

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



SANY HEAVY EQUIPMENT INTERNATIONAL HOLDINGS COMPANY LIMITED

三一重裝國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 631)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (“**Board**”) of directors (the “**Directors**”) of Sany Heavy Equipment International Holdings Company Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025.

FINANCIAL SUMMARY

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB12,236.6 million, representing an increase of approximately 13.8% as compared with approximately RMB10,756.1 million for the six months ended 30 June 2024.

For the six months ended 30 June 2025, the Group’s profit margin before tax was approximately 14.0%, representing an increase of approximately 3.3 percentage points as compared with approximately 10.7% for the six months ended 30 June 2024.

For the six months ended 30 June 2025, the Group’s profit for the period was approximately RMB1,294.2 million, which represents an increase of approximately 31.1% as compared with approximately RMB987.0 million for the six months ended 30 June 2024. The Group’s profit attributable to owners of the parent was approximately RMB1,294.4 million, which represents an increase of approximately 25.3% as compared with approximately RMB1,032.7 million for the six months ended 30 June 2024.

The Group’s basic earnings per share for the six months ended 30 June 2025 is RMB0.39.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
	Notes		
REVENUE	4	12,236,558	10,756,056
Cost of sales		<u>(9,337,876)</u>	<u>(8,130,487)</u>
Gross profit		2,898,682	2,625,569
Other income and gains	4	594,104	368,568
Selling and distribution expenses		(576,305)	(563,037)
Administrative expenses		(985,711)	(1,108,543)
Impairment losses on financial and contract assets, net	5	(93,846)	(54,159)
Other expenses		(4,213)	(2,533)
Finance costs	6	(122,046)	(113,330)
Share of loss of a joint venture		<u>(3,428)</u>	—
PROFIT BEFORE TAX	5	1,707,237	1,152,535
Income tax expense	7	<u>(413,064)</u>	<u>(165,580)</u>
PROFIT FOR THE PERIOD		<u>1,294,173</u>	<u>986,955</u>
Attributable to:			
Owners of the parent		1,294,383	1,032,749
Non-controlling interests		<u>(210)</u>	<u>(45,794)</u>
		<u>1,294,173</u>	<u>986,955</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
Basic (RMB Yuan)		<u>0.39</u>	<u>0.31</u>
Diluted (RMB Yuan)		<u>0.35</u>	<u>0.28</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	<u>1,294,173</u>	<u>986,955</u>
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of financial statements of the Company	<u>(41,553)</u>	<u>(3,548)</u>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	<u>(41,553)</u>	<u>(3,548)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	<u>(41,553)</u>	<u>(3,548)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>1,252,620</u>	<u>983,407</u>
Attributable to:		
Owners of the parent	1,252,830	1,029,201
Non-controlling interests	<u>(210)</u>	<u>(45,794)</u>
	<u>1,252,620</u>	<u>983,407</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	10	8,185,096	7,989,762
Right-of-use assets		1,377,979	1,413,073
Goodwill		2,066,775	2,066,775
Intangible assets		1,481,097	1,555,397
Investment in a joint venture		36,210	40,371
Financial assets at fair value through profit or loss	12	102,500	57,500
Trade receivables	11	1,289,439	964,142
Non-current prepayments		20,833	21,645
Contract assets		159,373	168,730
Deferred tax assets		365,589	423,232
Total non-current assets		15,084,891	14,700,627
CURRENT ASSETS			
Inventories		5,450,511	5,047,840
Properties for sale		456,322	475,549
Trade receivables	11	11,752,133	10,009,845
Bills receivable	11	755,191	1,131,661
Contract assets		135,456	157,705
Prepayments, other receivables and other assets		1,728,384	1,598,273
Derivative financial instruments		1,196	1,728
Financial assets at fair value through profit or loss	12	1,966,880	2,393,996
Pledged deposits		87,962	71,004
Cash and cash equivalents		6,219,521	5,339,500
Total current assets		28,553,556	26,227,101
CURRENT LIABILITIES			
Trade and bills payables	13	12,051,100	11,213,230
Other payables and accruals		5,163,155	5,155,009
Dividend payable		715,438	79,971
Interest-bearing bank and other borrowings	14	4,612,267	4,250,167
Lease liabilities		26,628	40,873
Tax payable		183,642	162,347
Provision for warranties		117,459	78,400
Government grants	15	234,151	229,796
Total current liabilities		23,103,840	21,209,793
NET CURRENT ASSETS		5,449,716	5,017,308
TOTAL ASSETS LESS CURRENT LIABILITIES		20,534,607	19,717,935

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	<i>Notes</i>		
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	<i>14</i>	6,277,202	5,684,432
Lease liabilities		39,491	48,169
Government grants	<i>15</i>	1,449,009	1,535,846
Deferred tax liabilities		258,873	274,228
		<hr/>	<hr/>
Total non-current liabilities		8,024,575	7,542,675
		<hr/>	<hr/>
Net assets		12,510,032	12,175,260
		<hr/>	<hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>16</i>	318,941	317,394
Reserves		12,237,245	11,903,810
		<hr/>	<hr/>
		12,556,186	12,221,204
		<hr/>	<hr/>
Non-controlling interests		(46,154)	(45,944)
		<hr/>	<hr/>
Total equity		12,510,032	12,175,260
		<hr/>	<hr/>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE INFORMATION

Sany Heavy Equipment International Holdings Company Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands on 23 July 2009. The Company’s registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the head office and principal place of business of the Company is located at No.25, 16 Kaifa Road, Economic and Technological Development Area, Shenyang City, Liaoning Province, the People’s Republic of China (the “PRC”). During the period, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the manufacture and sale of mining equipment, logistics equipment, petroleum equipment, new energy manufacturing equipment, electricity, lithium batteries, energy storage systems, and spare parts, and the provision of related services in Mainland China.

In the opinion of the directors of the Company (the “Directors”), the immediate holding company and the ultimate holding company of the Company are Sany Hongkong Group Limited (“Sany HK”), a company incorporated in Hong Kong, and Sany Heavy Equipment Investments Company Limited (“Sany BVI”), a company incorporated in the British Virgin Islands, respectively.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The interim condensed consolidated financial information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

The above amended IFRS Accounting Standard did not have any material impact on the interim condensed consolidated financial information of the Group.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and services and has four reportable operating segments as follows:

(a) Mining equipment segment

The mining equipment segment engages in the production and sale of coal mining machinery, non-coal mining machinery, mining vehicle equipment and spare parts and the provision of related services;

(b) Logistics equipment segment

The logistics equipment segment engages in the production and sale of container equipment, bulk material equipment, general equipment and spare parts and the provision of related services;

(c) Oil & Gas equipment segment

The oil & gas equipment segment engages in the production and sale of fracturing units and spare parts for oil & gas field, and the provision of oil & gas field cementing and stimulation technical services; and

(d) Emerging industry equipment segment

The emerging industry equipment segment mainly engages in the production and sales of lithium battery manufacturing equipment, solar modules, electrolysis hydrogen production equipment, lithium batteries, energy storage systems, electricity, power station project products, and the provision of construction services and other related services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, non-lease-related finance costs, as well as head office and corporate expenses are excluded from this measurement.

Segment assets exclude deferred tax assets, pledged deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, deferred tax liabilities, tax payables and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Six months ended 30 June 2025	Mining equipment RMB'000 (Unaudited)	Logistics equipment RMB'000 (Unaudited)	Oil & Gas equipment segment RMB'000 (Unaudited)	Emerging industry equipment segment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue (note 4)					
Sales to customers	4,636,791	3,680,398	1,324,966	2,594,403	12,236,558
Intersegment sales	—	374,596	—	87,417	462,013
Other revenue	<u>323,025</u>	<u>82,055</u>	<u>16,542</u>	<u>24,668</u>	<u>446,290</u>
	<u>4,959,816</u>	<u>4,137,049</u>	<u>1,341,508</u>	<u>2,706,488</u>	<u>13,144,861</u>
<i>Reconciliation:</i>					
Elimination of intersegment sales					<u>(462,013)</u>
Revenue from operations					<u>12,682,848</u>
Segment results	768,612	739,110	115,165	57,169	1,680,056
<i>Reconciliation:</i>					
Interest income					147,814
Finance costs (other than interest on lease liabilities)					<u>(120,633)</u>
Profit before tax					1,707,237
Income tax expense					<u>(413,064)</u>
Profit for the period					<u>1,294,173</u>
Segment assets	19,318,551	10,735,259	4,532,639	6,612,564	41,199,013
<i>Reconciliation:</i>					
Elimination of intersegment receivables					(4,233,638)
Corporate and other unallocated assets					<u>6,673,072</u>
Total assets					<u>43,638,447</u>
Segment liabilities	9,098,919	6,227,805	2,058,350	5,929,557	23,314,631
<i>Reconciliation:</i>					
Elimination of intersegment payables					(4,233,638)
Corporate and other unallocated liabilities					<u>12,047,422</u>
Total liabilities					<u>31,128,415</u>

Six months ended 30 June 2025	Mining equipment RMB'000 (Unaudited)	Logistics equipment RMB'000 (Unaudited)	Oil & Gas equipment segment RMB'000 (Unaudited)	Emerging industry equipment segment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Other segment information					
Loss on disposal of items of property, plant and equipment	14	717	17	53	801
Impairment of trade receivables, net (Reversal of impairment)/impairment of other receivables, net	60,035 (665)	16,583 1,550	463 6,762	8,453 780	85,534 8,427
(Reversal of impairment)/impairment of contract assets	(594)	1,104	(625)	—	(115)
Provision/(write-back of provision) against slow-moving and obsolete inventories	7,413	(12,506)	4,646	26,515	26,068
Depreciation and amortisation	152,357	135,551	106,516	138,306	532,730
Other non-cash expense	30,260	19,886	6,128	9,594	65,868
Capital expenditure*	25,202	157,561	33,280	458,755	674,798
Six months ended 30 June 2024	Mining equipment RMB'000 (Unaudited)	Logistics equipment RMB'000 (Unaudited)	Oil & Gas equipment segment RMB'000 (Unaudited)	Emerging industry equipment segment RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue (note 4)					
Sales to customers	5,938,343	3,282,225	845,853	689,635	10,756,056
Intersegment sales	4,827	269,132	—	—	273,959
Other revenue	161,209	94,552	16,123	12,391	284,275
	6,104,379	3,645,909	861,976	702,026	11,314,290
Reconciliation:					
Elimination of intersegment sales					(273,959)
Revenue from operations					11,040,331
Segment results					
903,140	568,285	(36,467)	(254,617)	1,180,341	
Reconciliation:					
Interest income					84,293
Finance costs (other than interest on lease liabilities)					(112,099)
Profit before tax					1,152,535
Income tax expense					(165,580)
Profit for the period					986,955

Six months ended 30 June 2024	Mining equipment <i>RMB'000</i> (Unaudited)	Logistics equipment <i>RMB'000</i> (Unaudited)	Oil & Gas equipment segment <i>RMB'000</i> (Unaudited)	Emerging industry equipment segment <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Segment assets	16,194,628	11,334,380	4,789,568	4,132,776	36,451,352
<i>Reconciliation:</i>					
Elimination of intersegment receivables					(3,102,872)
Corporate and other unallocated assets					<u>4,841,850</u>
Total assets					<u><u>38,190,330</u></u>
Segment liabilities	7,245,118	6,089,557	1,632,483	3,474,566	18,441,724
<i>Reconciliation:</i>					
Elimination of intersegment payables					(3,102,872)
Corporate and other unallocated liabilities					<u>10,850,452</u>
Total liabilities					<u><u>26,189,304</u></u>
Other segment information					
Loss on disposal of items of property, plant and equipment	1,020	840	473	200	2,533
Impairment/(reversal of impairment) of trade receivables, net	40,891	13,430	(1,122)	4,749	57,948
(Reversal of impairment)/impairment of other receivables, net	(37)	(879)	683	555	322
Reversal of impairment of contract assets	—	(4,111)	—	—	(4,111)
(Write-back of provision)/provision against slow-moving and obsolete inventories	(26)	3,936	1,894	5,780	11,584
Depreciation and amortisation	144,489	134,507	92,426	41,838	413,260
Other non-cash expense	49,364	14,862	1,176	11,373	76,775
Capital expenditure*	<u>165,588</u>	<u>136,258</u>	<u>66,734</u>	<u>349,846</u>	<u>718,426</u>

* Capital expenditure consists of additions to property, plant and equipment, right-of-use assets and intangible assets.

Information about major customers

Revenue of approximately RMB2,487,288,000 (six months ended 30 June 2024: RMB1,269,487,000) was derived from sales to fellow subsidiaries, including sales to a group of entities which are known to be under common control with that customer.

4. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold and services rendered, after allowances for returns and trade discounts.

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	<u>12,236,558</u>	<u>10,756,056</u>

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2025

Segments	Mining equipment <i>RMB'000</i> (Unaudited)	Logistics equipment <i>RMB'000</i> (Unaudited)	Oil & Gas equipment <i>RMB'000</i> (Unaudited)	Emerging industry equipment <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Types of goods or services					
Sale of industrial products	4,565,867	3,621,061	1,041,277	1,970,527	11,198,732
Construction services	—	—	—	584,109	584,109
Sale of electricity	—	—	—	26,254	26,254
Installation services	—	24,833	—	—	24,833
Oil field service	—	—	276,105	—	276,105
Maintenance services and others	70,924	34,504	7,584	13,513	126,525
	<u>4,636,791</u>	<u>3,680,398</u>	<u>1,324,966</u>	<u>2,594,403</u>	<u>12,236,558</u>
Geographical markets					
Mainland China	3,016,460	1,387,011	1,324,966	2,489,222	8,217,659
Asia (excluding Mainland China)	691,921	720,558	—	36,159	1,448,638
Europe	354,308	522,178	—	—	876,486
Africa	335,463	401,138	—	48,958	785,559
United States of America	—	285,822	—	—	285,822
Brazil	109,010	148,732	—	—	257,742
Other countries/regions	129,629	214,959	—	20,064	364,652
	<u>4,636,791</u>	<u>3,680,398</u>	<u>1,324,966</u>	<u>2,594,403</u>	<u>12,236,558</u>
Timing of revenue recognition					
Goods transferred at a point in time	4,565,867	3,638,701	1,041,277	1,996,781	11,242,626
Services transferred over time	70,924	41,697	283,689	597,622	993,932
	<u>4,636,791</u>	<u>3,680,398</u>	<u>1,324,966</u>	<u>2,594,403</u>	<u>12,236,558</u>

For the six months ended 30 June 2024

Segments	Mining equipment <i>RMB'000</i> (Unaudited)	Logistics equipment <i>RMB'000</i> (Unaudited)	Oil & Gas equipment <i>RMB'000</i> (Unaudited)	Emerging industry equipment <i>RMB'000</i> (Unaudited)	Total <i>RMB'000</i> (Unaudited)
Types of goods or services					
Sale of industrial products	5,857,227	3,167,342	804,909	689,635	10,519,113
Installation services	2,491	35,685	—	—	38,176
Oil field service	—	—	24,340	—	24,340
Maintenance services and others	78,625	79,198	16,604	—	174,427
	<u>5,938,343</u>	<u>3,282,225</u>	<u>845,853</u>	<u>689,635</u>	<u>10,756,056</u>
Geographical markets					
Mainland China	4,082,237	1,325,117	845,853	688,308	6,941,515
Asia (excluding Mainland China)	1,045,812	675,000	—	1,327	1,722,139
Europe	376,031	540,729	—	—	916,760
Africa	175,557	329,917	—	—	505,474
United States of America	—	218,588	—	—	218,588
Brazil	132,830	140,498	—	—	273,328
Other countries/regions	125,876	52,376	—	—	178,252
	<u>5,938,343</u>	<u>3,282,225</u>	<u>845,853</u>	<u>689,635</u>	<u>10,756,056</u>
Timing of revenue recognition					
Goods transferred at a point in time	5,857,227	3,201,478	804,909	689,635	10,553,249
Services transferred over time	81,116	80,747	40,944	—	202,807
	<u>5,938,343</u>	<u>3,282,225</u>	<u>845,853</u>	<u>689,635</u>	<u>10,756,056</u>

Other income and gains

	<i>Notes</i>	For the six months ended 30 June	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
		(Unaudited)	(Unaudited)
Other income			
Bank interest income		118,623	59,234
Other interest income		29,191	25,059
Government grants	15	293,842	170,929
Profit from sale of scrap materials		21,511	23,219
Rental income		7,166	15,797
Foreign exchange differences, net		45,859	4,479
Others		18,338	12,099
		<u>534,530</u>	<u>310,816</u>
Gains			
Fair value gain, net:			
Financial assets at fair value through profit or loss			
— mandatorily classified as such		59,530	35,010
Gain on disposal of subsidiaries		—	22,742
Derivative instruments — transactions not qualifying as hedges		44	—
		<u>59,574</u>	<u>57,752</u>
		<u>594,104</u>	<u>368,568</u>

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Notes</i>	For the six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Cost of inventories sold		8,919,939	7,970,054
Cost of services provided		330,587	128,164
Depreciation of property, plant and equipment	10	394,051	289,924
Amortisation of intangible assets		96,531	86,116
Depreciation of right-of-use assets		42,148	37,220
Auditors' remuneration		610	610
Provision of warranties*		61,282	20,685
Research and development costs**		701,742	813,063
Lease payments not included in the measurement of lease liabilities		23,195	19,883
Employee benefit expenses (including directors and chief executive's remuneration):			
Wages and salaries		1,018,421	1,107,774
Share option and share award expenses		65,868	76,775
Employee retirement benefits*****		47,805	52,218
Other staff welfare		30,868	35,775
		1,162,962	1,272,542
Foreign exchange differences, net***		(45,859)	(4,479)
Impairment of financial and contract assets, net****:			
Impairment of trade receivables, net	11	85,534	57,948
Reversal of impairment of contract assets, net		(115)	(4,111)
Impairment of other receivables, net		8,427	322
		93,846	54,159
Provision against slow-moving and obsolete inventories*		26,068	11,584
Loss on disposal of items of property, plant and equipment***		801	2,533
Gains from sales of scrap materials***	4	(21,511)	(23,219)
Remeasurement of financial guarantee contracts***		(3,412)	—
Fair value gains, net***:			
Financial assets at fair value through profit or loss — mandatorily classified as such		(59,530)	(35,010)
Gain on disposal of subsidiaries		—	(22,742)
Derivative instruments — transactions not qualifying as hedges		(44)	—
		(59,574)	(57,752)

- * Included in “Cost of sales” in the interim condensed consolidated statement of profit or loss
- ** Included in “Administrative expenses” in the interim condensed consolidated statement of profit or loss
- *** Included in “Other income and gains” or “Other expenses” in the interim condensed consolidated statement of profit or loss
- **** Included in “Impairment losses on financial and contract assets, net” in the interim condensed consolidated statement of profit or loss
- ***** As at 30 June 2025, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2024: Nil)

6. FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Interest on interest-bearing bank and other borrowings	115,226	102,287
Interest on discounted bills	5,407	9,812
Interest on lease liabilities	1,413	1,231
	<u>122,046</u>	<u>113,330</u>

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for the Company which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of the Company are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates.

Pursuant to the PRC Income Tax Law and the respective regulations, except for certain preferential tax treatments available to certain subsidiaries operating in Mainland China, the companies of the Group which operate in Mainland China were subject to Corporate Income Tax (“CIT”) at a rate of 25% on their respective taxable income for the six months ended 30 June 2025.

Eleven (six months ended 30 June 2024: Ten) of the Group's principal operating companies, Sany Heavy Equipment Co., Ltd. ("Sany Heavy Equipment"), Sany Marine Heavy Industry Co., Ltd. ("Sany Marine Heavy Industry"), Sany Intelligent Mining Technology Co., Ltd., Sany Petroleum Intelligent Equipment Co., Ltd. ("Sany Petroleum Equipment"), Sany Energy Equipment Co., Ltd., Sany Technology Equipment Co., Ltd., and Sany Silicon Energy (Zhuzhou) Co., Ltd., Zhuzhou Sany Silicon Technology Co., Ltd., Sany Intelligence Equipment Co., Ltd., Sany Hydrogen Energy Co., Ltd., and Sany Lithium Energy Co., Ltd. ("Sany Lithium") were subject to CIT at a rate of 15% for the six months ended 30 June 2025 as they have been recognised as High and New Technology Enterprises, and Zhuhai Sany Port Machinery Co., Ltd. was entitled to the preferential income tax rate of 15% as a qualified enterprise registered in Hengqin District of Zhuhai, a pilot free trade zone in the PRC.

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current — Hong Kong		
Charge for the period	127,221	35,781
Current — Mainland China		
Charge for the period	215,100	164,926
Underprovision/(overprovision) in prior years	25,042	(15,609)
Current — Elsewhere	3,413	—
Deferred	42,288	(19,518)
Total tax charge for the period	413,064	165,580

8. DIVIDEND

The final dividend for the year ended 31 December 2024 of HK\$0.29 per share, totaling HK\$1,076,041,000 (equivalent to RMB983,716,000), was approved by the Company's shareholders at the annual general meeting on 28 May 2025, among which HK\$377,811,000 (equivalent to RMB348,249,000) was distributed during the six months ended 30 June 2025, and the remaining amount of HK\$698,230,000 (equivalent to RMB636,061,000) was recorded in "dividend payable" in the consolidated statement of financial position as at 30 June 2025.

The board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

Dividend payable

A special dividend of HK\$0.18 per share, totalling HK\$633,746,000, was approved by the board of directors on 23 January 2018. HK\$547,505,000 of the dividend was subsequently distributed during the year ended 31 December 2018 and the remaining amount of HK\$86,241,000 (equivalent to RMB79,377,000) was recorded in "dividend payable" in the consolidated statement of financial position as at 30 June 2025.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

(a) Basic earnings per share

The calculation of the basic earnings per share amounts is based on the profit for the six months ended 30 June 2025 attributable to ordinary equity holders of the parent of RMB1,294,383,000 (six months ended 30 June 2024: RMB1,032,749,000), adjusted to reflect the distribution to convertible preference shares, and the weighted average number of ordinary shares of 3,219,495,038 (six months ended 30 June 2024: 3,191,206,722) outstanding during the period.

(b) Diluted earnings per share

The calculation of the diluted earnings per share amounts is based on the profit for the six months ended 30 June 2025 attributable to ordinary equity holders of the parent of RMB1,294,383,000 (six months ended 30 June 2024: RMB1,032,749,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation plus the weighted average number of ordinary shares, totaling 491,274,444 (six months ended 30 June 2024: 488,026,249), assumed to have been issued at no consideration on the deemed exercise of share options or conversion of convertible preference shares and share awards into ordinary shares.

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Carrying amount at 1 January	7,989,762	7,275,832
Additions	645,513	1,229,866
Acquisition of subsidiaries	—	110,101
Disposal of subsidiaries	—	(31,952)
Disposals	(56,128)	(37,354)
Depreciation provided during the period/year (<i>note 5</i>)	(394,051)	(548,985)
Impairment	—	(7,746)
	<hr/>	<hr/>
Carrying amount at 30 June/31 December	8,185,096	7,989,762

11. TRADE AND BILLS RECEIVABLES

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Trade receivables	13,840,233	11,692,009
Impairment	(798,661)	(718,022)
	<u>13,041,572</u>	<u>10,973,987</u>
Less: Trade receivables due after one year	<u>(1,289,439)</u>	<u>(964,142)</u>
	<u>11,752,133</u>	<u>10,009,845</u>
Bills receivable	<u>755,191</u>	<u>1,131,661</u>

The Group generally requires its customers to make payments at various stages of the sales transactions, however, the Group grants certain credit periods to old customers with a good payment history. The credit periods of individual customers are considered on a case-by-case basis and are set out in the sales contracts, as appropriate. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. At the end of the reporting period, the Group had a certain concentration of credit risk as 1% (31 December 2024: 2%) of the Group's trade receivables due from a single third party customer, including a group of entities which are known to be under common control with that customer. Included in the trade receivables were amounts due from fellow subsidiaries of RMB3,489,092,000 (31 December 2024: RMB2,433,709,000) and the Group's joint ventures of RMB671,582,000 (31 December 2024: RMB14,241,000) as at 30 June 2025 for sales of products by the Group, which accounted for 25% (31 December 2024: 21%) of the Group's trade receivables at the end of the reporting period. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Within 180 days	8,850,894	7,447,691
181 to 365 days	2,665,291	2,242,741
1 to 2 years	1,358,170	1,142,848
2 to 3 years	130,854	110,109
Over 3 years	36,363	30,598
	<u>13,041,572</u>	<u>10,973,987</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
At 1 January	718,022	632,554
Disposal of subsidiaries	—	(10,959)
Impairment losses, net (<i>note 5</i>)	85,534	134,627
Amount written off as uncollectible	<u>(4,895)</u>	<u>(38,200)</u>
At 30 June/31 December	<u>798,661</u>	<u>718,022</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type, and coverage of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Bills receivable have been classified as financial assets at fair value through other comprehensive income. The maturity profile of the bills receivable of the Group as at the end of the reporting period is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within six months	752,209	1,131,661
Over six months	<u>2,982</u>	<u>—</u>
	<u>755,191</u>	<u>1,131,661</u>

Included in the bills receivable was an amount of RMB210,000 as at 30 June 2025 (31 December 2024: RMB5,198,000) which was pledged for the issuance of a letter of guarantee.

None of the amount included in the bills receivable as at 30 June 2025 (31 December 2024: Nil) was endorsed to fellow subsidiaries for purchasing raw materials by the Group.

Transferred financial assets that are not derecognised in their entirety

At 30 June 2025 the Group endorsed certain bills receivable accepted by banks in Mainland China (the “Endorsed Bills”) with a carrying amount of RMB567,143,000 (31 December 2024: RMB520,845,000) to certain of its suppliers in order to settle the trade payables due to such suppliers (the “Endorsement”). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Bills during the period to which the suppliers have recourse was RMB567,143,000 (31 December 2024: RMB520,845,000) as at 30 June 2025.

Transferred financial assets that are derecognised in their entirety

At 30 June 2025, the Group endorsed certain bills receivable accepted by banks in Mainland China (the “Derecognised Bills”) to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB947,718,000 (31 December 2024: RMB3,484,352,000). The Derecognised Bills had a maturity of one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the “Continuing Involvement”). In the opinion of the Directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Bills are not significant.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB’000 (Unaudited)	31 December 2024 RMB’000 (Audited)
Unlisted investments, at fair value		
Current	1,966,880	2,393,996
Non-current	102,500	57,500
	<u>2,069,380</u>	<u>2,451,496</u>

The current unlisted investments were wealth management products issued by banks and other financial institutions in Mainland China. The non-current unlisted investments are investments in a limited liability partnership and a limited liability company in Mainland China. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 30 days	6,556,471	5,776,501
31 to 90 days	3,860,448	1,572,728
91 to 180 days	1,306,412	3,245,574
181 to 365 days	188,472	197,896
Over 1 year	139,297	420,531
	<u>12,051,100</u>	<u>11,213,230</u>

The trade payables are non-interest-bearing and are normally with credit terms of 30 to 180 days.

The bills payable are normally due within 180 days.

Included in the trade and bills payables was an amount due to fellow subsidiaries in aggregate of RMB914,611,000 as at 30 June 2025 (31 December 2024: RMB655,585,000) for purchasing raw materials by the Group.

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans — secured	1.77–2.95	2025	3,011,873	2.25–3.10	2025	2,686,554
Bank loans — unsecured	1.75–2.40	2025	281,105	1.95–2.40	2025	423,978
Other borrowings — secured	3.60–3.98	2025	900,000	3.50–3.98	2025	734,776
Other borrowings — unsecured	3.41–4.35	2025/On demand	347,112	3.41–4.35	2025/On demand	342,232
Interest payable		2025	72,177		2025	62,627
			<u>4,612,267</u>			<u>4,250,167</u>
Non-current						
Bank loans — secured	2.05–3.00	2025–2038	4,733,574	2.13–3.30	2026–2038	3,970,572
Bank loans — unsecured	2.20–2.80	2025–2032	815,845	2.20–2.75	2026–2038	763,611
Other borrowings — secured	3.60–3.98	2025–2027	700,000	3.50–3.98	2026–2027	915,224
Other borrowings — unsecured	4.28	2025–2031	27,783	4.28	2026–2031	35,025
			<u>6,277,202</u>			<u>5,684,432</u>

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
--	---	---

Analysed into:

Bank loans repayable:

Within one year	3,365,155	3,173,159
In the second year	3,766,581	2,704,587
In the third to fifth years, inclusive	1,056,248	1,078,278
Over the fifth years	726,590	951,318
	<u>8,914,574</u>	<u>7,907,342</u>

Analysed into:

Other borrowings repayable:

Within one year or on demand	1,247,112	1,077,008
In the second year	705,092	575,202
In the third to fifth years, inclusive	16,650	355,638
Over the fifth years	6,041	19,409
	<u>1,974,895</u>	<u>2,027,257</u>
	<u>10,889,469</u>	<u>9,934,599</u>

- (a) As at 30 June 2025, RMB790,000,000 and RMB10,475,000 of the Group's bank loans were secured by mortgages over the Group's leasehold land of RMB677,370,000 (31 December 2024: RMB685,435,000) and the Group's right of electricity charge of RMB64,550,000 (31 December 2024: RMB64,550,000).
- (b) As at 30 June 2025, Sany Group Co., Ltd. had guaranteed certain of the Group's bank loans up to RMB7,745,446,000 as at the end of the reporting period (31 December 2024: RMB6,657,126,000).
- (c) As at 30 June 2025 and 31 December 2024, all borrowings were denominated in RMB.
- (d) Other borrowings of RMB342,233,000 (31 December 2024: RMB312,000,000) were due to Sany Group Co., Ltd. and were repayable on demand. Other borrowings of RMB32,662,000 (31 December 2024: RMB35,025,000) were due to Sany Financial Leasing Co., Ltd. and were repayable by 96 monthly equal instalments commencing on 15 October 2023. Other borrowings of RMB1,600,000,000 (31 December 2024: RMB1,650,000,000) were due to Industrial Bank Financial Leasing Co., Ltd., repayable by 1 to 3 years and secured by the Group's right of electricity charge.

15. GOVERNMENT GRANTS

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
At 1 January	1,765,642	1,916,665
Received during the period/year	198,778	257,888
Accrued during the year	12,582	16,757
Released to the statement of profit or loss during the period/ year (<i>note 4</i>)	<u>(293,842)</u>	<u>(425,668)</u>
At 30 June/31 December	1,683,160	1,765,642
Current portion	<u>(234,151)</u>	<u>(229,796)</u>
Non-current portion	<u><u>1,449,009</u></u>	<u><u>1,535,846</u></u>

Government grants have been received for the purchase of certain items of property, plant and equipment or finance of research and development projects. There are no unfulfilled conditions or contingencies attached to these grants.

16. SHARE CAPITAL

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Authorised:		
4,461,067,880 (31 December 2024: 4,461,067,880) ordinary shares of HK\$0.10 each	446,107	446,107
538,932,120 (31 December 2024: 538,932,120) convertible preference shares of HK\$0.10 each	53,893	53,893
Total authorised capital	500,000	500,000
Issued and fully paid:		
3,230,704,104 (31 December 2024: 3,213,890,505) ordinary shares of HK\$0.10 each	323,070	321,389
479,781,034 (31 December 2024: 479,781,034) convertible preference shares of HK\$0.10 each	47,978	47,978
Total issued and fully paid capital	371,048	369,367
Equivalent to RMB'000	318,941	317,394

On 19 December 2014, the Company issued 479,781,034 convertible preference shares (“CPS”) of HK\$0.10 each at an issue price of HK\$2.009 per share. Each CPS is convertible into one ordinary share of the Company at any time after issuance (subject to standard anti-dilution adjustments) and has the same right as ordinary shares to receive dividends declared and other distribution made. The CPS are redeemable by the Company at any time after the third anniversary of the date of the issue of the CPS at the issue price or the fair market value of the CPS, whichever the higher. The holders of CPS are entitled to a preferred distribution at the rate of 0.01% per annum on the issue price.

A summary of movements in the Company's share capital is as follows:

	Number of convertible shares	Number of ordinary shares	Share capital	
			<i>HK\$'000</i>	Equivalent to <i>RMB'000</i>
At 31 December 2024	479,781,034	3,213,890,505	369,367	317,394
Issue of shares	—	16,813,599	1,681	1,547
At 30 June 2025	<u>479,781,034</u>	<u>3,230,704,104</u>	<u>371,048</u>	<u>318,941</u>

During the six months ended 30 June 2025, 16,813,599 (six months ended 30 June 2024: Nil) new ordinary shares were issued for the share awards and no cash proceeds was received, and related share-based compensation reserve of approximately RMB13,630,000 was transferred to share premium accordingly.

During the six months ended 30 June 2024, 3,295,000 new ordinary shares were issued for the share options exercised. Cash proceeds of approximately HK\$4,020,000 (equivalent to approximately RMB3,645,000) were received with no transaction costs borne by the Company, and related share option reserve of approximately RMB1,986,000 was transferred to share premium accordingly.

17. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

	30 June 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
Buildings	349,296	432,905
Plant and machinery	<u>837,404</u>	<u>772,588</u>
	<u>1,186,700</u>	<u>1,205,493</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Major Products

The Group divides its products into four categories, namely (1) mining equipment, which includes coal mining machinery products, non-coal mining machinery, mining vehicle equipment and smart mine products; coal mining machinery products include roadheaders (all types of all-rock and semi coal-rock roadheader and integrated excavation, bolting and self-protection machine) and mining equipment (shearer, hydraulic support system, scraper conveyor etc.); non-coal mining machinery products, such as tunnel roadheader and mining machine; mining vehicle products, such as mining transport equipment (mechanical drive off-highway dump truck and electric drive off highway dump truck) and widebodied vehicle and other relevant products; and smart mine products, such as unmanned driving, automated integrated mining and smart mine operation systems; (2) logistics equipment, which includes container equipment (including small port machinery such as front loader, stacking machine, etc., and large port machinery such as quayside gantry crane, etc.), bulk material equipment (gripper, elevated hoisting arm, etc.) and general equipment (heavy-weight forklift, telehandler, etc.); (3) oil and gas equipment, such as frac spreads, drilling and workover and automated pipe handling equipment and oil and gas field technical services; and (4) emerging industries, such as solar modules, hydrogen production equipment, power battery modules and energy storage systems.

Business Review

In the first half of 2025, we continued to advance its operating strategy of globalization, digital intellectualization and low-carbonization, driving steady business growth of the Group. The Group achieved revenue of RMB12,236.6 million, representing a year-on-year increase of 13.8%. The Group's profit for the period was approximately RMB1,294.2 million, representing a year-on-year increase of 31.1%, while profit attributable to shareholders reached RMB1,294.4 million, representing a year-on-year increase of 25.3%. The profit growth rate significantly exceeded revenue growth, reflecting sustained high-quality development and continued enhancement of operational capabilities.

The Group made steady progress in globalization, deepening our worldwide presence with steadily growing international revenue. In the first half of 2025, the international revenue reached RMB4,018.9 million, representing a year-on-year increase of 5.4%. At the same time, the Group's emerging industries have forged a rapidly expanding second curve, creating new profit growth drivers.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group recorded revenue of approximately RMB12,236.6 million, representing an increase of approximately 13.8% as compared with approximately RMB10,756.1 million for the six months ended 30 June 2024. Such change was mainly due to (1) the Group focused on the implementation of the strategy of globalization, digital intellectualization and low-carbonization, thus the Group's revenue from large port machinery, oil and gas equipment, emerging industries and overseas revenue from mining trucks increased significantly; (2) the Group completed the acquisition of the lithium business on 22 July 2024, which has contributed a new source of revenue since such acquisition.

Other income and gains

For the six months ended 30 June 2025, the Group's other income and gains were approximately RMB594.1 million, representing an increase of approximately 61.2% from approximately RMB368.6 million for the six months ended 30 June 2024. Such change was mainly due to increase of government grants and bank interest income.

Cost of sales

For the six months ended 30 June 2025, the Group's cost of sales was approximately RMB9,337.9 million, representing an increase of approximately 14.9% from approximately RMB8,130.5 million for the six months ended 30 June 2024. Such change was mainly due to the increase in sales revenue included in the Group for the oil and gas equipment and emerging industries.

Gross profit margin

For the six months ended 30 June 2025, the gross profit margin of the Group was approximately 23.7%, representing a decrease of approximately 0.7 percentage point against approximately 24.4% for the six months ended 30 June 2024. Such change was mainly due to the increase in the proportion of sales revenue from products with relatively low gross profit margin.

Selling and distribution expenses

For the six months ended 30 June 2025, the selling and distribution expenses of the Group were approximately RMB576.3 million, representing an increase of approximately 2.4% as compared with that of approximately RMB563.0 million for the six months ended 30 June 2024.

For the six months ended 30 June 2025, the ratio of the Group's selling and distribution expenses to revenue was approximately 4.7%, representing a decrease of approximately 0.5 percentage point as compared with approximately 5.2% for the six months ended 30 June 2024. Such change was mainly due to the Group's enhanced cost control measures, expanded sales scale, which led to the decrease in the overall expense ratio.

Research and development expenses

For the six months ended 30 June 2025, the R&D expenses of the Group were approximately RMB701.7 million, representing a decrease of approximately 13.7% as compared with approximately RMB813.1 million for the six months ended 30 June 2024. For the six months ended 30 June 2025, the ratio of R&D expenses against revenue was approximately 5.7%, representing a decrease of approximately 1.9 percentage points as compared with approximately 7.6% for the six months ended 30 June 2024. Such change was mainly due to the Group's management changes in its R&D system, focusing on core product R&D, and further rationalisation of its investment in R&D resources.

Administrative expenses

For the six months ended 30 June 2025, administrative expenses of the Group were approximately RMB985.7 million (for the six months ended 30 June 2024: approximately RMB1,108.5 million). The administrative expenses excluding R&D expenses were approximately RMB284.0 million (for the six months ended 30 June 2024: approximately RMB295.4 million), which accounted for approximately 2.3% of the revenue, representing a decrease of approximately 0.4 percentage point as compared with approximately 2.7% for the six months ended 30 June 2024. Such changes were mainly due to the Group's strict cost control measures, which resulted in a decrease in expenses while revenue has increased year-on-year.

Finance costs

For the six months ended 30 June 2025, finance costs of the Group were approximately RMB122.0 million, representing an increase of approximately 7.7% as compared with approximately RMB113.3 million for the six months ended 30 June 2024. Such change was mainly due to the increase in bank borrowings.

Profit margin before tax

For the six months ended 30 June 2025, the Group's profit margin before tax was approximately 14.0%, representing an increase of approximately 3.3 percentage points as compared with approximately 10.7% for the six months ended 30 June 2024. Such change was mainly attributable to (1) the decrease in the ratio of selling and distribution expenses and administrative expenses to revenue; (2) the increase in other income.

Taxation

For the six months ended 30 June 2025, the Group's effective tax rate was approximately 24.2% (for the six months ended 30 June 2024: the effective tax rate was approximately 14.4%). For details regarding income tax, please refer to note 7 on page 15 hereof.

Profit attributable to owners of the parent

For the six months ended 30 June 2025, the Group's profit attributable to owners of the parent was approximately RMB1,294.4 million, which represents an increase of approximately 25.3% as compared with approximately RMB1,032.7 million for the six months ended 30 June 2024. Further analysis is set out in the paragraphs headed "Revenue", "Gross profit margin" and "Profit margin before tax".

Liquidity and financial resources

As at 30 June 2025, total current assets of the Group were approximately RMB28,553.6 million (31 December 2024: RMB26,227.1 million). As at 30 June 2025, total current liabilities of the Group were approximately RMB23,103.8 million (31 December 2024: RMB21,209.8 million).

As at 30 June 2025, total assets of the Group were approximately RMB43,638.4 million (31 December 2024: approximately RMB40,927.7 million), and total liabilities were approximately RMB31,128.4 million (31 December 2024: approximately RMB28,752.5 million).

As at 30 June 2025, the gearing ratio (the net debt divided by the equity plus net debt) was approximately 63.5% (31 December 2024: approximately 63.2%).

Trade and bills receivables

As at 30 June 2025, the Group's gross balance of trade and bills receivables was approximately RMB14,595.4 million, representing an increase of approximately 13.8% as compared with approximately RMB12,823.7 million as at 31 December 2024, among which trade receivables were approximately RMB13,840.2 million, representing an increase of approximately 18.4% as compared with approximately RMB11,692.0 million as at 31 December 2024. Such change was mainly attributable to the increase in sales revenue. Bills receivables were approximately RMB755.2 million, representing a decrease of approximately 33.3% as compared with RMB1,131.7 million as at 31 December 2024. Such change was mainly due to the decrease in receipt of bills.

Interest-bearing bank and other borrowings

As at 30 June 2025, interest-bearing bank and other borrowings of the Group were approximately RMB10,889.5 million (31 December 2024: approximately RMB9,934.6 million). The main reason for the Group's borrowing was to meet the Group's development demands of emerging industries and day-to-day operational requirements.

As at 30 June 2025, the Group's secured bank borrowings and other borrowings carried interests between 1.77% to 3.98% per annum (31 December 2024: between 2.13% to 3.98%) and the unsecured bank borrowings and other borrowings carried interests between 1.75% to 4.35% per annum (31 December 2024: between 1.95% to 4.35% per annum).

Cash flow

As at 30 June 2025, the Group's cash and cash equivalents and time deposits with maturity of three months or more were approximately RMB6,219.5 million in total.

For the six months ended 30 June 2025, the net cash inflow of the Group from operating activities was approximately RMB368.4 million (for the six months ended 30 June 2024: net cash outflow of approximately RMB152.9 million). Such changes were mainly due to the increase in cash inflows from mining equipment, oil and gas equipment and emerging industries.

For the six months ended 30 June 2025, the net cash inflow of the Group from investing activities was approximately RMB92.6 million (for the six months ended 30 June 2024: net cash outflow of approximately RMB346.7 million). Such changes were mainly due to the increase in cash inflow for proceeds from disposal of financial assets at fair value through profit or loss.

For the six months ended 30 June 2025, the net cash inflow of the Group from financing activities was approximately RMB460.5 million (for the six months ended 30 June 2024: net cash inflow of approximately RMB1,734.0 million). Such changes were mainly due to a significant decrease in the increase in borrowings compared to the same period in 2024.

Turnover days

As at 30 June 2025, the Group's average turnover days of inventory were approximately 106 days, representing an increase of approximately 24 days over approximately 82 days as at 30 June 2024. Such changes were mainly due to (1) an increase in inventories in emerging industries; (2) an increase in overseas inventories to ensure timely delivery in overseas markets.

As at 30 June 2025, the Group's turnover days of trade and bills receivables were approximately 204 days, representing an increase of approximately 2 days over approximately 202 days as at 30 June 2024. Such changes were mainly due to the increase in the proportion of sales of products revenue with relatively long collection cycles.

As at 30 June 2025, the Group's turnover days of trade and bills pay were approximately 228 days, representing an increase of approximately 40 days over approximately 188 days as at 30 June 2024. Such changes were mainly due to the implementation of offline settlement and the extension of contract payment cycles.

Financial guarantee contracts

The financial guarantee contracts represent guarantees given to financial institutions or finance lease companies in connection with facilities granted to the Group's customers. As at 30 June 2025, an allowance of RMB5,075.7 million (31 December 2024: RMB5,829.5 million) was provided for the unsettled loans and lease amounts of RMB20.7 million (31 December 2024: RMB17.2 million).

Capital commitment

As at 30 June 2025, the contracted capital commitments of the Group which were not provided for in the Group's financial statements were approximately RMB1,186.7 million (31 December 2024: approximately RMB1,205.5 million).

Employees and remuneration policy

As at 30 June 2025, the Group employed a total of 7,843 full-time employees (31 December 2024: 7,872 employees). The Group persists in training and developing talents. Accordingly, it provides regular internal training, external training and corresponding courses to its staff according to their ranking and working stage, with an aim to improving their skills relevant to work and enhancing their sense of belonging. The Group pays year-end bonuses to staff to reward them for their contributions and dedication to the Group. In addition, the Group has implemented a share option scheme and a share award scheme for core employees to share the Company's development results. The remuneration of the directors of the Group was determined according to their positions, responsibilities, experience and prevailing market conditions.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures and future plans for material investments and capital assets

On 12 March 2025, Sany Marine Heavy Industry Co., Ltd. Hunan Branch* (herein refer to as "**Sany Marine Heavy Industry (Hunan)**"), a wholly-owned subsidiary of the Company, Hunan Anren Sany Heavy Steel Structure Co., Ltd.* (herein refer to as "**Sany Heavy Steel**"), a wholly-owned subsidiary of the Company, and Hunan Sany Tower Technology Co., Ltd.* (herein refer to as "**Sany Turbine Tower Technology**") entered into the Agreement pursuant to which Sany Marine Heavy Industry (Hunan) and Sany Heavy Steel have conditionally agreed to dispose of, and Sany Turbine Tower Technology has conditionally agreed to purchase, certain Turbine Tower Assets, at an aggregate Consideration of approximately RMB52.9 million. Details of such disposal are set out in the announcement of the Company dated 12 March 2025.

Save as disclosed above, there were no other significant investments, and no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

As at 30 June 2025, the Board had not authorised any plan for material investments or capital assets.

Pledge on assets

As at 30 June 2025, the Group recorded pledged bank deposits of approximately RMB88.0 million (31 December 2024: approximately RMB71.0 million) for the purpose of issuing security deposit for bank acceptance bills. As at 30 June 2025, the Group's leasehold land of approximately RMB677.4 million (31 December 2024: approximately RMB685.4 million) and the Group's right of electricity charge of approximately RMB64.6 million (31 December 2024: approximately RMB64.6 million) were pledged for the Group's bank loans of approximately RMB790.0 million and approximately RMB10.5 million.

Foreign exchange risk

As at 30 June 2025, the Group's cash and bank balances denominated in foreign currencies such as US\$ and EUR were equivalent to approximately RMB4,296.7 million. The Group will monitor the risk exposures and consider hedging against material currency risk if and when necessary.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

The Group has no material events subsequent to 30 June 2025 and up to the date of this announcement.

SOCIAL RESPONSIBILITY

The Group actively fulfills its corporate social responsibilities and is committed to promoting low-carbon development. The Group has not only maintained steady growth in its domestic business but also actively expanded into global markets and strengthened international cooperation. By continuously enhancing its independent R&D capabilities, the Group has advanced three major transformation and upgrading strategies — globalization, intellectualization, and low-carbonization. This approach has not only achieved high-quality development for the Group itself but also injected strong momentum into the progress of the entire industry. The EBZ260H all-rock roadheader developed by the Group is fully capable of addressing the complex geological conditions and efficient mining requirements of Guizhou's lead-zinc mines, facilitating the establishment of provincial key strategic projects and driving high-quality regional economic development. On 27 June 2025, the Group unveiled nearly ten upgraded electric forklifts with capacities ranging from 10t to 46t, accelerating the in-depth transformation of industrial vehicles towards “intelligence, greenness, and scenario-based applications,”

and injecting strong momentum into China's forklift industry's participation in global high-end market competition. Additionally, the pure water hydraulic support developed by the Group completely replaces emulsified liquid with high-purity water medium, thoroughly resolving the industry-wide issue of groundwater contamination caused by emulsified liquid seepage, and contributing to the protection and management of mine water and the green transformation of the coal industry.

The Group has actively launched industry and university-enterprise cooperation, having jointly launched the "AI-Driven: Industrial Intelligence Empowering the Future" specialized training event with the National Frontier Science Center for Industrial Intelligence and System Optimization (工業智能與系統優化國家級前沿科學中心) (DAO Lab) at Northeastern University. Together, we explored innovative pathways for artificial intelligence technologies to drive industrial intelligence initiatives.

In the course of business expansion and innovation, the Group has consistently prioritized environmental protection and social responsibility, deeply integrating the concept of sustainable development into our corporate strategy. We are committed to achieving economic benefits while fostering harmonious coexistence between society and the environment, thereby laying a solid foundation for the long-term development of our enterprise.

Corporate Governance

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the shareholders. The Board strives to adhere to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all shareholders to ensure the transparency of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to maximize return for shareholders.

The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as its own code on corporate governance. To the best knowledge of the Directors, the Company had complied with all applicable code provisions under the CG Code during the six months ended 30 June 2025.

Compliance with the Model Code for Directors' Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions. Specific enquiries have been made with all Directors, who have confirmed that, during the six months ended 30 June 2025, they were in compliance with the required provisions set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with written terms of reference in compliance with the CG Code. As at 30 June 2025, the Audit Committee consists of three members, namely Mr. Poon Chiu Kwok, Mr. Hu Jiquan and Mr. Yang Shuyong, all of whom are independent non-executive Directors. Mr. Poon Chiu Kwok, who has professional qualifications in accounting, was appointed as the chairman of the Audit Committee. The Audit Committee has convened meetings to discuss the auditing, internal controls, risk management and financial reporting matters, including the review of the unaudited interim financial statements of the Group for the six months ended 30 June 2025.

REVIEW OF INTERIM FINANCIAL STATEMENTS

The interim financial statements of the Group for the six months ended 30 June 2025 have not been audited or reviewed by the Company's external auditor but had been reviewed by the Audit Committee before being recommended to the Board for approval.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares). As at 30 June 2025, the Company did not hold any treasury shares.

PUBLICATION OF INFORMATION ON THE WEBSITES

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) as well as the website of the Company (www.sanyhe.com). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be made available on the same websites and despatched to the shareholders (if requested) in due course.

By the Order of the Board
Sany Heavy Equipment International Holdings Company Limited
Liang Zaizhong
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the executive Directors are Mr. Liang Zaizhong, Mr. Qi Jian and Mr. Fu Weizhong, the non-executive Directors are Mr. Tang Xiuguo and Mr. Xiang Wenbo, and the independent non-executive Directors are Mr. Poon Chiu Kwok, Mr. Hu Jiquan, Mr. Yang Shuyong and Ms. Zhou Lan.