable income as well as capital appreciation, by mainly investing in corporate bonds, convertible bonds and listed equities issued by companies in Asia, with a focus on companies with significant business exposure to Greater China. The fund manager will focus on opportunities when the security is mis-priced and when the fund manager has a well-defined edge. The fund manager will make investment decisions aiming to achieve attractive absolute return within acceptable risk limits, through a flexible combination of sub-strategies. The fund manager will implement an effective investment process including research, trading, risk management and operations. The fund manager will enforce strict risk management to protect investors in the fund. Net borrowing is limited to less than or equal to 50% of assets under management of the fund.

E Fund Management (Hong Kong) Co., Limited

E Fund (HK) Asia High Yield Bond Fund is the sub-fund of E Fund Unit Trust Fund. The investment objective of the sub-fund is to achieve long-term capital growth through investing globally in a portfolio consisting primarily of high yield debt securities issued by or fully guaranteed by corporations with an Asia focus, which aim to generate a steady flow of income in addition to capital appreciation for the fund, including debt securities issued in emerging markets. The sub-fund will invest 70% to 100% of its net asset value in a portfolio of high yield debt securities, which may be USD, EUR or HKD denominated or CNH denominated (“Dim Sum” bonds, i.e. bonds issued outside China but denominated in RMB), issued by or fully guaranteed by listed or unlisted corporations which have their main operations (or majority of assets) in or have their majority of their income derived from Asia. Up to 100% of the sub-fund’s net asset value may be invested in convertible bonds (issued and/or guaranteed by issuers such as corporations, financial institutions and banks). Up to 100% of the net asset value may be invested in debt securities which are unrated or rated below investment grade by Fitch or Moody’s or Standard and Poor’s, including (but not limited to) listed and unlisted bonds, government bonds, convertible and non-convertible bonds, fixed and floating rate bonds or other similar securities. The sub-fund will not invest more than 10% of its net asset value in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade and/or unrated. The sub-fund may also invest up to 30% of the net asset value in investment grade debt securities. Onshore China exposure will be up to 20% of the net asset value, which may include investments in debt securities issued by or fully guaranteed by the PRC government and/or government related entities and urban investment bonds.

Dawn Opus Asset Management Co., Ltd. (北京晨樂資產管理有限公司)

Dawn Opus Yufeng No. 1 Private Securities Investment Fund* (晨樂裕豐1號私募證券投資基金) constructs its investment portfolio on the basis of in-depth research. Under the premises of strictly controlling the investment risks, it strives to obtain long-term stable investment return. The investment scope of this fund includes: stocks issued and listed on stock exchanges, securities allowed for investment under the Connect Arrangement of the Domestic and Overseas Securities Markets (境內與境外證券市場互聯互通機制), depositary receipts traded in stock exchanges, bonds and asset-backed securities traded in stock exchanges or interbank market, asset-backed notes and standardised notes traded in interbank market, fixed income securities of securities companies, bond reverse repurchases, pledge-style quoted repurchase in stock exchanges, cash, bank deposits, interbank certificates of deposits, margin trading and short selling, refinancing securities lending, derivatives traded in stock exchanges and futures exchanges, contract varieties traded in the Shanghai Gold Exchange, over-the-counter derivatives in the securities and futures market with securities companies/futures companies/banks and their subsidiaries as counterparties only, publicly offered funds, wealth management products from banks, asset management plans of securities companies and their subsidiaries, private investment funds issued by private securities investment fund managers who are shown as registered on the website of the AMAC, trust plan. The investment portfolio of the property of the fund is subject to the following restrictions: 1. the fund shall not invest in private funds entrusted to an institution without the qualification to custody securities investment funds; 2. the fund shall not invest in subordinated/inferior shares from structured financial products (except publicly offered funds); 3. the total assets of the fund shall not exceed 200% of the fund's net assets; 4. the depositary receipts held in the fund shall not exceed 100% of the fund's net asset value by market value in aggregate; and 5. the non-public traded shares of companies listed on stock exchanges invested by the fund shall not exceed 50% of the fund's net asset value by market value in aggregate.

CITIC Securities Brokerage (HK) Limited (“CSBHK”)

The leveraged bond linked note sold by CSBHK is a structured note which provides investment return of the principal and leverage component of linked offshore bonds. All assets linked to this note are offshore bonds. During the product tenor, the investors will receive the principal and leveraged coupon payments of the underlying bonds and receive the capital gain from the principal and leveraged coupon payments of the underlying bonds upon maturity. In return, the investors will repay the product issuer for the funding cost on the leverage position. The purchase of the product is not a direct investment in the underlying assets. The product does not actually hold any underlying bonds. The product only tracks the price movements of the underlying assets over the term of the product and typically does not reinvest any coupon distribution paid by the underlying assets.

Investment Strategy and Future Prospects

The Group's investments in financial assets at fair value through profit or loss have been conducted on the premises that such investments would not affect the working capital of the Group or the daily operation of the Group's principal business. Such investments are conducive to improving the capital usage efficiency and generating investment returns from the Group's temporarily idle funds. Giving top priority to prevention of excessive risk, the Company implemented control and made prudent decisions in respect of such investments on the principle of protecting the interests of its Shareholders as a whole and the Company. On one hand, the Company is able to generate a relatively higher return from such investments than fixed-term bank deposits, while at the same time the Company is still able to retain flexibility in redeeming the investments whenever it foresees there is a cash need.

Subject to any unforeseeable changes in China's and global economic, political and social conditions, the Company currently expects that the Group will continue to make such investments as and where appropriate pursuant to the investment strategy mentioned above. It is currently expected that barring any unforeseeable circumstances, such investments would continue to generate additional returns for the Group.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a workforce of approximately 11,500 permanent staff and approximately 80 temporary staff. The staff cost included basic salaries and benefits. Staff benefits included discretionary bonus, medical insurance plans, pension scheme, unemployment insurance plan, maternity insurance plan and the fair value of the share options, etc. Effective from April 2021, the Group implemented a workers' injury insurance scheme and contributed approximately 2.09% of the workers' wages to the relevant government authorities. According to the Group's remuneration policy, employees' package is based on productivity and/or sales performance, and is consistent with the Group's quality control and cost control targets.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Saved as disclosed in this announcement, the Group had not executed any agreement in respect of material investment or capital asset during the six months ended 30 June 2025 and does not have any other future plans relating to material investment or capital asset.

MATERIAL ACQUISITIONS AND DISPOSALS

Saved as disclosed in this announcement, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

PURCHASE, SALES 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 (including any treasury Shares) during the six months ended 30 June 2025. Currently, there are no treasury Shares held by the Company (whether held or deposited in the central clearing and settlement system, or otherwise).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company acknowledges the importance of good corporate governance practices and believes that it is essential for the development of the Group and to safeguard the interests of the equity holders. The Directors are of the opinion that the Company has complied with the code provisions as set out in the CG Code in Appendix C1 to the Listing Rules on the Stock Exchange throughout the six months ended 30 June 2025, save for the following deviations:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Currently, Mr. HAN Jingyuan serves as the Chairman of the Board and the Chief Executive Officer of the Company. The Board believes that there is no immediate need to segregate the roles of the Chairman of the Board and the Chief Executive Officer of the Company because the role of chief executive officer/general manager of the Company's major operating subsidiaries are performed by other persons. The Board will consider the segregation of the roles of the Chairman of the Board and the Chief Executive Officer of the Company in light of the future development of the operating activities or businesses of the Group.

Under code provision D.2.5 (which has been re-numbered as code provision D.2.2 since 1 July 2025) of the CG Code and the related notes, the Company should have an internal audit function which generally carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. Since 2024, the Group has established an integrated internal audit function team based in the PRC, which is primarily responsible for the internal audit work of the Group's subsidiaries in the PRC. The team shall report directly to one of the executive Directors and the Audit Committee, and to the Board via the Audit Committee. In addition, the annual work plan and resources of the team shall be reviewed and agreed with the Audit Committee. Meanwhile, other internal audit functions were carried out by the finance function during the six months ended 30 June 2025. Taking into account the size and complexity of the operations of the Group, the Company considers that the existing organisation structure and the close supervision of the management could provide sufficient internal control and risk management for the Group. The Audit Committee of the Board and the Board regularly review the effectiveness of the internal control systems and the risk management of the Group. The Board will review the need to set up an independent internal audit function in respect of business operation outside of the PRC on an annual basis.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code for dealing in securities of the Company by the Directors. The Company has made specific enquiry of all Directors and all Directors have confirmed that they have complied with the required standard as set out in the Model Code during the six months ended 30 June 2025.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee comprises three Independent Non-executive Directors, namely Mr. WONG Man Chung Francis as the chairman of the Audit Committee and Mr. WANG Bing and Ms. YU Fang Jing as the members of the Audit Committee.

The Audit Committee has reviewed the Group's condensed consolidated financial statements for the six months ended 30 June 2025 and has also discussed the internal control, the accounting principles and practices adopted by the Group. The Audit Committee is of the opinion that the condensed consolidated financial statements of the Group have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory requirements and that adequate disclosures will be made in the 2025 interim report of the Company.

In addition, the interim unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been reviewed by the auditor of the Company, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The interim results announcement of the Company for the six months ended 30 June 2025 is published on both the websites of the Company (www.chinaorientalgroup.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2025 will be despatched to the Shareholders and published on the aforesaid websites in due course.

APPRECIATION

The Board would like to take this opportunity to extend its deepest gratitude to its staff for their hard work and dedication to the Group, and to its Shareholders for their continuous trust and support in the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions used in this announcement have the following meanings:

“AGM”	the annual general meeting of the Company
“ArcelorMittal”	ArcelorMittal S.A., a company incorporated under the laws of Luxembourg and indirectly held the entire equity interest in AM Holdings AG, and a substantial shareholder of the Company
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Branch-line Railway Project”	the project of building the branch-line railways for transportation of materials and inventories for the business of the Group
“China” or “PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“CG Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company”	China Oriental Group Company Limited, a company incorporated in Bermuda with limited liability and its issued shares are listed on the main board of the Stock Exchange
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“EIT”	enterprise income tax of PRC
“GFA”	gross floor area
“Group”	collectively, the Company and its subsidiaries from time to time

“HJT”	Qingdao Huijintong Power Equipment Company Limited* (青島匯金通電力設備股份有限公司), a company incorporated in the PRC with limited liability and its issued shares are listed on the Shanghai Stock Exchange
“HKAS”	Hong Kong Accounting Standards issued by HKICPA
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKFRS”	Hong Kong Financial Reporting Standards issued by HKICPA
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinxi Heavy Industry”	Hebei Jinxi Iron and Steel Group Heavy Industry Science and Technology Co., Ltd.* (河北津西鋼鐵集團重工科技有限公司), a company incorporated in the PRC with limited liability and a 97.6% indirectly owned subsidiary of the Company
“Jinxi Limited”	Hebei Jinxi Iron and Steel Group Company Limited* (河北津西鋼鐵集團股份有限公司), a company incorporated in the PRC with limited liability and a 97.6% indirectly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MEE”	Ministry of Ecology and Environment of the PRC
“MIIT”	Ministry of Industry and Information Technology of the PRC
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules

“NDRC”	National Development and Reform Commission of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$” or “USD”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent

By Order of the Board
China Oriental Group Company Limited
HAN Jingyuan
Chairman and Chief Executive Officer

Hong Kong, 27 August 2025

As at the date of this announcement, the Board comprises Mr. HAN Jingyuan, Mr. ZHU Jun, Mr. SHEN Xiaoling, Mr. HAN Li, Mr. Sanjay SHARMA and Mr. LI Mingdong being the Executive Directors, Mr. Ondra OTRADOVEC being the Non-executive Director and Mr. WONG Man Chung Francis, Mr. WANG Bing, Dr. TSE Cho Che Edward and Ms. YU Fang Jing being the Independent Non-executive Directors.