XIMAY

XIMEI RESOURCES HOLDING LIMITED
稀美資源控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 9936

2026 INTERIM REPORT

CORPORATE PROFILE

Founded on 9 May 2006, the Group is an early non-state-owned market player in the tantalum and niobium industry in the People's Republic of China (the "**PRC**"), ranking ahead among domestic peers in terms of market share of products. The Group is principally engaged in the manufacturing and sale of tantalum- and niobium-based products, including tantalum- and niobium-based hydrometallurgical products, tantalum- and niobium-based pyrometallurgical products, and tantalum- and niobium-based deeply-processed products. In particular, hydrometallurgical products mainly include tantalum pentoxide, niobium pentoxide, potassium heptafluorotantalate and tantalum/niobium alkoxide; pyrometallurgical products mainly include tantalum/niobium powder, melted tantalum/niobium, ferroniobium and niobium-nickel binary alloys, and various high-purity tantalum/niobium ingots; tantalum- and niobium-based deep-processed products include tantalum/niobium strips, tubes, rods and wires, and various contract-processed products. The products are widely used in high-temperature alloys, semiconductors, high-end electronics, aerospace, optical and medical fields. The Group has passed the quality, environment, occupational health, intellectual property and other management system certifications, and passed the Responsible Minerals Initiative (RMI) annual audit for several consecutive years. As a member of the Tantalum-Niobium International Study Center (TIC) and vice president of the Tantalum and Niobium Division of the China Nonferrous Metals Industry Association, the Group strictly complies with applicable international and domestic laws, regulations and industry self-discipline rules.

Ximei Resources Holding Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**" or "**Ximei Resources**" or "**we**" or "**us**") was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in March 2020. So far the Group has established a total of five production bases in Guangdong Province, Guizhou Province and Hunan Province. In 2022, Ganfeng Lithium Group Co., Ltd. (江西贛鋒鋰業集團股份有限公司) ("**Ganfeng Lithium**"), a leading company in the global lithium industry chain, became a strategic shareholder of the Company with a 16.7% shareholding at the time of investment. In November 2024, our subsidiary, Ximei Resources (Guangdong) Limited* (稀美資源(廣東)有限公司) ("**Ximei Guangdong**"), received a capital injection of RMB60 million from Jinshi Manufacturing Transformation and Upgrading New Material Fund (Limited Partnership)* (金石製造業轉型升級新材料基金(有限合夥)), which will provide strong support to the Company in terms of capital, technology and resources.

Hydrometallurgical Projects

The implementation entities of the Group's hydrometallurgical projects include Ximei Guangdong and Ximei Resources (Leizhou) Company Limited* (稀美資源(雷州)有限公司) ("**Ximei Leizhou**"), being its wholly-owned subsidiaries, and CNNC Central China New Materials Co., Ltd. ("**CNNC Huazhong**"), being its associate. In particular, Ximei Guangdong is a world leading tantalum- and niobium-based hydrometallurgical enterprise, focusing on the research and development and production of potassium heptafluorotantalate, niobium pentoxide, tantalum pentoxide, high-purity niobium pentoxide, high-purity tantalum pentoxide and tantalum/niobium alkoxide. In the past three years, the Group's hydrometallurgical products gained a market share of nearly 40% (note 1) in China. The Group is a national high-tech enterprise, and has been recognised as an innovative enterprise of Guangdong Province, an excellent manufacturing enterprise of Guangdong Province, a provincial single champion product enterprise in manufacturing industry of Guangdong Province, a high-growth enterprise of Guangdong Province, a "Little Giant" specialised and innovative enterprise, a national postdoctoral scientific research center and a national enterprise with intellectual property advantages. The Group has established a provincial and municipal engineering technology research center, and a provincial and municipal technology specialist workstation. Ximei Leizhou has a project with a total planned annual production capacity of 3,000 tons of high-performance tantalum- and niobium-based oxide was put into production in mid-2026. CNNC Huazhong entered the production phase in 2024, with a designed annual capacity of 1,000 tons of oxides.

Pyrometallurgical Projects

The implementation entities of the Group's pyrometallurgical projects include Ximei Guangdong Qinghua Park Production Base and Ximei Resources (Guizhou) Technology Limited* (稀美資源(貴州)科技有限公司) ("**Ximei Guizhou**"). Established in 2020, Ximei Guizhou is the Group's major production base for pyrometallurgical products, which mainly include tantalum/niobium powder, melted tantalum/niobium, ferroniobium and niobium-nickel binary alloys, and various high-purity tantalum/niobium ingots, with a planned production capacity of 1,500 tons per year, which will rank among the top three in the world upon reaching full capacity.

In light of its strategic positioning of "professional, integrated, large-scale, high-end, international and capital-based" operation and the goal of "developing strategic metals and pursuing green metallurgy", Ximei Resources makes continuous research and development and innovation, expands its production capacity and extends its industrial chain. With its unique technology, excellent quality and high-quality services, the Group has won the recognition and praise of its customers and aspires to become "a world leading manufacturer and operator of tantalum- and niobium-based products".

Note:

1. Reference is made to the statistics of Ximei Resources.

* *For identification purposes only*

CONTENTS

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Wu Lijue *(Chairman)*
Mr. Mao Zili
Ms. Huang Jieli

Non-executive Director

Mr. Liao Longlong *(appointed on 27 March 2026)*
Ms. Ouyang Ming *(resigned on 26 December 2025)*

Independent Non-executive Directors

Mr. Lau Kwok Fai Patrick
Mr. Zhong Hui
Ms. Shi Ying

AUDIT COMMITTEE

Mr. Lau Kwok Fai Patrick *(Chairman)*
Mr. Zhong Hui
Ms. Shi Ying

NOMINATION COMMITTEE

Mr. Wu Lijue *(Chairman)*
Mr. Zhong Hui
Mr. Lau Kwok Fai Patrick
Ms. Shi Ying

REMUNERATION COMMITTEE

Mr. Zhong Hui *(Chairman)*
Mr. Lau Kwok Fai Patrick
Ms. Huang Jieli

COMPANY SECRETARY

Mr. Chang Eric Jackson *(HKICPA)*

AUTHORISED REPRESENTATIVES

Mr. Wu Lijue
Mr. Chang Eric Jackson *(HKICPA)*

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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LEGAL ADVISER

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AUDITOR

Ernst & Young
Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
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Hong Kong

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Bank of China
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Qingyuan City
Guangdong Province
People's Republic of China

COMPANY'S WEBSITE

www.ximeigroup.com

STOCK CODE

9936

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June 2026 RMB'000	2025 RMB'000	Changes Increase/ (decrease)
Financial Highlights			
Revenue	**1,452,760**	954,200	52.2%
Cost of sales	**(1,083,652)**	(727,878)	48.9%
Gross profit	**369,108**	226,322	63.1%
Profit before tax	**249,077**	130,397	91.0%
Profit for the period	**213,775**	107,493	98.9%
Profit for the period attributable to owners of the Company	**184,564**	91,821	101.0%
Basic earnings per share (in RMB)	**0.48**	0.26	84.6%

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000	Changes Increase/ (decrease)
Liquidity and Gearing			
Current ratio (Note 1)	**2.42**	1.97	23.1%
Quick ratio (Note 2)	**1.39**	1.04	33.6%
Gearing ratio (Note 3)	**–**	24.4%	N/A

Notes:

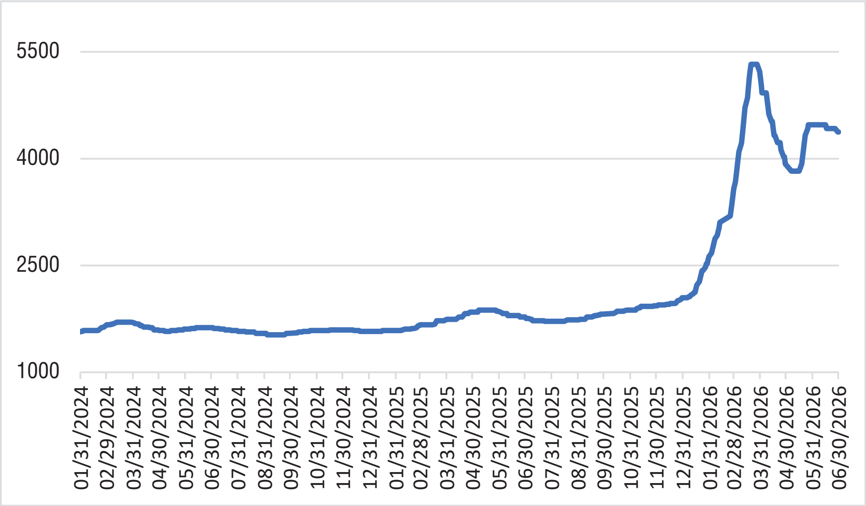
(1) Current ratio represents total current assets divided by total current liabilities as at the end of relevant period.

(2) Quick ratio represents total current assets less inventories divided by total current liabilities as at the end of relevant period.

(3) Gearing ratio represents total bank borrowings excluding discounted bills, less cash and cash equivalents, divided by total equity as at the end of relevant period multiplied by 100%. As at 30 June 2026, there was no gearing ratio presented as the total borrowings excluding discounted bills, less cash and cash equivalents, over total equity, resulted in a negative figure.

MARKET REVIEW OF TANTALUM AND NIOBIUM PRODUCTS

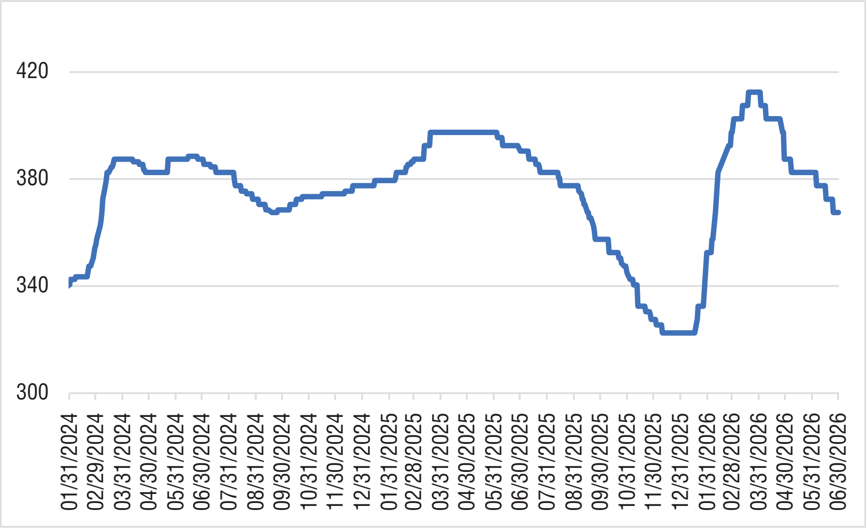
Ex-factory price of 99.5% ditantalum pentoxide in China (RMB/kg)



Source: asianmetal.cn

In the first half of 2026, the price of ditantalum pentoxide rose significantly. According to asianmetal.cn, as of the end of June 2026, the average ex-factory price of 99.5% ditantalum pentoxide in China for the first half of the year was approximately RMB3,885/kg, representing a significant increase compared to the full-year average in 2025. At the beginning of the year, tantalum ore prices have risen rapidly. The main driving factor was the suspension of production due to a safety accident in the core tantalum ore area of the Democratic Republic of Congo, which led to a tightening of global tantalum raw material supply. This was coupled with the continuous increase in downstream demand driven by artificial intelligence ("**AI**") servers, semiconductor targets, and aerospace high-temperature alloys, boosting the procurement enthusiasm of smelters. During the first half of the year, the peak ex-factory price of 99.5% ditantalum pentoxide in China was quoted at RMB5,325/kg, peaking in March 2026, after which the price fell from its high and consolidated within a range. In June 2026, the market price remained within the range of RMB4,375/kg to RMB4,475/kg.

Ex-factory price of 99.5% diniobium pentoxide in China (RMB/kg)



Source: asianmetal.cn

In the first half of 2026, ex-factory price of 99.5% diniobium pentoxide in China showed a steady upward trend. By the end of June 2026, the average tax-inclusive price for the first half of the year was RMB379/kg, up 1% from the 2025 full-year average. The supply of niobium ore from Brazil remained tight. Coupled with the rigid demand from the traditional ceramics and optical industries, as well as the continuous increase in demand for upstream raw materials for thin-film lithium niobate driven by AI-driven high-speed optical communications, downstream procurement demand was relatively optimistic, providing strong support for the ex-factory price of 99.5% diniobium pentoxide in China. Subsequently, the price maintained a high-level consolidation with fluctuations, reaching a peak of RMB412.5/kg in the first half of 2026.

DEVELOPMENT TREND OF DOWNSTREAM APPLICATIONS OF TANTALUM AND NIOBIUM

Tantalum- and niobium-based products have been widely applied in many fields due to their excellent performance, and enjoy stable demand from many industries. Furthermore, these products have seen strong demand from additional sectors in recent years, mainly reflected in the following areas:

(1) Tantalum capacitor sector: Tantalum powder, tantalum wire, tantalum shell and tantalum furnace materials for production of tantalum capacitors remain as a key application of tantalum metal, where the product technology represents the highest level of tantalum application. Given their high capacity density, low leakage current and stability, tantalum capacitors play a unique role in PCB design. In particular, consumer electronics represent approximately 35%-40% usage volume of tantalum capacitors, mainly benefiting from the demand from 5G smartphones, fast charging technology and internet of things (IoT) devices. Automotive electronics, with a special preference for tantalum capacitors, represent 25%-30% usage volume of tantalum capacitors. Especially, with an even higher penetration rate in intelligent electric vehicles (EVs), tantalum capacitors see a usage volume of 2-3 times that in traditional cars. In addition, industrials and energy sectors, including industrial automation, power electronics and renewable energy (such as photovoltaic inverters), represent 20% usage volume. Medical and aerospace sectors, given their reliance on high reliability and extreme environmental resistance and known for their use of tantalum capacitors at no cost, represent 10%-15% of the usage volume. In the first half of 2026, AI computing power hardware has become the core and new growth curve for tantalum capacitors, with demand for high-stability polymer tantalum capacitors exploding from AI servers, GPU accelerator cards, and HBM (High Bandwidth Memory). The tantalum capacitor usage per single high-end AI training server can reach 8-10 times that of traditional servers, driving the global tantalum capacitor market to continue its upward trend. The consumer electronics market is steadily recovering, with demand for smartphones, laptops, and wearables maintaining stable growth. Tantalum demand from tantalum capacitors is set to increase significantly, driven by the accelerated adoption of future industries such as AI algorithm models, brain-computer interfaces and humanoid robots, as well as sustained demand from wireless communication and fast charging. According to a report from CPM Group LLC, annual tantalum demand is estimated to exceed 4,000 tons by 2030, including over 1,000 tons of demand from tantalum capacitors.

(2) High-temperature alloy sector: In the first half of 2026, the global high-temperature alloy market maintained a high-growth trend, with ample orders for aero-engines, commercial aerospace, and gas turbines. Coupled with the release of demand for large gas turbine power generation equipment driven by AI data centres, tantalum and niobium have been widely added to various high-temperature alloy categories due to their irreplaceable properties. Alloys without niobium addition have a durability life of 100 hours at 800℃ and 200MPa stress, compared to 200-300 hours for those with niobium addition. Deformation of turbine blades with niobium addition during the service life, thanks to creep resistance of blades, can be reduced by 30%-40% under high-temperature gas pressure and centrifugal force. By adding appropriate amount of tantalum, yield strength of nickel-based high-temperature alloys at 700℃ can be improved by approximately 15%-20%. In addition, by adding tantalum, volume fraction of the strengthening phase γ' in nickel-based high-temperature alloys can be increased by 5%-10%, resulting in a 20%-30% improvement in their endurance strength at 800℃.

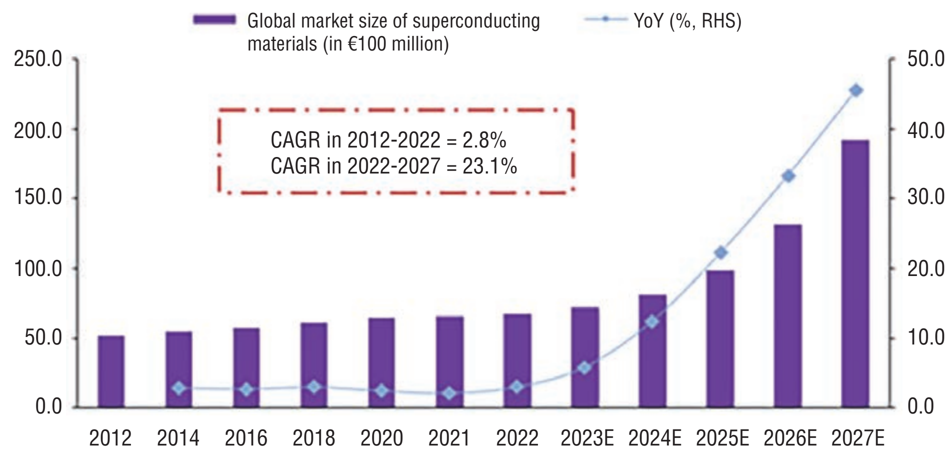
Benefiting from demand expansion in aerospace, energy and industrial sectors, high-temperature alloys saw a dramatic increase in shipment volume in the past two years, which is expected to continue in the future.

- Aerospace sector: Driven by a recovery of commercial aviation market and military aircraft upgrades, the demand for nickel-based and cobalt-based high-temperature alloys in aviation engines has increased significantly. CJ-1000A turbofan engine from Aero Engine Corporation of China has completed airworthiness certification, together with C919 aircraft equipped with the engine entering bulk delivery, demonstrating an acceleration process of domestic substitution. The overall business of engine manufacturers, represented by Rolls-Royce Holdings, has maintained a high level of prosperity. Tantalum and niobium metals can effectively enhance the comprehensive performance of aero-engine blades, thereby increasing procurement demand from high-temperature alloy manufacturers, which in turn drives the market demand for the Company's tantalum and niobium products.

- Energy equipment sector: Demand from energy sector is driven by gas turbine power generation, nuclear energy facility construction and hydrogen energy technology progress, where performance advantages of high-temperature alloys including high temperature resistance and corrosion resistance are further highlighted. Driven by the replacement of coal-fired power with gas turbines in Europe and Americas, General Electric 9HA.02 and Siemens SGT-8000H, among other models, saw a recovery of orders, with hydrogen-fueled gas turbines accounting for 15% of installations. Mitsubishi Heavy Industries recorded an order growth, driven by LNG power generation projects in Southeast Asia and the Middle East. General Electric launched an AI operation and maintenance platform to improve gas turbine efficiency. Along with the booming mature markets, emerging markets are to see potentially surging demand, such as the Middle East and Africa where investment in gas turbine power stations has been driven by natural gas exploitation. In Central Asia and Central Africa, a focus of China's gas turbine export under its "Belt and Road Initiative", localised manufacturing is a widely preferred model which may stimulate gas turbine order growth continuously.

(3) Superconducting materials sector: Superconducting materials include high-temperature and low-temperature superconducting materials. Currently, the industry is dominated by low-temperature superconducting technology (representing a market share of approximately 96%), while the rest is for high-temperature superconducting technology. Niobium and niobium alloys are the only choice for low-temperature superconducting materials. Demand for superconducting materials mainly comes from scientific research, nuclear fusion, medical equipment, transportation, electricity and energy, etc.. According to China Galaxy Securities Research Institute, the global superconducting material market has been growing, with an expected compound annual growth rate of 23.1% by 2027 based on the market size of €6.8 billion in 2022.

Global market size of superconducting materials in 2022 reached €6.8 billion (+3%); 5-year CAGR in 2022-2027 = 23.1%



Source: Conectus, China Galaxy Securities Research Institute

(4) Semiconductor sector: High-purity tantalum target materials are used in conjunction with high-purity copper target materials in the production of very large scale integrated circuits (chips). The industry previously experienced an inventory adjustment cycle, and in the first half of 2026, the global semiconductor industry achieved robust growth driven by AI. Benefiting from the continued surge in demand for AI large models, AI servers, high-bandwidth memory and advanced packaging, the global chip market has maintained strong growth. The iteration of downstream advanced processes and the expansion of memory chip production have continued to boost demand for high-purity tantalum targets, which in turn has led to a rapid increase in demand for upstream raw materials such as high-purity tantalum pentoxide and tantalum target blanks. In the long run, the expansion of AI computing power and the widespread adoption of automotive-grade semiconductors will become the core growth drivers for tantalum targets, placing higher demands on the industry for the supply stability and quality standards of high-purity tantalum raw materials.

Semiconductors revenue forecast, worldwide, 2025-2027
(billions of USD)

	2025	2026	2027
Revenue	809	1,600	1,900
Growth (%)	13.8	92.2	24.7

Source: Gartner, Dongguan Securities Research Institute

Looking ahead, AI functions will be increasingly integrated into personal terminal devices, such as AI smartphones, AI personal computers and AI wearables; and the evolving intelligent driving assistance systems and automotive infotainment systems will further fuel the growth of automotive semiconductor market. Tantalum is widely used as a barrier material in semiconductor manufacturing given its high conductivity, thermal stability and atomic blocking effect. Driven by the thriving semiconductor sector, tantalum is expected to see increasing application in this field.

(5) Medical sector: Tantalum has relatively limited applications in medical sector at present which, however, is expected to expand year by year. Tantalum metal is widely used in medical sector, especially in orthopedic surgeries, such as treatment of femoral head necrosis, joint replacement and revision, and bone defect repair. In addition, porous tantalum as a novel material has been developed as orthopedic transplantation materials. The evolving 3D printing technology further accelerated medical applications of tantalum materials. Through 3D printing, porous tantalum implants can be customised to meet personalised needs of patients. Tantalum coating also plays an important protective role in implanted medical devices. These applications not only help improve success rate of surgery, but also significantly enhance rehabilitation process of patients. The evolving medical technologies will usher in broad prospects for tantalum in medical applications.

Source: China Association for Medical Devices Industry and National Medical Products Administration

(6) New energy sector: In new energy sector, an emerging application field for niobium, niobium-based anode technology can contribute to the miniaturisation and light-weighting transformation of lithium-ion batteries. Currently, niobium-containing anode materials have achieved commercialisation and are widely applied. Adding niobium to lithium batteries can enhance stability and safety, as niobium-based anode materials do not exhibit lithium plating – a primary cause of internal short circuits in graphite, silicon, and lithium metal batteries. Niobium-based anodes can extend battery lifespan, supporting over 10,000 charge-discharge cycles. They also enable fast charging, with full charging achievable in just 6 minutes or less. At the cell level, the volumetric energy density exceeds 130 Wh/kg and 350 Wh/L, comparable to lithium iron phosphate cells. Batteries using niobium-based anodes offer a new alternative for miniaturising uninterruptible power supply (UPS) systems in data centers. Additionally, niobium and tantalum are primarily used in oxide form (LiAlLaZrNb/TaO) as inorganic solid-state electrolytes, offering higher energy density and improved safety for solid-state lithium batteries. Solid-state batteries are expected to become a new growth driver for niobium in the new energy sector.

Application scenarios of niobium-based anode batteries are as follows:

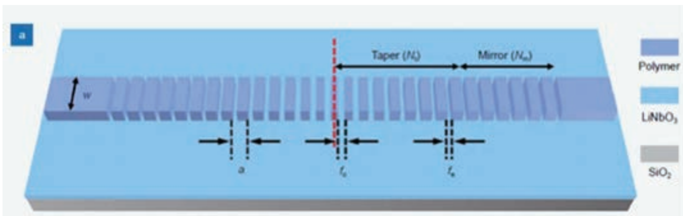
Commercial vehicles capable of fast charging | Ferry boats | Mining trucks and heavy-duty vehicles | Equipment transport

Fixed high-power energy storage system | Automatic guided vehicle (AGV) | Uninterruptible power supply, etc.

Source: https://www.niobiumtech.cn

(7) Integrated photonics field: Lithium niobate can be used to fabricate devices such as electro-optic modulators, which are core components in modern communication systems and photonic integrated circuits. Thin-film lithium niobate (TFLN) exhibits excellent electro-optic effects, nonlinear optical properties, and acousto-optic effects, offering advantages such as smaller size, lower cost, and higher integration density. These properties make it suitable for applications in 5G communications, quantum computing, and other advanced fields. The Wuxi Photonic Chip Research Institute of Shanghai Jiaotong University has developed high-quality, low-loss thin-film lithium niobate optical waveguides, achieving mass integration of "photonic chips". This achievement was recognised as a "2024 Annual Case of New Quality Productive Forces" by China Media Group. As the construction of global AI computing power infrastructure continues to accelerate, the demand for bandwidth for large model training and inference traffic has surged, ushering in a boom cycle for the high-speed optical module industry. In the first half of 2026, 800G optical modules have reached the large-scale delivery stage, manufacturers of 1.6T high-speed optical modules have progressively completed verification by downstream customers and were gradually seeing an increase in sales volume, and the research and development and testing progress for 3.2T products was steadily advancing. As the industry upgrades to ultra-high transmission rates, thin-film lithium niobate modulators have emerged as an important technological pathway for 1.6T and 3.2T high-speed optical communication scenarios. The demand from downstream high-speed optical device manufacturers for high-purity lithium niobate upstream raw materials continued to be released, bringing new growth to the niobium industry.

At the beginning of 2025, the thin-film lithium niobate (TFLN) photonic chip production line jointly built by Q.ANT, a German quantum technology company, and IMS CHIPS, was officially put into use, which marked the first publicly reported mass production attempt to integrate thin-film lithium niobate photonic technology with traditional wafer manufacturing technology globally, aiming at solving the problems of surge in demand for artificial intelligence computing and energy consumption bottleneck. The experimental data show that the prototype of its photonic processor based on thin-film lithium niobate is 30 times more energy efficient and 50 times faster than the traditional chip. In terms of efficient photonic integrated circuits, researchers from École Polytechnique Fédérale de Lausanne (EPFL) and Shanghai Institute of Microsystems and Information Technology (SIMIT) have successfully developed a revolutionary new photonic integrated circuit ("**PICs**"). It is based on lithium tantalate, which is not only excellent in performance, but also cost-effective and has a wide application prospect. PICs means that a variety of optical devices and functions are integrated on a single chip. Since debut, PICs has caused profound changes in the field of optical communication and computing systems. The prepared lithium tantalate PICs shows high efficiency, with the optical loss rate as low as 5.6 dB/m and the electro-optical bandwidth as high as 40 GHz. These indicators fully prove its ability to handle high-speed data transmission, making it an ideal choice for the next generation optical communication system with significantly bright prospect. According to QY research data, in 2023, the global market scale of lithium niobate thin film modulators reached US$200 million, and by 2029, it is expected to reach US$2 billion, with a compound annual growth rate (CAGR) of 41.0%.



Source: Development of Tantalum and Niobium Industry

BUSINESS REVIEW

Remarkable results in business management

The strong performance in the first half of 2026 is built on the successful implementation of the strategic positioning of a "professional, integrated, large-scale, high-end, international, and capital-based" operation, which the Group has pursued over the past two years. Our goal is to transform the Company into a high-performance, resilient, and competitive growth-oriented enterprise. In the first half of 2026, we seized opportunities in the tantalum and niobium industry, achieving significant improvements across all core departments. In the first half of 2026 (the "**Period Under Review**" or the "**Reporting Period**"), the Group achieved revenue of RMB1,452.8 million, representing a year-on-year increase of 52.2% from RMB954.2 million for the first half of 2025, and profit for the period amounted to RMB213.8 million, representing a year-on-year increase of 98.9% from RMB107.5 million for the first half of 2025.

Compared to the initial period after listing, the proportion of tantalum and niobium pyrometallurgical products in the Group's revenue structure has grown from nil, insignificant, significant to approximately a half, marking a considerable development. The evolution of product variety has been key to steady revenue growth. During the Period Under Review, the Group focused on high-end applications of tantalum and niobium, with its revenue distribution by downstream industry becoming increasingly diversified and balanced: the aerospace sector was dominated by high-temperature alloy products, accounting for approximately 50.8% of revenue and continuing to be the largest source of revenue with a solid core position; the semiconductor sector was dominated by potassium heptafluorotantalate, tantalum powder for target materials and capacitor-grade tantalum powder products, with its revenue share increasing to approximately 20.8%; the energy, medical and other fields accounted for approximately 13.2% of revenue; the major science/high-end equipment sector was dominated by niobium superconducting materials, accounting for approximately 8.5% of revenue; and the optical communications sector was dominated by high-purity oxides, accounting for approximately 6.7% of revenue. The concerted efforts across the five major downstream application fields fully cover the key links of the national strategic emerging industries, demonstrating the Group's in-depth strategic layout and customer diversification advantages in high-end tantalum and niobium applications. Meanwhile, the proportion of revenue from overseas customers increased from approximately 23% in the same period last year to approximately 38%, demonstrating the significant results of the implementation of the internationalisation strategy.

Constant optimisation of talent structure

During the Period Under Review, the Group consistently adhered to the talent philosophy that "human resource leadership strategy is the first competitive strategy and people are the most valuable and core assets of an enterprise", continuously advancing the refined adjustment of its organisational structure and talent framework. By balancing empowerment and oversight, the Group stimulated talent effectiveness. The Group focused on cultivating versatile talent pipelines with both professional expertise and innovative vision, and has established a long-term team advancement mechanism. By implementing the "Pioneer Program" and "Succession Plan", several postgraduates from prestigious universities such as Tsinghua University and Zhengzhou University have assumed mid-level management roles. Additionally, the "Management Trainee Program" infused fresh talents into frontline operations, with some participants already becoming key production backbones.

Building momentum, cultivating excellence and advancing with honours

As of 30 June 2026, the Group was granted with 130 authorised patents accumulatively, including 35 invention patents and 95 utility model patents. Additionally, the Group had 83 patents under application review. While continuously optimising R&D processes and extending its patents pipeline, the Group has seen widespread improvement in product quality and a steady rise in its industry standing. At the date of this report, Ximei Guangdong was rated as a “High-Quality Manufacturing Enterprise” by Qingyuan City. Ximei Guizhou has been recognised as a “High-Tech Enterprise” and has successively been awarded qualifications and titles such as “Key Specialised and Innovative Enterprise in Guizhou Province”, “Guizhou Province Innovative SME” and “Guizhou Province Enterprise Technology Centre”. In addition, Ximei Guizhou has also been selected as a key foreign trade enterprise (Topmost) in Qianxinan Prefecture, and participated as a major drafting unit in the formulation of the group standard “High-purity Tantalum Target Materials for Integrated Circuits” (T/CIET 1296-2025).

Ximei Guangdong is not only a National High-Tech Enterprise and a national-level specialised and sophisticated “Little Giant” enterprise, but also a Guangdong Provincial Single Champion Enterprise in Manufacturing and a National Intellectual Property Advantage Enterprise, and has established a post-doctoral research workstation. The company’s in-house testing centre has obtained CNAS laboratory accreditation, officially entering the CNAS laboratory directory. In addition, the company has successively led or participated in the formulation of a number of non-ferrous metal industry standards, including those for high-purity niobium ingots, melted niobium, and niobium-aluminum alloys, and has been rated as a “High-Quality Manufacturing Enterprise” by the Qingyuan Municipal People’s Government. In early 2026, the Group was honored with the “Excellent Value Creation Award” and the “Excellent Capital Market Communication Award” at the Best IR Awards, further enhancing its recognition in the capital market.

The Group has consistently adhered to the philosophy of “focusing on quality and uniqueness” in every aspect of its operations. The high-capacitance tantalum powder developed for polymer tantalum capacitors has passed a 2,000-hour lifespan test at the customer end. Tantalum and niobium smelting products have been included in the qualified product lists of leading domestic and international high-temperature alloy companies. High-RRR (Residual Resistivity Ratio) superconducting niobium ingots have been supplied to downstream customers for use in major scientific projects such as the Shanghai Hard X-ray Free-Electron Laser (SHINE), the High-Intensity Heavy-Ion Accelerator Facility (HIAF), and the China Initiative Accelerator-Driven System (CiADS). Ultra-high-purity tantalum metal is supplied in bulk to semiconductor tantalum target manufacturers, while the annual shipment of lithium tantalate for photonic communications has surpassed the 10-ton milestone. The Group is committed to becoming a globally leading tantalum and niobium manufacturing operator with strong innovative capabilities.

Capacity optimisation yields impressive results

During the Period Under Review, the Group focused on process standardisation and technological improvements, tapping into the potential of production lines. Through initiatives such as “automated upgrades for high-niobium drying and calcination”, “ammonia gas absorption in niobium solutions”, “ultra-high-pressure membrane concentration” and “key technology research for smelted tantalum preparation”, the Group achieved a year-on-year increase in the direct recovery rate of tantalum and niobium hydrometallurgy. The unit consumption of products such as superconducting niobium ingots significantly decreased, while the unit energy consumption for smelted tantalum and niobium continued to decline. The comprehensive utilisation rate of by-products reached record highs.

Strengthening and extending the industrial chain for green development

The Group implemented the strategy of "integration and scale", and focused on strengthening and extending the tantalum-niobium industrial chain while giving full play to the existing production line capacity. Currently, the Group has established a strategic layout of five major production bases, precisely responding to downstream high-end application demands and orderly advancing capacity expansion: the Guangdong Yingde hydrometallurgical base is positioned for oxide production, with a planned capacity of 2,000 tons; the Guangdong Leizhou hydrometallurgical base is positioned for oxide production, with a planned capacity of 3,000 tons; the Hunan Leiyang hydrometallurgical base is positioned for oxide production, with a planned capacity of 1,000 tons; the Guangdong Yingde tantalum powder base is positioned for metal powder production, with a planned capacity of 350 tons; and the Guizhou Xingyi pyrometallurgical base is positioned for pyrometallurgical project of metals, with a planned capacity of 1,500 tons.

In terms of the pace of phased release, the planned capacity of the Yingde hydrometallurgical production base remains stable at 2,000 tons from 2025 to 2027; the Leizhou hydrometallurgical production base has not yet been commissioned in 2025, with a planned capacity of 1,500 tons in 2026 and further ramping up to 3,000 tons in 2027; the planned capacity of the Leiyang hydrometallurgical production base remains stable at 1,000 tons from 2025 to 2027; the Yingde tantalum powder production base has a planned capacity of 150 tons in 2025, increasing to 300 tons in 2026, and further increasing to 350 tons in 2027; and the Xingyi pyrometallurgical production base has a planned capacity of 1,200 tons in 2025, increasing to 1,500 tons in 2026, and maintaining at 1,500 tons in 2027.

Ximei Guangdong currently possesses an annual production capacity of 1,000 tons of high-purity niobium oxide. Ximei Leizhou fully completed its civil engineering works, including foundation construction, main structure building, interior and exterior decoration and equipment foundations. As planned, oxide production capacity will be released to an annualised 1,500 tons in 2026 and further ramped up to 3,000 tons in 2027, laying a reliable foundation for the Group's future market upgrading and high-quality sustainable development.

FINANCIAL REVIEW

Revenue

The Group's revenue comprised revenue generated from sales of goods and the provision of processing services. The following table sets forth our revenue by source for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Tantalum and niobium hydrometallurgical compounds	**432,490**	**29.8**	233,840	24.5
Tantalum and niobium metal and its products	**638,706**	**44.0**	504,590	52.9
Trading goods, processing services and others	**381,564**	**26.2**	215,770	22.6
Total revenue	**1,452,760**	**100.0**	954,200	100.0

During the six months ended 30 June 2026 and 2025, our products sold included: (i) tantalum and niobium hydrometallurgical compounds; (ii) tantalum and niobium metal and its products; and (iii) trading goods, processing services and others. The Group's revenue increased by approximately RMB498.6 million or 52.2% from approximately RMB954.2 million for the six months ended 30 June 2025 to approximately RMB1,452.8 million for the Period Under Review. The increase was mainly attributable to the growth in market demand, with a significant increase in sales volume of relevant products in the first half of the year, as well as a year-on-year increase in market prices.

Tantalum and niobium hydrometallurgical compounds

For the Period Under Review, our revenue generated from sales of compounds amounted to approximately RMB432.5 million, representing an increase of approximately RMB198.7 million or 85.0% from approximately RMB233.8 million for the six months ended 30 June 2025. Such increase was primarily attributable to the significant growth in the sales volume of both tantalum and niobium hydrometallurgical compounds in the first half of the year, with the sales volume of high-purity niobium increasing by approximately 50% year-on-year, as well as a substantial year-on-year increase in the selling prices of core products during the Reporting Period, particularly tantalum hydrometallurgical products.

Tantalum and niobium metal and its products

For the Period Under Review, our revenue from the sale of tantalum and niobium metal and its products increased by approximately RMB134.1 million or 26.6% from approximately RMB504.6 million to approximately RMB638.7 million. Such increase was primarily attributable to the year-on-year increase in the market price of tantalum metal products.

Trading goods, processing services and others

The Group's trading goods, processing services and other businesses include selling trading goods, providing processing services and selling by-products. For the Period Under Review, our revenue from trading goods, processing services and others was approximately RMB381.6 million, an increase of approximately RMB165.8 million or 76.8% compared with approximately RMB215.8 million for the six months ended 30 June 2025. The increase was mainly due to the increase in the scale of trade and sales revenue of by-products in the Period Under Review.

Cost of Sales

Cost of sales represented the direct costs of production, which comprised raw materials costs, factory overheads, electricity and fuels costs, labour costs and processing fee in respect of our processed products. The following table sets forth the breakdown of our cost of sales for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Raw materials	**652,067**	**60.1**	439,888	60.4
Cost of trading goods	**321,367**	**29.7**	183,186	25.2
Electricity and fuels	**57,164**	**5.3**	53,377	7.3
Factory overheads	**29,635**	**2.7**	28,823	4.0
Labour (Note)	**15,450**	**1.4**	13,306	1.8
Processing fee	**7,969**	**0.8**	9,298	1.3
Total cost of sales	**1,083,652**	**100.0**	727,878	100.0

Note: Labour costs mainly included salaries and benefits for our production personnel.

Our raw materials costs mainly represented the cost for purchasing tantalum and niobium raw materials, and accounted for approximately 60.1% and 60.4% of our total cost of sales for the Period Under Review and the six months ended 30 June 2025, respectively. Our cost of sales increased by approximately RMB355.8 million or 48.9% from approximately RMB727.9 million for the six months ended 30 June 2025 to approximately RMB1,083.7 million for the Period Under Review. Such increase was mainly attributable to a significant year-on-year increase in the scale of sales.

Gross Profit and Gross Profit Margin

The Group's gross profit increased from approximately RMB226.3 million for the six months ended 30 June 2025 to approximately RMB369.1 million for the Period Under Review, mainly driven by the improved gross profit margin.

Our gross profit margin increased from approximately 23.7% for the six months ended 30 June 2025 to approximately 25.4% for the Period Under Review. Such increase was mainly due to changes in market demand, which led to adjustments in the product mix during the Reporting Period, with a more significant increase in the sales proportion of tantalum products. Concurrently, the market price of tantalum products rebounded significantly year-on-year, thereby effectively driving an overall increase in gross profit margin.

Other Income and Gains, Net

The following table sets forth the breakdown of our other income and gains, net, for the periods indicated:

	For the six months ended 30 June	
	2026 **RMB'000**	2025 RMB'000
Other income		
Bank interest income	**2,053**	473
Government grants (Note)	**4,623**	5,335
	6,676	5,808
Gains, net		
Fair value gains on derivative financial instruments, net	**–**	1,900
Gain from disposal of scrap materials, net	**783**	954
Gain on disposal of items of property, plant and equipment, net	**1,163**	121
Others	**3,960**	2,147
	5,906	5,122
Total	**12,582**	10,930

Note: Government grants mainly represented (i) additional input value-added tax credit provided by relevant PRC local government authorities to two subsidiaries of the Group which are qualified as high and new technology enterprises; and (ii) subsidies received from the PRC local government authorities to support certain subsidiaries' research and development activities. There are no unfulfilled conditions or contingencies relating to such grants.

Our other income and gains, net, primarily comprised government subsidies, bank interest income and others. We received government grants from local government authorities for engaging in research and development activities, which vary from year to year.

Our other income and gains, net increased by approximately RMB1.7 million or 15.1% from approximately RMB10.9 million for the six months ended 30 June 2025 to approximately RMB12.6 million for the Period Under Review. Such increase was primarily driven by higher bank interest income recognised, and the increase in gains on disposal of items of property, plant and equipment.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily comprised distribution costs for transportation and packaging for delivery of products, salaries and benefits for personnel of our sales and procurement department, consultation fees, and travelling and entertainment expenses. The table below sets forth the breakdown of our selling and distribution expenses for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Distribution costs	**3,585**	**41.0**	2,706	27.8
Staff costs	**3,531**	**40.5**	5,231	53.8
Consultation fees	**187**	**2.1**	454	4.7
Travelling and entertainment expenses	**575**	**6.6**	690	7.1
Office expenses	**161**	**1.8**	107	1.1
Others	**697**	**8.0**	537	5.5
Total selling and distribution expenses	**8,736**	**100.0**	9,725	100.0

The Group's selling and distribution expenses decreased from approximately RMB9.7 million for the six months ended 30 June 2025 to approximately RMB8.7 million for the Period Under Review. Such decrease was mainly due to a slight decrease in staff costs as the Group strengthened staff management and appraisal.

Administrative Expenses

The Group's administrative expenses primarily comprised research and development expenses, staff costs of our administrative and management staff and legal advisory and professional fees. The table below sets forth the breakdown of our administrative expenses for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	**%**	RMB'000	%
Research and development expenses	**41,667**	**39.8**	33,466	45.3
Staff costs	**28,638**	**27.4**	20,407	27.6
Other tax expenses	**4,634**	**4.4**	2,394	3.2
Legal advisory and professional fees	**1,893**	**1.8**	1,239	1.7
Depreciation and amortisation	**10,476**	**10.0**	4,053	5.5
Travelling and entertainment expenses	**2,923**	**2.8**	1,803	2.4
Bank charges	**471**	**0.5**	405	0.5
Others (Note)	**13,950**	**13.3**	10,171	13.8
Total administrative expenses	**104,652**	**100.0**	73,938	100.0

Note: Others primarily comprised audit fees, insurance, office expenses, motor vehicle expenses, maintenance fee and handling charges.

The Group's administrative expenses increased from approximately RMB74.0 million for the six months ended 30 June 2025 to approximately RMB104.7 million for the Period Under Review. Such increase was mainly attributable to (i) the official commencement of production of the Leizhou Project during the Period Under Review, an increase in personnel reserves leading to an increase in staff costs, and an increase in the amortisation of the relevant right-of-use assets leading to an increase in depreciation and amortisation expenses; and (ii) the Group's continuous increase in research and development investment, resulting in a year-on-year increase in research and development expenses of approximately RMB8.2 million.

Finance Costs

Our finance costs mainly represented interest on interest-bearing bank borrowings. The following table sets forth the breakdown of our finance costs for the periods indicated:

	For the six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Finance costs on interest-bearing bank borrowings	**9,952**	9,220
Discount on bill discounting	**4,467**	3,181
Interest on lease liabilities	**5,768**	103
Less: Interest capitalised	**(1,435)**	–
Total net finance costs	**18,752**	12,504

Our finance costs for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB18.8 million and RMB12.5 million, respectively. Such increase was mainly due to the increase in bill discounting and the increase in finance lease interest costs recognised upon the delivery of the construction of buildings for the Leizhou Project during the Period Under Review.

Income Tax Expense

Two subsidiaries in the Group were accredited as high and new technology enterprises (高新技術企業), which allows us to enjoy a lower applicable tax rate of 15%, as compared to 25% pursuant to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法). In addition, we enjoyed tax refund at the rate of 13% for our export sales of eligible tantalum metal products.

Our income tax expense for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB35.3 million and RMB22.9 million, respectively. Our effective tax rate for the six months ended 30 June 2026 and 30 June 2025 was 14.2% and 17.6%, respectively. The details are set out in Note 6 to the condensed consolidated financial information of this report.

Profit for the Reporting Period

As a result of the foregoing, we recorded profit for the period of approximately RMB213.8 million and RMB107.5 million for the Period Under Review and the six months ended 30 June 2025, respectively, representing an increase of approximately RMB106.3 million or 98.9%. Our net profit margin was approximately 14.7% and 11.3% for the Period Under Review and the six months ended 30 June 2025, respectively.

Profit Attributable to Owners of the Company

Profit for the period attributable to owners of the Company for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB184.6 million and RMB91.8 million, respectively, representing an increase of approximately RMB92.8 million or 101.0%.

ANALYSIS OF MAJOR BALANCE SHEET ITEMS

Property, Plant and Equipment

Our property, plant and equipment comprised (i) buildings and ancillary structures; (ii) plant and machinery; (iii) furniture and office equipment; (iv) motor vehicles; and (v) construction in progress.

The carrying amount of our property, plant and equipment increased by approximately RMB44.7 million from approximately RMB469.0 million as at 31 December 2025 to approximately RMB513.7 million as at 30 June 2026. Such increase was mainly driven by the continuous expansion of production facilities of hydrometallurgical and pyrometallurgical products of the Group.

Right-of-use Assets

As at 30 June 2026, the Group's total right-of-use assets amounted to approximately RMB361.3 million (31 December 2025: approximately RMB332.3 million), including (i) leasehold land; (ii) leased plant and machinery; and (iii) leased offices. Our leasehold land, and leased plant and machinery are recognised pursuant to HKFRS 16. Our leasehold land represented the prepaid land lease payments in respect of our production facilities in Yingde, Guangdong Province, the PRC. Prepaid land lease payments increased from approximately RMB84.7 million as at 31 December 2025 to approximately RMB111.1 million as at 30 June 2026, mainly due to newly acquired land. Our machinery decreased from approximately RMB7.3 million as at 31 December 2025 to approximately RMB7.1 million as at 30 June 2026, mainly due to the depreciation charge and transfer to property, plant and equipment. Our leased offices increased from approximately RMB1.5 million as at 31 December 2025 to approximately RMB5.2 million as at 30 June 2026, mainly due to addition of a new office in Hong Kong.

On 11 June 2026 and 2 July 2026, the Company announced a discloseable transaction in relation to the acquisition of a right-of-use asset.

Pursuant to HKFRS 16 Leases, the Group recognised a right-of-use asset of approximately RMB270.5 million (unaudited) as at 20 October 2025. As at 30 June 2026, the carrying amount of the relevant right-of-use assets was RMB261.6 million.

For details, please refer to the discloseable announcement and the supplemental announcement published by the Company on 11 June 2026 and 2 July 2026, respectively.

Inventories

Our inventories comprised raw materials, work in progress and finished goods. The following table sets forth the breakdown of our inventories as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Raw materials	**524,230**	441,588
Work in progress	**438,829**	340,492
Finished goods	**395,521**	264,990
Total inventories	**1,358,580**	1,047,070
Average inventories (Note 1)	**1,202,825**	895,789
Average inventories to revenue from sale of products (Note 2)	**82.8%**	40.0%

Notes:

(1) Represents the average of inventories as at 31 December of the previous year and 30 June of the current period.

(2) Represents the average of inventories divided by the total (annualised) revenue generated from sale of products for the relevant period.

The Group's inventories amounted to approximately RMB1,358.6 million and RMB1,047.1 million as at 30 June 2026 and 31 December 2025, respectively. Our average inventories increased from approximately RMB895.8 million as at 31 December 2025 to approximately RMB1,202.8 million as at 30 June 2026. Our average inventories to revenue from sale of products were approximately 82.8% and 40.0% for the six months ended 30 June 2026 and the year ended 31 December 2025, respectively. During the Reporting Period, the Company dynamically adjusted its procurement strategy in light of orders in hand and the market conditions of raw materials; at the same time, the procurement prices of tantalum and niobium raw materials increased significantly year-on-year, and therefore inventory increased year-on-year.

Trade and Bills Receivables

Our trade and bills receivables primarily represented the credit sales of our products to be paid by customers and bank acceptance bills received from our customers during the Period Under Review. The following table sets forth the breakdown of our trade and bills receivables as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Trade receivables	**391,288**	470,645
Less: Impairment	**(12,703)**	(12,649)
	378,585	457,996
Bills receivable	**89,414**	128,241
Net carrying amount	**467,999**	586,237
Average trade and bills receivables (Note 1)	**527,118**	496,230
Average trade and bills receivables to total revenue (Note 2)	**36.3%**	22.1%

Notes:

(1) Represents the average of trade and bills receivables as at 31 December of the previous year and 30 June of the current period.

(2) Represents trade and bills receivables divided by the total (annualised) revenue for the relevant period.

Our trade and bills receivables decreased from approximately RMB586.2 million as at 31 December 2025 to approximately RMB468.0 million as at 30 June 2026. Such decrease was mainly due to enhanced receivables management, which shortened collection period of trade and bills receivable.

We generally grant a credit term of one month, extending up to three months, to our customers. We seek to maintain strict control over our outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by our senior management.

The following is an ageing analysis of trade and bills receivables as at balance sheet dates indicated, based on the invoice dates:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 30 days	**275,165**	313,596
31 days to 60 days	**83,299**	182,016
61 days to 90 days	**47,704**	38,254
Over 90 days	**61,831**	52,371
Total trade and bills receivables	**467,999**	586,237

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The expected credit loss for trade receivables as at 30 June 2026 and 31 December 2025 was approximately RMB12.7 million and RMB12.6 million, respectively. The following table sets forth the average turnover days of our trade and bills receivables for the years indicated:

	For the six months ended 30 June	
	2026 (Days)	2025 (Days)
Average turnover days of trade and bills receivables (Note)	**65.7**	80.0

Note: Average turnover days of trade and bills receivables equal to average trade and bills receivables divided by revenue for the period and multiplied by 181. Average trade and bills receivables are calculated as trade and bills receivables at the beginning of the period plus trade and bills receivables at the end of the period, divided by two.

Our average turnover days of trade and bills receivables decreased from 80.0 days for the six months ended 30 June 2025 to 65.7 days for the Period Under Review. The decrease was mainly due to the slightly shorter credit period as a result of enhanced management of sales payment collection during the Period Under Review.

Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables mainly represented advance prepayments to our suppliers for purchasing raw materials, advance prepayments for purchasing our equipment and machinery and prepaid land lease payments for acquiring land use rights. We prepaid land lease payments prior to obtaining the relevant land use rights certificates and reclassified such prepayments to "right-of-use assets" when the land use rights certificate is granted. The following table sets forth a breakdown of our prepayments, deposits and other receivables as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Prepayments – Non-current	**50,315**	49,692
Deposits – Non-current	**22,000**	22,000
	72,315	71,692
Less: Impairment allowance	**(11,000)**	(11,000)
	61,315	60,692
Prepayments – Current	**429,305**	117,805
Other tax recoverable	**67,530**	22,937
Deposits and other receivables – Current	**12,180**	13,186
	509,015	153,928
Total prepayments, deposits and other receivables	**570,330**	214,620

Our prepayments, deposits and other receivables increased from approximately RMB214.6 million as at 31 December 2025 to approximately RMB570.3 million as at 30 June 2026, mainly driven by increase in prepayments of raw materials.

Trade and Bills Payables

Our trade and bills payables increased from approximately RMB135.2 million as at 31 December 2025 to approximately RMB241.0 million as at 30 June 2026, mainly due to the increase in procurement payables to suppliers. The following is an ageing analysis of trade and bills payables, based on the invoice dates, as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 30 days	**213,768**	108,604
31 days to 60 days	**12,292**	14,951
61 days to 90 days	**1,502**	411
Over 90 days	**13,373**	11,252
Total trade and bills payables	**240,935**	135,218

The following table sets forth the average turnover days of our trade and bills payables for the periods indicated:

	For the six months ended 30 June	
	2026 (Days)	2025 (Days)
Average turnover days of trade and bills payables (Note)	**31.4**	13.8

Note: Average turnover days of trade and bills payables equal to average trade payables divided by cost of sales for the period and multiplied by 181. Average trade and bills payables are calculated as trade and bills payables at the beginning of the period plus trade and bills payables at the end of the period, divided by two.

Our average turnover days of trade and bills payables increased from approximately 13.8 days for the six months ended 30 June 2025 to 31.4 days for the Period Under Review, mainly due to the increase in the use of bills for payment to suppliers during the Reporting Period.

Provision, Other Payables and Accruals

Our provision, other payables and accruals comprised accruals, deferred income, contract liabilities, and other payables. Our accruals mainly represented accrued staff costs and accrued listing expenses. Our contract liabilities mainly represented short-term advances received to deliver goods. Our deferred income mainly represented government grants received from the PRC local government authorities in relation to our research and development activities and acquisition of property, plant and equipment. The following table sets forth a breakdown of our other payables and accruals as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Accruals	40,103	46,956
Deferred income	13,180	12,280
Contract liabilities	86,337	22,619
Provision	16,500	16,500
Other tax payables	10,812	688
Other payables	69,546	19,757
Total provision, other payables and accruals	236,478	118,800

Our provision, other payables and accruals increased from approximately RMB118.8 million as at 31 December 2025 to approximately RMB236.5 million as at 30 June 2026. Such increase was mainly driven by the increase in advance payment from customers and payables for procurement.

Bank Borrowings

Bank borrowings were the principal component of our total liabilities, accounting for approximately 55.2% and 63.5% of our total liabilities as at 30 June 2026 and 31 December 2025, respectively. The following table sets forth the breakdown of our bank borrowings by current and non-current classification as at balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Non-current	353,044	196,833
Current (Note)	750,730	806,125
Total bank borrowings	1,103,774	1,002,958

Note: The current portion of bank borrowings includes discounted bills of RMB261,043,000 (31 December 2025: RMB195,050,000).

During the Period Under Review, our bank borrowings comprised secured and unsecured bank borrowings. The following table sets forth the breakdown of our bank borrowings by secured and unsecured bank borrowings as at the balance sheet dates indicated:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Secured	**167,954**	151,730
Unsecured	**935,820**	851,228
Total bank borrowings	**1,103,774**	1,002,958

As at 30 June 2026, our bank borrowings were secured by the pledge of certain of the Group's leasehold land, and property, plant and equipment with net carrying amounts of approximately RMB47.3 million (31 December 2025: approximately RMB57.2 million) and RMB82.2 million (31 December 2025: approximately RMB85.2 million), respectively.

Our total bank borrowings increased from approximately RMB1,003.0 million as at 31 December 2025 to approximately RMB1,103.8 million as at 30 June 2026. Such increase was mainly due to the increase in the Group's raw material reserves during the Period Under Review.

LIQUIDITY AND CAPITAL RESOURCES

Working Capital

During the Period Under Review, we financed our operations by cash generated from operating activities and bank borrowings. For the Period Under Review, the effective interest rate for fixed rate borrowings was from 2.18% to 4.90%. The currency of the borrowings is Renminbi. As at 30 June 2026, we had cash and cash equivalents of approximately RMB844.3 million (31 December 2025: approximately RMB431.5 million). In the future, we intend to finance our operations by cash generated from operating activities, bank borrowings and proceeds from placing of shares during the Period Under Review.

We monitor our cash flows and cash balance on a regular basis and strive to maintain an optimum liquidity that can meet our working capital needs while supporting a viable business scale and future plans.

Taking into account the financial resources available to us, including our existing cash and cash equivalents, availability of bank facilities, net proceeds from placing of shares during the Period Under Review and cash flows from our operations, our Directors are of the view that, after due and careful inquiry, we have sufficient working capital for at least the next 12 months commencing from the date of this report.

CAPITAL STRUCTURE

Indebtedness

The total indebtedness of the Group as at 30 June 2026 was approximately RMB1,376.9 million, representing certain movements from approximately RMB1,268.3 million as at 31 December 2025. During the Period Under Review, the Group did not experience any difficulties in renewing its banking facilities with its lenders.

Gearing Ratio

As at 30 June 2026, there was no gearing ratio presented as the total borrowings excluding discounted bills, less cash and cash equivalents, over total equity as at the end of the relevant year/period and multiplied by 100%, resulted in a negative figure (31 December 2025: approximately 24.4%). The change was mainly due to movements in the Group's financing scale and closing balance of cash on hand during the Period Under Review.

Pledge of Assets

As at 30 June 2026, our bank borrowings and bills payable were secured by the pledge of certain of the Group's leasehold land, property, plant and equipment and bank deposits with net carrying amounts of approximately RMB47.3 million (31 December 2025: approximately RMB57.2 million), RMB82.2 million (31 December 2025: approximately RMB85.2 million), and RMB73.0 million (31 December 2025: RMB96.4 million), respectively.

Capital Expenditures

Our capital expenditures primarily comprised expenditures for purchases of property, plant and equipment and prepaid land lease premium. Our capital expenditures amounted to approximately RMB99.1 million and RMB25.4 million for the Period Under Review and the six months ended 30 June 2025, respectively.

Our current plan with respect to future capital expenditures is subject to changes based on the evolution of our business plan, market conditions and our outlook of future business conditions. As we continue to expand, we may incur additional capital expenditures.

EXPOSURE TO FOREIGN EXCHANGE RISK

Most of the Group's assets and liabilities are denominated in Renminbi, except for certain payables to suppliers, receivables from customers, bank balances, bank borrowings and professional parties that are denominated in U.S. dollars and Hong Kong dollars. As Renminbi is not freely convertible, the Group is exposed to the risk that the PRC government may take actions affecting the exchange rate, which may have a material adverse effect on the net assets, earnings and any dividends declared by the Group if such dividends are to be converted or translated into foreign currencies.

The Group has established a foreign exchange risk management system internally to address the exchange rate risk. The Board and the management will continue to closely monitor the movements in the foreign exchange market and take effective measures to prevent exchange rate risk in a timely manner.

CONTINGENT LIABILITIES, LEGAL AND POTENTIAL PROCEEDINGS

As at 30 June 2026, the Group did not have any material contingent liabilities, legal proceedings or potential proceedings (31 December 2025: Nil).

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had capital commitments of approximately RMB83.6 million in respect of plant and equipment and additional investment in an associate, representing certain movements from approximately RMB160.4 million as at 31 December 2025.

SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of metallurgical products and provision of processing services to customers. For the purpose of resource allocation and performance assessment, the Group's management focuses on the operating results of the Group. As such, the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

MATERIAL ACQUISITION AND DISPOSAL BY THE GROUP

For the six months ended 30 June 2026, the Group had not made any material acquisition or disposal.

SIGNIFICANT INVESTMENTS

The Company had not held any significant investments during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 June 2026. In the event that the Group is engaged in any plan for material investments or capital assets, the Company will make announcement(s) and comply with relevant rules under the Listing Rules as and when appropriate.

FUTURE OUTLOOK

Looking into the second half of 2026, multiple uncertainties are expected in the course of global economic revival, and geopolitical conflicts, persistent inflation and adjustments in monetary policies of major economies will exacerbate the volatility of mineral raw material prices, posing challenges to market liquidity and stability of the supply chain. In terms of industry, AI computing power, semiconductor, new energy and high-end manufacturing sectors still have structural demand for rare metals, while upstream mineral supply and compliance requirements also bring new operational pressures. Against such backdrop, the Group will maintain a laser focus on shifts in macro-economic environment and industry policies, flexibly adjust operating strategies, optimise resource allocations, strengthen risk management and control, and improve internal management efficiency to guarantee stable and healthy operations, and pursue sustainable development by leveraging market opportunities.

In terms of specific response measures, the Group will adhere to the bottom-line thinking of safety and environmental protection in 2026. In this regard, the Group will improve production organisation to leverage advantages of production capacity, and will continue to optimise the production process and product structure so as to meet the scheduled production and improve efficiency. Focusing on frontier markets and strategic customers, the Group will continuously explore markets, prudently adjust the procurement structure and pace, and take precautions against supply chain risks to maintain the stable operation of supply, production and sales. Endeavours will be made to complete key projects, extend the industrial chain, and expand the industrial scale to enhance our influence in the industry. More inputs will be injected into research and development to further pursue science and technology innovation. We will also improve quality awareness. By doing so, we will shift our focus towards technology innovation and management innovation so as to gain potential market share and alternative markets with new products, technologies and processes. At the same time, in respect of management, due considerations will be given to implementation of rewards and punishments in order to explore the potential of cost reduction and efficiency improvement, and ensure achievement of annual performance targets.

Considering the downstream application market of tantalum and niobium, we firmly believe that in the future, with the development of new technologies such as new energy, 5G upgrading, AI computing power, semiconductors and high-end equipment manufacturing, the downstream demand for tantalum and niobium will increase significantly, and in particular, potential alternatives for import of high-end products will gradually be unlocked, fostering fresh development opportunities for the domestic tantalum and niobium industry to achieve an independent and controllable supply chain. Success comes to those who share in one purpose, and those who are in the same boat will prosper. Being committed to its strategic positioning of “professional, integrated, large-scale, high-end, international and capital-based” operation, the Group will march towards a world-leading tantalum– and niobium-based manufacturing operator. To this end, we will continue to work together with concerted efforts and forge ahead with solutions, tenacity and pragmatic innovation to achieve the established business goals.

HUMAN RESOURCES AND TRAINING

We believe that our long-term growth depends on the expertise and experience of our employees. We primarily recruit our personnel through campus recruiting, offline career fairs, recruitment websites and internal recommendation to maintain the talent pool underpinning our sustainability. We provide regular training programs to our employees, including, among others, introductory training, safety training, professional skills training and management training, and have enriched online and offline training courses and introduced off-site observational training programs to enhance their professional attainments and career development capacity. As at 30 June 2026, the Group had a total of 842 employees (as at 31 December 2025: 714 employees). Total staff cost for the Reporting Period amounted to approximately RMB72.2 million (for the period ended 30 June 2025: approximately RMB64.5 million).

The salaries of our employees depend mainly on their positions, nature of work, results of their annual performance evaluation and market competitiveness. The Group makes constant efforts to improve the remuneration and benefit system, so as to enhance employee satisfaction and the incentive mechanism. For employees of our PRC subsidiaries, we made contributions to social insurance funds, including pension, medical, unemployment, maternity and occupational injury insurance, and housing provident funds for our employees in strict compliance with applicable PRC laws and regulations. We have also established a labour union to proactively protect our employees’ rights and interests, promote the balance of labour relations, and encourage employees to participate in corporate management and decision-making processes, thereby facilitating the sustainable development of the Group.

PLACING OF NEW SHARES UNDER GENERAL MANDATE IN 2025

The Company completed placing of new ordinary shares under general mandate on 30 September 2025 ("**Placing**"). An aggregate of 20,000,000 placing shares, representing (i) approximately 5.56% of the total number of issued shares immediately before completion; and (ii) approximately 5.26% of the total number of issued shares as enlarged by the allotment and issue of the placing shares, have been successfully placed to not less than six placees (individuals, corporates, institutional investors or other investors procured and selected by the placing agent to subscribe for any placing shares pursuant to its obligations under the placing agreement) at the placing price of HK$5.00 per placing share pursuant to the terms of the placing agreement. The aggregate nominal value of the placing shares was HK$200,000. The closing price of the shares of the Company on the date on which the terms of the placing agreement were fixed was HK$5.90 per share.

Use of proceeds from placing of new shares under general mandate

The gross proceeds from the Placing are approximately HK$100 million and the net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, professional fees and other related expenses), are approximately HK$98.5 million, representing a net issue price of approximately HK$4.93 per placing share. As at 30 June 2026, the Group had used net proceeds of approximately HK$95.7 million. The following table illustrates the status of the use of net proceeds according to the intentions previously disclosed by the Company in the announcement and supplemental announcement dated 19 September 2025 and 25 September 2025 respectively as at 30 June 2026:

	%	Planned use of proceeds HK$ million	Unutilised amount as at 1 January 2026 HK$ million	Actual utilised amount during the Reporting Period HK$ million	Actual utilised amount as at 30 June 2026 HK$ million	Unutilised amount as at 30 June 2026 HK$ million	Expected time to completely utilise the proceeds
(i) Procurement of raw materials	60.0%	59.1	15.9	15.9	59.1	–	On or before 31 December 2026
(ii) Daily operational expenses (Note)	40.0%	39.4	38.7	35.9	36.6	2.8	On or before 31 December 2026
	100.0%	98.5	54.6	51.8	95.7	2.8	

Note: Daily operational expenses mainly included Directors' remuneration, secretarial fees and other consultation fees.

The Directors consider that the net proceeds from the Placing will raise additional funds for the Group's operation and future development and strengthen its financial position, and also broaden the shareholders and capital base of the Company, providing working capital to the Group to meet any financial needs of the Group without any interest burden.

For details, please refer to the placing announcement, the supplemental announcement and the completion announcement in relation to the Placing published by the Company on 19 September 2025, 25 September 2025 and 30 September 2025, respectively.

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE IN 2026

On 2 June 2026, the Company, Jiawei Resources Holding Limited (the "**Seller**", a company wholly owned by Mr. Wu Lijue, the chairman of the Board and an executive Director) and the joint placing agents entered into a placing and subscription agreement, pursuant to which (i) the Seller placed 34,100,000 existing shares to not less than six placees (independent professional, institutional and/or individual investors) at the price of HK$16.10 per share (the "**2026 Placing**"); and (ii) the Seller subscribed for 34,100,000 new shares at the same price under the general mandate of the Company (the "**Subscription**"). The 2026 Placing and the Subscription were completed on 5 June 2026 and 10 June 2026, respectively. The 34,100,000 shares represent approximately 8.97% of the issued share capital of the Company immediately before completion and approximately 8.23% of the issued share capital as enlarged to 414,100,000 shares immediately following completion of the Subscription. Upon completion of the 2026 Placing and the Subscription, the shareholding of the Seller decreased from approximately 53.95% to approximately 49.50% of the issued share capital of the Company. The aggregate nominal value of the Subscription shares is HK$341,000. The closing price of the shares of the Company on the last trading day prior to the signing of the placing and subscription agreement was HK$20.00 per share.

Use of proceeds from placing of existing shares and top-up subscription of new shares under general mandate

The gross proceeds from the Subscription are approximately HK$549.0 million and the net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, professional fees and other related expenses), are approximately HK$537.2 million, representing a net issue price of approximately HK$15.75 per Subscription Share. As at 30 June 2026, the Group had used net proceeds of approximately HK$124.9 million. The following table illustrates the status of the use of net proceeds according to the intentions previously disclosed by the Company in the announcement and supplemental announcement dated 3 June 2026 and 8 June 2026 respectively as at 30 June 2026:

	%	Planned use of proceeds HK$ million	Unutilised amount as at 1 January 2026 HK$ million	Actual utilised amount during the Reporting Period HK$ million	Actual utilised amount as at 30 June 2026 HK$ million	Unutilised amount as at 30 June 2026 HK$ million	Expected time to completely utilise the proceeds
(i) Potential strategic investment and acquisition in the upstream mining space	30.0%	161.2	N/A	–	–	161.2	To be determined
(ii) Development of business and expansion of production capacity	30.0%	161.2	N/A	–	–	161.2	On or before 10 June 2028
(iii) Working capital and general corporate purposes (Note)	40.0%	214.8	N/A	124.9	124.9	89.9	On or before 10 June 2028
	100.0%	537.2	0.0	124.9	124.9	412.3	

Note: Working capital was mainly used for raw material and auxiliary material procurement, including tantalum and niobium raw concentrates to support regular production, and repayment of borrowings during the Reporting Period.

For details, please refer to the placing and subscription announcement, the supplemental announcement and the completion announcement in relation to the 2026 Placing and the Subscription published by the Company on 3 June 2026, 8 June 2026 and 10 June 2026, respectively.

The Directors consider that the 2026 Placing and the Subscription represent an opportunity to support the Group's long-term development strategy, raise capital for the Company for future business opportunities as well as broaden the shareholders base of the Company. Upon completion of the 2026 Placing and the Subscription, the proceeds raised will further enhance the Group's financial strength, market competitiveness and comprehensive strength, and promote the long-term healthy and sustainable development of the Group.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. During the Reporting Period, the Company's subsidiaries were principally engaged in the manufacture and sale of non-ferrous metal products and provision of processing services to customers.

DISCLOSURE OF INTERESTS

(a) Interests and Short Positions of Directors and Chief Executive in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporation

As at 30 June 2026, the interests and short positions held by the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange, were as follows:

(i) Interest in the Shares and underlying Shares:

Name of Director	Capacity/ Nature of interest	Number of Shares and underlying Shares (Note 1)	Approximate percentage of shareholding %
Mr. Wu Lijue (Note 2)	Interest in controlled corporation	205,000,000 (L)	49.50%
Ms. Huang Jieli (Note 3)	Beneficial owner	260,000 (L)	0.06%

Notes:

(1) The letter "L" denotes long position in our Shares.

(2) It represents Shares held by Jiawei Resources Holding Limited ("**Jiawei Resources Seychelles**"), which was wholly owned by Mr. Wu Lijue.

(3) Ms. Huang Jieli is interested in Awarded Shares granted to her under the Shares Award Scheme entitling her to receive 260,000 Shares, of which 195,000 Shares were vested as at 30 June 2026.

(ii) Interests in the shares of the associated corporation of the Company:

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number and class of shares	Percentage of shareholding
Mr. Wu Lijue	Jiawei Resources Seychelles	Beneficial owner	1 ordinary share (L)	100%

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange.

Save as disclosed above, as at 30 June 2026, none of the Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 30 June 2026, so far as was known to the Directors, the interests or short positions held by the following persons (other than the Directors) in the shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or the interests or short positions recorded in the register kept by the Company under section 336 of the SFO were as follows:

Interests in the Shares and underlying Shares:

Name of Substantial Shareholders	Capacity/Nature of interest	Number of Shares and underlying Shares (Note 1)	Approximate percentage of shareholding %
Jiawei Resources Seychelles	Beneficial owner	205,000,000 (L)	49.50
Ms. Ruan Xiaomei (Note 2)	Interest of spouse	205,000,000 (L)	49.50
Ganfeng Lithium Group Co., Ltd. (Note 3)	Beneficial owner	59,965,000 (L)	14.48
Mr. Huang Hua (Note 4)	Interest of spouse	260,000 (L)	0.06

Notes:

(1) The Letter "L" denotes long position in our Shares.

(2) Ms. Ruan Xiaomei is the spouse of Mr. Wu Lijue. By virtue of the SFO, Ms. Ruan Xiaomei is deemed to be interested in all the Shares held by Mr. Wu Lijue. Jiawei Resources Seychelles is wholly owned by Mr. Wu Lijue. By virtue of the SFO, Mr. Wu Lijue is deemed to be interested in all the Shares held by Jiawei Resources Seychelles.

(3) Ganfeng Lithium Group Co., Ltd. is a joint stock company established in the PRC with limited liability, the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 002460) and the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 1772). So far as was known to the Directors, interests held by Ganfeng Lithium Group Co., Ltd. were indirectly held through GFL Investment (Hong Kong) Limited, its indirect wholly-owned subsidiary and an investment holding company.

(4) Mr. Huang Hua is the spouse of Ms. Huang Jieli. By virtue of the SFO, Mr. Huang Hua is deemed to be interested in all the Shares and underlying Shares held by Ms. Huang Jieli.

Save as disclosed above, to the best knowledge of the Directors of the Company, as at 30 June 2026, no person (other than the Directors) had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO or any interest or short positions recorded in the register kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

On 19 February 2020, the Company conditionally adopted a share option scheme (the "**Share Option Scheme**"). Under the Share Option Scheme, the Board may, at its absolute discretion, at any time within a period of ten years commencing from 19 February 2020 offer to grant to any Eligible Participants (as defined herein below) options to subscribe for Shares. The Company amended the Share Option Scheme (the "**Amended Share Option Scheme**") by ordinary resolution of the Shareholders in the extraordinary general meeting on 5 December 2022. Please refer to the circular of the Company dated 16 November 2022 for details. During the Period Under Review, no share option was granted, exercised, cancelled or lapsed pursuant to the Amended Share Option Scheme. There was no outstanding share option as at 1 January 2026 and 30 June 2026.

The principal terms of the Amended Share Option Scheme are summarised as follows:

1. The purposes of the Amended Share Option Scheme are (i) to enable us to grant options to selected participants as incentives or rewards for their contribution to our growth and development; (ii) to attract and retain personnel to promote our sustainable development; and (iii) to align the interest of the grantees with those of the Shareholders to promote our long-term financial and business performance. Our Directors consider the Amended Share Option Scheme will enable us to reward the employees, our Directors and other selected participants for their contributions to us.

2. Our Directors shall, in accordance with the provisions of the Amended Share Option Scheme and the Listing Rules, be entitled but shall not be bound at any time within a period of ten years commencing from the date of the adoption of the Amended Share Option Scheme to make an offer to any Eligible Participants:

   (i) any employee (whether full-time or part-time including any executive Director but excluding any non-executive Director) of our Company or any of our subsidiaries in which our Group holds an equity interest (and including persons who are granted options under the Amended Option Scheme or any other share scheme(s) as an inducement to enter into employment contracts with our Group) ("**Employee Participant**");

   (ii) any non-executive Directors (including independent non-executive Directors) of the Company or any of our subsidiaries; and

   (iii) any related entity participant.

3. The maximum number of Shares that may be allotted under all share schemes (which include the Amended Share Option Scheme and the Share Award Scheme (as defined below)) was 36,000,000 Shares, representing 10% of the total issued Shares as at 5 December 2022. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting with such participant and his associates abstaining from voting. As at the date of this report, the total number of Shares available for issue upon the exercise of the options granted under the Amended Share Option Scheme was 32,825,100, representing approximately 7.9% of the total issued Shares as at the date of this report.

4. The number of Shares issued and to be issued upon exercise of all options and awards granted to such person (excluding any options and awards lapsed) under the Amended Share Option Scheme and any other share scheme to each participant in any 12-month period shall not exceed 1% of the issued share capital of our Company ("**1% Individual Limit**"). Any further grant of options in excess of the 1% Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to our Shareholders and our Shareholders' approval in general meeting of our Company with such participant and his associates abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Rule 17.03E of the Listing Rules.

5. An option may be accepted by a participant within 21 days from the date of the offer of grant of the option. An option may be exercised in accordance with the terms of the Amended Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence on the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Amended Share Option Scheme for the holding of an option before it can be exercised. A nominal consideration of HK$1 is payable on acceptance of the grant of an option. The vesting period of options granted under the Amended Share Option Scheme shall not be shorter than 12 months from the date of acceptance of the offer for the grant of options. The remuneration committee (or, as the case may be, our Directors) has the authority to determine a shorter vesting period if the participant is an Employee Participant and the remuneration committee (or, as the case may be, our Directors) considers that a shorter vesting period is appropriate to align with the purpose of the Amended Share Option Scheme.

6. The exercise price in respect of any option shall, subject to any adjustments made pursuant to the Amended Share Option Scheme, be at the discretion of our Directors, provided that it shall not be less than the highest of:

   (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer of grant, which must be a business day;

   (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer of grant; and

   (iii) (where applicable) the nominal value of a Share.

7. Unless terminated by the Company by resolution in general meeting, the Amended Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date of its adoption (i.e. 5 December 2022). As at the date of this report, the Amended Share Option Scheme had a remaining life of approximately 6 years.

8. As at 1 January 2026 and 30 June 2026, the number of awards available for grant under the scheme mandate limit of the Share Award Scheme and the number of options available for grant under the scheme mandate limit of the Amended Share Option Scheme shall not exceed 33,000,000 and 32,825,100 in aggregate respectively.

SHARE AWARD SCHEME

The Company adopted a share award scheme (the "**Share Award Scheme**") by ordinary resolution of the Shareholders in the extraordinary general meeting on 5 December 2022 (the "**Adoption Date**"). The Share Award Scheme constitutes a share scheme involving the grant of new Shares for the purposes of the amendments to the Listing Rules relating to share scheme of listed issuers, which took effect on 1 January 2023. Please refer to the circular of the Company dated 16 November 2022 for further details. On 18 November 2024, the Company granted a total of 3,000,000 Shares pursuant to the Share Award Scheme ("**Awarded Shares**"), which are existing Shares. On 27 March 2026, the Company granted a total of 174,900 Shares pursuant to the Shares Award Scheme ("2026 Awarded Shares"), which are existing Shares. Please refer to the announcements of the Company dated 18 November 2024 and 27 March 2026 respectively for further details. As at 30 June 2026, the Awarded Shares pursuant to the Share Award Scheme are set out below:

Name of grantee	Date of grant[4]	Number of unvested awarded shares as of 1 January 2026	Number of awarded shares granted during the Reporting Period	Number of awarded shares vested during the Reporting Period	Number of awarded shares cancelled during the Reporting Period	Number of awarded shares lapsed during the Reporting Period	Number of unvested awarded shares as of 30 June 2026	Vesting period[1][2]	Consideration for the grant of the awarded shares	Weighted average closing price of the Shares immediately before the date of vesting	Closing price of Shares on the date of grant	Closing price of Shares immediately before the date of grant
Directors												
Ms. Huang Jieli	18 November 2024	65,000	–	–	–	–	65,000	2024-2026	Nil	N/A	HK$3.01	HK$3.01
Five highest paid individuals (Other than Directors) [3]	18 November 2024	120,000	15,900	15,900	–	–	120,000	2024-2026 (for the Awarded Shares); Nil[5] (for the 2026 Awarded Shares)	Nil	N/A	HK$3.01	HK$3.01
Other grantees												
Other employees	18 November 2024	555,000	–	–	–	–	555,000	2024-2026	Nil	N/A	HK$3.01	HK$3.01
Other employees	27 March 2026	–	159,000	159,000	–	–	–	Nil[5]	Nil	HK$13.71	HK$13.84	HK$13.71
		740,000	174,900	174,900	0	0	740,000					

Notes:

(1) (i) The first 50% of the Awarded Shares were vested on 20 December 2024; (ii) the next 25% of the Awarded Shares will be vested on 20 December 2025; and (iii) the remaining 25% of the Awarded Shares will be vested on 20 December 2026.

(2) The vesting of the Awarded Shares and the 2026 Awarded Shares is subject to the fulfillment of performance targets set up by the Company, which are based on individual performance indicators relevant to the roles and responsibilities of the grantees. The Board will determine whether the grantees meet their individual performance targets. The Board has determined that the grantees of the 2026 Awarded Shares have met their individual performance targets.

(3) The five highest paid individuals include one Director, two senior management and two other individuals. Both of the other individuals were granted with Awarded Shares.

(4) The Directors estimated the fair value of the share awards based on the closing market price per share on the date of the grant, i.e. HK$3.01 for the Awarded Shares granted on 18 November 2024 and HK$13.84 for the 2026 Awarded Shares granted on 27 March 2026 respectively, and therefore the fair value of the share awards granted at the respective dates of grant is HK$3.01 per share and HK$13.84 per share.

(5) The vesting of the 2026 Awarded Shares to the grantees is shorter than 12 months. Under the Share Award Scheme, the Directors have discretion in allowing a shorter vesting period in certain circumstances, including but not limited to grants of 2026 Awarded Shares with performance-based vesting conditions provided in the Share Award Scheme. As the vesting of the 2026 Awarded Shares is subject to the fulfillment of performance targets set up by the Company, a vesting period of less than 12 months is allowed under the Share Award Scheme. Considering that a shorter vesting period allows flexibility for the Company to reward exceptional performers who fulfilled the performance targets in less than 12 months, the Directors are of the view that the arrangement with nil or a shorter vesting period can increase the incentive of the Grantees to fulfill the performance targets within a shorter period, and is therefore appropriate and aligns with the purpose of the Share Award Scheme.

As at 30 June 2026, the trustee has purchased an aggregate of 3,610,500 shares of the Company on the Stock Exchange for the purpose of the Share Award Scheme, and granted and vested 2,414,900 shares of the Company cumulatively. A summary of the principal terms of the Share Award Scheme is set out below.

Purposes and objectives

The purposes and objectives of the Share Award Scheme are: (i) to recognize the contributions by certain eligible participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

Eligible participants

Eligible participants under the Share Award Scheme include any employee, officer or director of any member of the Group.

Duration

Subject to any early termination as may be determined by the Board pursuant to the rules of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

Scheme mandate limit and individual limit

The maximum number of Shares which may be allotted and issued in respect of all awards to be granted under the Share Award Scheme, and the options and awards to be granted under any other share scheme(s) shall not in aggregate exceed 10% of the number of Shares in issue on the date on which the Share Award Scheme was adopted by the Company.

As at the date of this report, the total number of Shares available for issue under the Share Award Scheme was 32,825,100, representing approximately 7.9% of the total issued Shares as at the date of this report. As the Awarded Shares are all existing Shares, there are no Shares which may be issued in respect of awards granted under the Share Award Scheme during the Period Under Review.

The number of Shares issued and to be issued in respect of all options or awards granted to each participant (excluding any options and awards lapsed) under the Share Award Scheme and any other share scheme in any 12-month period shall not exceed 1% of the issued share capital of the Company. Any further grant of awards in excess of such limit in any 12-month period up to and including the date of such further grant shall be separately approved by our Shareholders in general meeting of our Company with such participant and his associates abstaining from voting. The number and terms of awards to be granted to such participant must be fixed before Shareholders' approval.

Vesting period

The vesting period of awards granted under the Share Award Scheme shall not be shorter than 12 months. The remuneration committee (or, as the case may be, our Directors) has the authority to determine a shorter vesting period if the remuneration committee (or, as the case may be, our Directors) considers that a shorter vesting period is appropriate to align with the purpose of the Amended Share Option Scheme.

Amount payable on acceptance of awards

The Board may grant awards to any selected participant at nil consideration.

Alteration of the Share Award Scheme

Subject to the provisions of the Share Award Scheme, the Share Award Scheme may be altered in any respect by resolution of the Board except that certain provisions of the Share Award Scheme shall not be altered to the advantage of the eligible participants except with the sanction of a resolution of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of any award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the selected participants as would be required of the holders of the Shares under the Articles of Association for the time being of the Company for a variation of the rights attached to the Shares.

Termination

The Share Award Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any selected participants. As at the date of this report, the Share Award Scheme had a remaining life of approximately 6 years.

Number of awards available for grant

As at 1 January 2026 and 30 June 2026, the number of awards available for grant under the scheme mandate limit of the Share Award Scheme and the number of options available for grant under the scheme mandate limit of the Amended Share Option Scheme shall not exceed 33,000,000 and 32,825,100 in aggregate respectively.

PUBLIC FLOAT

According to the information disclosed publicly and as far as the Directors are aware, during the Reporting Period and up to the date of this report, at least 25% of the issued shares of the Company was held by public shareholders as required under the Listing Rules.

UPDATE ON DIRECTORS' INFORMATION

There has been no change in the information of the Directors required to be disclosed under Rule 13.51B(1) of the Listing Rules since the date of the last annual report.

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

During the Reporting Period and up to the date of this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities. The Company did not hold any treasury shares during the Reporting Period.

GOING CONCERN

Based on the current financial position and financing facilities available, the Group has sufficient financial resources for ongoing operation in the foreseeable future. As such, the financial statements were prepared on a "going concern" basis.

CORPORATE GOVERNANCE FUNCTIONS

The Board strives to uphold the principles of corporate governance set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules, and adopted various measures to enhance the internal control system, the Directors' continuing professional training and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create value and achieve maximum return for its shareholders. The Board will continue to conduct review and improve the quality of corporate governance practises with reference to local and international standards.

During the Period Under Review and up to the date of this report, the Company has complied with the code provisions, other than code provisions C.2.1 of the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules.

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Wu Lijue is our chairman and also the chief executive officer of our Company and he has been managing our Group's business and supervising the overall operations of our Group since its establishment. Having considered (i) the nature and extent of our Group's operations; (ii) Mr. Wu Lijue's in-depth knowledge and experience in the tantalum and niobium metallurgy industry and familiarity with the operations of our Group which is beneficial to the management and business development of our Group; and (iii) all major decisions are made in consultation with members of our Board and relevant Board committees, which consist of three independent non-executive Directors on our Board offering independent perspectives, our Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authorities between our Board and the management of our Company and that it is in the best interest of our Group to have Mr. Wu Lijue taking up both roles. Our Board will continue to review and consider splitting the roles of the chairman of our Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code governing securities transactions of the Directors. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Period Under Review and up to the date of this report.

REVIEW BY AUDIT COMMITTEE

We have established an audit committee (the "**Audit Committee**") on 19 February 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules.

Our Audit Committee has three members, namely Mr. Lau Kwok Fai Patrick, Mr. Zhong Hui and Ms. Shi Ying, all of whom are our independent non-executive Directors. Mr. Lau Kwok Fai Patrick, who has appropriate professional qualifications and experience in accounting matters, has been appointed as the chairman of the Audit Committee.

The financial information in this report has not been audited by the auditor of the Company. The Audit Committee has reviewed the unaudited financial statements and this report of the Company for the six months ended 30 June 2026 with the management of the Group and agreed with the accounting treatments adopted by the Company, and was of the opinion that the preparation of the financial statements in this report complies with the applicable accounting standards and the requirements under the Listing Rules and adequate disclosures have been made.

EVENT AFTER THE REPORTING PERIOD

There is no material event after the reporting period as at the date of this report.

DISCLOSURE OF INFORMATION

This interim results announcement for the six months ended 30 June 2026 is published on the website of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) under "Listed Company Information" and the website of the Company (http://www.ximeigroup.com). The interim report for 2026 will be sent to shareholders of the Company (if necessary) in due course, and will be published on the website of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) under "Listed Company Information" and the website of the Company (http://www.ximeigroup.com) under "Investor Relations".

By order of the Board
Ximei Resources Holding Limited
Wu Lijue
Chairman and Executive Director

Hong Kong, 27 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 June 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
REVENUE	4	**1,452,760**	954,200
Cost of sales		**(1,083,652)**	(727,878)
Gross profit		**369,108**	226,322
Other income and gains, net		**12,582**	10,930
Selling and distribution expenses		**(8,736)**	(9,725)
Administrative expenses		**(104,652)**	(73,938)
Other operating expenses, net		**(1,154)**	(5,164)
Finance costs		**(18,752)**	(12,504)
Share of profit/(loss) of an associate		**681**	(5,524)
PROFIT BEFORE TAX	5	**249,077**	130,397
Income tax expense	6	**(35,302)**	(22,904)
PROFIT FOR THE PERIOD		**213,775**	107,493
Attributable to:			
Shareholders of the Company		**184,564**	91,821
Non-controlling interest		**29,211**	15,672
		213,775	107,493
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	8		
Basic (RMB)		**0.48**	0.26
Diluted (RMB)		**0.48**	0.26

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2026

	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
PROFIT FOR THE PERIOD	**213,775**	107,493
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(4,727)**	(1,203)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements	**(10,633)**	(4,691)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(15,360)**	(5,894)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**198,415**	101,599
Attributable to:		
Shareholders of the Company	**169,204**	85,927
Non-controlling interest	**29,211**	15,672
	198,415	101,599

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**513,683**	469,037
Right-of-use assets		**361,272**	332,303
Investment in an associate		**30,270**	29,589
Prepayments, deposits and other receivables		**61,315**	60,692
Deferred tax assets		**16,184**	9,515
Total non-current assets		**982,724**	901,136
CURRENT ASSETS			
Inventories		**1,358,580**	1,047,070
Trade and bills receivables	10	**467,999**	586,237
Prepayments, deposits and other receivables		**509,015**	153,928
Derivative financial instruments		**3,454**	–
Income tax recoverable		**–**	3,979
Cash and cash equivalents		**844,264**	431,492
Total current assets		**3,183,312**	2,222,706
CURRENT LIABILITIES			
Trade and bills payables	11	**240,935**	135,218
Provisions, other payables and accruals		**236,478**	118,800
Due to an associate		**53,864**	49,895
Income tax payables		**23,443**	5,351
Derivative financial instruments		**4,538**	2,815
Bank borrowings		**750,730**	806,125
Lease liabilities		**2,858**	12,722
Total current liabilities		**1,312,846**	1,130,926
NET CURRENT ASSETS		**1,870,466**	1,091,780
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,853,190**	1,992,916
NON-CURRENT LIABILITIES			
Bank borrowings		**353,044**	196,833
Other liabilities		**60,000**	–
Lease liabilities		**270,299**	252,583
Total non-current liabilities		**683,343**	449,416
Net assets		**2,169,847**	1,543,500

	Note	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	12	**3,707**	3,410
Reserves		**2,036,931**	1,409,604
		2,040,638	1,413,014
Non-controlling interest		**129,209**	130,486
Total equity		**2,169,847**	1,543,500

Mr. Wu Lijue
Director

Ms. Huang Jieli
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2026

	Attributable to shareholders of the Company													
	Issued capital (unaudited) RMB'000	Share premium (unaudited) RMB'000	Shares held for share award scheme (unaudited) RMB'000	Share award reserve (unaudited) RMB'000	Capital reserve (unaudited) RMB'000	Merger reserve (unaudited) RMB'000	PRC statutory reserve (unaudited) RMB'000	Specific reserve (unaudited) RMB'000	Other reserve (unaudited) RMB'000	Exchange fluctuation reserve (unaudited) RMB'000	Retained profits (unaudited) RMB'000	Total (unaudited) RMB'000	Non-controlling interest (unaudited) RMB'000	Total equity (unaudited) RMB'000
At 1 January 2025	3,228	328,184	(5,090)	214	56,430	8,803	85,931	8,522	9	19,340	672,713	1,178,284	122,341	1,300,625
Profit for the period	-	-	-	-	-	-	-	-	-	-	91,821	91,821	15,672	107,493
Other comprehensive income for the period:														
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	(1,203)	-	(1,203)	-	(1,203)
Exchange differences on translation of the Company's financial statements	-	-	-	-	-	-	-	-	-	(4,691)	-	(4,691)	-	(4,691)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	(5,894)	91,821	85,927	15,672	101,599
Equity-settled share award arrangement	-	-	-	1,542	-	-	-	-	-	-	-	1,542	-	1,542
Capital contribution from a non-controlling shareholder	-	-	-	-	-	-	-	-	-	-	-	-	70	70
Final 2024 dividend declared	-	-	-	-	-	-	-	-	-	-	(18,254)	(18,254)	-	(18,254)
Dividend paid to the non-controlling equity holder of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(3,601)	(3,601)
Increase in safety protection fund, net	-	-	-	-	-	-	-	1,646	-	-	(1,646)	-	-	-
At 30 June 2025	3,228	328,184	(5,090)	1,756	56,430	8,803	85,931	10,168	9	13,446	744,634	1,247,499	134,482	1,381,981

	Attributable to shareholders of the Company													
	Share capital RMB'000	Share premium RMB'000	Shares held for share award scheme RMB'000	Share award reserve RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Other reserve RMB'000	Specific reserve RMB'000	PRC statutory reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
At 1 January 2026	3,410	418,382	(2,726)	(1,477)	56,430	8,803	9	12,408	103,897	9,674	804,204	1,413,014	130,486	1,543,500
Profit for the year	-	-	-	-	-	-	-	-	-	-	184,564	184,564	29,211	213,775
Other comprehensive income for the period:														
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	(4,727)	-	(4,727)	-	(4,727)
Exchange differences on translation of the Company	-	-	-	-	-	-	-	-	-	(10,633)	-	(10,633)	-	(10,633)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(15,360)	184,564	169,204	29,211	198,415
Issue of new shares	297	471,842	-	-	-	-	-	-	-	-	-	472,139	-	472,139
Equity-settled share award arrangement	-	-	-	1,535	-	-	-	-	-	-	-	1,535	-	1,535
Repurchase of shares	-	-	(2,236)	-	-	-	-	-	-	-	-	(2,236)	-	(2,236)
Vesting of share awards	-	-	598	(598)	-	-	-	-	-	-	-	-	-	-
Final 2025 dividend declared	-	-	-	-	-	-	-	-	-	-	(22,581)	(22,581)	-	(22,581)
Acquisition of a non-controlling interest	-	-	-	-	9,563	-	-	-	-	-	-	9,563	(30,488)	(20,925)
Increase in safety protection fund, net	-	-	-	-	-	-	-	1,879	-	-	(1,879)	-	-	-
Transfer to PRC statutory reserve	-	-	-	-	-	-	-	-	459	-	(459)	-	-	-
Al 30 June 2026	3,707	890,224*	(4,364)*	(540)*	65,993*	8,803*	9*	14,287*	104,356*	(5,686)*	963,849*	2,040,638	129,209	2,169,847

* These reserve accounts comprise the consolidated reserves of RMB2,036,931,000 (unaudited) (31 December 2025: RMB1,409,604,000 (audited)) in the unaudited condensed consolidated statement of financial position as at 30 June 2026.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations	**(31,464)**	(157,808)
Payment of interest on lease liabilities	**(122)**	(103)
Income tax paid	**(19,900)**	(18,153)
Net cash flows used in operating activities	**(51,486)**	(176,064)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to prepaid land lease payments included in right-of-use assets	**(25,555)**	–
Purchases of items of property, plant and equipment	**(73,544)**	(14,166)
Proceeds from disposal of items of property, plant and equipment	**8,051**	342
Proceeds from withdrawal of pledged deposits	**23,402**	–
Interest received	**2,053**	473
Net cash flows used in investing activities	**(65,593)**	(13,351)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank loans	**469,836**	369,149
Repayment of bank loans	**(369,020)**	(172,998)
Repayment of lease liabilities	**(2,208)**	(4,425)
Advance received from a financing arrangement	**60,000**	–
Proceeds from issue of new shares	**472,139**	–
Interest paid	**(13,471)**	(12,401)
Purchase of shares under share award scheme	**(2,236)**	–
Dividend paid and payable	**(22,581)**	(21,855)
Acquisition of a non-controlling interest	**(20,925)**	–
Capital contribution from a non-controlling interest	**–**	70
Net cash flows from in financing activities	**571,534**	157,334
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**454,455**	(31,875)
Cash and cash equivalents at beginning of period	**335,052**	182,039
Effect of foreign exchange rate changes, net	**(18,281)**	(5,032)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**771,226**	145,132
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	**844,264**	431,492
Less: pledged deposits	**(73,038)**	(96,440)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	**771,226**	335,052

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited.

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The adoption of the above amended HKFRS Accounting Standards does not have a significant impact on the preparation of the Group's unaudited interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale and trading of non-ferrous metal products and provision of related processing services to customers. For the purpose of resource allocation and performance assessment, the Group's management focuses on the operating results of the Group. As such, the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

3. OPERATING SEGMENT INFORMATION (Continued)

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
China	**899,403**	730,539
Overseas	**553,357**	223,661
	1,452,760	954,200

The revenue information above is based on the locations of the customers.

(b) Non-current assets

No geographical information about the Group's non-current assets is presented as more than 90% of the Group's non-current assets as at 30 June 2026 and 31 December 2025 were located in the PRC.

3. OPERATING SEGMENT INFORMATION (Continued)

Information about major customers

A summary of revenue earned from external customers which contributed 10% or more of the Group's revenue for each of the periods ended 30 June 2026 and 2025 is set out below:

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Customer A	**–**	208,591

4. REVENUE

Revenue of the Group for each of the periods ended 30 June 2026 and 2025 wholly represented revenue from contracts with customers.

Disaggregate revenue information

	Six months ended 30 June	
	2026 **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Types of goods or services		
Tantalum and niobium hydrometallurgical compounds	**432,490**	233,840
Tantalum and niobium metal and its products	**638,706**	504,590
Trading goods, processing services and others	**381,564**	215,770
Total	**1,452,760**	954,200
Timing of revenue recognition		
Goods transferred and services rendered at a point in time	**1,452,760**	954,200

5. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold:		
Self-produced goods	**753,258**	516,587
Trading goods	**321,366**	183,186
	1,074,624	699,773
Cost of services provided	**9,028**	28,105
Depreciation of property, plant and equipment	**22,010**	19,949
Depreciation of right-of-use assets	**8,662**	4,006
Research and development costs	**41,667**	33,466
Gain on disposal of items of property, plant and equipment, net	**(1,163)**	(121)
Impairment of trade receivables	**54**	4,910
Foreign exchange differences, net	**(3,283)**	(1,703)

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Tax on profits assessable in Mainland China has been calculated at the applicable PRC corporate income tax ("**CIT**") rate of 25% during the period (2025: 25%) except that two subsidiaries, namely Ximei Resources (Guangdong) Limited and Ximei Resources (Guizhou) Technology Limited which were qualified as high and new technology enterprises, enjoyed the preferential CIT rate at 15% (2025: 15%).

6. INCOME TAX (Continued)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current – The PRC		
Charge for the period	**38,103**	28,928
Current – Hong Kong		
Charge for the period	**1,767**	954
Deferred	**(4,568)**	(6,978)
Total tax charge for the period	**35,302**	22,904

7. DIVIDEND

During the six months ended 30 June 2026, the Board declared a final dividend of HK6.58 cents (six months ended 30 June 2025: HK5.56 cents) per ordinary share amounting to RMB22,581,000 (six months ended 30 June 2025: RMB18,254,000) in respect of the year ended 31 December 2025.

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts presented is based on the profit for the period attributable to shareholders of the Company, and the weighted average number of ordinary shares used in the calculation is (i) the weighted average number of ordinary shares outstanding during the period; less (ii) the weighted average number of ordinary shares held under the share award scheme of the Company during the period.

The calculation of the diluted earnings per share amounts presented is based on the profit for the period attributable to shareholders of the Company, and the weighted average number of ordinary shares used in the calculation is the total of (i) the weighted average number of ordinary shares used in the basic earnings per share calculation; and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration during the period in respect of the unvested share awards granted under the share award scheme of the Company.

8. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (Continued)

The calculations of the basic and diluted earnings per share amounts are based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to shareholders of the Company, used in the basic and diluted earnings per share calculation	**184,564**	91,821
Number of ordinary shares		
Weighted average number of ordinary shares outstanding less weighted average number of shares held by trustee under the share award scheme of the Company during the period, used in the basic earnings per share calculation	**382,823,631**	358,430,000
Effect of dilution – weighted average number of ordinary shares:		
Share awards	**353,004**	693,395
Weighted average number of ordinary shares, used in the diluted earnings per share calculation	**383,176,635**	359,123,395

9. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired items of property, plant and equipment at a cost of RMB73,544,000 (six months ended 30 June 2025: RMB25,368,000).

During the six months ended 30 June 2026, plant and machinery with a net book value of RMB6,888,000 (six months ended 30 June 2025: RMB351,000) were disposed of by the Group, resulting in a net gain on disposal of RMB1,163,000 (six months ended 30 June 2025: RMB121,000).

10. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade and bills receivables as at 30 June 2026 and 31 December 2025, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	275,165	313,596
1 to 2 months	83,299	182,016
2 to 3 months	47,704	38,254
Over 3 months	61,831	52,371
Total	467,999	586,237

11. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at 30 June 2026 and 31 December 2025, based on the invoice date, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	213,768	108,604
1 to 2 months	12,292	14,951
2 to 3 months	1,502	411
Over 3 months	13,373	11,252
Total	240,935	135,218

12. SHARE CAPITAL

	30 June 2026		31 December 2025	
	HK$'000 (Unaudited)	Equivalent to RMB'000 (Unaudited)	HK$'000 (Audited)	Equivalent to RMB'000 (Audited)
Authorised: 1,000,000,000 ordinary shares of HK$0.01 each	**10,000**		10,000	
Issued and fully paid: 414,100,000 (2025: 380,000,000) ordinary shares of HK$0.01 each	**4,141**	**3,707**	3,800	3,410

13. CAPITAL COMMITMENTS

The Group had the following contractual commitments as at 30 June 2026 and 31 December 2025:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Plant and equipment	**83,595**	160,400

14. RELATED PARTY DISCLOSURES

(a) In addition to the transactions detailed elsewhere in this unaudited interim condensed consolidated financial information, the Group had the following transactions with related parties during the current and prior periods:

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Lease payments for properties:			
Jiawei Resources Limited	(i)	**185**	225
Mr. Wu Lijue	(ii)	**942**	693
Storage income			
CNNC Huazhong New Materials Co., Ltd. ("**CNNC Huazhong**")	(iii)	**–**	19
Service income for manufacturing of non-ferrous metal materials			
CNNC Huazhong	(iv)	**13,476**	–
Purchases of non-ferrous metal materials			
CNNC Huazhong	(v)	**18,062**	108,864
Consultant fee payment			
Bonavista Capital Limited	(vi)	**222**	–

Notes:

(i) The lease payments for a property located in Hong Kong were paid or payable by the Group to Jiawei Resources Limited, a fellow subsidiary, based on terms as agreed by the relevant parties as set out in a tenancy agreement.

(ii) The lease payments for properties located in the PRC were paid or payable by the Group to Mr. Wu, a director and the Company's controlling shareholder, based on terms as agreed by the relevant parties as set out in the tenancy agreements.

(iii) The storage income was received or receivable from an associate, based on terms as agreed by the relevant parties.

(iv) The service income was received or receivable from an associate, based on terms as agreed by the relevant parties.

(v) The purchases from an associate were made according to the published prices and conditions offered by the associate to its major customers.

(vi) The consultant service were made according to the published prices and conditions offered by the related party for the business development of non-ferrous metal raw materials.

14. RELATED PARTY DISCLOSURES (Continued)

(b) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short term employee benefits	**2,400**	2,808
Post-employment benefits	**286**	205
Equity-settled share award arrangement	**194**	370
Total compensation paid to key management personnel	**2,880**	3,383

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Bank borrowings	**1,103,774**	1,002,958	**1,055,039**	967,082

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, trade and bills payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in provisions, other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

16. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This unaudited interim condensed consolidated financial information was approved by the Board on 27 August 2026.