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Anhui Conch Material Technology Co., Ltd.

安徽海螺材料科技股份有限公司

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

(Stock Code: 02560)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

- The Group's revenue amounted to RMB2,314.26 million in 2025, representing a decrease of 2.93% as compared to 2024.
- The Group's profit before taxation amounted to RMB155.14 million in 2025, representing a decrease of 13.90% as compared to RMB180.18 million in 2024.
- Net profit for the year attributable to equity shareholders of the Company amounted to RMB109.37 million in 2025, representing a decrease of 12.95% as compared to RMB125.64 million in 2024.
- Basic earnings per share of the Company ("**Share**") were RMB0.19 in 2025, as compared to RMB0.29 in 2024.
- In January 2025, the Company completed the issuance of H shares by the way of IPO, increasing its issued share capital from RMB434,920,000 to RMB579,894,000.
- The Board proposed the distribution of a final cash dividend of RMB0.16 (tax inclusive) per Share for 2025 (2024: RMB0.17 per Share).

The board (the "**Board**") of directors (the "**Directors**") of Anhui Conch Material Technology Co., Ltd. (the "**Company**", and its subsidiaries, collectively, the "**Group**") is pleased to announce the audited consolidated annual results of the Group for the year ended 31 December 2025 (the "**Reporting Period**"), together with the comparative figures for the year ended 31 December 2024, which have been reviewed by the audit committee (the "**Audit Committee**") of the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

(Expressed in Renminbi (“RMB”))

	Note	2025 RMB'000	2024 RMB'000
Revenue	3	2,314,260	2,384,149
Cost of sales		<u>(1,894,088)</u>	<u>(1,924,469)</u>
Gross profit		420,172	459,680
Other net income	4	28,162	22,919
Distribution costs		(62,043)	(56,925)
Administrative expenses		(174,197)	(157,064)
Research and development costs		(43,083)	(55,005)
Reversal of impairment loss/(impairment loss) of trade receivables		<u>9,660</u>	<u>(6,943)</u>
Profit from operations		178,671	206,662
Finance costs	5(a)	<u>(23,536)</u>	<u>(26,484)</u>
Profit before taxation	5	155,135	180,178
Income tax	6(a)	<u>(24,058)</u>	<u>(32,294)</u>
Profit for the year		<u>131,077</u>	<u>147,884</u>
Attributable to:			
Equity shareholders of the Company		109,371	125,637
Non-controlling interests		<u>21,706</u>	<u>22,247</u>
Profit for the year		<u>131,077</u>	<u>147,884</u>
Earnings per share			
Basic and diluted (RMB)	7	<u>0.19</u>	<u>0.29</u>

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

For the year ended 31 December 2025

(Expressed in RMB)

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the year	<u>131,077</u>	<u>147,884</u>
Other comprehensive income for the year (after tax and reclassification adjustments)		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	<u>(112)</u>	<u>36</u>
Total comprehensive income for the year	<u>130,965</u>	<u>147,920</u>
Attributable to:		
Equity shareholders of the Company	<u>109,259</u>	<u>125,673</u>
Non-controlling interests	<u>21,706</u>	<u>22,247</u>
Total comprehensive income for the year	<u>130,965</u>	<u>147,920</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2025

(Expressed in RMB)

	<i>Note</i>	31 December 2025 RMB'000	31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment		1,105,574	1,010,046
Right-of-use assets		177,264	185,798
Intangible assets		8,850	11,322
Goodwill		28,691	28,691
Deferred tax assets		27,265	28,069
Non-current portion of trade and other receivables	8	10,362	8,534
		1,358,006	1,272,460
Current assets			
Inventories		143,676	101,519
Trade and other receivables	8	886,255	913,893
Financial assets measured at fair value through profit or loss		100,195	40,000
Cash and cash equivalents		426,560	131,387
		1,556,686	1,186,799
Current liabilities			
Loans and borrowings		711,260	720,212
Trade and other payables	9	337,303	344,280
Contract liabilities		21,791	12,481
Lease liabilities		1,988	4,357
Income tax payables		10,049	22,606
		1,082,391	1,103,936
Net current assets		474,295	82,863
Total assets less current liabilities		1,832,301	1,355,323

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

For the year ended 31 December 2025

(Expressed in RMB)

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities		
Loans and borrowings	292,425	198,491
Lease liabilities	8,467	9,612
Deferred income	36,766	39,549
Deferred tax liabilities	9,668	11,283
	347,326	258,935
Net assets	1,484,975	1,096,388
Capital and reserves		
Share capital	579,894	434,920
Reserves	795,191	555,710
Equity attributable to equity shareholders of the Company	1,375,085	990,630
Non-controlling interests	109,890	105,758
Total equity	1,484,975	1,096,388

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Material accounting policies

(a) *Statement of compliance*

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”), 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. Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 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 and prior accounting periods reflected in these financial statements.

(b) *Basis of preparation and presentation*

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value:

- certain financial instruments investments;
- bills receivables measured at fair value through other comprehensive income (“**FVOCI**”).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Changes in accounting policies

The IASB has issued the following new and amended IFRSs that are first effective for the current accounting period of the Group:

- Amendments to IAS 21, The effects of changes in foreign exchange rates — Lack of exchangeability (“**2023 amendments**”)

The above developments have had no material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are the research and development, production and sales of cement admixture, concrete admixture together with their respective in-process intermediaries.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Revenue from contracts with customers within the scope of IFRS 15 and recognised at a point in time		
— Cement admixture and in-process intermediaries	1,126,887	1,256,135
— Concrete admixture and in-process intermediaries	1,181,661	1,124,194
— Others	5,712	3,820
	<u>2,314,260</u>	<u>2,384,149</u>

The Group's customers base is diversified. There was only one customer of which the revenue from it accounted for 10% or more of the Group's revenue for the year ended 31 December 2025, and the revenue from this customer amounted to approximately RMB630,910,000 (2024: RMB718,736,000).

The Group applies the practical expedient in paragraph 121(a) of IFRS 15 of not disclosing the transaction price allocated to the remaining performance obligation as the original expected duration of substantially all the contracts of the Group is within one year or less.

(b) Segment reporting

(i) Disaggregation of revenue

Information reported to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on admixture product. Resources are allocated based on what is beneficial for the Group in enhancing its admixture product activities as a whole rather than any specific products. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there is only one operating segment under the requirements of IFRS 8, *Operating segments*.

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets, goodwill, non-current portion of trade and other receivables ("**specified non-current assets**"). The geographical location of customers is based on the location at which the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of right-of-use assets, property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets, goodwill and non-current portion of trade and other receivables.

Revenue from external customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese mainland	2,285,834	2,382,747
Asia (except Chinese mainland)	28,426	1,402
	<u>2,314,260</u>	<u>2,384,149</u>

Specified non-current assets

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese mainland	1,315,979	1,231,330
Asia (except Chinese mainland)	14,762	13,061
	<u>1,330,741</u>	<u>1,244,391</u>

4 Other net income

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income on cash at bank	5,763	1,476
Government grants (i)	21,942	20,631
Net loss on disposal of property, plant and equipment	(172)	(133)
Net realised gain on financial assets measured at FVPL	608	110
Others	21	835
	<u>28,162</u>	<u>22,919</u>

- (i) Government grants mainly represented subsidies received from the local government authorities for encouraging the Group's development in the admixture products in the respective PRC cities.

5 Profit before taxation

Profit before taxation is arrived at after charging:

(a) Finance costs:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on loans and other borrowings	23,135	26,031
Interest on lease liabilities	536	453
Less: interest expense capitalised into construction in progress*	<u>(135)</u>	<u>—</u>
	<u>23,536</u>	<u>26,484</u>

* The borrowing costs were capitalised at 2.62% per annum during the year ended 31 December 2025 (2024: nil).

(b) Staff costs:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	191,712	183,448
Contributions to defined contribution plans (i)	<u>20,505</u>	<u>20,511</u>
	<u>212,217</u>	<u>203,959</u>

(i) Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions described above.

(c) *Other items:*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories [#]	1,835,520	1,744,729
Depreciation of owned property, plant and equipment	65,783	63,896
Depreciation of right-of-use assets	8,538	7,114
Amortisation of intangible assets	2,544	2,528
Short-term lease payments not included in the measurement of lease liabilities	1,409	1,221
Listing expenses	2,538	1,854
Auditors' remuneration	<u>1,623</u>	<u>1,696</u>

Cost of inventories includes RMB79,552,000 relating to staff costs, depreciation and amortisation expenses for the year ended 31 December 2025 (2024: RMB83,130,000), which is also included in the respective total amounts disclosed separately above or in note 6(b) for each of these types of expenses.

6 Income tax in the consolidated statements of profit or loss

(a) *Current taxation in the consolidated statements of profit or loss represents:*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax:		
Provision for the year	28,693	35,327
(Over)/under-provision in respect of prior years	<u>(3,825)</u>	<u>1,987</u>
	24,868	37,314
Deferred tax:		
Origination and reversal of temporary differences	(810)	(2,886)
Effect on deferred tax balances at 1 January resulting from a change in tax rate	<u>—</u>	<u>(2,134)</u>
	<u>24,058</u>	<u>32,294</u>

- (i) The provision for PRC income tax is based on a statutory rate of 25% of the assessable income of the Company's Chinese mainland subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.

Pursuant to the PRC income tax law, all of the Company's PRC subsidiaries are liable to PRC income tax at a rate of 25% except for Linyi Conch New Material Technology Co., Ltd., which is entitled to a preferential income tax rate of 15% during the years ended 31 December 2024 and 31 December 2025, as it is certified as "High and New Technology Enterprise" ("HNTE"). According to Guoshuihan 2009 No. 203, if an entity is certified as a HNTE, it is entitled to a preferential income tax rate of 15% during the certified period.

- (ii) Pursuant to Notice No. 23 issued by the State Administration of Taxation on 23 April 2020 and relevant local tax authorities' notices, certain subsidiaries are entitled to a preferential income tax rate of 15% as qualifying industries operated in western areas in the PRC during the year ended 31 December 2023. However, these subsidiaries have been liable to PRC income tax at a rate of 25% effective from 1 January 2024 due to the change on new catalog of encouraged industries released by National Development and Reform Commission.
- (iii) Effective from 1 January 2023, an additional 100% of qualified research and development expenses is allowed to be deducted from taxable income under the Enterprise Income Tax ("EIT") law and its relevant regulations.
- (iv) According to the Income Tax Law of the People's Republic of China, income derived by resident enterprises from qualifying technology transfers is eligible for preferential Enterprise Income Tax treatment. Specifically, the portion not exceeding RMB5 million in a tax year is exempt from Enterprise Income Tax, and the portion exceeding RMB5 million is subject to Enterprise Income Tax at a reduced rate of 50%.

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

	2025 RMB'000	2024 RMB'000
Profit before taxation	<u>155,135</u>	<u>180,178</u>
Notional tax on profit before taxation, calculated at the rates applicable to profit in the tax jurisdictions concerned	38,364	43,871
Super-deduction of research and development expenses	(8,739)	(12,591)
Tax effect of non-deductible expenses	1,172	2,372
Tax effect of non-taxable income	(3,327)	—
Tax effect of unused tax losses not recognized	2,289	—
Effect on deferred tax balances at 1 January resulting from a change in tax rate	—	(2,134)
Statutory tax concession	(1,876)	(1,211)
(Over)/under-provision in prior years	(3,825)	1,987
Actual tax expense	<u>24,058</u>	<u>32,294</u>

7 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 RMB109,371,000 (2024: RMB125,637,000) and the weighted average of ordinary shares in issue during the year, which was calculated as follows.

Weighted average number of ordinary shares:

	2025	2024
	RMB'000	RMB'000
Issued ordinary shares as at 1 January	434,920	434,920
Effect of ordinary shares issued	144,974	—
	<hr/>	<hr/>
Weighted average number of ordinary shares as of 31 December	579,894	434,920
	<hr/> <hr/>	<hr/> <hr/>
	2025	2024
Profit attributable to ordinary equity shareholders of the Company for the year	109,371	125,637
Weighted average number of ordinary shares (<i>in '000</i>)	579,894	434,920
Basic earnings per share (<i>in RMB</i>)	0.19	0.29
	<hr/> <hr/>	<hr/> <hr/>

(b) *Diluted earnings per share*

The Company had no dilutive potential ordinary shares outstanding during the years ended 31 December 2025 and 31 December 2024, therefore, diluted earnings per share are the same as the basic earnings per share.

8 Trade and other receivables

	31 December 2025 RMB'000	31 December 2024 RMB'000
Trade receivables		
— Third parties	287,203	364,670
— Related parties	201,100	223,208
Less: allowance for doubtful debts	(35,345)	(44,983)
	452,958	542,895
Bills receivable, carried at amortised cost	297,632	259,169
Bills receivable, measured at FVOCI	34,800	64,653
Other receivables from third parties		
— Deposits and prepayments	22,789	18,895
— Receivables guaranteed by banks [#]	51,106	—
— VAT recoverable	7,444	5,584
— Prepayments for listing expenses	—	14,583
— Income tax recoverable	2,737	1,636
— Others	6,873	6,464
	876,339	913,879
Other receivables from related parties	9,916	14
Current portion of trade and other receivables	886,255	913,893
Non-current portion of trade and other receivables	10,362	8,534
Total current and non-current trade and other receivables	896,617	922,427

[#] During the year ended 31 December 2025, a subsidiary of the Group requested certain customers to provide bank payment guarantee for their overdue trade receivables. Under this arrangement, the bank will unconditionally pay the unsettled amount of the receivables upon the guarantee period expires, which is within one year. No impairment loss has been recognised during the year as the credit quality of the banks remains high.

All of the current portion of trade and other receivables are expected to be recovered within one year.

As at 31 December 2025, the Group endorsed undue bills receivable of RMB97,214,000 (31 December 2024: RMB81,090,000) to its suppliers to settle trade payables of the same amount and derecognised these bills receivable and payables to suppliers in their entirety from balance sheet as the Group's management considered that the risks and rewards of ownership of these undue bills have been substantially transferred. The Group's continuous involvement in these derecognised undue bills receivable is limited to when the issuance banks of these undue bills are unable to settle the amounts to the holders of these bills. As of 31 December 2025, the maximum exposure to loss from its continuous involvement represents the amount of bills receivable of RMB97,214,000 (31 December 2024: RMB81,090,000), which the Group endorsed to its suppliers. These undue bills receivable were due within six months from date of issuance.

As of 31 December 2025, undue bank acceptance notes receivable of RMB134,155,000 (2024: RMB123,275,000) endorsed to its suppliers to settle the trade payables were not derecognised because management believed that the credit risks of ownership had not substantially transferred. All these undue bank acceptance notes receivable were due within six months.

As of 31 December 2025, undue bank acceptance notes receivable of RMB33,535,000 (2024: RMB28,188,000) discounted to banks were not derecognised because management believed that the credit risks of ownership had not substantially transferred. The short-term bank loans of RMB33,535,000 (2024: RMB28,188,000) were recognised accordingly. All these undue bank acceptance notes were due within six months.

(a) Ageing analysis

As of the end of the Reporting Period, the following table sets out an ageing analysis of trade receivables, net of loss allowance based on the due date indicated:

	31 December 2025 RMB'000	31 December 2024 RMB'000
Current	400,332	399,530
1–6 months past due	42,142	90,950
7–12 months past due	5,606	52,415
12–18 months past due	4,878	—
	<u>452,958</u>	<u>542,895</u>

9 Trade and other payables

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
— Third parties	212,765	202,030
— Related parties	3,176	9,524
	215,941	211,554
Other payables and accruals		
— Construction and equipment payables	41,193	34,334
— Deposits	23,040	27,899
— Other taxes and surcharges payables	4,529	7,228
— Accrued payroll and other benefits	42,183	45,876
— Listing expenses payables	—	4,130
— Other accrued expenses	9,133	10,100
	336,019	341,121
Other payables to related parties	1,284	3,159
Trade and other payables	337,303	344,280

An ageing analysis of trade and bills payables of the Group, based on the invoice date, is as follows:

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	215,412	211,217
Over 1 year	529	337
	215,941	211,554

The amounts due to related parties are unsecured, non-interest bearing and repayable on demand.

10 Dividend

(i) *Dividends payable to shareholders of the Company for the year*

Pursuant to a resolution passed at the Directors' meeting on 31 March 2026, a final dividend of RMB0.16 (tax inclusive) per ordinary share totalling RMB92,783,000, equivalent to approximately HKD102,727,000, was proposed for shareholders' approval. The dividend has not been provided for in the consolidated financial statements for the year ended 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Overview

In 2025, China's economy largely maintained stable operations, with full-year GDP growing by 5% year-on-year. Influenced by the continued implementation of proactive fiscal policies and a prudent, moderately accommodative monetary policy, treasury bond issuance met its annual target ahead of schedule, and the issuance scale of local special-purpose bonds exceeded expectations. These measures provided solid funding support for national construction of "Two Priorities" (Major Projects and Key Areas), effectively facilitating the implementation of a number of large-scale infrastructure projects in transportation, water conservancy, new energy and other sectors, thereby driving increased demand for specialty concrete admixtures and high-end cement admixtures. Meanwhile, according to data released by the National Bureau of Statistics, national fixed asset investment from January to December declined by 3.9% year-on-year. The real estate sector remained sluggish throughout the year, with national real estate development investment declining by 17.2% year-on-year. Although marginal signs of improvement emerged during the year, the sector continued to operate at low ebb. The contraction in new housing starts and construction scale led to a sustained shrinkage in market demand for ordinary cement and conventional concrete admixtures, further accentuating the structural divergence in industry demand.

In addition, the national carbon reduction strategy continued to deepen, the pace of ultra-low emissions transformation in the cement industry accelerated, and the green transformation of the building materials sector gained momentum. Against this backdrop, downstream customers' demands for cost reduction, efficiency improvement, environmental protection and performance enhancement became increasingly pressing. This forced the admixture industry to accelerate its iteration and upgrade towards high-performance, green and multi-functional directions, with product technology barriers continuing to rise. Such trends created significant differentiated competitive advantages for enterprises equipped with core R&D capabilities and technological innovation strength. Leading players, by vertically integrating the industrial chain, increasing investment in technological innovation and deploying green production capacity, consolidated their shares in the high-end market and continuously expanded their market influence. Meanwhile, small and medium-sized producers with weak technical capabilities or substandard environmental compliance were phased out at an accelerated pace. The competitive landscape evolved further towards greater standardisation, concentration and high-quality development. At the same time, the rise of infrastructure booms in overseas regions presented new incremental market opportunities for domestic admixture enterprises.

Business Review

During the Reporting Period, the Group faced severe challenges from overlapping adverse factors such as declining domestic market demand and increasingly intense industry competition. It firmly adhered to the Company's established development plan and relevant deployments, taking "stabilising the existing stock and expanding the incremental volume" as its core guiding principle, and consistently prioritising the expansion of external markets. The Group focused on product R&D and innovation, continuously optimized its product structure, provided customers with high-quality and reliable products as well as highly customised technical services, and consistently deepened its product market presence. It prioritized the development of key domestic regional markets such as Xinjiang-Tibet, the Pearl River Delta, and the Beijing-Tianjin-Hebei region, while steadily expanding into overseas markets in the Middle East, Africa and Southeast Asia, and continuously improving its overseas market deployment framework. Meanwhile, the Group stepped up the market development of new products and actively explored fine chemical fields such as surfactants and ethylene carbonate, and focused on cultivating new profit growth points, thereby laying a solid foundation for the Group's long-term development. During the Reporting Period, the Group recorded operating revenue of RMB2,314.26 million (tax exclusive).

(I) Cement Admixture and In-process Intermediaries Business

As the main supplier in the domestic cement admixtures and process intermediates market, the Group, in its cement admixtures business segment, responded to the fast-evolving trends and external environment by more precisely identifying shifts in genuine customer needs. It offered tailored products designed to meet diverse requirements, such as higher output, enhanced strength, reduced consumption and other special performance criteria, while also providing corresponding technical support. To date, the Group has established direct supply relationships with over 300 well-established cement manufacturers, including Anhui Conch Cement Company Limited* (安徽海螺水泥股份有限公司), Gansu Shangfeng Cement Co., Ltd.* (甘肅上峰水泥股份有限公司), TCC International Holdings Ltd. (台泥國際集團有限公司), North Cement Company Limited (北方水泥有限公司), China Gezhouba Group Cement Co., Ltd. (中國葛洲壩集團水泥有限公司), Qinghai Huzhu Jinyuan Cement Co., Ltd.* (青海互助金圓水泥有限公司) and Sichuan Esheng Cement Group Co., Ltd.* (四川峨勝水泥集團股份有限公司).

In the cement admixture's in-process intermediates business segment, the Group closely monitored international developments and crude oil price trends. By introducing a new digital and intelligent analysis and prediction system, it conducted in-depth assessments of the price movements of upstream raw materials such as propylene oxide and ethanolamine, reasonably adjusted its procurement, production and sales schedules in light of the company's inventory levels. At the same time, the Group has entered into direct supply cooperation agreements with a number of major domestic cement enterprises and admixture compounding enterprises, which further expanded its business presence and consolidated its market position in the industry.

(II) Concrete Admixture and In-process Intermediaries Business

The Group is deeply engaged in the domestic concrete admixtures and in-process intermediates sectors. By leveraging the synergistic advantages of the complete industrial chain — “polyether monomer, polycarboxylic acid mother liquor, finished concrete admixtures”, we continuously build integrated competitive barriers and actively strive to seize the high ground in the market.

During the Reporting Period, in its polyether monomer business, the Group precisely implemented strategic sales structure adjustments. Closely driven by fluctuations in the raw material market and changes in end-market demand, it effectively penetrated core supply chains by deeply participating in bidding projects for central enterprises and large group companies. This significantly enhanced its market penetration and solidified its industry position as a supplier of key upstream raw materials.

In its polycarboxylic acid mother liquor business, the Group consistently prioritized R&D innovation as its core driving force, continuously upgrading its range of high-performance functional mother liquor products. By deepening its collaboration with key clients and leveraging its superior product performance and technical services, the business recorded a robust year-on-year revenue growth of 57.7%.

In its finished concrete admixtures business, the Group directly serves large-scale engineering projects, pipe pile component manufacturers, and mainstream concrete producers. By leveraging its core technological advantages, it provides clients with full-process system optimization designs and holistic solutions, ensuring project delivery through high-quality services. This resulted in a 21.7% year-on-year revenue growth, expanding its footprint in the high-end application market while stabilizing its core business.

(III) Overseas Business

The Group adheres to a dual-drive strategy of “deep overseas localization” and “global trade,” achieving remarkable results in its international business expansion. During the Reporting Period, overseas local operations and export trade (encompassing business realized through localized overseas operations, direct exports and agency exports) achieved a year-on-year growth of 129%, demonstrating a strong development trajectory. In terms of overseas localization, the Tashkent project rapidly penetrated the market upon commencement of operations, successfully fulfilling all business objectives in its first year and establishing itself as a major supplier in the local admixture market. Construction of the Indonesia plant has officially commenced, while simultaneously implementing a “trade-first” approach to preemptively cultivate local market resources and nurture a customer base. The Middle East office was successfully established and operationalized, further deepening its market presence in the region and solidifying the regional business foundation. In terms of global trade, the Group fully leverages its domestic industrial chain and channel advantages to continuously expand its overseas market coverage. It successfully exported products to 35 countries, achieving efficient utilization of production capacity. Concurrently, the Group has forged deep cooperative relationships with international building materials giants, securing direct supply agreements for their factories across 17 countries worldwide, thereby further enhancing its global brand influence. These series of initiatives have not only perfected the Group’s global strategic business layout but also established a stable overseas business development system, laying a solid foundation for the sustained and healthy growth of its international operations.

Operating Results and Analysis

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	2,314,260	2,384,149
Cost of sales	(1,894,088)	(1,924,469)
Cost ratio	81.84%	80.72%
Gross profit	420,172	459,680
Profit from operations	178,671	206,662
Profit before taxation	155,135	180,178
Income tax	(24,058)	(32,294)
Profit for the year	<u>131,077</u>	<u>147,884</u>
Earnings per share		
Basic and diluted (<i>RMB</i>)	<u>0.19</u>	<u>0.29</u>

During the Reporting Period, the Group's operating revenue amounted to RMB2,314.26 million, representing a decrease of 2.93% compared to the corresponding period of the previous year; operating costs were RMB1,894.09 million for the Reporting Period, representing a decrease of 1.58% compared to the corresponding period of the previous year. Profit for the year was RMB131.08 million for the Reporting Period, reflecting a decrease of 11.36% compared to the profit for the year of RMB147.88 million of the corresponding period of the previous year. The net profit margin was 5.66%, down by 0.54 percentage points from 6.20% compared to the corresponding period of the previous year. The basic earnings per share of the Company were RMB0.19 for the Reporting Period.

1. Revenue

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers within the scope of IFRS 15 and recognised at a point in time		
— Cement admixture and in-process intermediaries	1,126,887	1,256,135
— Concrete admixture and in-process intermediaries	1,181,661	1,124,194
— Others	5,712	3,820
	<u>2,314,260</u>	<u>2,384,149</u>

During the Reporting Period, the Group's revenue was derived from three types of business: namely (1) cement admixture and in-process intermediaries, (2) concrete admixture and in-process intermediaries, and (3) others. A breakdown by business is as follows:

- (1) The revenue from cement admixture and in-process intermediaries amounted to RMB1,126.89 million for the Reporting Period, representing a decrease of 10.29% compared to the corresponding period of the previous year, mainly due to the sustained decline in market prices of raw material, coupled with the reduction in total cement consumption, which impacted downstream product pricing and sales volume.

- (2) The revenue from concrete admixture and in-process intermediaries amounted to RMB1,181.66 million for the Reporting Period, representing an increase of 5.11% compared to the corresponding period of the previous year, primarily driven by the Group's efforts to develop customers for concrete admixture and in-process intermediaries, resulting in an expanded market share.
- (3) The revenue from others amounted to RMB5.71 million for the Reporting Period, representing an increase of 49.53% compared to the corresponding period of the previous year, mainly due to the growth of quality coupling sheets business.

(ii) *Geographic information*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from external customers		
Chinese mainland	2,285,834	2,382,747
Asia (except Chinese mainland)	28,426	1,402
	<u>2,314,260</u>	<u>2,384,149</u>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Specified non-current assets		
Chinese mainland	1,315,979	1,231,330
Asia (except Chinese mainland)	14,762	13,061
	<u>1,330,741</u>	<u>1,244,391</u>

2. *Gross Profit and Gross Profit Margin*

Item	2025		2024		Change in amount (%)
	Amount <i>RMB'000</i>	Gross profit margin (%)	Amount <i>RMB'000</i>	Gross profit margin (%)	
Admixture and in-process intermediaries	414,774	17.97	457,404	19.22	-9.32
Others	5,398	94.51	2,276	59.6	137.21
Total	<u>420,172</u>	<u>18.16</u>	<u>459,680</u>	<u>19.28</u>	<u>-8.59</u>

During the Reporting Period, the Group's products achieved a gross profit of RMB420.17 million, representing a decrease of 8.59% compared to the corresponding period of the previous year. The gross profit margin for admixture and in-process intermediaries was 17.97%, down by 1.25 percentage points compared to the corresponding period of the previous year. This was mainly due to the persistent downturn in the building materials industry and real estate investment, which exerted significant pressure on both sales volumes and selling prices across the sector. Although the Company achieved volume growth contrary to the market trend by implementing a more aggressive marketing strategy, and concurrently advanced multiple cost reduction initiatives, these efforts were still insufficient to fully offset the adverse impact of declining market prices on gross profit.

3. *Other Net Income*

During the Reporting Period, the Group's other business revenue amounted to RMB28.16 million, representing an increase of RMB5.24 million, or 22.88%, compared to the corresponding period of the previous year, mainly due to the increase in interest income from bank deposits arising from the proceeds from the global offering and, during the Reporting Period, the increase in government grants received by certain subsidiaries.

4. *Distributions Costs*

During the Reporting Period, the Group's distributions costs amounted to RMB62.04 million, representing an increase of RMB5.12 million, or 8.99%, compared to the corresponding period of the previous year, mainly due to the increase in marketing expenses as the Group expanded its market presence.

5. *Administrative Expenses*

During the Reporting Period, the Group's administrative expenses amounted to RMB174.20 million, representing an increase of RMB17.13 million, or 10.91%, compared to the corresponding period of the previous year. This was mainly due to an increase in routine advisory fees following the listing, and a rise in specific reserves for the Phase II project at Ningbo Conch, as well as an increase in staff remuneration included in administrative expenses due to personnel structure adjustments.

6. *Research and Development Costs*

During the Reporting Period, the Group's research and development costs amounted to RMB43.08 million, representing a decrease of RMB11.92 million, or 21.67%, compared to the corresponding period of the previous year, mainly due to the industrialization of certain key research projects and the phased progress of the R&D project. As core projects such as solid water reducing admixture, viscosity-reducing water reducing admixture, and early-strength water reducing admixture largely achieved their industrialization targets, and 10 projects, including powdered hexavalent chromium reducing agents, magnesium phosphate repair mortar, and EC key technologies, were successfully concluded, coupled with the fact that some new projects are still in the preliminary research stage, R&D investment is currently in a phase of building momentum for future growth.

7. *Finance Costs*

During the Reporting Period, the Group's finance costs amounted to RMB23.54 million, representing a decrease of RMB2.95 million, or 11.13%, compared to the corresponding period of the previous year, mainly due to a reduction in loan interest rates.

Financial Position

As at the end of the Reporting Period, the Group's total assets amounted to RMB2,914.69 million, representing an increase of RMB455.43 million as compared to the end of the previous year; the equity attributable to equity shareholders of the Company amounted to RMB1,375.09 million, representing an increase of RMB384.46 million as compared to the end of the previous year; the gearing ratio of the Group calculated as total liabilities divided by total assets at the end of the year was 49.05%, representing a decrease of 6.37 percentage points as compared to the end of the previous year. The balance sheet items of the Group are as follows:

Item	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	Change between the end of the Reporting Period and the end of the previous year (%)
Non-current assets	1,358,006	1,272,460	6.72
Current assets	1,556,686	1,186,799	31.17
Non-current liabilities	347,326	258,935	34.14
Current liabilities	1,082,391	1,103,936	-1.95
Net current assets	474,295	82,863	472.38
Equity attributable to equity shareholders of the Company	1,375,085	990,630	38.81
Total assets	2,914,692	2,459,259	18.52
Total liabilities	1,429,717	1,362,871	4.90

1. *Non-current Assets and Current Assets*

As at the end of the Reporting Period, the Group's non-current assets amounted to RMB1,358.01 million, representing an increase of 6.72% compared to the end of the previous year, mainly due to the Company's increased investment in projects funded by raised funds, such as the Ningbo Phase II Project, in accordance with the plan for the use of the proceeds.

As at the end of the Reporting Period, the Group's current assets amounted to RMB1,556.69 million, representing an increase of 31.17% as compared to the end of the previous year, mainly due to the completion of the Listing by the Company and the receipt of proceeds.

2. *Non-current Liabilities and Current Liabilities*

As at the end of the Reporting Period, the Group's non-current liabilities amounted to RMB347.33 million, representing an increase of 34.14% compared to the end of the previous year, mainly due to new long-term borrowings obtained by Ningbo Conch New Material Technology Co., Ltd. and Huludao Haizhong New Material Technology Co., Ltd., the subsidiaries, to meet their production and construction needs.

As at the end of the Reporting Period, the Group's current liabilities amounted to RMB1,082.39 million, remaining basically stable compared to the corresponding period of the previous year.

3. *Equity Attributable to Equity Shareholders of the Company*

As at the end of the Reporting Period, the equity attributable to equity shareholders of the Company amounted to RMB1,375.09 million, representing an increase of 38.81% compared to the end of the previous year, mainly due to: first, the completion of the Company's Listing, leading to an increase in share capital and capital reserve; and second, the Company's continued profitability, resulting in an increase in shareholders' equity.

4. *Loans and Borrowings*

Item	31 December 2025 RMB'000	31 December 2024 RMB'000
Within one year	711,260	720,212
After one year but within two years	97,460	75,000
After two years but within five years	194,965	123,491
Total	<u>1,003,685</u>	<u>918,703</u>

As at the end of the Reporting Period, the Group had balance of loans and borrowings of RMB1,003.69 million, representing an increase of RMB84.98 million compared to the end of the previous year, primarily due to the new long-term borrowings incurred by Ningbo Conch New Material Technology Co., Ltd. and Huludao Haizhong New Material Technology Co., Ltd., the subsidiaries, for production and construction needs.

As at the end of the Reporting Period, all of the Group's loans and borrowings were denominated in RMB, with the interests calculated based on fixed rates.

Cash Flows

Item	2025 RMB'000	2024 RMB'000
Net cash generated from operating activities	201,852	166,780
Net cash used in investing activities	(227,156)	(136,331)
Net cash generated from/(used in) financing activities	320,593	(65,165)
Net increase/(decrease) in cash and cash equivalents	295,289	(34,716)
Cash and cash equivalents at beginning of year	131,387	166,103
Effect of foreign exchange rates changes	(116)	—
Cash and cash equivalents at end of year	426,560	131,387

Net cash generated from operating activities

During the Reporting Period, the Group had net cash generated from operating activities of RMB201.85 million, representing an increase of RMB35.07 million compared to the corresponding period of the previous year, mainly due to the Group's strengthened management and control of accounts receivable during the Reporting Period and the accelerated collection of overdue payments, which resulted in an increase in operating cash inflows compared with the corresponding period of the previous year.

Net cash used in investing activities

During the Reporting Period, the Group had net cash used in investing activities of RMB227.16 million, representing an increase of RMB90.83 million compared to the corresponding period of the previous year, mainly due to the construction of new projects such as Ningbo Phase II Project and purchases of equipment and acquisition of short-term, low-risk wealth management products.

Net cash generated from/(used in) financing activities

During the Reporting Period, the Group had net cash generated from financing activities of RMB320.59 million, representing an increase of RMB385.76 million compared to the corresponding period of the previous year, mainly due to the proceeds from the Company's IPO.

Foreign Exchange Exposure and Exchange Rate Risk

The Group's functional currency is RMB. Most of the assets and transactions of the Group were denominated in RMB, and the capital expenditures of the Group's domestic business were generally funded with the revenue in RMB. As a result, the Group was not exposed to significant foreign exchange risks.

During the Reporting Period, the Group did not use any financial instruments to hedge against any foreign exchange risks.

Capital Commitments

As at the end of the Reporting Period, the Group had capital commitments not provided for in the consolidated financial statements amounting to RMB112,286,000 (2024: RMB121,981,000).

Contingent Liabilities

As at the end of the Reporting Period, the Group did not have any material contingent liabilities.

Charges on Assets

As at the end of the Reporting Period, the Group did not have any charges on assets.

Significant Investments

During the Reporting Period, the Group did not have any significant investments.

Future Plan for Material Investments or Capital Assets

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 31 December 2024 (the "**Prospectus**"), as of the date of this announcement, the Group did not have any plans for material investments or capital assets.

Material Acquisitions and Disposals of Subsidiaries, Associated Companies and Joint Ventures

During the Reporting Period, the Group did not have any material acquisition or disposals of subsidiaries, associated companies and joint ventures.

Human Resources

The Group attached great importance to the construction and development of human resources management system, consistently adhered to the strategy of strengthening enterprises with talents. Guided by value creation, it actively explored diversified incentive measures and implemented a mechanism for sharing excess profits, aiming to stimulate employee motivation and fully utilize the incentivizing and regulatory effects of the Group's compensation mechanism. Simultaneously, with the goal of enhancing human resource efficiency, it steadfastly advanced management innovation, fostered the management orientation that respects knowledge, talent, and innovation, thereby providing human resource support and assurance for the Group's high-quality development. The Group provides comprehensive training programmes for its employees, believing that such initiatives assist them in effectively acquiring the necessary skills and professional ethics. For details of the specific training programmes, please refer to the Environmental, Social and Governance Report published on the Company's website (www.conchmst.com) and the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (www.hkexnews.hk).

As at the end of the Reporting Period, the Group had 908 employees (31 December 2024: 876 employees). The remuneration of employees is based on qualifications, experience, work performance and market conditions. As required by the PRC regulations on social insurance, the Group participated in the social insurance schemes managed by local government authorities which include pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance. During the Reporting Period, the total remuneration of employees (including the remuneration of the Directors) was approximately RMB212.22 million (2024: approximately RMB203.96 million).

Future Plan and Prospects

From the perspective of the international development environment, the growth prospect of the world economy during China's "15th Five-Year Plan" period is not promising, and the eastward shift in the global economic power balance will continue. Influenced by factors such as demographic shifts and increasingly complex geopolitical situation, the potential growth rates of major economies are expected to moderate, introducing uncertainty to the global economic recovery process. The Company's main businesses are highly dependent on crude oil derivatives. Furthermore, geopolitical events such as the US-Iran conflict led to sharp fluctuations in energy prices, directly driving up raw material costs and exerting an impact on the regional building materials market needs. What's more, the Sino-American strategic competition has entered a more complex and intense phase. It is necessary to remain vigilant against potential trade barriers and technological controls from western nations, such as the European's the "Carbon Border Adjustment Mechanism" imposes requirements concerning the carbon emissions across the full-life-cycle of products, which places higher requirements on the Company's green production capacity. Although demand in emerging markets such as the Middle East and Southeast Asia maintain a sustained growth, Chinese-funded enterprises have flocked to expand overseas, making competition within the local industry in the region increasingly fierce.

Faced with the opportunities and challenges in the industry's development environment, the Group will closely align with the Company's "15th Five-Year" Plan and various work arrangements, take "driving revenue growth and enhancing profitability" as the core focus, and adopt a multi-pronged approach to promote the high-quality development of its business. In the domestic market, the Group will closely monitor the implementation of relevant national policies and investment projects, focus on key domestic economic circles such as Xinjiang, the Pearl River Delta, the Beijing-Tianjin-Hebei region, and the Chengdu-Chongqing area, while deepening its presence in core markets around existing factories to build scalable sales pillars. It will continuously expand the breadth and depth of cooperation with existing strategic partners, proactively seeking collaborations with large state-owned enterprises such as China Communications Construction (中交) and China State Construction (中建), as well as group clients. The Group strives to gain access to the direct supply channel for large-scale construction projects, water conservancy project and large-scale construction units. It will systematically promote new products such as solid superplasticizers, mortar admixtures, and slag cement admixtures to build sales volume drivers for the Company. In addition, the Group will explore new business tracks, steadily advance the layout of epoxy compound fine chemicals, and foster new drivers for the Company's long-term growth. In the international market, the Group will continue to deepen channel construction, release production capacity of local factories in Tashkent, Indonesia, and other regions, expand the scope of global cooperation with large enterprises, deepen partnerships with Chinese-funded enterprises including China West Construction (中建西部), Gezhouba (葛洲壩), and Jianhua Guanzhuang* (建華管樁) to improve the global sales network; simultaneously, leveraging multi-channel trade exports, the Group will explore high-demand regions such as the Middle East, North Africa, and South America to absorb domestic production capacity and expand the Company's international market share. In terms of risk management, prioritizing capital security, the Group will strictly implement customer credit management and closely monitor the collection of overdue payments. Through these multiple measures, it aims to ensure overall controllability of the Company's capital risks, thereby building a solid safety barrier for high-quality business development.

USE OF PROCEEDS FROM GLOBAL OFFERING

On 9 January 2025, the Company's H Shares were listed on the Main Board of the Stock Exchange through a global offering of 144,974,000 H Shares, comprising a Hong Kong public offering of 43,493,000 H Shares and an international offering of 101,481,000 H Shares. The H Shares were issued and subscribed to Hong Kong and overseas investors at an offer price of HK\$3.0 per H Share (excluding brokerage of 1.0%, Securities and Futures Commission transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) by way of an initial public offering. The over-allotment option as described in the Prospectus was not exercised by the overall coordinator (for itself and on behalf of the international underwriters).

The table below sets out the breakdown of the use of proceeds from the global offering as at the end of the Reporting Period.

Use of net proceeds	Percentage of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus (HK\$ million)	Allocated net proceeds from the Global Offering ^(Note) (HK\$ million)	Net proceeds utilized since the Listing and up to the end of the Reporting Period (HK\$ million)	Expected timeline of full utilization of net proceeds	Remaining amount as of the end of the Reporting Period (HK\$ million)
Optimise production capacity and extend our geographical presence	35.0%	146.2	138.5	79.4	June 2028	59.1
Partially finance the production activities of a production plant located in Huludao, Liaoning	3.2%	13.2	12.5	—	December 2026	12.5
Acquire and install production machinery in our Ningbo Production Plant	18.0%	75.1	71.3	71.3	June 2026	—
Construct overseas production plants located in Uzbekistan and Indonesia	10.8%	45.3	42.8	8.1	June 2028	34.7
Enhance the extent of automation and digitalisation in production processes	2.0%	8.4	7.9	—	June 2026	7.9
Strengthen the production infrastructure	1.0%	4.2	4.0	—	December 2026	4.0
Implement marketing initiatives	10.0%	41.8	39.6	—	June 2026	39.6
Devote further resources to our research and development initiatives	15.0%	62.6	59.4	—	June 2028	59.4
Support our various research and development initiatives	13.3%	55.6	52.7	—	June 2028	52.7
Develop and commercialise our new product, ethylene carbonate (碳酸乙烯酯)	1.7%	7.0	6.7	—	December 2026	6.7
Repay certain bank loans	15.0%	62.6	59.4	20	December 2025	39.4
Acquire companies or establish joint ventures	15.0%	62.6	59.4	—	December 2026	59.4
General working capital	10.0%	41.8	39.6	9.3	December 2025	30.3
Total	100.0%	417.6	395.9	108.7		287.2

Note: The difference between net proceeds finally received from the Global Offering and the estimated net proceeds as disclosed in the Prospectus has been adjusted in the same manner and in the same proportion to the use of proceeds as disclosed in the Prospectus.

Should the net proceeds not be utilized immediately, the balance will be deposited with banks. The Company plans to change the intended use of the net proceeds as previously disclosed in the Prospectus. For further details, please refer to the announcement of the Company dated 31 March 2026 in relation to the proposed change in use of proceeds.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Group strives to attain and maintain relatively high standards of corporate governance that are best suited to the needs and interests of the Group, as it believes that effective corporate governance practices are fundamental to safeguarding the interests of the shareholders of the Company (the “**Shareholders**”) and other stakeholders and enhancing Shareholder value.

The Board has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the Company’s own corporate governance code. Since the H shares of the Company were listed on the Main Board of the Stock Exchange on 9 January 2025 (the “**Listing Date**”) and up to the end of the Reporting Period, the Company has fully complied with principles and all applicable code provisions set out in Part 2 of the CG Code.

Under the guidance of the regulatory documents, including the Listing Rules and the Articles of Association, the Group will continue to improve its corporate governance structure, foster good investor relations, and improve communication with the Shareholders and investors, so as to ensure continuous compliance with the provisions of the CG Code.

* The revised CG Code, effective from 1 July 2025, will apply to the Company’s corporate governance reports and annual reports covering financial years beginning on or after 1 July 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions by the Directors. Having made specific enquiries to all the Directors, the Company confirms that all the Directors have complied with the required standards as set out in the Model Code since the Listing Date and up to the end of the Reporting Period.

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Since the Listing Date and up to the end of the Reporting Period, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined in the Listing Rules)). As at the end of the Reporting Period, the Company did not hold any treasury shares.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Audit Committee consists of four members, namely Ms. Xu Xu (Chairperson), Mr. Li Jiang, Mr. Chen Jiemiao and Ms. Zeng Xiangfei, all of whom are independent non-executive Directors. The Audit Committee has reviewed, together with the management of the Company, the applicable accounting principles, standards and practices adopted by the Group and consolidated financial statements of the Group for the Reporting Period and the disclosure in this announcement, and was of the opinion that the preparation of such annual results complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

SCOPE OF WORK OF KPMG

The financial figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, 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 auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

FINAL DIVIDEND

The Board proposed the distribution of a final cash dividend of RMB0.16 (tax inclusive) (the “**Proposed Final Dividend**”) per Share for the year ended 31 December 2025 after taking into account of the dividend policy adopted by the Company. The aforesaid proposal is subject to the consideration and approval at the 2025 annual general meeting of the Company (the “**AGM**”). Shareholders whose names appear on the Company’s register of members on Monday, 1 June 2026 will be entitled to receive the Proposed Final Dividend. The Proposed Final Dividend is expected to be paid on or around Monday, 22 June 2026. Any treasury shares and/or repurchased shares pending cancellation (if any) held by the Company will not be entitled to receive the Proposed Final Dividend. The Proposed Final Dividend will be declared in RMB and paid in RMB to shareholder of domestic shares, and in HKD to shareholder of H shares. The exchange rate from RMB to HKD will be based on the average of the middle exchange rates published by the People’s Bank of China during the calendar week preceding the announcement of the Proposed Final Dividend.

DIVIDEND TAX

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) which was promulgated on 16 March 2007, and was amended on 24 February 2017 and 29 December 2018, respectively, the Provision for Implementation of Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) which was promulgated on 6 December 2007 and was amended on 23 April 2019 and 6 December 2024, respectively, and the Notice of the State Taxation Administration on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprise to Non-resident Enterprises Shareholders of Overseas H Shares (Guo Shui Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), which was promulgated and implemented by the State Taxation Administration on 6 November 2008, and other requirements, where PRC resident enterprises distribute dividends for 2008 and subsequent years to non-resident enterprise holders of overseas H shares, they are required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC resident enterprise, the Company will, after withholding 10% of the annual dividend as enterprise income tax, distribute the annual dividend to non-resident enterprise holders of overseas H shares whose names are listed on the H Shares register of members of the Company (i.e. any shareholder holding H shares in the name of a non-individual shareholder, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or shareholders of H shares registered in the name of other organizations and groups). After receiving dividends, the overseas non-resident enterprise shareholders may apply to the competent tax authorities for enjoying treatment under taxation treaties (arrangement) in person or by proxy or by the Company, and provide information to prove that they are the actual beneficiary under the requirements of such taxation treaties (arrangement). Upon the competent tax authorities have verified that there is no error, the tax difference between the amount of tax levied and the amount of tax payable calculated at the tax rate under the requirements of the relevant taxation treaties (arrangement) will be refunded.

On 28 June 2011, the State Taxation Administration promulgated the Notice of the State Taxation Administration on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)) (the “**No. 348 Circular**”). Pursuant to the No. 348 Circular, overseas resident individual shareholders holding the shares of a domestic non-foreign-invested enterprise issued in Hong Kong are entitled to the relevant preferential tax treatments pursuant to the provisions in the tax treaties between the country(ies) in which they are domiciled and the PRC, and the tax arrangements between the Mainland and Hong Kong (Macau). Pursuant to the No. 348 Circular, individual income tax at a tax rate of 10% may in general be withheld in respect of the dividend and bonus to be distributed by the domestic non-foreign-invested enterprises whose shares have been issued in Hong Kong, without the need to apply for preferential tax treatments. However, the tax rate for each overseas resident individual shareholder may vary depending on the relevant tax treaties between the country(ies) of their domicile and the PRC.

If the individual shareholders of H Shares are Hong Kong or Macau residents or residents of other countries or regions that have a tax rate of 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders.

If the individual shareholders of H Shares are residents of countries or regions that have a tax rate lower than 10% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders. If such shareholders wish to claim refund of the amount in excess of the individual income tax payable under the relevant tax treaties, the Company may apply, on behalf of such shareholders and according to the relevant tax treaties, for the relevant preferential tax treatment, provided that the relevant shareholders submit the relevant documents and information required by the provisions of the relevant tax treaties in a timely manner. The Company will assist with the tax refund of additional amount of tax withheld and paid subject to the approval of the competent tax authorities.

If the individual shareholders of H Shares are residents of countries or regions that have a tax rate higher than 10% but lower than 20% under the tax treaties with the PRC, the Company will withhold and pay individual income tax at the applicable tax rates stated in such tax treaties on behalf of such shareholders.

If the individual shareholders of H Shares are residents of countries or regions that have a tax rate of 20% under the tax treaties with the PRC, or have not entered into any tax treaties with the PRC, or otherwise, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such shareholders.

Shareholders are recommended to consult their tax advisors regarding the ownership and disposal of H shares in the PRC, Hong Kong and other tax implications.

ANNUAL GENERAL MEETING

The AGM will be held on Wednesday, 20 May 2026. The notice of the AGM will be published on the website of the Company (www.conchmst.com) and the website of the Stock Exchange (www.hkexnews.hk) in the manner stipulated by the Listing Rules in due course, and will be, where necessary, despatched to the Shareholders.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the qualification of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 15 May 2026 to Wednesday, 20 May 2026, both days inclusive, during which period no transfer of Shares will be registered. In order for Shareholders to be eligible to attend and vote at the AGM, all completed share transfer forms together with the relevant share certificates shall be lodged with the H Share Registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (in respect of Shareholders of H shares), or the office of the Board of the Company, at No. 1-301, G Zone, Jiangbei New District Construction Headquarters, 150 Meters South of Tongjiang Avenue, Wanjiang Jiangbei Emerging Industry Concentration Zone (except the Trusteeship Area), Wuhu City, Anhui Province, China (in respect of Shareholders of domestic shares) for registration not later than 4:30 p.m. on Thursday, 14 May 2026. Shareholders whose names are listed on the register of members of the Company on Wednesday, 20 May 2026 are entitled to attend and vote at the AGM.

In order to determine the eligibility of Shareholders for the Proposed Final Dividend, the register of members of the Company will be closed from Wednesday, 27 May 2026 to Monday, 1 June 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the Shareholders' entitlement to the Proposed Final Dividend, all completed share transfer forms together with the relevant share certificates shall be lodged with the H Share Registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (in respect of Shareholders of H shares), or the office of the Board, at No. 1-301, G Zone, Jiangbei New District Construction Headquarters, 150 Meters South of Tongjiang Avenue, Wanjiang Jiangbei Emerging Industry Concentration Zone (except the Trusteeship Area), Wuhu City, Anhui Province, China (in respect of Shareholders of domestic shares) for registration not later than 4:30 p.m. on Tuesday, 26 May 2026. Shareholders whose names are listed on the register of members of the Company on Monday, 1 June 2026 are entitled to receive the Proposed Final Dividend.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events of the Group requiring disclosure which would materially affect the Group's operating and financial performance subsequent to the Reporting Period and up to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Company (www.conchmst.com) and the website of the Stock Exchange (www.hkexnews.hk). The annual report of the Company containing all the information required by the Listing Rules will be published on the websites of the Stock Exchange and the Company in due course, and will be, where necessary, despatched to the Shareholders.

By order of the Board
Anhui Conch Material Technology Co., Ltd.
Ding Feng
Chairman of the Board and non-executive Director

Anhui Province, the People's Republic of China
31 March 2026

As at the date of this announcement, the Board comprises Mr. Ding Feng as the Chairman of the Board and non-executive Director; Mr. Chen Feng and Mr. Bai Lin as executive Directors; Mr. Feng Fangbo, Mr. Zhao Hongyi, Mr. Jin Feng and Mr. Fan Haibin as non-executive Directors; and Mr. Li Jiang, Mr. Chen Jiemiao, Ms. Xu Xu and Ms. Zeng Xiangfei as independent non-executive Directors.