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## Xingye Alloy Materials Group Limited

### 興業合金材料集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 505)

### ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board of directors (the “**Board**”) of Xingye Alloy Materials Group Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 together with comparative figures for the year ended 31 December 2024 as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
<b>Revenue</b>	4	<b>9,259,024</b>	8,053,401
Cost of sales		<b>(8,346,693)</b>	(7,291,849)
<b>Gross profit</b>		<b>912,331</b>	761,552
Other income	5	<b>63,597</b>	35,385
Distribution expenses		<b>(73,197)</b>	(67,900)
Administrative expenses		<b>(454,471)</b>	(366,893)
Other losses, net	6	<b>(268,551)</b>	(27,344)

	<i>Note</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
<b>Profit from operations</b>		<b>179,709</b>	334,800
Finance income		<b>26,930</b>	31,822
Finance costs		<b>(41,393)</b>	(48,414)
<b>Net finance costs</b>	<i>7(a)</i>	<b>(14,463)</b>	(16,592)
<b>Profit before taxation</b>		<b>165,246</b>	318,208
Income tax	<i>8</i>	<b>(33,559)</b>	(76,627)
<b>Profit for the year</b>		<b>131,687</b>	241,581
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>132,593</b>	241,217
Non-controlling interests		<b>(906)</b>	364
<b>Profit for the year</b>		<b>131,687</b>	241,581
<b>Earnings per share</b>			
Basic ( <i>RMB</i> )	<i>9(a)</i>	<b>0.15</b>	0.27
Diluted ( <i>RMB</i> )	<i>9(b)</i>	<b>0.15</b>	0.27

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(Expressed in RMB)

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Profit for the year</b>	<b>131,687</b>	241,581
<b>Other comprehensive income for the year</b> <b>(after tax and reclassification adjustments):</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Exchange differences on translation of financial statements of the Company	(14,262)	(9,822)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of the Company's subsidiaries outside mainland China	<u>11,626</u>	<u>10,540</u>
<b>Other comprehensive income for the year</b>	<b>(2,636)</b>	718
<b>Total comprehensive income for the year</b>	<b><u>129,051</u></b>	<b><u>242,299</u></b>
<b>Attributable to:</b>		
Equity shareholders of the Company	129,957	241,935
Non-controlling interests	<u>(906)</u>	<u>364</u>
<b>Total comprehensive income for the year</b>	<b><u>129,051</u></b>	<b><u>242,299</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

(Expressed in RMB)

	Note	2025 RMB'000	2024 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		1,414,292	1,304,270
Right-of-use assets	10	59,694	61,060
Deposits for acquisition of property, plant and equipment		21,724	61,606
Other non-current assets		6,446	20,382
Deferred tax assets		39,229	24,136
		<u>1,541,385</u>	<u>1,471,454</u>
<b>Current assets</b>			
Inventories	12	2,043,090	1,548,355
Trade and other receivables	13	1,316,993	1,019,967
Derivative financial instruments		828	8,301
Restricted bank deposits		999,054	766,755
Bank deposits with original maturity over three months		89,209	178,024
Cash and cash equivalents		542,391	681,211
		<u>4,991,565</u>	<u>4,202,613</u>
<b>Current liabilities</b>			
Derivative financial instruments		46,127	697
Interest-bearing borrowings	14	1,510,098	948,508
Trade and other payables	15	2,276,661	2,011,397
Lease liabilities	16	28	27
Income tax payable		31,008	46,581
		<u>3,863,922</u>	<u>3,007,210</u>
<b>Net current assets</b>		<u>1,127,643</u>	<u>1,195,403</u>
<b>Total assets less current liabilities</b>		<u>2,669,028</u>	<u>2,666,857</u>
<b>Non-current liabilities</b>			
Interest-bearing borrowings	14	293,946	417,659
Lease liabilities	16	15	43
Deferred income		72,328	59,988
Deferred tax liabilities		6,000	6,000
		<u>372,289</u>	<u>483,690</u>
<b>NET ASSETS</b>		<u>2,296,739</u>	<u>2,183,167</u>
<b>CAPITAL AND RESERVES</b>			
Share capital		80,774	80,774
Reserves		2,212,791	2,099,189
<b>Total equity attributable to equity shareholders of the Company</b>		<u>2,293,565</u>	<u>2,179,963</u>
<b>Non-controlling interests</b>		<u>3,174</u>	<u>3,204</u>
<b>TOTAL EQUITY</b>		<u>2,296,739</u>	<u>2,183,167</u>

## 1 REPORTING ENTITY AND BACKGROUND INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 19 July 2007 under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 27 December 2007 (the "**Listing Date**").

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries. The principal activities of the Group are the manufacture and sales of high precision copper plates and strips, trading of raw materials, and provision of processing services. After the acquisition of an online gaming business in August 2016, the Group's activities also include developing, publishing and operating online games and provision of related services.

## 2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**"), and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The International Accounting Standards Board ("**IASB**") has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

## 3 CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to IFRS 21, *The effects of changes in foreign exchange rates - Lack of exchangeability* issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 4 REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are (i) the manufacture and sales of high precision copper plates and strips, trading of raw materials, provision of processing services; and (ii) developing, publishing and operating online games and provision of related services.

Further details regarding the Group's principal activities are disclosed in note 4(b).

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and timing of revenue recognition is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue from contracts with customers within the scope of IFRS 15</b>		
Disaggregated by major products or service lines:		
Copper products related:		
– Sales of high precision copper plates and strips	8,867,525	7,699,973
– Processing service fees	286,813	276,803
– Trading of raw materials	101,167	72,215
	<u>9,255,505</u>	<u>8,048,991</u>
Online games related:		
– Publishing and operating online games	3,519	4,410
	<u>3,519</u>	<u>4,410</u>
	<u>9,259,024</u>	<u>8,053,401</u>
Disaggregated by timing of revenue recognition:		
– Point in time	9,255,505	8,048,991
– Over time	3,519	4,410
	<u>9,259,024</u>	<u>8,053,401</u>

Disaggregation of revenue from contracts with customers by geographic markets are disclosed in note 4(b).

The Group's customer base is diversified and no single customer contributed over 10% of the total revenue of the Group during the years ended 31 December 2025 and 2024.

**(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date**

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to all its sales contracts such that the Group does not need to disclose the information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under all sales contracts that had an original expected duration of one year or less.

**(b) Segment reporting**

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, the Group has determined that it only has one operating segment.

As the assets and liabilities by segment is not a measure used by the Group's chief operating decision maker to allocate resources and assess performance, the segment assets and liabilities of the Group are not reported to the Group's chief operating decision maker regularly. As a result, reportable segment assets and liabilities have not been presented in the consolidated financial statements.

**Geographic information**

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>		
Chinese Mainland	<b>8,300,590</b>	7,197,971
Taiwan, China	<b>164,249</b>	177,973
Singapore	<b>121,103</b>	112,462
Vietnam	<b>89,788</b>	32,476
India	<b>71,479</b>	71,061
Hong Kong, China	<b>49,044</b>	101,628
The United States of America	<b>38,895</b>	18,965
Other locations	<b>423,876</b>	340,865
	<b><u>9,259,024</u></b>	<b><u>8,053,401</u></b>

The Group's specified non-current assets (excluding deferred tax assets) are all located in the People's Republic of China (the "PRC") which, for the purpose of this announcement, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan. The geographical location of the Group's specified non-current assets (excluding deferred tax assets) is based on the physical location of the asset, in the case of property, plant and equipment, and the location of the operation to which they are allocated, in the case of intangible assets and goodwill.

## 5 OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants	41,115	34,912
Others	22,482	473
	<u>63,597</u>	<u>35,385</u>

Government grants represent unconditional government grants of RMB25,454,000 (2024: RMB16,903,000) awarded to the Group as a recognition of the Group's contribution to the development of the local economy, and the amortisation of deferred government grants of RMB15,661,000 during the year ended 31 December 2025 (2024: RMB18,009,000).

## 6 OTHER LOSSES, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Credit losses allowance on trade receivables	8,674	10,425
Credit losses allowance on other non-current assets	13,936	–
Losses on disposals of property, plant and equipment	2,296	351
Net losses on metal futures contracts	242,571	16,236
Others	1,074	332
	<u>268,551</u>	<u>27,344</u>

## 7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after crediting/(charging):

### (a) Net finance costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income from bank deposits	25,915	31,822
Gains from foreign exchange forward contracts, option contracts and swap contracts	1,015	–
Finance income	<u>26,930</u>	<u>31,822</u>
Interest expenses on interest-bearing borrowings	(36,624)	(41,675)
Interest on lease liabilities	(7)	(12)
Less: interest expenses capitalised	<u>1,244</u>	<u>1,780</u>
Net interest expenses recognised in profit or loss	(35,387)	(39,907)
Net foreign exchange losses	(6,006)	(8,310)
Losses from foreign exchange forward contracts, option contracts and swap contracts	–	(197)
Finance costs	<u>(41,393)</u>	<u>(48,414)</u>
Net finance costs	<u>(14,463)</u>	<u>(16,592)</u>

### (b) Personnel costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	278,902	234,799
Equity-settled share-based payment expenses	–	6,577
Contributions to defined contribution plan	17,674	14,878
	<u>296,576</u>	<u>256,254</u>

The Group participates in pension funds organised by the PRC government. According to the related pension fund regulations, the Group is required to pay annual contributions during the year. The Group remits all the pension fund contributions to the respective social security offices, which are responsible for the payments and liabilities relating to the pension funds. The Group has no obligation for payment of retirement and other post-retirement benefits of employees other than the contributions described above.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees employed by the Group in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

(c) **Other items**

	<b>2025</b>	2024
	<b>RMB’000</b>	RMB’000
Cost of inventories*	<b>8,341,469</b>	7,287,173
Depreciation		
– Property, plant and equipment	<b>132,078</b>	108,771
– Right-of-use assets ( <i>note 10</i> )	<b>1,588</b>	1,915
Impairment losses on		
– Trade receivables	<b>8,674</b>	10,425
Research and development expenditure (included in administrative expenses)	<b>264,898</b>	186,410
Auditor’s remuneration		
– audit services	<b>2,460</b>	2,460
– non-audit services	<b>235</b>	315
	<b>8,341,469</b>	7,287,173

\* Cost of inventories includes RMB211,940,000 (2024: RMB176,676,000) relating to staff costs and depreciation expenses whose amounts are also included in the respective total amounts disclosed separately above or in notes 7(b) and 7(c) for each type of expense.

## 8 INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current tax</b>		
Provision for the year	43,430	71,958
Under-provision in respect of prior years	1,476	2,931
PRC withholding tax	3,746	3,742
	<u>48,652</u>	<u>78,631</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(15,093)	(2,004)
	<u>33,559</u>	<u>76,627</u>

- (i) Pursuant to the tax rules and regulations of the Cayman Islands and British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and British Virgin Islands.
- (ii) The applicable profits tax rate of the Group's subsidiaries incorporated in Hong Kong was 16.5% (2024: 16.5%). A two-tiered profits tax rates regime was introduced in 2018 whereby the first HKD2 million in assessable profits earned by a company will be taxed at half of the current tax rate (8.25%), while the remaining profits will continue to be taxed at 16.5%.
- (iii) The Group's PRC subsidiaries are subject to PRC income tax at 25%. For certain subsidiaries recognised as small low-profit enterprises in 2025, were entitled to a preferential enterprise income tax rate of 5%.
- (iv) The PRC Corporate Income Tax Law and its relevant regulations impose a withholding tax at 10%, unless reduced by a tax treaty or arrangement, for dividend distributions out of the PRC from earnings accumulated from 1 January 2008. Undistributed earnings generated prior to 1 January 2008 are exempt from such withholding tax. As at 31 December 2025, a preferential withholding tax rate of 5% is applied, since Xingye Copper International (HK) Limited, the parent company of the Group's PRC subsidiaries, became entitled to the preferential withholding tax rate of 5%, having been certified as a tax resident of the Hong Kong Special Administrative Region under the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income". As a result, deferred tax liabilities of RMB6,000,000 (2024: RMB6,000,000) were recognised in connection with withholding tax that would be payable on the distribution of retained profits of the Group's PRC subsidiaries as at 31 December 2025.

## 9 BASIC AND DILUTED EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB132,593,000 (2024: RMB241,217,000) and the weighted average number of 866,293,483 ordinary shares (2024: 881,635,935) in issue during the year, calculated as follows:

#### *Weighted average number of ordinary shares (basic)*

	2025	2024
Issued ordinary shares at 1 January	875,696,173	880,358,173
Effect of shares purchased under Share Award Scheme ( <i>note 18</i> )	(9,402,690)	(5,875,663)
Effect of shares vested under Share Award Scheme ( <i>note 18</i> )	–	7,153,425
	<u>866,293,483</u>	<u>881,635,935</u>
Weighted average number of ordinary shares (basic) at 31 December	<u>866,293,483</u>	<u>881,635,935</u>

### (b) Diluted earnings per share

As at 31 December 2025 and 31 December 2024, diluted earnings per share is the same as basic earnings per share as there are no dilutive potential shares during the period.

#### *Weighted average number of ordinary shares (diluted)*

	2025	2024
Weighted average number of ordinary shares (basic) at 31 December	866,293,483	881,635,935
Effect of Share Award Scheme ( <i>note 18</i> )	–	–
	<u>866,293,483</u>	<u>881,635,935</u>
Weighted average number of ordinary shares (diluted) at 31 December	<u>866,293,483</u>	<u>881,635,935</u>

## 10 RIGHT-OF-USE ASSETS

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	<b>31 December 2025</b>	31 December 2024
	<b>RMB'000</b>	RMB'000
Leasehold lands in PRC, carried at depreciated cost	<b>59,531</b>	60,982
Leased properties, carried at depreciated cost	<b>163</b>	78
	<b><u>59,694</u></b>	<u>61,060</u>

During the year, additions to right-of-use assets were RMB222,000 (2024: RMB183,000).

Certain leasehold lands with an aggregate carrying amount of RMB5,846,000 (2024: RMB6,058,000) were pledged as security for bank loans at 31 December 2025 (see note 14(iii)).

## 11 GOODWILL

	<i>RMB'000</i>
<b>Cost:</b>	
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>138,153</u>
<b>Accumulated impairment loss:</b>	
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>(138,153)</u>
<b>Net book value:</b>	
At 31 December 2024 and 31 December 2025	<u>–</u>

## 12 INVENTORIES

	<b>31 December 2025</b>	31 December 2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Raw materials	<b>466,874</b>	140,722
Work in progress	<b>1,200,484</b>	1,065,196
Finished goods	<b>375,258</b>	342,081
Others	<b>474</b>	356
	<b><u>2,043,090</u></b>	<u>1,548,355</u>

Provisions of RMB6,600,000 (2024: RMB20,450,000) were made against those inventories with net realisable value lower than carrying value as at 31 December 2025.

Certain inventories with a maximum aggregate carrying amount of nil were pledged as security for bank loans at 31 December 2025 (2024: RMB480,000,000) (see note 14 (iii)).

## 13 TRADE AND OTHER RECEIVABLES

	<b>31 December 2025</b>	31 December 2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade receivable, net of credit loss allowance	<b>747,016</b>	601,348
Bills receivable	<b>399,284</b>	254,165
Deposits for metal futures contracts	<b>131,777</b>	75,988
Receivables under metal futures contracts	<b>–</b>	3,915
Other debtors	<b>1,373</b>	459
<b>Financial assets measured at amortised cost</b>	<b>1,279,450</b>	935,875
VAT recoverable	<b>6,163</b>	43,296
Prepayments	<b>31,380</b>	40,796
	<b><u>1,316,993</u></b>	<u>1,019,967</u>

All of the trade and other receivables (net of credit loss allowance) are expected to be recovered or recognised as expenses within one year.

As at 31 December 2025, the Group discounted certain bank acceptance bills to banks for cash proceeds and endorsed certain bank acceptance bills to suppliers for settling trade payables of the same amount on a full recourse basis, in the amount of RMB338,412,000 (2024: RMB201,434,000). In the opinion of the Directors, the Group has not transferred the substantial risks and rewards relating to these bank acceptance bills, and accordingly, it continued to recognise the full carrying amounts of these bills receivable and the associated trade payables settled, and has recognised the cash received on the transfer as cash advances under discounted bills.

### Ageing analysis

As of the end of the reporting period, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on the invoice date and net of credit loss allowance is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 3 months	<b>984,186</b>	780,955
Over 3 months but less than 6 months	<b>155,539</b>	69,025
Over 6 months but less than 1 year	<b>3,533</b>	1,667
Over 1 year	<b>3,042</b>	3,866
	<b><u>1,146,300</u></b>	<u>855,513</u>

Credit terms granted to customers ranged from 7 to 90 days depending on the customer's trading history with the Group, its creditworthiness and past settlement record.

## 14 INTEREST-BEARING BORROWINGS

At 31 December 2025, interest-bearing borrowings were repayable based on scheduled repayment dates set out in the underlying loan agreements as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current</b>		
Secured bank loans	138,550	155,042
Unsecured bank loans	49,734	191,618
Bank advances under discounted bills	1,141,072	495,514
Current portion of non-current secured bank loans	180,542	106,334
Current portion of non-current unsecured bank loans	200	–
	<u>1,510,098</u>	<u>948,508</u>
<b>Non-current</b>		
Secured bank loans	284,540	417,659
Unsecured bank loans	9,406	–
	<u>1,804,044</u>	<u>1,366,167</u>

(i) The Group's interest-bearing borrowings were repayable as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	<u>1,510,098</u>	<u>948,508</u>
Over 1 year but less than 2 years	43,437	133,120
Over 2 years but less than 5 years	140,559	127,829
Over 5 years	<u>109,950</u>	<u>156,710</u>
	<u>293,346</u>	<u>417,659</u>
	<u>1,804,044</u>	<u>1,366,167</u>

(ii) The Group's interest-bearing borrowings in the amount of RMB44,000,000 (2024: RMB72,000,000) are subject to the fulfilment of financial covenants relating to certain of the Group's statement of financial position ratios, as are commonly found in lending arrangements with financial institutions. As at and during the year ended 31 December 2025, none of these covenants related to drawn down facilities were breached.

- (iii) The secured bank loans as at 31 December 2025 bear interest at rates ranging from 2.15% to 3.20% (2024: 2.70% to 4.30%) per annum and were pledged by the following assets:

	<b>31 December 2025</b>	31 December 2024
	<b>RMB'000</b>	RMB'000
Carrying amounts of pledged assets:		
Inventories	–	480,000
Property, plant and equipment	<b>91,917</b>	132,982
Right-of-use assets	<b>5,846</b>	6,058
	<u><b>97,763</b></u>	<u>619,040</u>

- (iv) Unsecured bank loans as at 31 December 2025 bear interest at rates ranging from 2.45% to 2.50% (2024: 2.50% to 3.01%) per annum.

## 15 TRADE AND OTHER PAYABLES

	<b>31 December 2025</b>	31 December 2024
	<b>RMB'000</b>	RMB'000
Trade payable (ii)	<b>1,552,524</b>	1,275,642
Bills payable (ii)	<b>445,769</b>	479,270
Staff benefits payable	<b>95,477</b>	88,101
Payables for purchase of property, plant and equipment	<b>69,808</b>	61,599
Accrued expenses and others	<b>57,903</b>	63,786
<b>Financial liabilities measured at amortised cost</b>	<b>2,221,481</b>	1,968,398
Contract liabilities (i)	<b>55,180</b>	42,999
	<u><b>2,276,661</b></u>	<u>2,011,397</u>

- (i) The Group receives payments from customers based on the billing schedule established in contracts. Payments are usually received in advance under the contracts, which are mainly from sales of copper products.

Revenue of RMB42,999,000 was recognised for the year ended 31 December 2025 that was included in the contract liabilities balance at the beginning of the reporting period.

(ii) As of the end of the reporting period, the ageing analysis of trade and bills payables (which is included in trade and other payables), based on the invoice date or issuing date, is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 3 months	<b>949,171</b>	1,295,337
Over 3 months but within 6 months	<b>1,026,617</b>	414,162
Over 6 months but within 1 year	<b>11,225</b>	34,405
Over 1 year	<b>11,280</b>	11,008
	<u><b>1,998,293</b></u>	<u>1,754,912</u>

## 16 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 1 year	<b>28</b>	27
Over 1 year but within 2 years	<b>15</b>	28
Over 2 years but within 5 years	<b>–</b>	15
	<u><b>15</b></u>	<u>43</u>
	<u><b>43</b></u>	<u>70</u>

## 17 DIVIDENDS

No dividend was declared to equity shareholders of the Company for the year ended 31 December 2025 (2024: Nil).

## 18 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

On 18 April 2016 (the “**Adoption Date**”), the Company adopted a share award scheme (the “**Share Award Scheme**”) to recognise and reward the contribution of eligible employees to the growth and development of the Group through awarding the Company’s ordinary shares.

The Company has appointed a trustee for administration of the Share Award Scheme (the “**Trustee**”). The principal activity of the Trustee is administrating and holding the Company’s shares for the Share Award Scheme (the “**Trust**”) for the benefit of the Company’s eligible employees. Pursuant to the Share Award Scheme, the Company’s shares will be purchased by the Trustee in the market out of cash contributed by the Company and held in the Trust for relevant employees until such shares are vested in the relevant beneficiary in accordance with the provisions of the Share Award Scheme at no cost. The total number of the Company’s shares held by the Trustee under the Share Award Scheme will not exceed 20% of the total issued shares of the Company as at the Adoption Date, i.e. 162,223,190 shares.

As the Company has the power to govern the financial and operating policies of the Trust and can derive benefits from the contributions of the employees who have been awarded the shares of the Company (the “**Awarded Shares**”) through their continued employment with the Group, the Group is required to consolidate the Trust.

As at 31 December 2025, the Company has accumulatively contributed HKD79,510,000 (equivalent to RMB70,450,000) (2024: HKD65,510,000 (equivalent to RMB57,556,000)) to the Trust and the amount was recorded as “Investments in subsidiaries” in the Company’s statement of financial position.

As at 31 December 2025, the Trustee has accumulatively purchased 72,820,000 shares (2024: 59,248,000 shares) of the Company at a total cost (including related transaction costs) of HKD76,029,000 (equivalent to RMB67,486,000) (2024: HKD62,204,000 (equivalent to RMB54,760,000)).

(i) Details of the shares held under the Share Award Scheme are set out below:

	2025			2024		
	Average purchase price <i>HKD</i>	No. of shares held	Value <i>RMB'000</i>	Average purchase price <i>HKD</i>	No. of shares held	Value <i>RMB'000</i>
At 1 January	1.05	23,862,000	23,153	1.05	19,200,000	18,853
Shares purchased during the year	1.02	13,572,000	12,726	1.04	11,662,000	11,092
Shares vested during the year	-	-	-	-	(7,000,000)	(6,792)
At 31 December	1.04	<u>37,434,000</u>	<u>35,879</u>	1.05	<u>23,862,000</u>	<u>23,153</u>

According to the Resolution of the Board of Company on 22 December 2023, 14,000,000 ordinary shares held under the Share Award Scheme were granted to 3 directors and 7 employees of the Group at nil consideration. The Award Shares had been vested in two tranches, 7,000,000 shares on 22 December 2023 and 7,000,000 shares on 23 December 2024, respectively. The fair value of these awarded shares was determined by reference to the closing price of the Company's ordinary shares on 22 December 2023, i.e. HKD1.06 per share (equivalent to RMB0.96 per share).

Accordingly, employee service cost of nil (2024: RMB6,577,000) was recognised in the consolidated statement of profit or loss.

(ii) Movements in the number of awarded shares for the years ended 31 December 2025 and 2024 were as follows:

	<b>Number of awarded shares</b>
<b>At 1 January 2024</b>	7,000,000
Vested and transferred during the year	<u>(7,000,000)</u>
<b>At 31 December 2024 and 31 December 2025</b>	<u><u>–</u></u>

During the year ended 31 December 2025, nil award shares (2024: 7,000,000 award shares with a fair value of RMB13,484,000) were vested and transferred to directors and employee of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERALL BUSINESS REVIEW

The Group's total revenue for the year ended 31 December 2025 ("2025") amounted to RMB9,259.0 million, representing an increase of 15.0% as compared to RMB8,053.4 million for the year ended 31 December 2024 ("2024"). The Group's profit attributable to the shareholders in 2025 decreased by 45.0% to RMB132.6 million from RMB241.2 million in 2024. The decrease in profit was mainly due to the following reasons:(1) the Company's use of copper futures contracts to hedge the risk of copper price volatility. The Company booked significant losses due to the rapid and dramatic rise in copper price in the fourth quarter of 2025; (2) addition of new employees and salary adjustments, which led to an increase in labor costs; (3) the increase in depreciation costs due to acquisition of new equipment and other infrastructures; and (4) the cancellation of export tax rebate policy for some copper products by the Chinese government resulting in a decrease in the gross profit of overseas sales.

### COPPER PROCESSING BUSINESS

#### Market and Industry Review

In 2025, the global copper prices experienced a year of challenges and transformations. Copper prices underwent significant volatility, the supply-demand fundamentals were reshaped, and the influences of geopolitical and macroeconomic factors remained substantial. Throughout the year, copper prices generally exhibited a trend characterised by high-level fluctuations with an upward shift in the price floor. Overall, the convergence of geopolitical policy disruptions, financial influences, and structural supply-demand imbalances heightened the market's sensitivity to supply risks, which constituted the critical backdrop for copper prices sustaining elevated levels throughout 2025. In December 2025, the copper price on the London Metal Exchange ("LME") briefly surpassed US\$12,960/ton, ultimately closing the year at US\$12,423/ton, representing an increase of approximately 42% over the course of the year. Concurrently, the copper price on the Shanghai Futures Exchange ("SHFE") reached a peak of RMB102,660/ton, concluding the year at RMB98,310/ton, representing a year-on-year increase of 37%.

In 2026, a foreseeable key factor influencing copper prices will be the disruption caused by the U.S. government's policy on refined copper tariffs, which is expected to contribute to price volatility. Once the uncertainties surrounding tariffs are resolved, the critical determinant of copper price trends will revert to being driven by the supply-demand dynamics of the physical market. In the first half of 2026, copper prices are expected to remain elevated, having indeed reached new highs as early as January. While copper price corrections cannot be ruled out in 2026, prices are anticipated to be underpinned by supply tightness driven by demand from emerging technologies such as artificial intelligence ("AI"), as well as price stimulus for metals including gold, silver, and copper, stemming from global geopolitical influences.

Looking back to 2025, the global copper strip industry exhibited new development trends amid turbulent macroeconomic changes. On a global scale, AI computing power and the build-out of related infrastructure significantly raised demand expectations for various copper-based industrial manufactured goods. Embodied intelligence and the broader robotics industry demonstrated considerable market potential. Structural re-electrification maintained strong momentum, with grid upgrades, clean energy, and new energy vehicles effectively becoming core application scenarios for copper strip products. Meanwhile, traditional markets such as electronics and infrastructure remained stable, providing solid volume support on the demand side. From the perspective of domestic demand, traditional sectors provided a stabilizing foundation. The growth in power grid project investments, the household appliance industry consumption and the electronic information manufacturing sector drove steady progress in production and sales within core application sectors. This effectively offset the impact of downturns in the real estate and traditional automotive industries. Emerging industries served as a powerful growth engine, with demand continuing to intensify for copper processed products including lithium batteries, new energy vehicles, photovoltaic cells, power battery copper foil, and photovoltaic busbars. Frontier sectors expanded their competitive landscape, with the core AI industry surpassing the trillion-yuan threshold in scale. From a specific application perspective, the substantial increase in the penetration rate of L2-level advanced driving assistance systems and the growth of 800V high-voltage platforms in new energy vehicles have respectively driven the development of copper alloy connectors for high-speed and high-voltage applications. China's semiconductor industry has emerged from the previous cyclical downturn and entered a new phase of growth. The strategic opportunities inherent in chips, as a cornerstone of high-end manufacturing, have also brought developmental prospects to mature packaging, benefiting demand for IC lead frames. Meanwhile, the rapid expansion of emerging industries represented by AI and robotics has spurred fast-growing demand for copper alloy strip products used in high-speed copper cable connectors, opening new growth avenues for the industry. In 2025, China's total copper processed products output remained stable, reflecting the industry's resilience amid a complex economic environment.

Looking forward to 2026, it is expected that the copper strip industry will maintain steady growth. As strategic emerging industries keep thriving, opportunities amid global decoupling such as the market potential arising from semiconductor development and domestic material substitution, the anticipated benefits of L3-level new energy vehicle growth for high-speed connector materials, and the prospects presented by the AI industry will generate strong demand for copper strip products. It is anticipated that applications for red copper and high-copper alloy strip products in high-conductivity fields will continue to expand, while high-performance copper alloy strip products are poised to capture greater market share in premium segments such as new energy vehicles, semiconductor lead frames, and high-speed connectors. Amid the dual challenges of weakened global trade and tariff policies imposed by the U.S. government, China's exports of copper strip products experienced a year-on-year decline of 0.9% in 2025. Compared to earlier expectations of a 10% decline, the industry successfully withstood external pressures. This resilience is attributable to core competitive advantages in product quality, technological expertise, and cost control. It is believed that Chinese copper processing enterprises with core competencies will continue to find vast market opportunities overseas. Overall, in 2026, the copper strip products industry will achieve high-quality development amid both challenges and opportunities.

## **Business Review**

During 2025, the Group's copper processing business realised a total revenue of RMB9,255.5 million and sales volume of 179,200 tons, representing an increase of 15.0% and 7.7% respectively over 2024. The revenue from manufacturing and sales of precision copper plates and strips was RMB8,867.5 million, representing an increase of 15.2% from RMB7,700.0 million in 2024. The sales volume of precision copper plates and strips was 120,479 tons, representing an increase of 8.4% from 111,169 tons in the same period of 2024. The increase in revenue from copper plates and strips was mainly due to the increase in sales volume and copper prices. During 2025, the revenue from copper product processing services was RMB286.8 million, representing an increase of 3.6% from RMB276.8 million in 2024. The sales volume of processing services was 53,898 tons, representing an increase of 7.4% from 50,164 tons in 2024. During 2025, revenue from trading of raw materials was RMB101.2 million, representing an increase of 40.2% from RMB72.2 million in 2024. Trade sales were 4,823 tons, representing a decrease of 4.8% from 5,068 tons in 2024.

## **Business Development**

During 2025, under the leadership of the Board, the Group effectively managed risks, accurately identified opportunities, and took decisive actions, with a focus on the following areas:

1. The Group launched a strategic consulting project for its human resources management and organization structure. Through the meticulous implementation of six key modules, complemented by leadership empowerment and change management initiatives, the Group carried out systematic and comprehensive reforms in six key areas: strategic decoding, organizational diagnosis and optimization, management talent inventory, performance review and optimization, talent criteria for job grading system, and compensation system optimization. These efforts established a human resources management system tailored to the Group's transition toward high-end manufacturing, providing a solid organizational and talent support for cost reduction, efficiency enhancement, and technological quality improvement.
2. In terms of new product development, the Group advanced the development of various new alloys, focusing on areas such as ultra-high-strength alloys, balanced alloys, oxygen-free copper alloys, and low-cost alloys, all achieving initial results. In terms of technology project management, the Group advanced industry progress and accelerated the import substitution with domestic alternatives in key products by completing multiple national and provincial and municipal key research initiatives. Meanwhile, the Group continuously optimised its product structure, focusing on new applications in sectors such as new energy vehicles, AI, and chips to enhance product competitiveness.
3. The Group undertook various initiatives to reduce costs and enhance efficiency, including leveraging peak-valley electricity pricing and energy storage projects to save energy costs; continuously reducing raw material costs through procurement optimization and process improvement; and reducing capital expenditure by designing and manufacturing certain fixed assets in-house.

4. The Group continuously invested in equipment modernization to achieve product upgrade objectives. During 2025, major equipment such as vertical furnaces, ultra-precision rolling mills, slitters, and vacuum furnaces were successively put into trial production. Through this technological transformation cycle, the Group aims to establish a full-process manufacturing system for ultra-thin, high-precision products, achieve breakthroughs in core technologies and domestic substitution, significantly strengthen the supply capacity of high-value-added products, and solidify its foundation for expanding into high-end markets and consolidating its competitive advantage in the industry.
5. During 2025, particularly in the fourth quarter, the rapid and sharp rise in copper prices both domestically and internationally significantly affected the production and operations of the copper processing industry. To mitigate the risks associated with such volatility, the Group strengthened receivables management, accelerated inventory turnover, and utilised copper futures hedging, while also increasing its liquidity to enhance its risk resilience. Nevertheless, the substantial fluctuations in copper prices still had a considerable impact on the Group's production, operations, and financial results.

## **Outlook**

In 2026, market opportunities and challenges will coexist. The trend toward high-end and intelligent transformation in the copper processing industry will become increasingly evident, with policy tailwinds and demand from emerging sectors opening up significant growth potential. Facing a more complex international and domestic economic environment in 2026, coupled with persistently high copper prices, the Group should pursue steady progress, place greater emphasis on operational risks, and allocate resources toward the expansion of new products and high-value-added products that will drive future growth. Based on this operating philosophy, the Group has established its annual objectives: “Strengthen the Foundation, Deepen Innovation, Enhance Management, and Pursue Profitability”. Guided by the principles of “Stabilizing Volume, Optimizing Structure, and Driving Growth through Quality,” the Group will actively explore profit growth points, build core competencies, accelerate the digital and intelligent transformation, deepen cross-departmental collaboration, establish long-term mechanisms, unlock cost reduction and efficiency improvements, forge brand strength, and ensure steady operations. We firmly believe that, under the leadership of the Board and with the concerted efforts of all employees, the Group will effectively manage risks and challenges, decisively seize market opportunities, and achieve its ambitious goal of “Leading the Industry Globally” at an early date.

## **GAMING BUSINESS**

For the year ended 31 December 2025, the Group's gaming business realised a total revenue of RMB3.5 million and a net loss of RMB4.8 million, as compared to a revenue of RMB4.4 million and a net loss of RMB4.6 million in the same period of 2024. The loss was mainly due to the decline in revenue from existing gaming products. Looking forward to 2026, the Group's gaming business will continue to focus on cost cutting.

## **FINANCIAL REVIEW**

### **Revenue and gross profit**

The Group's copper business achieved total revenue of RMB9,255.5 million for the year ended 31 December 2025, and the Group's online gaming business achieved revenue of RMB3.5 million for the year ended 31 December 2025.

For the year ended 31 December 2025, the Group recorded total sales revenue of RMB9,259.0 million, which increased by 15.0% from RMB8,053.4 million of 2024. The increase in the revenue of the Group's copper business was mainly due to an increase in sales volume of copper products and copper price. The Group's copper business realised a total sales volume of 179,200 tons, which increased by 7.7% from 166,401 tons of 2024. The Group recorded a gross profit of RMB912.3 million for 2025, which increased by 19.8% as compared with 2024. The increase in gross profit is mainly due to an increase in sales volume of copper products and copper price.

### **Other income**

For the year ended 31 December 2025, the Group recorded other income of RMB63.6 million, which increased by RMB28.2 million as compared to 2024. Such increase was mainly because a PRC subsidiary of the Company received compensation for equipment quality deficiency in 2025.

### **Other losses, net**

For the year ended 31 December 2025, the Group recorded RMB268.6 million in other losses, which increased by RMB241.3 million as compared to 2024. Such increase was mainly due to an increase in net losses on metal futures contracts.

### **Distribution expenses**

For the year ended 31 December 2025, distribution expenses of the Group increased by RMB5.3 million from RMB67.9 million in 2024 to RMB73.2 million in 2025. The increase was mainly due to an increase in labor costs and freight.

## **Administrative expenses**

For the year ended 31 December 2025, administrative expenses of the Group increased by RMB87.6 million from RMB366.9 million in 2024 to RMB454.5 million in 2025, which was mainly due to an increase in research and development (“R&D”) expenses.

## **Net finance costs**

For the year ended 31 December 2025, net finance costs of the Group decreased by RMB2.1 million from RMB16.6 million in 2024 to RMB14.5 million in 2025. This was mainly due to a decrease in interest expenses on interest-bearing borrowings.

## **Income tax**

For the year ended 31 December 2025, the Group’s income tax expense decreased by RMB43.0 million from RMB76.6 million in 2024 to RMB33.6 million in 2025, and the effective tax rate decreased to 20.3% in 2025 as compared to 24.1% in 2024. The decrease in the effective tax rate was mainly attributable to lower profit before tax and consequently the increased relative impact of the estimated additional deduction for qualified R&D expenses.

## **Profit attributable to the shareholders of the Company**

As a result of the aforementioned factors, the profit attributable to the shareholders of the Company decreased by RMB108.6 million from RMB241.2 million in 2024 to RMB132.6 million in 2025.

## **Liquidity and financial resources**

As at 31 December 2025, the Group recorded net current assets of RMB1,127.6 million, compared with net current assets of RMB1,195.4 million as at 31 December 2024.

The short-term interest-bearing borrowings represented 83.7% of total interest-bearing borrowings as of 31 December 2025. As at the date of this announcement, the Group had not experienced any difficulty in raising funds by securing and rolling over short-term loans borrowed from various banks in the PRC, which were renewed on an annual basis in accordance with local market practice.

The Group is able to generate cash from operating activities, has good credit standing and relationships with principal lending banks, and possesses available undrawn banking facilities together with bank deposits of RMB3,714.6 million (including long term loan facilities amounting to RMB1,889.9 million) and RMB1,630.7 million (comprised of restricted bank deposits of RMB999.1 million, bank deposits with maturity over three months of RMB89.2 million and cash and cash equivalents of RMB542.4 million) respectively. Based on previous experience and the Group’s relationships with its principal lending banks, the Board believes that the Group can rollover existing short-term bank borrowings upon their maturity in 2026. The Board is confident that the Group has adequate financial resources to sustain its working capital requirements and to meet its foreseeable debt repayment requirements.

As at 31 December 2025, the Group had bank loans and other borrowings of approximately RMB1,510.1 million, which shall be repaid within 1 year. As at 31 December 2025, 33.5% of the Group's debts were on a secured basis.

The gearing ratio as at 31 December 2025 was 42.7% (31 December 2024: 34.8%), which is calculated as net debt divided by total capital. Net debt is calculated as total debt (including all interest-bearing borrowings, lease liabilities and bills payable as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as equity attributable to equity shareholders of the Company, as shown in the consolidated statement of financial position, plus net debt.

### **Charge on assets**

As at 31 December 2025, the Group pledged assets with an aggregate carrying value of RMB97.8 million (31 December 2024: RMB619.0 million) to secure bank loan facilities.

### **Capital expenditure**

In the year ended 31 December 2025, the Group invested RMB184.0 million (31 December 2024: RMB252.4 million) in the purchase of property, plant and equipment. This capital expenditure was largely financed by internal resources and bank loans.

### **Capital commitments**

As at 31 December 2025, future capital expenditures, for which the Group had contracted but not provided for, amounted to approximately RMB90.2 million (31 December 2024: RMB152.9 million), which is mainly for plant construction and capacity expansion of the Group's copper processing business.

### **Important Events After the End of the Financial Period**

There are no important events affecting the Group which have occurred after the end of the financial year ended 31 December 2025 and up to the date of this announcement.

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the Group did not have any significant contingent liabilities.

## **MARKET RISK**

The Group is exposed to various types of market risks, including fluctuation in copper prices and other commodities' prices, and changes in interest rates and foreign exchange rates.

## **EMPLOYEES**

As at 31 December 2025, the Group had 1,899 employees. Remuneration policies are reviewed regularly to ensure that the Group is offering competitive employment packages to our employees. Benefits of our employees include salaries, pension, medical insurance scheme and other applicable social insurance. In addition, share options or share awards may be granted or awarded to eligible employees of the Group (including directors) in accordance with the terms of the approved share option scheme or share award scheme respectively. Promotion and salary increments are assessed based on performance. The Group's success is dependent upon the skills and dedication of its employees. The Group recognises the importance of human resources in a competitive industry and has devoted resources to train employees. The Group has established an annual training program for our employees so that new employees can master the skills required to perform their roles and responsibilities and existing employees can upgrade or improve their skills. The remuneration of employees is disclosed in note 7(b) of the notes to consolidated financial statements.

## **ENVIRONMENTAL AND REGULATORY POLICIES**

Environmental protection and energy conservation are fundamental standards in our production and operations. The Group has made vigorous endeavors to foster the recycling of resources and has established dedicated recovery plants that recycle relevant metals and other resources for remanufacturing purposes in order to minimise the impact on the environment.

The Group has required strict compliance of its suppliers with environmental regulations and will return and reject raw materials containing hazardous substances exceeding the recommended limits in terms of concentration or goods for which certificates, approvals and verification issued by relevant regulatory authorities have not been obtained.

The principal operating companies of the Group are situated in the PRC, whilst the Company is incorporated in the Cayman Islands and its shares are listed in Hong Kong. The Group has complied with all the relevant laws, rules and regulations in the PRC, the Cayman Islands and Hong Kong.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

The Trustee of the share award scheme adopted by the Company on 18 April 2016 (the “**Share Award Scheme**”), pursuant to the terms of the rules and trust deed of the Share Award Scheme, purchased on the Stock Exchange by the Trustee a total of 13,572,000 shares of the Company at a total consideration of HKD13,825,000 (equivalent to RMB12,726,000) throughout 2025.

Except for the purchase of shares under the Share Award Scheme mentioned above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company for the year ended 31 December 2025.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules during 2025. Having made specific enquiries with the Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 December 2025.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company has complied with the code provisions in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules during the year ended 31 December 2025.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and to the best knowledge of its Directors, as at the date of this announcement, the Company has maintained a public float of not less than 25% of the issued share capital of the Company as required under the Listing Rules.

## **REVIEW BY AUDIT COMMITTEE**

The audit committee of the Company comprises three independent non-executive Directors namely, Mr. Chai Chaoming, Dr. Lou Dong and Ms. Lu Hong. The audit committee has reviewed the audited financial statements for the year ended 31 December 2025 and has also discussed and reviewed audit matters, risk management, internal control, continuing connected transactions and financial reporting matters including accounting practices and principles adopted by the Group.

## **SCOPE OF WORK OF KPMG**

The financial figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2025 and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

## **FINAL DIVIDEND**

The Board does not recommend payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

For determining the identity of the shareholders of the Company who are entitled to attend, speak and vote at the forthcoming annual general meeting to be held on 12 June 2026 (the “**2026 AGM**”), the register of members of the Company will be closed from 9 June 2026 to 12 June 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for 2026 AGM will be 12 June 2026. In order to be eligible to attend and vote at the 2026 AGM, all share transfers, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 8 June 2026.

## **PUBLICATION OF 2025 ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the Company’s website ([www.xingyealloy.com](http://www.xingyealloy.com)) and the Stock Exchange’s designated website ([www.hkexnews.hk](http://www.hkexnews.hk)). The Company’s 2025 Annual Report and notice of annual general meeting will be made available on the above websites and will be despatched to the Company’s shareholders in due course.

By order of the Board  
**Xingye Alloy Materials Group Limited**  
**HU Minglie**  
*Chief Executive Officer and  
Executive Director*

Hong Kong, 31 March 2026

*As at the date of this announcement, the executive directors of the Company are Mr. Hu Changyuan, Mr. Hu Minglie and Mr. Zhu Wenjun, and the independent non-executive directors of the Company are Mr. Chai Chaoming, Dr. Lou Dong, Ms. Lu Hong and Ms. Zhao Yan.*