



China Hongqiao Group Limited

中國宏橋集團有限公司

2025 Interim Results Announcement

August 2025



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Agenda

01
Industry
Overview

02
**OPERATION
AL
HIGHLIGHTS**

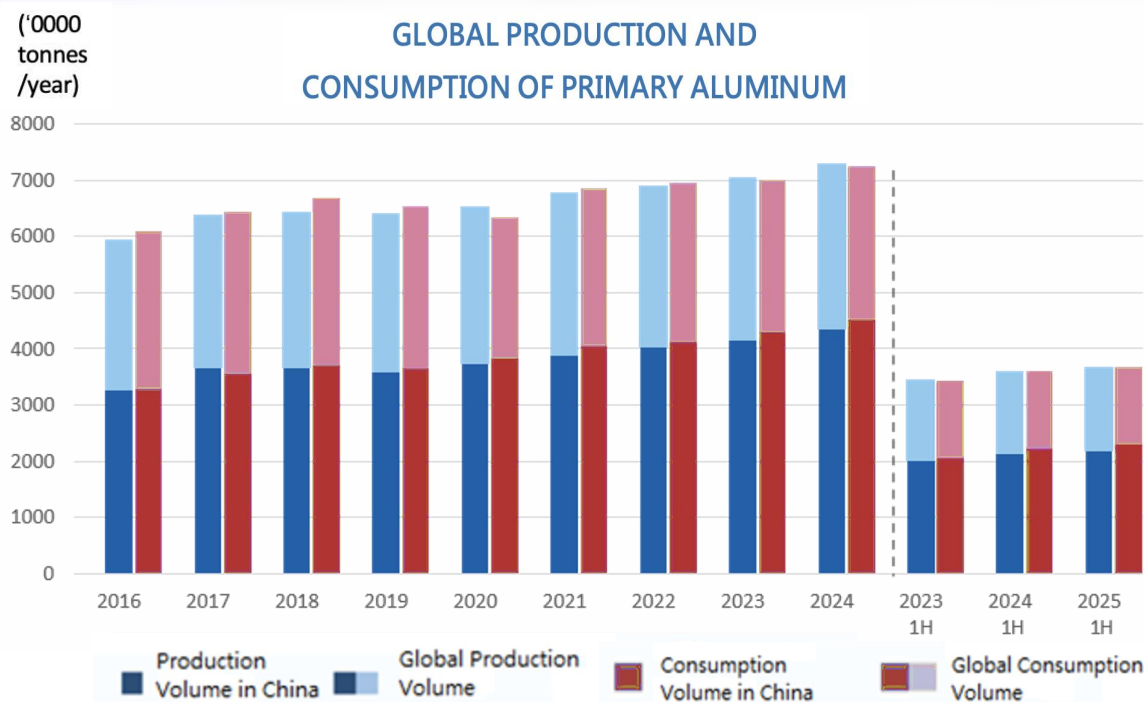
03
Financial
Summary

04
Future
Strategy



01 Industry Overview

H1/2025 Global Supply and Demand of Primary Aluminum



≈ 21,840,000 tonnes ↑ 2.4% YOY

China's production volume of primary aluminum

≈ 22,970,000 tonnes ↑ 4.3% YOY

China's consumption volume of primary aluminum

≈ 36,590,000 tonnes ↑ 1.8% YOY

Global production volume of primary aluminum

≈ 36,720,000 tonnes ↑ 3.1% YOY

Global consumption volume of primary aluminum

Source: Antaika

In H1/2025, China accounted for approximately 59.7% of global primary aluminum production and approximately 62.6% of global primary aluminum consumption, increasing by 0.2% and 1.1% respectively YoY.

Demand

- In H1/2025, China's aluminum consumption continued to maintain a growth trend. Although the real estate industry remained in the stage of bottom-seeking with persistently weak demand, sectors such as power grids, PVs, and NEVs showed varying degrees of growth. Particularly, the new PV policies drove a surge in installations, significantly boosting domestic demand.
- Affected by tariff policies, overseas aluminum consumption shows a trend of initial growth followed by a decline, ultimately achieving a slight overall increase.

Supply

- Overall, the global primary aluminum market demonstrated a tight supply-demand balance in H1/2025.
- China's primary aluminum market showed weak production growth but strong demand, while the overseas market exhibited strong production but weak demand. Domestic and international markets continued to balance the supply and demand through the import and export trade of primary aluminum.



H1/2025 Aluminum Price Trends

Aluminum Price Trend of LME and SHFE

≈ 2,539 USD/tonne

Average prices of LME

↑ 7.7%
YOY

≈ 2,546 USD/tonne

Average prices of LME
3-month aluminum futures

↑ 6.0%
YOY

≈ 20,316 RMB/tonne

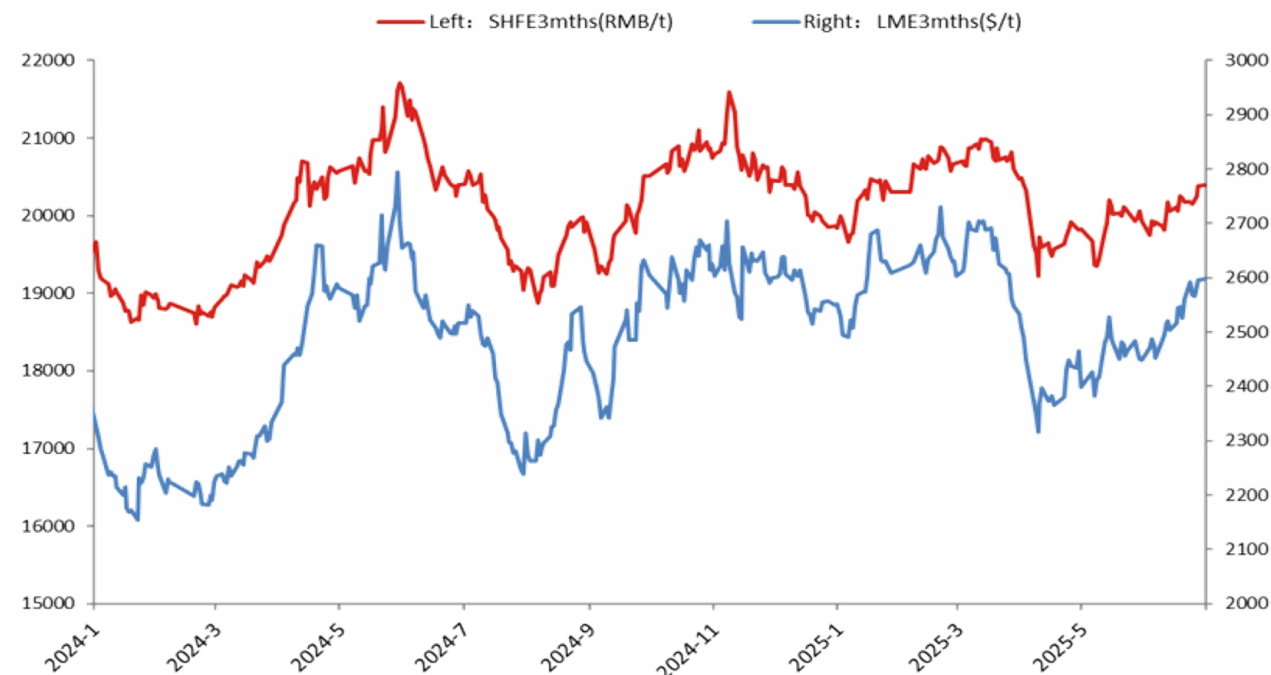
Average prices of SHFE

↑ 2.4%
YOY

≈ 20,226 RMB/tonne

Average prices of SHFE
3-month aluminum futures

↑ 1.9%
YOY

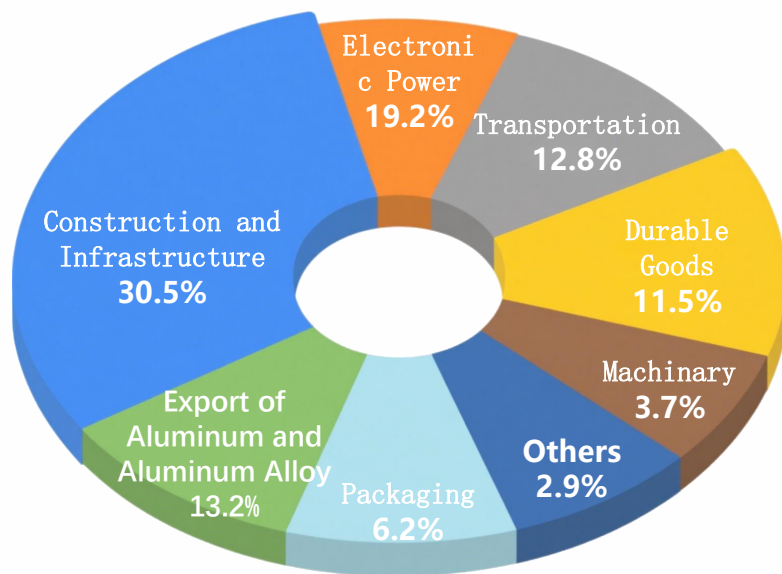


Source: Antaike

- Overall, against the backdrop of macroeconomic fluctuations, a declining US Dollar Index and continued growth in metal demand, non-ferrous metal prices in H1/2025 generally advanced amidst sharp volatility. Compared to the same period last year, the average price of LME aluminum showed a year-on-year upward trend, and the price trends of SHFE aluminum and LME aluminum were basically similar.
- The core logic driving current aluminum price movements is the increasingly tight supply. Primary aluminum will continue to maintain its characteristic of being prone to rise but resistant to significant declines. High aluminum prices will suppress demand, which in turn may inversely restrain the overall price.



2024 Aluminum Consumption in China

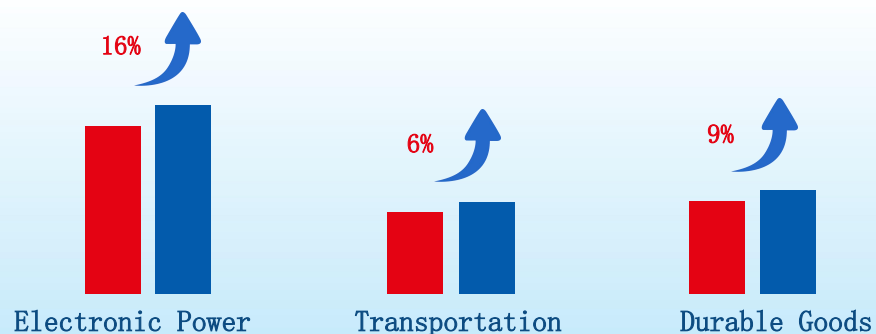


2024 China Aluminum Consumption Breakdown

Key Growth Sectors for China's Aluminum Consumption

■ 2023

■ 2024



In terms of the consumption breakdown, construction and infrastructure, electronic power, export of aluminum and aluminum alloy, transportation and durable goods accounted for most of the consumption in 2024.



In 2024, despite the continued downturn in the real estate sector, demand in sectors such as home appliances and automobiles maintained a favorable trend with policy support. Grid investment surged, aluminum product exports showed strong momentum, and aluminum consumption grew beyond expectations.



Meanwhile, the iterative upgrade of the aluminum consumption structure accelerated. While traditional consumer markets like real estate continued to cool down, growth rates in emerging markets also showed divergence.

Source: Antaika





02 Operational Highlights

Operational Highlights – Overall Strategy

Consolidate Integrated Upstream and Downstream Industrial Chain
Provide Robust and Reliable Cost Advantages

Deepen Energy Structure Adjustment and Strengthen Low-carbon Tech Innovation
Collaborate with Upstream and Downstream Partners to Set up a Net-zero Ecosystem Alliance

Co-create the "Aluminum Industry Cloud Platform" with Upstream and Downstream Partners, to Drive Industrial Tech Innovation and Accelerate Transformation of Sci-tech Achievements into New-Quality Productive Forces

Implement a Global Resource Synergy Strategy, Actively Integrate Overseas Bauxite Resources, Establish a Worldwide Value-sharing Paradigm

Increase R&D Investment, Promote Sci-tech Innovation and Market Application
Advance Overall Digital Transformation

Diversify Financing Channels to Achieve Scientific Replacement of Short- and Long-term Debts
Continuously Optimize Financial Structure



Vertically Integrated Business Model

Upstream

Bauxite

- Efficient allocation of resources at the front end of the industrial chain through joint-venture operations enabling price stability and cost advantages for the Group's bauxite procurement.
- Maintain long-term and stable bauxite supply channels in Guinea, Indonesia and Australia.
- In H1/2025, approximately 75.3% of the bauxite consumed in the group's production came from Guinea, 8.6% from Indonesia, and 16.0% from Australia.



Energy

- Continuously increase the proportion of clean energy in production energy consumption, further leverage clean energy sources such as hydropower and photovoltaic generation, and strive to establish a new stable, efficient, green, and low-carbon energy supply system.
- By H1/2025, the group has developed and constructed approximately 2 gigawatts of photovoltaic facilities in Yunnan Province.



Alumina

- In H1/2025, alumina sales reached approximately 6.368 million tonnes, increasing by about 15.6% YoY.
- Revenue from alumina products amounted to approximately RMB20.7 billion, increasing by about 27.5 % YoY.
- During H1/2025, the gross profit margin of alumina products reached approximately 28.8%, an increase of 3.4 percentage points YoY.



Midstream

Aluminum

- In H1/2025, sales of aluminum reached approximately 2.906 million tonnes, increasing by about 2.4% YoY.
- During H1/2025, revenue from aluminum products amounted to approximately RMB 51.9 billion, representing a YoY increase of about 5.2%.
- During H1/2025, the gross profit margin of aluminum products reached approximately 25.2%, increasing by 0.6 percentage points YoY.



Downstream

Aluminum Fabrication

- In H1/2025, sales of aluminum fabrication products reached approximately 392,000 tonnes, representing a YoY increase of about 3.5%.
- During H1/2025, revenue from aluminum fabrication products amounted to approximately RMB 8.074 billion, increasing by about 6.5% YoY.
- Increase R&D investment, emphasize overall digital empowerment, and further enhance quality and efficiency.
- Vigorously cultivate downstream emerging industries and innovative applications of new materials and promote the breakthrough and implementation of key technologies.



Leadership in Production Technology

Sci-Tech Innovation, Digital Empowerment • Ecological Priority, Win-Win Cooperation

- ◆ As a key project under the "Aluminum-Based Lightweighting One-Stop Solution", **the lightweight chassis components project has successfully achieved mass delivery.**
- ◆ Hongqiao Lightweight **made a successful appearance at the 2025 China International Foundry Expo, showcasing a series of premium products and securing multiple prestigious awards.**
- ◆ The Advanced Manufacturing Laboratory of Binzhou Aluminum Industry in Shandong has officially commenced operations. Moving forward, it will collaborate with upstream and downstream enterprises to jointly establish the **"Aluminum Industry Cloud Platform"**, driving synergistic innovation across the industrial chain. With a focus on industrial and technological advancement, the lab will prioritize breakthroughs in multiple key technologies.
- ◆ **The "Mobile Platform-Based Automatic Measurement System for Dual-Level and Cell Temperature in Electrolyzers"**, jointly developed by Zouping Hongzheng New Material Technology Co., Ltd., Binzhou Weiqiao UCAS Advanced Technology Research Institute, and the Chongqing Institute of Green and Intelligent Technology under the Chinese Academy of Sciences, **has officially been launched.**
- ◆ The **Carbon Emission Reduction Action Report of China Hongqiao Group Limited**, solemnly pledging the "25/55 Dual Carbon Goals" : achieving peak carbon emissions within the scope of its own operations by 2025 and carbon neutrality by 2055.
- ◆ The Group has initiated carbon reduction actions across the entire lifecycle of investment, construction, production, and operations. Adopting a **"Three-Phase Approach"**, the group ensures staged implementation of emission reduction targets while collaborating with upstream and downstream partners across the value chain to establish a net-zero ecosystem alliance.



Optimized Financial Structure

Continuously optimize financial structure



- Finance costs declined from RMB1.56 billion in H1/2024 to RMB1.28 billion in H1/2025.
- The debt maturity structure has continued to improve, with the proportion of long-term debt rising by 2.7 percentage points to 33.0% from 30.3% in the same period last year.
- Based on solid and effective capital management principles, timely adjust capital operation strategies, flexibly utilize internal funds and external financing, while ensuring robust and sufficient cash flow.
- Actively expand diversified financing channels and strengthen cooperation with banks and enterprises to enhance capital liquidity and reduce financing costs.

Expand diversified financing channels and models at home and abroad



- Subsidiaries Shandong Hongqiao and Weiqiao Aluminum & Power Ratings was upgraded to AAA, RMB8.1 billion short-term and medium-term financing bills were issued with positive response from investors.
- The Group innovatively issued a US\$300 million convertible bond alongside a simultaneous share buyback. The bond received subscriptions of more than 8 times, with an annual interest rate 1.5%. This marked the first-ever “convertible bond + buyback” hybrid financing case in the Hong Kong capital market, successfully enhancing shareholder returns while demonstrating strong confidence. It has set a benchmark for capital market innovation and shareholder return.
- Successfully issued two dollar-denominated bonds totaling US\$600 million. Both offerings received subscriptions of more than 12 times.

Continuous support from banks



- Strive for continuous and deep cooperation with various domestic and international banks
- Deepen existing partnerships with banks



Gearing Ratio at 49.1% as at 30 June 2025, remained stable.



Recognition from International Institutions & Rating Agencies

China Hongqiao is included in **50** indexes of
Hang Seng Index,

highlighting its outstanding development and strong
confidence and recognition from capital market.

Hang Seng Blue Chip Stocks

Constituent Stock of Hang Seng Stock Connect Hong Kong Index

Constituent Stock of Hang Seng High Dividend Yield Index

Constituent Stock of Hang Seng Composite Industry Index - Materials

Constituent Stock of Hang Seng Climate Change 1.5°C Target Index

Hang Seng SCHK Resources Index



**Outlook
Rating**

Stable
AAA



**Outlook
Rating**

Stable
BB



**Outlook
Rating**

Stable
BB+



Honors & Awards

Honors & Awards

MSCI
ESG RATINGS



MSCI ESG Rating
Upgraded to BB

Wind ESG

中国宏桥
2025评级



WIND ESG Rating
Upgraded two tiers from BBB to AA



Enterprise Asia
Asia Responsible Enterprise
Awards in the Corporate
Sustainability Reporting
Category

China Hongqiao Group

Most Honored Company

2025 All-Asia Executive Team



extel

Awarded "Most Honored Company"
for two consecutive years



**"Golden Duration" 2024 China
Offshore Bond Market**
Outstanding Issuer – Industry Category



World Business Outlook
Excellence in Green Manufacturing and
Innovation China 2025



TIME & renowned research institute Statista
Best Companies in Asia Pacific 2025



Forbes' 2025 Global 2000 list
Ranked 580th, up 124 spots from last year and secured
the second position in the global aluminum industry



**2025 GoldenBee CSR China Honor Roll
(Greater Bay Area) co-organized by
GoldenBee Think Tank and the Guangzhou
State-owned Assets Research Institute**
"2025 Greater Bay Area Excellent Responsible
Competitiveness Case"



ESG Highlight

Our Decarbonization Path



By 2025

Achieving peak carbon emission within the scope of its own operations



By 2030

Continuous decrease in carbon emission intensity of primary aluminum



By 2040

Carbon emission intensity of primary aluminum ↓ 40%

Green energy ratio from 0.45% in 2020 ↑ 70%



By or Before 2055

Carbon Neutrality within the scope of its own operations
Carbon emission intensity of primary aluminum to reach Zero

Strategic Deployment

2020-2030
Initial
Decarbonization
Period



2030-2040
Continuous
Decarbonization
Period



2040-2055
Thoroughgoing
Decarbonization
Period



Four Transformation Path



"Carbon Emission Reduction Action Report of China Hongqiao Limited " released in May 2025 addresses the strategic deployment and specific practices in response to climate change.





03

Financial
Summary

Financial Summary

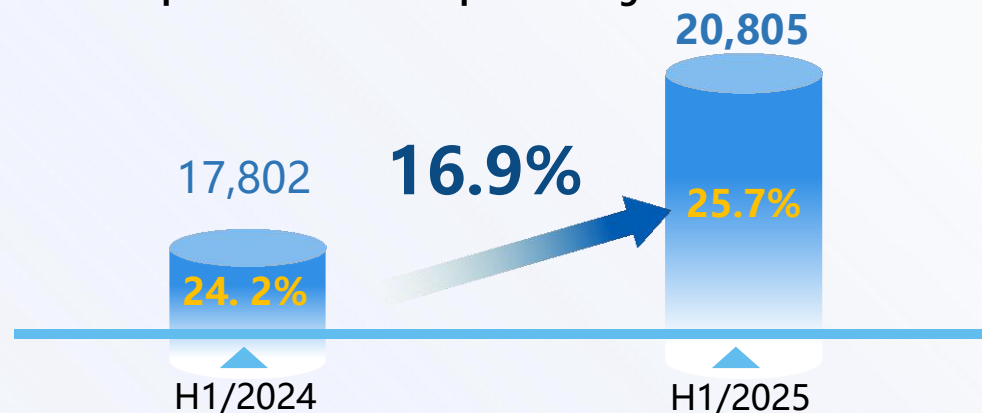
(RMB million)	H1/2024	H1/2025	Variance
Revenue	73,592	81,039	+10.1%
Gross profit	17,802	20,085	+16.9%
Gross profit margin	24.2%	25.7%	+1.5p.p.
Annual profit	10,008	13,551	+35.4%
Net profit attributable to shareholders	9,155	12,361	+35.0%
Basic earnings per share	RMB0.966	RMB1.314	+36.0%
Net profit margin	13.6%	16.7%	+3.1p.p.
Interest Coverage Ratio	13.2X	17.6X	+4.4X



Profitability

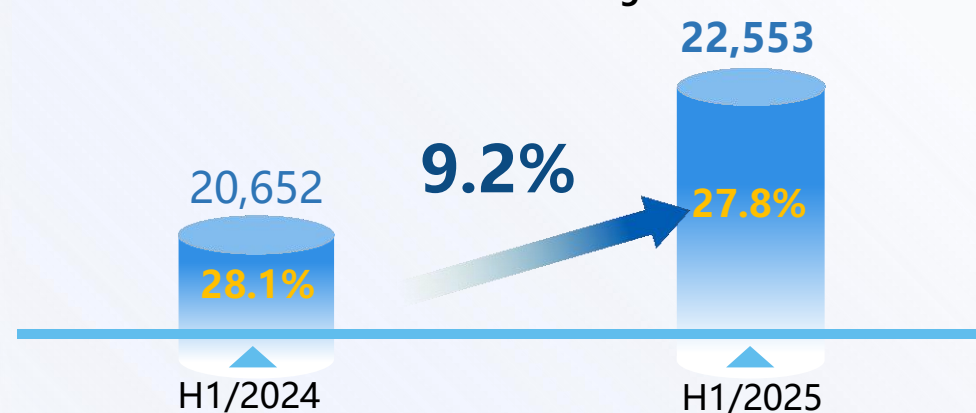
Gross profit (RMB million)

■ Gross profit ● Gross profit margin



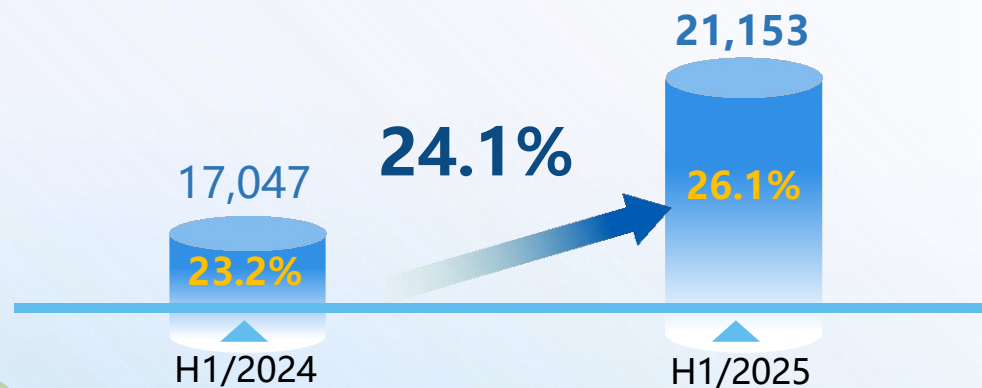
EBITDA (RMB million)

■ EBITDA ● EBITDA margin



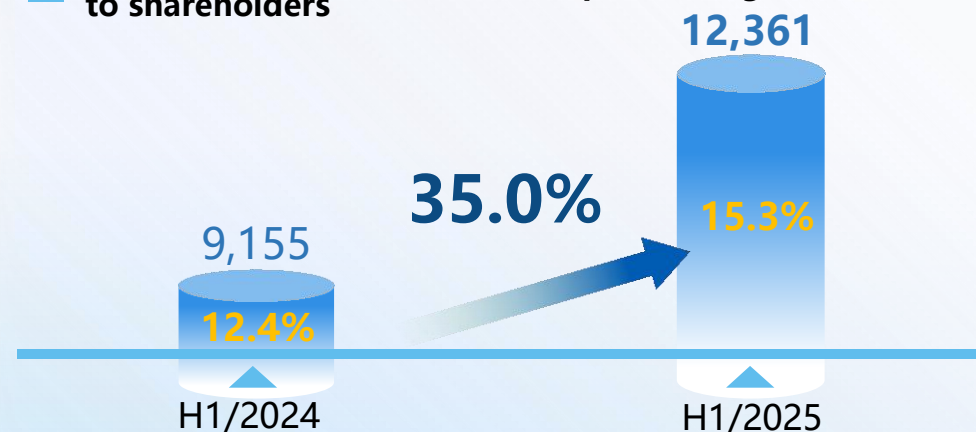
EBIT (RMB million)

■ EBIT ● EBIT margin



Net profit attributable to shareholders (RMB million)

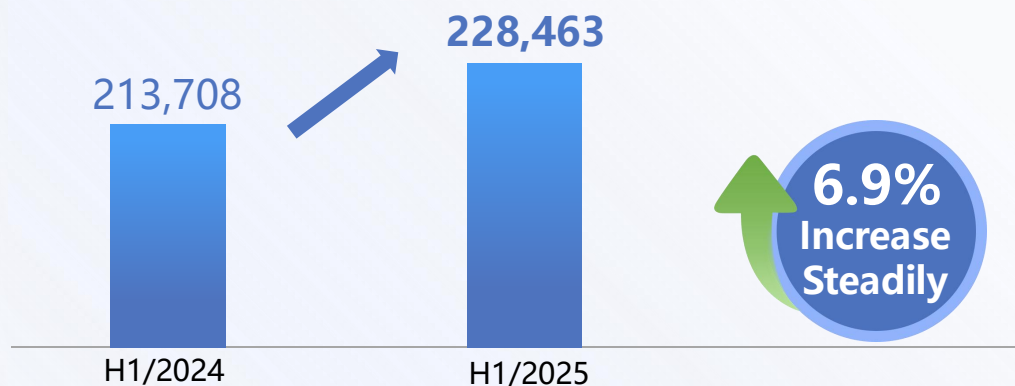
■ Net profit attributable to shareholders ● Net profit margin to shareholders



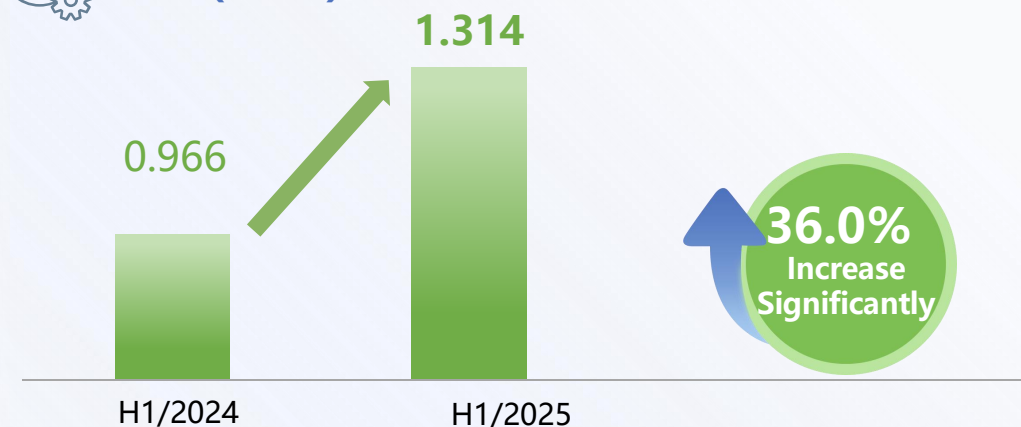
Liquidity and Capital



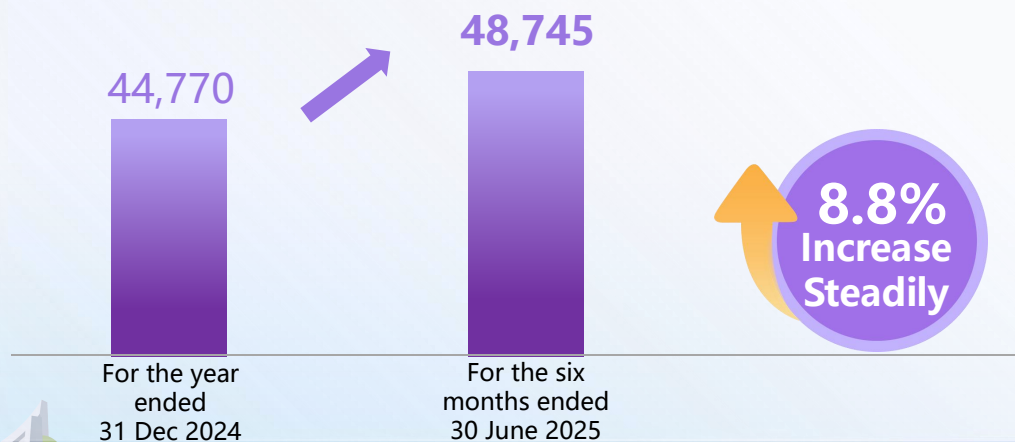
Total assets (RMB million)



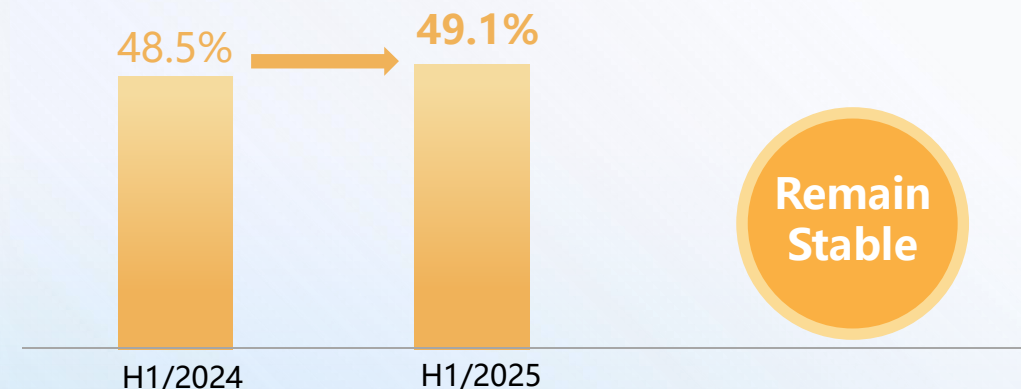
EPS(RMB)



Cash and cash equivalents (RMB million)



Gearing ratio



*Gearing ratio= total liabilities / total assets





04

Future
Strategy

Future Development Strategies

Integration of Aluminum & Electricity, Commitment to More Clean Energy Use

- Continuously refine to build a complete and closed-loop industrial chain
- Further strengthen cost advantages and enhance the diversification of energy structures, steadily increase the proportion of green electricity and the production of low-carbon aluminum

Continuous Tech Innovation and Deepened Application Across Diversified Strategic Domains

- Accelerate the replacement of old growth drivers with new ones, integrate advanced technologies into operations, inject fresh vitality into sustainable development, enhance the "green" elements of corporate growth, and continuously drive low-carbon transformation

CSR Fulfillment

- Support public welfare, employee well-being, and people's livelihood to help realize common prosperity and give back to society

Upstream-downstream Integration, Further Advantage Prominence

- Promote the integration of upstream and downstream sectors, consolidate diversified layout, and focus on high-quality development of aluminum industry
- Nurture downstream emerging industries to facilitate the development of the circular economy

Continuous Optimization of Capital and Financial Structure

- Continue to uphold prudent financial principles, systematically advance the optimization of debt maturity structure, deeply connect with domestic and international capital markets and partners, and enhance financial stability

Globalization to Achieve Win-Win Coexistence for All

- Optimize global industrial landscape and build a more resilient supply chain system
- Stay committed to long-term vision, integrate into and promote co-prosperity ecosystem of global industrial chain

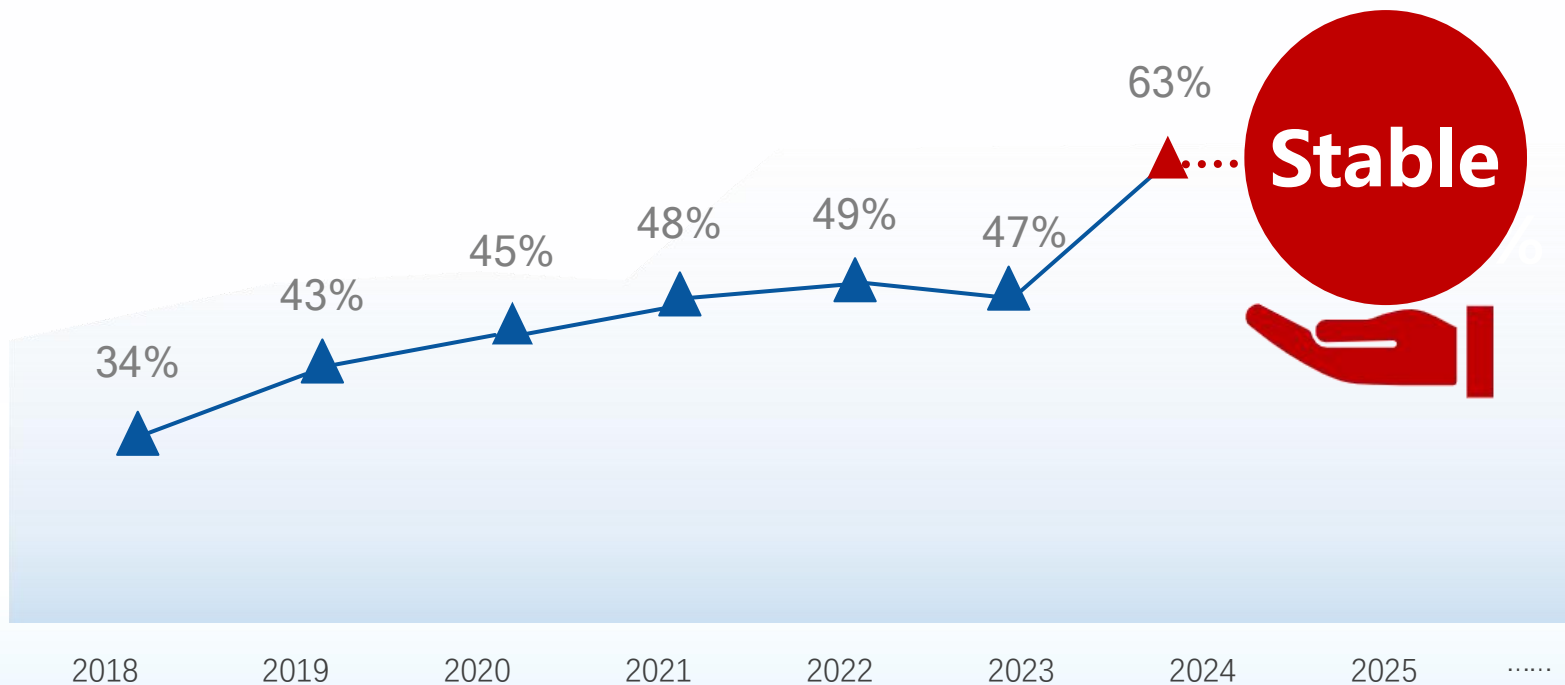
Sustain cost advantages and economies of scale, adhere to guidance by science and innovation, give priority to ecology, refine the landscape of the entire industrial chain, maintain a leading position in the global aluminum industry, and grow into a sustainable and long-standing global manufacturing leader.



Shareholder Return Guidance



Recent years dividend payout ratio trends



Buyback Overview 2025

Buyback Amount in H1/2025*

Approximately HKD2.61 billion

Number of Shares Cancelled in H1/2025

Approximately 187 million shares

Buyback Guidance

Not less than HKD3 billion

*Excluding commissions and other expenses

Dividend Payout Ratio in 2025 will remain at the same level as 2024.



Q&A Session





China Hongqiao Group Limited
中國宏橋集團有限公司

Thank you!

