

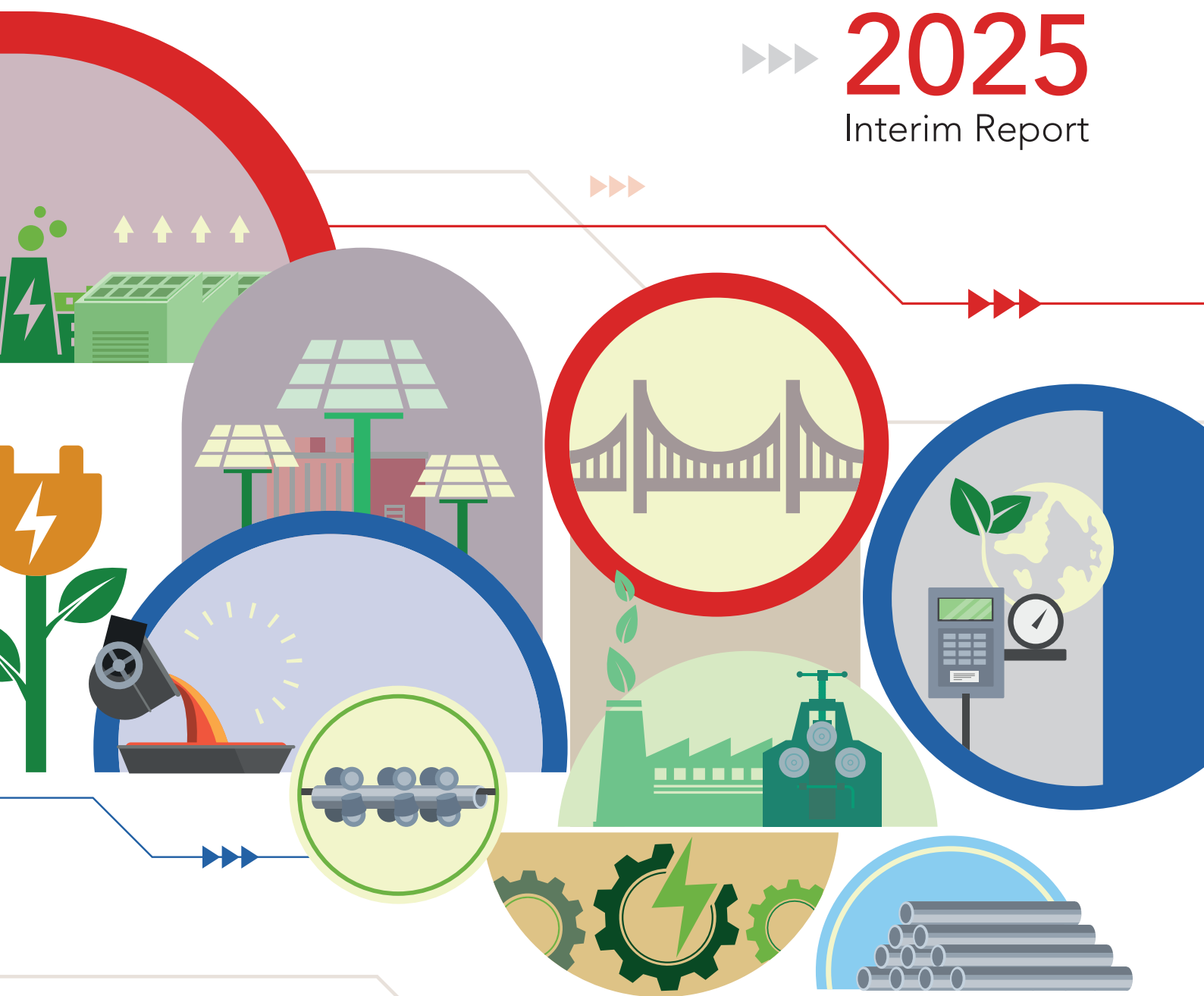


China Hongqiao Group Limited
中國宏橋集團有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)
Stock Code : 1378

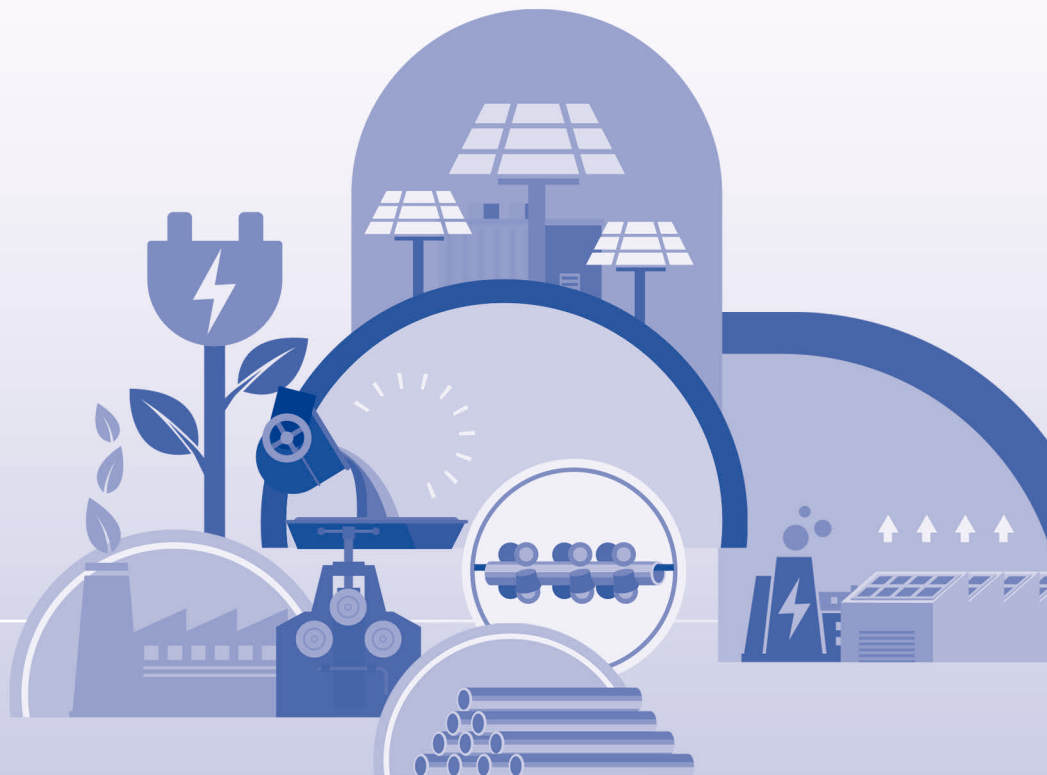
2025

Interim Report



»» Contents

Corporate Information	2
Financial Highlights	4
Chairman's Statement	5
Management Discussion and Analysis	9
Supplementary Information	18
Report on Review of Interim Condensed Consolidated Financial Information	27
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	28
Condensed Consolidated Statement of Financial Position	29
Condensed Consolidated Statement of Changes in Equity	31
Condensed Consolidated Statement of Cash Flows	33
Notes to the Interim Condensed Consolidated Financial Information	35





Corporate Information

EXECUTIVE DIRECTORS

Mr. Zhang Bo (*Chairman, Chief Executive Officer, Authorised Representative*)
Ms. Zheng Shuliang (*Vice Chairwoman*)
Ms. Zhang Ruilian (*Vice President, Chief Financial Officer*)
Ms. Wong Yuting (*Head of Corporate Finance Department*)

NON-EXECUTIVE DIRECTORS

Mr. Yang Congsen
Mr. Zhang Jinglei
Mr. Tu Yikai (*Mr. Zhang Hao as his alternate*)
Ms. Sun Dongdong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wen Xianjun
Mr. Han Benwen
Mr. Dong Xinyi
Ms. Fu Yulin

CHIEF FINANCIAL OFFICER

Ms. Zhang Ruilian

COMPANY SECRETARY

Ms. Zhang Yuexia

AUDIT COMMITTEE

Mr. Han Benwen (*Chairman of Audit Committee*)
Mr. Wen Xianjun
Mr. Dong Xinyi

NOMINATION COMMITTEE

Mr. Zhang Bo (*Chairman of Nomination Committee*)
Mr. Han Benwen
Ms. Fu Yulin

REMUNERATION COMMITTEE

Mr. Han Benwen (*Chairman of Remuneration Committee*)
Mr. Zhang Bo
Mr. Wen Xianjun

SUSTAINABILITY COMMITTEE

Mr. Zhang Bo (*Chairman of Sustainability Committee*)
Ms. Zheng Shuliang
Mr. Yang Congsen
Mr. Zhang Jinglei
Ms. Zhang Ruilian
Ms. Wong Yuting
Ms. Sun Dongdong

AUTHORISED REPRESENTATIVES

Mr. Zhang Bo
Ms. Zhang Yuexia

PLACE OF BUSINESS IN HONG KONG

Unit 5105, 51/F, Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

HEAD OFFICE IN THE PRC

Huixian One Road
Zouping Economic Development District
Zouping City
Shandong Province
The PRC



Corporate Information

CAYMAN ISLANDS REGISTERED OFFICE

P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman, KY1-1205
Cayman Islands

INTERNATIONAL AUDITOR

SHINEWING (HK) CPA Limited
Registered Public Interest Entity Auditor

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1110
Cayman Islands

INVESTOR RELATIONS DEPARTMENT OF THE COMPANY

Ms. Lucia Yu
Tel: (852) 2815 1080
Fax: (852) 2815 0089
Email: luciayu@hongqiaochina.com

STOCK CODE

1378.HK

LISTING PLACE

Main Board of The Stock Exchange of Hong Kong Limited

LISTING DATE

24 March 2011

NUMBER OF ISSUED SHARES AS AT 30 JUNE 2025

9,288,308,925

INVESTOR RELATIONS AND MEDIA RELATIONS CONSULTANT

L & D Communications and Information Company Limited
Tel: (852) 3511 9174
Fax: (852) 3511 9002
Email: pr@landd.cc
Address: Room 902, 9/F, Far East Consortium Building
121 Des Voeux Road Central
Central, Hong Kong

FINANCIAL YEAR END

31 December

FINANCIAL CALENDAR

Interim Results Announcement Date
15 August 2025

COMPANY WEBSITE

www.hongqiaochina.com

Financial Highlights

(Unaudited financial data prepared in accordance with the IAS)

For the six months ended 30 June (RMB'000)

	2025	2024	Change
Revenue	81,039,092	73,592,249	10.1%
Gross profit	20,805,191	17,801,761	16.9%
Gross profit margin (%)	25.7	24.2	1.5 p.p
Profit before income tax	17,763,982	13,870,989	28.1%
Net profit attributable to shareholders of the Company	12,361,046	9,154,911	35.0%
Net profit margin (%)	16.7	13.6	3.1 p.p
Basic earnings per share (RMB)	1.314	0.966	36.0%

As at 30 June (RMB'000)

	2025	2024	Change
Total assets	228,463,164	213,707,665	6.9%
Equity	116,324,583	110,075,475	5.7%
Total liabilities	112,138,581	103,632,190	8.2%
Cash and cash equivalents	48,744,597	37,501,630	30.0%
EBITDA/Interest coverage ratio	17.6	13.2	4.4 times
Debt/EBITDA (times)	1.8	1.7	0.1 times
Debt/Total capital (%)	41.0	39.0	2.0 p.p
Accounts receivable turnover (days)	20	16	4 days
Inventory turnover (days)	110	111	-1 days
Accounts payable turnover (days)	39	40	-1 days



Chairman's Statement

Dear shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of China Hongqiao Group Limited (the “**Company**” or “**China Hongqiao**”), I hereby present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**Period**” or the “**Period under Review**”).

During the Period under Review, global economic growth showed signs of deceleration, affected by geopolitical tensions, increased trade barriers and policy uncertainties, resulting in insufficient momentum for economic growth; other downside risks included escalating regional conflicts and intensifying extreme weather events. According to the World Bank's latest forecast for 2025, global economic growth is expected to further moderate to 2.3%. Amid the convergence of the abovementioned multiple risk factors, the PRC economy, under the guidance of more proactive and effective macroeconomic policies, exhibited a steady and resilient trajectory of cyclical improvement, with steady enhancement in the quality of its economic development. According to data from the National Bureau of Statistics of China, the PRC's gross domestic product (GDP) in the first half of the year slightly exceeded RMB66 trillion, representing a year-on-year increase of approximately 5.3% calculated at constant prices.

In terms of industry performance, global commodity markets exhibited divergent trends. The performance of US Dollar Index was weak, driving up commodity prices. However, rising trade barriers and subdued economic performance dampened demand for certain commodities. Aluminum consumption in China remained generally resilient. Despite continued weak demand in the real estate sector, demand for areas such as new energy vehicles, renewable energy and infrastructure projects recorded growth. In particular, the photovoltaic industry was stimulated by new policies, further unleashing demand for aluminum. Overall, the aluminum market in China demonstrated strong performance during the Period, with a modest acceleration in structural adjustments within the balance of sales and production.

During the Period, the Group remained committed to its development philosophy of scientific innovation-led growth, digital intelligence empowerment, ecological prioritization and collaborative success, with continued focus on national strategic needs in science and technology, and on strengthening the foundation for talent cultivation and technological innovation advancement. The Group also advanced its transformation towards high-end manufacturing, intelligent manufacturing and green manufacturing through strategic planning and deployment, targeted the development of high-performance, high-tech, and high value-added aluminum products. Furthermore, the Group accelerated the cultivation of new industrial development models, established competitive advantages through scientific innovation, and continuously contributed to the national advancement of new industrialisation and the development of new quality productive forces, and achieved further encouraging results.

During the Period under Review, the Group's revenue was approximately RMB81,039,092,000, representing a year-on-year increase of approximately 10.1%; gross profit was approximately RMB20,805,191,000, representing a year-on-year increase of approximately 16.9%; net profit attributable to shareholders of the Company was approximately RMB12,361,046,000, representing a year-on-year increase of approximately 35.0%; and basic earnings per share were approximately RMB1.314 (corresponding period in 2024: approximately RMB0.966).



Chairman's Statement

Over the years, the Group has been committed to building an integrated upstream and downstream industrial chain, actively deploying overseas bauxite resources, and establishing a mutually beneficial global model. A series of forward-looking and comprehensive deployments, coupled with persistent and meticulous execution, have provided the Group with a stable and reliable cost advantage. During the Period, aluminum prices continued to rise under the dual drivers of the depreciation of US dollar and tight supply. The Group, leveraging its outstanding cost control and synergistic advantages of the integrated industrial chain, not only effectively mitigated the cost risks associated with fluctuations in raw material prices, but also achieved a high level of profitability, demonstrating strong risk resistance and operational robustness.

At present, the Group is at a critical stage of transformation and development, focusing on the optimisation and upgrading of traditional industries, the vigorous development of emerging industries, and the strategic exploration of future industries. The Group has adopted a series of targeted initiatives, including strengthening research breakthroughs in key areas, attracting high-caliber talents, optimising energy allocation, innovating business models, and fostering a favorable industrial ecosystem. During this period, the Group continued to deepen its presence in the aluminum industry, striving to enhance industrial efficiency, and further improved the complete industrial chain covering bauxite, alumina refining, primary aluminum smelting, deep processing of aluminum products and recycled aluminum. By accelerating the transformation of old growth drivers with new ones and integrating advanced technologies into operations, the Group injected new vitality into sustainable development, enhanced the “green” attributes of its business development, and continued to drive low-carbon transformation.

During the Period under Review, the Group further advanced its strategic transformation towards green energy, and continuously enriched a new power supply model characterized by multi-source coexistence and multi-energy complementarity, ensuring a continuous increase in the proportion of clean energy. The Group also released the “Carbon Reduction Action Report of China Hongqiao Group Limited”, formally proposing the “25/55 Dual Carbon” target, namely “to achieve carbon peaking from its own operations by 2025 and carbon neutrality from its own operation by 2055”. The report comprehensively outlines the Group’s strategic planning and concrete practices in addressing climate change, including deepening energy structure adjustments, enhancing production and operational efficiency, strengthening low-carbon technological innovation, and building a circular economy system, with a view to promoting green and coordinated development across the entire industrial chain. At the same time, the Group initiated carbon reduction actions throughout the entire process of investment, construction, production and operation, and adopted a “three-step” strategy to ensure the achievement of emission reduction targets through phased implementation, jointly building a net-zero ecosystem alliance with upstream and downstream partners across the value chain. In addition to actively supporting the national “30/60 Dual Carbon” strategy, the Group demonstrated through concrete actions a practical pathway for the transition of traditional manufacturing towards green and low-carbon development to the industry and society.



Chairman's Statement

In terms of technological innovation, the official opening of the Advanced Manufacturing Laboratory of Binzhou Aluminum Industry in Shandong marked a significant step forward for the Group in technological innovation and industrial upgrading of the aluminum industry. Going forward, the Group will fully leverage its advantages in scale, resource integration and market expansion to jointly establish the “Aluminum Industry Cloud Platform” with upstream and downstream enterprises, promoting collaborative innovation across the industry chain. With the goal of industrial and technological innovation, the Group will focus on key areas such as alumina quality enhancement, green electrolytic technology innovation, intelligent manufacturing of high-end aluminum materials and recycling of aluminum resources, transforming its aluminum resource advantages into technological leadership and converting scientific achievements into new quality productive forces. At present, the jointly developed “Electrolytic Cell Dual-Level and Temperature Automatic Measurement System Based on Mobile Platform” by Zouping County Hongzheng New Materials Technology Co., Ltd. (鄒平縣宏正新材料科技有限公司), a subsidiary of the Group, Binzhou Weiqiao & UCAS Advanced Technology Research Institute (濱州魏橋國科高等技術研究院) and the Chongqing Institute of Green and Intelligent Technology, Chinese Academy of Sciences (中國科學院重慶綠色智能技術研究院), has officially been launched and is in operation, laying a critical technological foundation for creating “unmanned factories”.

In addition, the Group continued to make breakthroughs in the field of lightweighting. The Group made a successful appearance at the 2025 China International Foundry Expo, showcasing a range of superior products and winning multiple awards, and fully demonstrating the Group's leading position in high-end manufacturing and green low-carbon technologies. Furthermore, the lightweight chassis component, a key project under the “One-Stop Aluminum-Based Lightweight Solution”, has successfully achieved mass delivery, rapidly gaining market recognition through superior quality and efficient production.

Moreover, by adhering to its core business and pursuing comprehensive development, the Group received a series of domestic and international recognitions during the Period. With its full-industry-chain innovation capabilities and sustainability practices, the Group was awarded the “Asia-Pacific Best Companies 2025” honor presented jointly by an internationally renowned media, TIME magazine and a global data research institution, Statista. As the only aluminum company on the list, the Group successfully ranked among the top 500 most comprehensively competitive enterprises in the Asia-Pacific region, highlighting the Group's robust financial growth, advanced green manufacturing technologies and outstanding employee welfare policies.



Chairman's Statement

During the Period under Review, the Group earned widespread trust from international and domestic investors through diversified financing channels and solid financial strength. The entity credit rating of both Shandong Hongqiao, a subsidiary of the Company, and Weiqiao Aluminum & Power has been upgraded to AAA, and successfully issued a total of RMB8.1 billion in short-term financial bonds and medium-term notes within the Period, receiving enthusiastic responses from a broad base of investors. Bonds with the theme of green and sci-tech innovation successfully won the “ESG Excellence Project Award” selected by the Jinge Award. In addition, the Group successfully issued two US\$-denominated bonds totaling US\$600 million, with subscription multiples reaching 12 times. Amid macroeconomic volatility and persistently high US Treasury yields, the Group innovatively launched a US\$300 million convertible bond alongside a share repurchase. The convertible bond achieved a subscription multiple of over 8 times and a low annual interest rate of 1.5%, marking the first “convertible bond + repurchase” hybrid financing case in the Hong Kong stock market. This initiative not only strengthened rewards to shareholders but also demonstrated strong market confidence, setting a benchmark for capital market innovation and returns to shareholders. Leveraging its solid corporate foundation and outstanding market performance, the Group was honored with the “Golden Duration 2024 Outstanding Issuer of China Offshore Bond – Industrial Category” award. As one of the most influential and credible recognitions in the industry, the “Golden Duration” award affirms the Group’s steady progress in the industrial sector and its remarkable achievements in the offshore bond market through exceptional capabilities and forward-looking strategies.

Looking ahead to the second half of the year, the global economic outlook remains uncertain, with escalating trade barriers, policy uncertainties and geopolitical tensions potentially exerting critical influence and the domestic economy may also be dragged down by external factors. Nevertheless, national policies and stimulus measures are expected to provide strong and reliable support. Despite some uncertainties in the market environment, the Group will continue to forge ahead with resilience and foresight, steadily advancing towards new heights, implement planned objectives, adapt to evolving internal and external conditions, and proactively respond to opportunities and challenges. Through concrete actions, we aim to lay a solid foundation for the pivotal commencement of the “15th Five-Year Plan” and with dedication and responsibility, support the high-quality development of China’s manufacturing industry.

On behalf of the Board, I would like to express my sincere gratitude to the management and all employees of the Group for their dedication in the first half of 2025, and I extend heartfelt thanks to our shareholders, investors and partners for their continued support and trust. China Hongqiao will continue to move forward hand-in-hand with all stakeholders, deepen the “co-creation and sharing” mechanism, reward our shareholders with stable full-year dividends, and jointly open a new chapter of value growth and high-quality development.

Zhang Bo

Chairman of the Board

15 August 2025



Management Discussion and Analysis

INDUSTRY REVIEW

In the first half of 2025, the global economy continued to exhibit divergent development trends, with overall growth remaining moderate and gradually slowing. Meanwhile, uncertainties arising from reciprocal tariff policies in international trade activities caused significant disruptions to financial and commodity markets, resulting in sharp price fluctuations in commodity prices, including aluminium. However, supported by the depreciation of the US Dollar Index, tight supply and sustained demand growth, global electrolytic aluminum prices shifted upward.

According to data from Beijing Antaike Information Co., Ltd. (“**Antaike**”), during the Period, the average price of three-month aluminum futures on the London Metal Exchange (LME) was approximately US\$2,546/tonne (tax-exclusive), representing a year-on-year increase of approximately 6.0%. The average price of three-month aluminum futures on the Shanghai Futures Exchange (SHFE) was approximately RMB20,226/tonne (including value-added tax), representing a year-on-year increase of approximately 1.9%.

According to Antaike’s statistical data, during the Period, the global output of primary aluminum was approximately 36.59 million tonnes, representing a year-on-year increase of approximately 1.8%; global primary aluminum consumption was approximately 36.72 million tonnes, representing a year-on-year increase of approximately 3.1%. In the PRC market, during the Period, primary aluminum production was approximately 21.84 million tonnes, representing a year-on-year increase of approximately 2.4%, accounting for approximately 59.7% of global production; primary aluminum consumption was approximately 22.97 million tonnes, representing a year-on-year increase of approximately 4.3%, accounting for approximately 62.6% of global primary aluminum consumption.

Management Discussion and Analysis

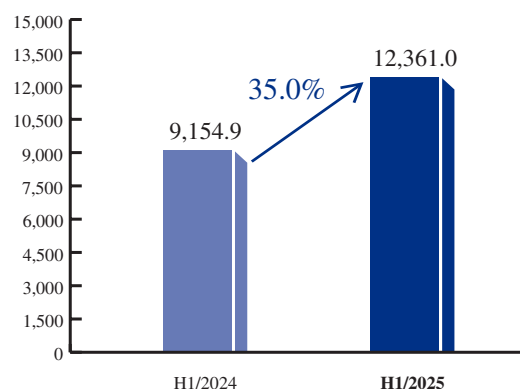
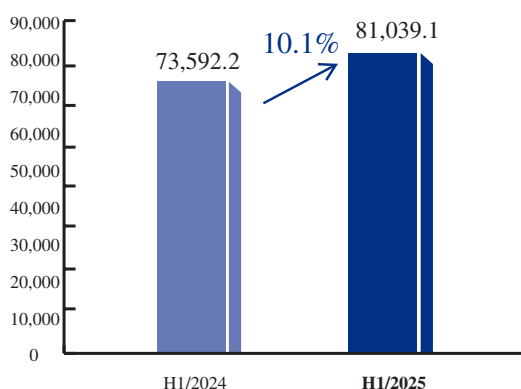
BUSINESS REVIEW

The comparative figures of the Group's unaudited revenue and net profit attributable to shareholders of the Company for the six months ended 30 June 2025 and for the corresponding period in 2024 are as follows:

Revenue (Unaudited) **Net profit attributable to shareholders of the Company (Unaudited)**

Unit: RMB million

Unit: RMB million



For the six months ended 30 June 2025, the Group's revenue was approximately RMB81,039,092,000, representing a year-on-year increase of approximately 10.1%, mainly due to the increase in selling price of aluminum alloy products and alumina products during the Period as compared with the corresponding period last year, coupled with the increase in the sales volume.

During the Period, the Group's sales volume of aluminum alloy products was approximately 2.906 million tonnes, representing an increase of approximately 2.4% as compared with the sales volume of approximately 2.837 million tonnes for the corresponding period last year. The average selling price of aluminum alloy products increased by approximately 2.7% to approximately RMB17,853/tonne (excluding value-added tax) as compared with that of the corresponding period last year. The Group's sales volume of alumina products was approximately 6.368 million tonnes, representing an increase of approximately 15.6% as compared with the corresponding period last year. The average selling price of alumina products increased by approximately 10.3% to approximately RMB3,243/tonne (excluding value-added tax) as compared with that of the corresponding period last year. The sales volume of the Group's aluminum fabrication products was approximately 0.392 million tonnes, representing an increase of approximately 3.5% as compared with that of the corresponding period last year. The average selling price of aluminum fabrication products increased by approximately 2.9% to approximately RMB20,615/tonne (excluding value-added tax) as compared with that of the corresponding period last year.



Management Discussion and Analysis

For the six months ended 30 June 2025, net profit attributable to shareholders of the Company amounted to approximately RMB12,361,046,000, representing a year-on-year increase of approximately 35.0%, which was mainly attributable to the increase in the selling prices of the Group's aluminum alloy products and alumina products as compared with that of the corresponding period last year, as well as the increase in the sales volume. Benefiting from these positive factors, the Group recorded an increase in gross profit of the aforementioned products compared to the corresponding period last year.

FINANCIAL REVIEW

The following table shows the comparison between the breakdown of the Group's revenue, gross profit, gross profit margin and percentage of revenue by products for the six months ended 30 June 2025 and for the corresponding period in 2024:

Products	For the six months ended 30 June							
	2025				2024			
	Revenue RMB '000	Gross profit RMB '000	Gross profit margin %	Proportion of sales revenue to total revenue %	Revenue RMB '000	Gross profit RMB '000	Gross profit margin %	Proportion of sales revenue to total revenue %
Aluminum alloy products	51,878,373	13,092,078	25.2	64.0	49,311,554	12,141,705	24.6	67.0
Alumina	20,654,946	5,945,252	28.8	25.5	16,199,655	4,120,103	25.4	22.0
Aluminum fabrication products	8,074,302	1,880,749	23.3	10.0	7,582,091	1,594,577	21.0	10.3
Steam	431,471	(112,888)	(26.2)	0.5	498,949	(54,624)	(10.9)	0.7
Total	81,039,092	20,805,191	25.7	100.0	73,592,249	17,801,761	24.2	100.0

For the six months ended 30 June 2025, the Group's revenue derived from aluminum alloy products was approximately RMB51,878,373,000, representing an increase of approximately 5.2% from approximately RMB49,311,554,000 for the corresponding period last year, which was mainly due to the increase in the selling price of aluminum alloy products of the Group compared with the corresponding period last year, as well as the increase in the sales volume. Revenue derived from alumina products was approximately RMB20,654,946,000, representing an increase of approximately 27.5% from approximately RMB16,199,655,000 for the corresponding period last year, which was mainly due to the increase in the selling price of alumina products of the Group compared with the corresponding period last year as well as the increase in the sales volume. Revenue derived from aluminum fabrication products was approximately RMB8,074,302,000, representing an increase of approximately 6.5% from approximately RMB7,582,091,000 for the corresponding period last year, which was mainly due to the increase in both selling prices and sales volume of aluminum fabrication products.



Management Discussion and Analysis

For the six months ended 30 June 2025, the overall gross profit margin of the Group was approximately 25.7%, representing an increase of approximately 1.5 percentage points from approximately 24.2% for the corresponding period last year. Gross profit margin of aluminum alloy products was approximately 25.2%, basically remained flat as compared with the corresponding period last year. Gross profit margin of alumina products was approximately 28.8%, representing an increase of approximately 3.4 percentage points as compared with that of the corresponding period last year, which was mainly due to an increase in selling prices of alumina products of the Group compared with the same period last year, and the increase in the sales volume. Gross profit margin of aluminum fabrication products was approximately 23.3%, representing an increase of approximately 2.3 percentage points as compared with that of the corresponding period last year, which was mainly due to the increase in both selling prices and sales volume of aluminum alloy products.

Selling and distribution expenses

For the six months ended 30 June 2025, the Group's selling and distribution expenses were approximately RMB354,125,000, representing a decrease of approximately 3.4% from approximately RMB366,499,000 for the corresponding period last year, which was mainly due to a decrease in the unit price of freight, resulting in a year-on-year decrease in freight.

Administrative expenses

For the six months ended 30 June 2025, the Group's administrative expenses amounted to approximately RMB2,321,954,000, representing a decrease of approximately 5.4% as compared with approximately RMB2,453,793,000 for the corresponding period last year, which was mainly due to the decrease in the Group's R&D expenses included in administrative expenses during the Period.

Finance costs

For the six months ended 30 June 2025, the Group's finance costs were approximately RMB1,284,152,000, representing a decrease of approximately 17.7% as compared with approximately RMB1,561,045,000 for the corresponding period last year, which was mainly due to the further optimisation of the debt structure and the decrease in financing interest rates of the Group during the Period.

Liquidity and financial resources

As at 30 June 2025, the Group's cash and cash equivalents were approximately RMB48,744,597,000, representing an increase of approximately 8.9% as compared with approximately RMB44,770,241,000 of the cash and cash equivalents as at 31 December 2024. The increase in cash and cash equivalents was mainly due to the increase in the profit of the Group during the Period, which led to an increase in the net cash inflow from operating activities.



Management Discussion and Analysis

For the six months ended 30 June 2025, the Group's net cash inflows from operating activities were approximately RMB22,305,743,000, net cash outflows from investing activities were approximately RMB9,414,270,000, and net cash outflows from financing activities were approximately RMB8,968,724,000. The net cash outflows from investing activities were mainly attributable to the cash outflows for the purchase of properties, plants and equipment. The net cash outflows for financing activities were mainly attributable to the cash outflows for the dividend payout, and the payment of interest on debts during the Period.

For the six months ended 30 June 2025, the Group's capital expenditure amounted to approximately RMB9,893,466,000, representing an increase of approximately 77.9% as compared to approximately RMB5,560,394,000 in the same period of last year, which was mainly used for the payment of the quality guarantee deposits for the preliminary stages of construction projects in accordance with the relevant contracts, and the construction expenditure of the green aluminum innovation industrial park in Yunnan (雲南綠色鋁創新產業園), the lightweight material base (輕量化材料基地), new energy projects and other projects.

As at 30 June 2025, the Group had capital commitment of approximately RMB7,398,271,000 in relation to the purchase of the property, plant and equipment in the future, primarily for the construction projects such as the green aluminum innovation industrial park in Yunnan, the lightweight material base, new energy projects and other projects. In addition, the Group agreed to provide a performance guarantee in respect of the funding obligations of its associates in the iron ore project in Simandou, Guinea, pursuant to which the Group undertook to fund the project to an amount not exceeding US\$1,780,000,000, equivalent to approximately RMB12,607,206,000 (indirectly including the obligations of the Group for its relevant capital funding contribution under the Shareholders Agreement of Winning Consortium Holdings Pte. Ltd.).

As at 30 June 2025, the Group's trade receivables amounted to approximately RMB8,396,138,000, representing a decrease of approximately 14.1% from approximately RMB9,773,923,000 as at 31 December 2024, which was mainly due to shorter collection periods for some customers during the Period.

As at 30 June 2025, the Group's prepayments and other receivables (including non-current assets) amounted to approximately RMB5,825,035,000, representing a decrease of approximately 25.4% from approximately RMB7,811,711,000 as at 31 December 2024, which was mainly due to the fact that part of the prepayments at the end of 2024 had been settled during the Period.

As at 30 June 2025, the Group's inventory was approximately RMB36,014,684,000, representing a decrease of approximately 3.6% from approximately RMB37,344,003,000 as at 31 December 2024, which was mainly due to the slight decrease in inventory quantity and unit prices of certain raw materials.

Income tax

The Group's income tax for the first half of 2025 amounted to approximately RMB4,212,672,000, representing an increase of approximately 9.0% from approximately RMB3,863,113,000 for the corresponding period last year, which was mainly due to the increase in income tax as a result of the increase in the Group's profit before tax as compared with the corresponding period last year.



Management Discussion and Analysis

Net profit attributable to shareholders of the Company and earnings per share

For the six months ended 30 June 2025, net profit attributable to shareholders of the Company amounted to approximately RMB12,361,046,000, representing an increase of approximately 35.0% from approximately RMB9,154,911,000 for the corresponding period last year.

During the Period, basic earnings per share of the Company were approximately RMB1.314 (the corresponding period in 2024: approximately RMB0.966).

Capital structure

The Group has established an appropriate liquidity risk management framework to secure its short, medium and long-term funding supply and to satisfy its liquidity need. As at 30 June 2025, the cash and cash equivalents of the Group amounted to approximately RMB48,744,597,000 (31 December 2024: approximately RMB44,770,241,000), which were mainly placed in commercial banks. Such level of cash and cash equivalents would assist in ensuring the stability and flexibility of the Group's business operations. The Group will continue to take effective measures to ensure sufficient liquidity and financial resources, so as to satisfy the business needs and maintain a sound and stable financial position.

As at 30 June 2025, the total liabilities of the Group amounted to approximately RMB112,138,581,000 (31 December 2024: approximately RMB110,551,534,000). The gearing ratio (total liabilities to total assets) was approximately 49.1% (31 December 2024: approximately 48.2%).

The Group used some of its restricted bank deposits, inventories, trade receivables, equipment and right-of-use assets as collateral for bank borrowings to provide part of the funding for its daily business operations and project development. As at 30 June 2025, secured bank borrowings of the Group amounted to approximately RMB14,401,940,000 (31 December 2024: approximately RMB15,547,656,000).

As at 30 June 2025, the Group's total bank borrowings were approximately RMB47,083,912,000, representing a decrease by approximately 2.5% from total bank borrowings of approximately RMB48,302,429,000 as at 31 December 2024. The Group maintained an appropriate portfolio of liabilities at fixed interest rates and variable interest rates to manage its interest expenses. As at 30 June 2025, approximately 23.7% of the Group's bank borrowings were subject to fixed interest rates while its remainder of approximately 76.3% were subject to floating interest rates.

The Group aims to maintain a balance between the continuity and flexibility of financing through utilising various debt financing instruments. As at 30 June 2025, the liabilities of the Group, other than bank borrowings, include bonds due within a year of RMB2,000,000,000, medium-term notes and corporate bonds of approximately RMB18,493,431,000, guaranteed notes of approximately RMB4,351,259,000 and convertible bonds (including the derivative component) of approximately RMB8,828,746,000. Such notes and bonds would facilitate the optimization of the Group's debt structure and reduce financing costs.



Management Discussion and Analysis

As at 30 June 2025, the Group had net current assets of approximately RMB23,105,981,000. The Group will continue to expand its financing channels, optimise its debt structure and lower financing costs. In addition, the Group will continue to control its production costs, enhance its profitability and improve its cash flow position in order to ensure that the Group have adequate liquidity.

As at 30 June 2025, the Group's liabilities were mainly measured in RMB and foreign currencies, of which approximately 79.1% of the total liabilities were denominated in RMB, and approximately 20.9% were denominated in foreign currencies. The Group's cash and cash equivalents were mainly held in RMB and foreign currencies, of which approximately 87.5% were held in RMB and approximately 12.5% were held in foreign currencies.

Details of the currency, maturity date and interest rate for relevant borrowings, notes and bonds are set out in Notes 24 and 26 to 29 to the interim condensed consolidated financial information.

Employee and remuneration policy

As at 30 June 2025, the Group had a total of 52,006 employees, representing an increase of 686 employees as compared with that of 31 December 2024. During the Period, the total staff costs of the Group amounted to approximately RMB2,856,633,000, representing an increase of approximately 21.1% from approximately RMB2,359,302,000 for the corresponding period last year, which was mainly due to the increase in the number of employees of the Group and the increase in remuneration packages of the employees during the Period. The total staff costs of the Group accounted for approximately 3.5% of its revenue. The remuneration packages of the employees of the Group include salaries, various allowances and benefits. In addition, the Group established a performance-based incentive mechanism under which the employees may be awarded additional bonuses. The Group provided training programmes to employees to equip them with the requisite working skills and knowledge.

Foreign exchange risk

The Group received most of its revenue in RMB and funded most of its expenditures in RMB. As the import of bauxite and production equipment, export for certain aluminum fabrication products, certain bank balances, bank borrowings, convertible bonds and senior notes are denominated in foreign currencies, the Group is exposed to certain foreign exchange risk. As at 30 June 2025, the Group's bank balances denominated in foreign currencies were approximately RMB6,108,482,000, and liabilities denominated in foreign currencies were approximately RMB16,852,608,000.

For the six months ended 30 June 2025, the Group's foreign exchange losses were approximately RMB368,987,000 (for the six months ended 30 June 2024: foreign exchange losses of approximately RMB361,202,000).

During the Period under Review, the Group actively took measures to mitigate currency exchange rate fluctuation risks, and ensured the foreign exchange risks were generally under control. The Group proactively took the following measures to guard against its foreign exchange fluctuation risks in accordance with its business operations: (i) reasonable arrangements for financing and foreign exchange revenue and expenditure with timely adjustments to the foreign exchange fund management scheme; (ii) promotion of a cross-border fund pool management model which centralised and unified management and use of domestic and overseas funds in order to reduce settlement and sale costs and currency exchange losses; and (iii) timely use of derivative instruments to hedge foreign exchange risks in conjunction with changes in exchange rates and interest rates.



Management Discussion and Analysis

Contingent liability

As at 30 June 2025, the Group had no significant contingent liability.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

References are made to the Company's announcements dated 23 December 2024, 6 January 2025 and 22 May 2025 in relation to the intended issuance of new shares by Shandong Hontron Aluminum Industry Holding Company Limited* (山東宏創鋁業控股股份有限公司) ("**Hontron Holding**"), a subsidiary of the Group, to the existing shareholders of Shandong Hongtuo Industrial Company Limited* (山東宏拓實業有限公司) ("**Shandong Hongtuo**"), a subsidiary of the Group, to acquire the target shares held by them. If the transaction is completed, the indirect shareholding proportion of the Company in Hontron Holding will increase from approximately 22.98% to approximately 88.99%, and the indirect shareholding proportion of the Company in Shandong Hongtuo will decrease from approximately 95.295% to approximately 88.99%. Both Hontron Holding and Shandong Hongtuo (through Hontron Holding) will continue to be subsidiaries of the Group. Details are set out in the abovementioned announcements.

Save as disclosed above, for the six months ended 30 June 2025, the Company did not have other material acquisitions or disposals of subsidiaries, associates or joint ventures.

Significant investment held

For the six months ended 30 June 2025, the Group did not hold any significant investment which had a significant impact on its overall operation.

Future plans for material investments or capital assets

Save as disclosed in this interim report, for the six months ended 30 June 2025 and as of the date of publication of this interim report, there was no future plan approved by the Group for any material investments or capital assets.

Events after the reporting period

Subsequent to 30 June 2025 and up to the date of publication of this interim report, there was no event which had a significant impact on the Group.



Management Discussion and Analysis

FUTURE PROSPECT

Looking ahead to the second half of the year, the global economy continues to face challenges arising from heightened geopolitical tensions and persistent trade barriers, prompting major international institutions to revise down their growth forecasts. Nevertheless, the PRC economy has demonstrated strong resilience, with the manufacturing PMI showing continued recovery and international investment banks raising their forecasts, reflecting growing confidence among global capital markets in the China's development prospects. With the accelerated cultivation of new quality productive forces and the continuous strengthening of innovation momentum, China is promoting the optimisation of its economic structure through initiatives including deepened reforms, opening-up, and expanding domestic demand. Although certain industries may experience transitional pains, the long-term positive fundamentals of the PRC economy remain unchanged and will continue to inject stability into the global economy.

At this historic juncture marked by the commencement of the "15th Five-Year Plan", the Group will implement pragmatic measures to fulfil its founding mission of "starting a business for the country and benefiting the people", reinforce its foundation, and empower organisational vitality through enhanced management, while consolidating development fundamentals through strategic talent initiatives. Focusing on high-quality development in the aluminum industry, the Group will take technological innovation and green transformation as its core drivers, with emphasis on breakthroughs in high-end aluminum alloy R&D and the deepening of applications in diversified strategic emerging sectors. The Group will explore and comprehensively refine technological transformation and process optimisation, accelerate digital transformation and intelligence upgrading, and establish itself as a leading industry benchmark. While enhancing the autonomy and controllability of the industrial chain, the Group will optimise its global industrial layout and build a more resilient supply chain system, providing solid support and powerful momentum for the high-quality development of China's manufacturing sector, and creating sustainable value for investors across cycles.

Supplementary Information

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTEREST AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2025, so far as it is known to the Directors and the chief executive of the Company, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) pursuant to the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the **"SFO"**), or recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Capacity/Nature of interest	Number of total shares held	Approximate percentage of shareholding in the total issued share capital as at 30 June 2025 (%)
Shiping Trust Company ⁽¹⁾	Trustee	6,119,883,559 ⁽⁵⁾ (Long position)	65.89
China Hongqiao Holdings Limited ("Hongqiao Holdings") ⁽¹⁾	Beneficial owner	6,119,883,559 ⁽⁵⁾ (Long position)	65.89
Ms. Zhang Hongxia ⁽²⁾	Interest in persons acting in concert	6,128,753,559 ⁽⁵⁾ (Long position)	65.98
Ms. Zhang Yanhong ⁽²⁾	Interest in persons acting in concert	6,128,753,559 ⁽⁵⁾ (Long position)	65.98
CTI Capital Management Limited ⁽⁴⁾	Beneficial owner	565,690,170 ⁽³⁾ (Long position)	6.09
CITIC Limited ⁽⁴⁾	Interest of a controlled corporation	565,690,170 (Long position)	6.09
CITIC Group Corporation ⁽⁴⁾	Interest of a controlled corporation	565,690,170 (Long position)	6.09



Supplementary Information

Notes:

- (1) Shipping Prosperity Private Trust Company ("**Shipping Trust Company**") held 100% equity interest in Hongqiao Holdings as trustee.
- (2) Shipping Trust Company held 100% equity interest in Hongqiao Holdings as trustee. Shipping Global Holding Company Limited ("**Shipping Global**") is the settlor, protector and one of the beneficiaries of Shipping Prosperity Trust. Mr. Zhang Bo, Ms. Zhang Hongxia and Ms. Zhang Yanhong held 40%, 30% and 30% equity interest in Shipping Global respectively, and maintain an acting-in-concert arrangement in respect of the exercise of the shareholders' rights of Shipping Global. Based on this, Mr. Zhang Bo, Ms. Zhang Hongxia and Ms. Zhang Yanhong have, and made disclosure of, the relevant interests in the shares of the Company held by Hongqiao Holdings. In addition, Mr. Zhang Bo, as the beneficial owner, holds 8,870,000 shares in the Company. By virtue of the acting-in-concert arrangement, Ms. Zhang Hongxia and Ms. Zhang Yanhong are deemed to be interested in the shares of the Company beneficially held by Mr. Zhang Bo.
- (3) According to the disclosure of interests as set out on the website of the Stock Exchange, CTI Capital Management Limited was interested in 565,690,170 shares of the Company in long position.
- (4) According to the disclosure of interests as set out on the website of the Stock Exchange, CITIC Group Corporation held 100% equity interest in CITIC Polaris Limited, which held 27.52% equity interest in CITIC Limited. CITIC Group Corporation also held 100% equity interest in CITIC Glory Limited, which held 25.60% equity interest in CITIC Limited. Thus CITIC Group Corporation indirectly held 53.12% equity interest in CITIC Limited. CITIC Limited held 100% equity interest in CITIC Corporation Limited. CITIC Corporation Limited held 100% equity interest in CITIC Financial Holdings Co., Ltd., which held 100% equity interest in CITIC Trust Co., Ltd. CITIC Trust Co., Ltd. held 100% equity interest in CTI Capital Management Limited. Thus, CITIC Group Corporation and CITIC Limited are deemed to be interested in the shares of the Company held by CTI Capital Management Limited under the SFO.
- (5) The total number of shares held includes the number of shares convertible by the convertible bonds issued by the Company as held by Hongqiao Holdings.

Save as disclosed above, as at 30 June 2025, so far as it is known to the Directors and the chief executive of the Company, there was no any other person (other than the Directors or the chief executive of the Company) who 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 pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under section 336 of the SFO.

Supplementary Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required 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 to be recorded in the register required to be kept by the Company under section 352 of the SFO; or to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), were as follows:

Long positions in the shares of the Company

Name of director	Capacity/Nature of interest	Number of total shares held	Approximate percentage of shareholding in the total issued share capital as at 30 June 2025 (%)
Mr. Zhang Bo ⁽¹⁾	Beneficial owner	8,870,000 (Long position)	0.10
	Interest in persons acting in concert	6,119,883,559 ⁽²⁾ (Long position)	65.89

Notes:

- (1) Shiping Trust Company held 100% equity interest in Hongqiao Holdings as trustee. Shiping Global is the settlor, protector and one of the beneficiaries of Shiping Prosperity Trust. Mr. Zhang Bo, Ms. Zhang Hongxia and Ms. Zhang Yanhong held 40%, 30% and 30% equity interest in Shiping Global respectively, and maintain an acting-in-concert arrangement in respect of the exercise of the shareholders' rights of Shiping Global. Based on this, Mr. Zhang Bo, Ms. Zhang Hongxia and Ms. Zhang Yanhong have, and made disclosure of, the relevant interests in the shares of the Company held by Hongqiao Holdings.
- (2) The total number of shares held includes the number of shares convertible by the convertible bonds issued by the Company as held by Hongqiao Holdings.

Save as disclosed above, as at 30 June 2025, there was no any other Directors or chief executive of the Company or any of their spouse or children under the age of 18 who 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 to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or to be recorded in the register required to be kept by the Company under section 352 of the SFO; or to be notified to the Company and the Stock Exchange pursuant to the Model Code.



Supplementary Information

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 June 2025 and up to the date of publication of this interim report was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the shares in, or debentures of, the Company or any other body corporate or had exercised any such right during the Period.

AUDIT COMMITTEE

The Company has established the audit committee (the **"Audit Committee"**) of the Board in compliance with the Corporate Governance Code (the **"CG Code"**) as set out in Appendix C1 to the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee is composed of three independent non-executive Directors. The Audit Committee meeting was held on 15 August 2025 to review the interim results and the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025. The Audit Committee considered that the interim financial results of the Group for the six months ended 30 June 2025 were in compliance with the relevant accounting standards, rules and regulations and adequate disclosures had been duly made.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2025, the Company repurchased a total of 187,229,500 shares for a total consideration of approximately HK\$2.6 billion (excluding commissions and other expenses). The repurchased shares were subsequently cancelled. The Company undertook the share repurchases as the Board believed that the Company's share price deviated from the value of the Company. The share repurchases reflected the confidence of the Board and the management team in the long-term strategies and growth of the Company. The Directors considered that the share repurchases were in the best interests of the Company and the shareholders as a whole.

Supplementary Information

Details of the shares repurchased by the Company during the six months ended 30 June 2025 are as follows:

Repurchase month	Number of ordinary shares of US\$0.01 each	Price per share		Consideration paid (excluding commissions and other expenses) HK\$
		Lowest	Highest	
		HK\$	HK\$	
January 2025	11,294,000	11.26	13.00	134,428,179.50
February 2025	355,500	12.60	12.80	4,544,055.90
March 2025 ⁽¹⁾	45,230,500	14.60	16.16	693,738,605.60
April 2025	88,928,000	12.20	16.00	1,201,466,599.10
May 2025	41,421,500	13.66	14.20	577,322,388.10
Total	187,229,500			2,611,499,828.20

Notes:

1. Including that on 18 March 2025, concurrent with the offering of US\$300,000,000 1.50% convertible bonds due 2030, the Company concurrently repurchased 20,548,000 shares by private arrangement from the relevant buyers of the convertible bonds at a price of HK\$14.6 per share (total consideration excluding commissions and other expenses: HK\$300,000,800), which were cancelled on 14 April 2025. The Board was of the view that the concurrent share repurchases reflected the confidence of the Board and the management team in the long-term strategies and growth of the Company and considered that the share repurchases were in the best interests of the Company and its shareholders as a whole. Details are set out in the announcements of the Company dated 17 March 2025 and 18 March 2025 and the next day disclosure return dated 19 March 2025.
2. Save as mentioned in Note 1, the remaining shares were repurchased on the Stock Exchange.

From 18 August 2025 to 5 September 2025, the Company repurchased a total of 110,628,000 shares on the Stock Exchange for a total consideration of approximately HK\$2,759,224,000 (excluding commission and other expenses). The repurchased shares have been or will be cancelled subsequently. The share repurchase reflects the confidence of the Board and the management team in the long-term strategy and growth of the Company and the Board considered that the share repurchased were in the best interest of the Company and its shareholders as a whole.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025 and as of the latest practicable date before the publication of this interim report.



Supplementary Information

ADJUSTMENT OF CONVERSION PRICE OF THE 5.25% CONVERTIBLE BONDS DUE 2026 WITH A PRINCIPAL AMOUNT OF US\$300,000,000

On 7 January 2021 (after trading hours), the Company and the subsidiary's guarantors entered into the convertible bonds subscription agreement with the joint lead managers, pursuant to which the Company agreed to issue and the joint lead managers agreed, severally and not jointly, on a best efforts basis, to subscribe and pay for, or to procure subscriptions and payment for the convertible bonds with an initial principal amount of US\$300,000,000 (the **"2021 Convertible Bonds"**). The initial conversion price (subject to adjustment) was HK\$8.91 per share. The net proceeds of the convertible bonds placing were approximately US\$294,000,000 which the Company had fully utilised for the uses as described in the announcement of the Company dated 8 January 2021. Please refer to the announcements of the Company dated 8 January 2021 and 27 January 2021 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the final dividend for 2020, the conversion price per share was adjusted from HK\$8.91 to HK\$8.47 effective from 15 June 2021. Please refer to the announcements of the Company dated 11 June 2021 and 15 June 2021 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the interim dividend for 2021, the conversion price per share was adjusted from HK\$8.47 to HK\$8.12 effective from 15 November 2021. Please refer to the announcement of the Company dated 25 November 2021 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the final dividend for 2021, the conversion price per share was adjusted from HK\$8.12 to HK\$7.63 effective from 1 June 2022. Please refer to the announcement of the Company dated 31 May 2022 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the interim dividend for 2022, the conversion price per share was adjusted from HK\$7.63 to HK\$7.24 effective from 21 November 2022. Please refer to the announcement of the Company dated 21 November 2022 for details.



Supplementary Information

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the final dividend for 2022, the conversion price per share was adjusted from HK\$7.24 to HK\$7.15 effective from 1 June 2023. Please refer to the announcement of the Company dated 31 May 2023 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the interim dividend and a special dividend for 2023, the conversion price per share was adjusted from HK\$7.15 to HK\$6.82 effective from 27 November 2023. Please refer to the announcement of the Company dated 24 November 2023 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the final dividend for 2023, the conversion price per share was adjusted from HK\$6.82 to HK\$6.54 effective from 31 May 2024. Please refer to the announcement of the Company dated 30 May 2024 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the interim dividend for 2024, the conversion price per share was adjusted from HK\$6.54 to HK\$6.14 effective from 25 November 2024. Please refer to the announcement of the Company dated 22 November 2024 for details.

Pursuant to the terms and conditions of the 2021 Convertible Bonds, as the Company declared the payment of the final dividend for 2024, the conversion price per share was adjusted from HK\$6.14 to HK\$5.68 effective from 30 May 2025. Please refer to the announcement of the Company dated 29 May 2025 for details.

Up to the latest practicable date before the publication of this interim report, in accordance with the conversion notices received for the 2021 Convertible Bonds, 336,600,301 shares were issued and allotted by the Company based on the adjusted conversion price of HK\$5.68 per share pursuant to the general mandate granted by the shareholders to the Directors at the annual general meeting of the Company held on 7 May 2025.

ISSUANCE OF US\$300,000,000 1.50% CONVERTIBLE BONDS DUE 2030 AND THE CONCURRENT SHARE REPURCHASE

On 17 March 2025 (after trading hours), the Company and the subsidiary's guarantors entered into the convertible bonds subscription agreement with the joint lead managers, pursuant to which the Company has agreed to issue and the joint lead managers have agreed, severally and not jointly, on a best efforts basis, to subscribe and pay for, or to procure subscriptions and payment for the convertible bonds with an initial principal amount of US\$300,000,000 (the **"2025 Convertible Bonds"**). The initial conversion price (subject to adjustment) was HK\$20.88 per share. The net proceeds of the convertible bonds placing were approximately US\$294,584,687. The net proceeds from the convertible bonds issue by the Company were used for refinancing existing offshore indebtedness and general corporate purposes. The proceeds were fully utilised by the Company for the uses as described in the announcement of the Company dated 18 March 2025. Please refer to the announcements of the Company dated 17 March 2025, 18 March 2025, 26 March 2025 and 27 March 2025 for details.



Supplementary Information

ADJUSTMENT OF CONVERSION PRICE OF US\$300,000,000 1.50% CONVERTIBLE BONDS DUE 2030

Pursuant to the terms and conditions of the 2025 Convertible Bonds, as the Company declared the payment of the final dividend for 2024, the conversion price per share was adjusted from HK\$20.88 to HK\$19.36 effective from 30 May 2025. Please refer to the announcement of the Company dated 29 May 2025 for details.

SENIOR NOTES

- (1) On 25 March 2024, the Company announced to issue 7.75% senior unsecured notes due 2025 with an aggregate principal amount of US\$300,000,000. The notes were listed and quoted on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and matured on 27 March 2025. On the maturity date, the Company redeemed the notes in full based on its remaining aggregate principal amount and the interest accrued to the maturity date. Please refer to the announcements of the Company dated 25 March 2024 and 2 April 2024 for details.
- (2) On 6 January 2025, the Company announced to issue 7.05% senior unsecured notes due 2028 with an aggregate principal amount of US\$330,000,000. The notes were listed and quoted on the SGX-ST. The net proceeds from the offering by the Company were used for refinancing existing offshore indebtedness and general corporate purposes. The proceeds were fully utilised by the Company for the uses as described in the announcement of the Company dated 6 January 2025. Please refer to the announcements of the Company dated 6 January 2025 and 14 January 2025 for details.
- (3) On 22 May 2025, the Company announced to issue 6.925% senior unsecured notes due 2028 with an aggregate principal amount of US\$270,000,000. The notes were listed and quoted on the SGX-ST. The net proceeds from the offering by the Company were used for general corporate purposes. The proceeds were fully utilised by the Company for the uses as described in the announcement of the Company dated 22 May 2025. Please refer to the announcements of the Company dated 22 May 2025 and 30 May 2025 for details.

CHANGES IN INFORMATION OF DIRECTOR AND CHIEF EXECUTIVE

- (1) Mr. Tian Mingming (田明明先生) resigned as a non-executive Director with effect from 4 August 2025 due to work reallocation.
- (2) Mr. Zhang Hao (張浩先生) has ceased to act as an alternate Director to Mr. Tian Mingming due to the resignation of Mr. Tian Mingming, with effect from 4 August 2025.
- (3) Mr. Tu Yikai (涂一鍇先生) has been appointed as a non-executive Director with effect from 4 August 2025.
- (4) Mr. Zhang Hao (張浩先生) has been appointed as an alternate Director to Mr. Tu Yikai with effect from 4 August 2025.



Supplementary Information

Save as disclosed above, for the six months ended 30 June 2025 and up to the date of publication of this interim report, there was no other change in the Directors and the chief executive of the Company, and the Company was not aware of any other changes in the information of the Directors and the chief executive of the Company which were required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the directors' securities transactions on terms no less exacting than the required standards as set out in the Model Code. Having made specific enquiry with all of the Directors, the Company confirmed that each of the Directors has complied with the standards as set out in the Model Code and the code of conduct of the Company regarding directors' securities transactions throughout the six months ended 30 June 2025 and up to the date of this interim report.

COMPLIANCE WITH THE CG CODE

The Company has applied the principles as set out in the CG Code. During the six months ended 30 June 2025, the Company has complied with the code provisions as set out in the CG Code, except for the following deviation:

Mr. Zhang Bo, the chief executive officer of the Company, concurrently serves as the chairman of the Board. Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and not be performed by the same individual. However, taking into consideration the abundant management experience and industry knowledge of Mr. Zhang Bo and the fact that he is very familiar with the business of the Group, the Board believes that it is beneficial to the continuous and stable development of the business of the Group for Mr. Zhang Bo to serve as both the chairman of the Board and the chief executive officer of the Company. Furthermore, the members of the Board also include qualified professionals and other experienced individuals. The Board considers the current composition of the Board can ensure a balance of power and authority with the support of the Board committees and the vice chairman of the Board.

Save as disclosed above, there was no non-compliance of other code provisions as set out in the CG Code by the Company during the six months ended 30 June 2025.

DISCLOSURE OF INFORMATION ON WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The electronic version of this interim report will be published on or before 15 September 2025, and will be available on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hongqiaochina.com.



Report on Review of Interim Condensed Consolidated Financial Information



SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

TO THE BOARD OF DIRECTORS OF CHINA HONGQIAO GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial information of China Hongqiao Group Limited (the “**Company**”) and its subsidiaries set out on pages 28 to 76, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) require the preparation of a report on interim condensed financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “**Interim Financial Reporting**” (“**IAS 34**”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial information in accordance with IAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial information are not prepared, in all material respects, in accordance with IAS 34.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Kwan Chi Fung

Practising Certificate Number: P06614

Hong Kong

15 August 2025 ▶▶▶



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Notes			
Revenue	4	81,039,092	73,592,249
Cost of sales		(60,233,901)	(55,790,488)
Gross profit		20,805,191	17,801,761
Other income and gains	5	1,492,075	1,837,861
Selling and distribution expenses		(354,125)	(366,499)
Administrative expenses		(2,321,954)	(2,453,793)
Other expenses	6	(274,499)	(596,468)
Finance costs	8	(1,284,152)	(1,561,045)
Changes in fair value of financial instruments	22	(2,105,114)	(1,614,777)
Share of profits of associates		1,806,560	823,949
Profit before taxation		17,763,982	13,870,989
Income tax expense	7	(4,212,672)	(3,863,113)
Profit for the period	8	13,551,310	10,007,876
Profit for the period attributable to:			
Owners of the Company		12,361,046	9,154,911
Non-controlling interests		1,190,264	852,965
		13,551,310	10,007,876
Other comprehensive income (expense) for the period			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		216,097	(48,492)
Share of other comprehensive expense of associates		(14,618)	(39,200)
Other comprehensive income (expense) for the period		201,479	(87,692)
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Fair value gain (loss) on investments in equity instruments at fair value through other comprehensive income		5,553	(198,462)
Total comprehensive income for the period, net of income tax		13,758,342	9,721,722
Total comprehensive income for the period attributable to:			
Owners of the Company		12,706,803	8,884,894
Non-controlling interests		1,051,539	836,828
		13,758,342	9,721,722
Earnings per share	10		
– Basic (RMB)		1.314	0.966
– Diluted (RMB)		1.314	0.966



Condensed Consolidated Statement of Financial Position

At 30 June 2025

		As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	11	79,220,739	75,393,127
Right-of-use assets	12	9,689,602	9,668,117
Intangible assets		37,306	45,352
Investment properties		33,725	35,298
Deposits paid for acquisition of property, plant and equipment		1,298,471	1,349,009
Deferred tax assets		2,587,836	2,621,516
Interests in associates	13	15,342,726	13,222,431
Loan to an associate		2,000,000	2,000,000
Goodwill	14	197,806	278,224
Financial asset at amortised cost	30	2,494,000	2,494,000
Financial assets at fair value through other comprehensive income	15	1,150,363	1,144,810
Financial assets at fair value through profit or loss	16	11,545,197	11,088,589
		125,597,771	119,340,473
CURRENT ASSETS			
Inventories	17	36,014,684	37,344,003
Trade receivables	18	8,396,138	9,773,923
Bills receivables	19	721,051	6,602,454
Prepayments and other receivables	20	5,825,035	7,811,711
Income tax recoverable		463,744	370,768
Restricted bank deposits	21	2,700,144	2,797,477
Cash and cash equivalents	21	48,744,597	44,770,241
		102,865,393	109,470,577
Non-current assets classified as held for sale		–	353,982
		102,865,393	109,824,559
CURRENT LIABILITIES			
Trade and bills payables	23	11,882,283	14,930,515
Other payables and accruals		11,631,573	13,213,465
Bank borrowings – due within one year	24	36,300,681	34,168,202
Lease liabilities	12	26,663	25,429
Income tax payable		2,058,644	3,674,186
Short-term debentures and notes	26	2,000,000	3,000,000
Medium-term debentures and bonds – due within one year	27	9,348,209	5,781,304
Liability component of convertible bonds – due within one year	29	2,087,015	–
Derivatives component of convertible bonds – due within one year	29	4,402,710	–
Guaranteed notes – due within one year	28	–	2,154,409
Deferred income		21,634	35,039
		79,759,412	76,982,549

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
NET CURRENT ASSETS		23,105,981	32,842,010
TOTAL ASSETS LESS CURRENT LIABILITIES		148,703,752	152,182,483
NON-CURRENT LIABILITIES			
Bank borrowings – due after one year	24	10,783,231	14,134,227
Other financial liability	25	2,818,615	2,730,955
Lease liabilities	12	951,772	932,053
Liability component of convertible bonds – due after one year	29	1,524,412	2,093,235
Derivatives component of convertible bonds – due after one year	29	814,609	2,109,265
Guaranteed notes – due after one year	28	4,351,259	–
Deferred tax liabilities		459,976	488,057
Medium-term debentures and bonds – due after one year	27	9,145,222	9,553,655
Deferred income		1,530,073	1,527,538
		32,379,169	33,568,985
NET ASSETS		116,324,583	118,613,498
CAPITAL AND RESERVES			
Share capital	31	605,401	618,881
Reserves	32	110,074,364	107,181,060
Equity attributable to owners of the Company		110,679,765	107,799,941
Non-controlling interests		5,644,818	10,813,557
TOTAL EQUITY		116,324,583	118,613,498



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company							Non-controlling interests		Total
	Share capital RMB'000	Share premium RMB'000	Investment revaluation reserve RMB'000 (Note 32)	Capital reserve RMB'000 (Note 32)	Translation reserve RMB'000 (Note 32)	Statutory surplus reserve RMB'000 (Note 32)	Retained earnings RMB'000	Total RMB'000	interests RMB'000	RMB'000
At 1 January 2025 (Audited)	618,881	25,040,832	(141,442)	1,466,411	218,620	26,028,919	54,567,720	107,799,941	10,813,557	118,613,498
Profit for the period	-	-	-	-	-	-	12,361,046	12,361,046	1,190,264	13,551,310
Other comprehensive income (expense) for the period:										
Fair value gain on investments in equity instruments at fair value through other comprehensive income	-	-	5,553	-	-	-	-	5,553	-	5,553
Exchange differences on translation of foreign operations	-	-	-	-	354,822	-	-	354,822	(138,725)	216,097
Share of other comprehensive income of associates	-	-	-	-	(14,618)	-	-	(14,618)	-	(14,618)
Total comprehensive income (expense) for the period	-	-	5,553	-	340,204	-	12,361,046	12,706,803	1,051,539	13,758,342
Capital contribution	-	-	-	-	-	-	-	-	28,573	28,573
Shares repurchased and cancelled (note 31)	(13,480)	(2,404,994)	-	-	-	-	-	(2,418,474)	-	(2,418,474)
Change in ownership in interest in subsidiaries (note 36)	-	-	-	1,257,628	-	-	-	1,257,628	(5,331,531)	(4,073,903)
Dividend paid (note 9)	-	-	-	-	-	-	(8,666,133)	(8,666,133)	-	(8,666,133)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(917,320)	(917,320)
	(13,480)	(2,404,994)	-	1,257,628	-	-	(8,666,133)	(9,826,979)	(6,220,278)	(16,047,257)
At 30 June 2025 (Unaudited)	605,401	22,635,838	(135,889)	2,724,039	558,824	26,028,919	58,262,633	110,679,765	5,644,818	116,324,583

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company							Non-controlling interests	
	Share capital RMB'000	Share premium RMB'000	Investment revaluation reserve RMB'000 (Note 32)	Capital reserve RMB'000 (Note 32)	Translation reserve RMB'000 (Note 32)	Statutory surplus reserve RMB'000 (Note 32)	Retained earnings RMB'000	Total RMB'000	Total RMB'000
At 1 January 2024 (Audited)	618,881	25,040,832	(860,981)	327,046	426,433	18,820,750	47,871,717	92,244,678	106,256,445
Profit for the period	-	-	-	-	-	-	9,154,911	9,154,911	10,007,876
Other comprehensive (expense) income for the period:									
Fair value loss on investments in equity instruments at fair value through other comprehensive income	-	-	(198,462)	-	-	-	-	(198,462)	(198,462)
Disposal of financial assets at fair value through other comprehensive income	-	-	809,622	-	-	-	(809,622)	-	-
Exchange differences on translation of foreign operations	-	-	-	-	(32,355)	-	-	(32,355)	(48,492)
Share of other comprehensive expense of associates	-	-	-	-	(39,200)	-	-	(39,200)	(39,200)
Total comprehensive income (expense) for the period	-	-	611,160	-	(71,555)	-	8,345,289	8,884,894	9,721,722
Capital contribution	-	-	-	-	-	-	-	-	37,011
Change in ownership in interest in subsidiaries (note 36)	-	-	-	1,139,365	-	-	-	1,139,365	(4,223,374)
Dividend paid (note 9)	-	-	-	-	-	-	(2,497,093)	(2,497,093)	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(358,601)
	-	-	-	1,139,365	-	-	(2,497,093)	(1,357,728)	(4,544,964)
At 30 June 2024 (Unaudited)	618,881	25,040,832	(249,821)	1,466,411	354,878	18,820,750	53,719,913	99,771,844	110,075,475



Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

For the six months ended 30 June

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
OPERATING ACTIVITIES		
Cash generated from operations	28,221,334	17,875,708
Income tax paid	(5,915,591)	(3,612,009)
NET CASH GENERATED FROM OPERATING ACTIVITIES	22,305,743	14,263,699
INVESTING ACTIVITIES		
Purchase of property, plant and equipment and deposits for acquisition of property, plant and equipment	(9,893,466)	(5,560,394)
Placement of restricted bank deposits	(1,577,211)	(1,248,508)
Loan to an associate	(595,012)	(1,096,844)
Capital injection to associates	(731,895)	(5,092)
Addition to right-of-use assets	(115,893)	(214,069)
Proceeds from disposal of an associate	2,192	–
Repayment of loan to an associate	82,938	–
Dividend income received from associates	292,361	–
Proceeds from disposal of non-current assets classified as held for sale	353,982	–
Proceeds from disposal of property, plant and equipment	524,687	3,730
Interest received	568,503	686,557
Withdrawal of restricted bank deposits	1,674,544	806,565
Proceeds from disposal of financial assets at fair value through other comprehensive income	–	166,485
NET CASH USED IN INVESTING ACTIVITIES	(9,414,270)	(6,461,570)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
FINANCING ACTIVITIES		
New bank borrowings	21,901,236	11,409,557
Proceeds from issuance of short-term debentures and notes	2,000,000	3,000,000
Proceeds from issuance of medium-term debentures and bonds	6,100,000	6,500,000
Proceeds from issuance of guaranteed notes	4,311,903	2,131,770
Proceeds from issuance of convertible bonds	2,174,337	–
Receipt of government grants	10,764	20,938
Contribution from non-controlling interests	28,573	37,011
Payment on repurchase of shares	(2,418,474)	–
Acquisition of additional interest in subsidiary	(1,015,184)	(3,084,009)
Transaction costs on issue of convertible bonds	(26,258)	–
Transaction costs on issue of short-term debentures and notes	(6,000)	(9,000)
Transaction costs on issuance of medium-term debentures and bonds	(31,000)	(39,000)
Transaction costs on issuance of guaranteed notes	(36,403)	(17,055)
Payment of lease liabilities	(35,782)	(69,646)
Dividend paid to non-controlling interests	(917,320)	(358,601)
Repayment of medium-term debentures and bonds	(2,929,260)	(4,517,889)
Dividend paid	(8,666,133)	(2,497,093)
Interest expenses paid	(1,192,440)	(1,493,183)
Redemption of guaranteed notes	(2,153,460)	(3,554,300)
Repayment of short-term debentures and notes	(3,000,000)	(3,000,000)
Repayment of bank borrowings	(23,067,823)	(6,522,321)
NET CASH USED IN FINANCING ACTIVITIES	(8,968,724)	(2,062,821)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,922,749	5,739,308
Effect of changes in foreign exchange rates	51,607	41,200
CASH AND CASH EQUIVALENTS AT 1 JANUARY	44,770,241	31,721,122
CASH AND CASH EQUIVALENTS AT 30 JUNE		
represented by bank balances and cash	48,744,597	37,501,630



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

1. CORPORATE INFORMATION

China Hongqiao Group Limited (the “**Company**”) is incorporated in the Cayman Islands as an exempted company under the Companies Law of Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its parent and immediate holding company is China Hongqiao Holdings Limited (“**Hongqiao Holdings**”), a company incorporated in the British Virgin Islands (“**BVI**”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the interim report.

The Company acts as an investment holding company, and its subsidiaries (together with the Company, referred to as the “**Group**”) are principally engaged in the business of manufacture and sales of aluminum products.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), which is also the functional currency of the Company and its subsidiaries in the People’s Republic of China (“**PRC**”) and Hong Kong Special Administrative Region of the PRC (“**Hong Kong**”). The functional currency of subsidiaries established in the Republic of Indonesia (“**Indonesia**”), the Republic of Singapore and the Republic of Guinea is denoted in United States Dollar (“**US\$**”).

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standard 34 (“**IAS 34**”) “Interim Financial Reporting” issued by the International Accounting Standards Board (the “**IASB**”) and the applicable disclosure provisions of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange. This interim condensed consolidated financial information should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards issued by the IASB.

3. PRINCIPAL ACCOUNTING POLICIES

The interim condensed consolidated financial information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except as disclosed below.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS Accounting Standards issued by the IASB which are effective for the Group's financial year beginning on 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial information.

4. REVENUE

An analysis of the Group's revenue is recognised at a point of time as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Revenue from sales of aluminum products		
– molten aluminum alloy	48,738,576	45,216,442
– aluminum alloy ingot	3,139,797	4,095,112
– aluminum fabrication	8,074,302	7,582,091
– alumina products	20,654,946	16,199,655
Steam supply income	431,471	498,949
	81,039,092	73,592,249



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

4. REVENUE (Continued)

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<i>Geographical region</i>		
The PRC	75,358,618	69,531,348
India	2,709,968	1,581,425
Europe	1,023,032	897,978
Malaysia	210,594	210,156
Other Southeast Asia region	1,152,958	320,538
North America	417,647	538,346
Others	166,275	512,458
Total	81,039,092	73,592,249
<i>Type of customers</i>		
Government related	155	219
Non-government related	81,038,937	73,592,030
Total	81,039,092	73,592,249

For management purposes, the Group operates in one business unit based on its products, and has only one reportable segment which is manufacture and sales of aluminum products. Management monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

5. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Amortisation of deferred income	21,634	26,267
Bank interest income	145,137	126,206
Investment income	71,155	71,408
Interest income from associates	329,977	318,282
Other interest income	184,693	182,256
Rental income for investment properties under operating lease	300	300
Gain from sales of raw materials and scraps materials	600,997	597,814
Gain from sales of slag of carbon anode blocks	106,527	509,394
Gain on disposal of property, plant and equipment	25,965	1,186
Reversal of impairment of other receivables	38	45
Reversal of impairment of trade receivables	900	–
Others	4,752	4,703
	1,492,075	1,837,861

6. OTHER EXPENSES

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment loss recognised in respect of trade receivables	–	4,693
Impairment loss recognised in respect of goodwill (note 14)	80,418	–
Impairment loss recognised in respect of property, plant and equipment (note 11)	58,606	534,225
Write-down of inventories to net realisable value (note 17)	135,475	57,550
	274,499	596,468



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

7. INCOME TAX EXPENSE

The Group calculates the period income tax expense using the tax rates that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss and other comprehensive income are:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax:		
– Hong Kong Profits Tax	–	–
– Indonesia Corporate Tax	357,810	124,437
– PRC Enterprise Income Tax	3,849,263	3,344,504
– Withholding tax paid	–	39,725
	4,207,073	3,508,666
Deferred taxation	5,599	354,447
Total income tax expense for the period	4,212,672	3,863,113

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest expenses on bank borrowings	757,681	1,092,646
Interest expenses on short-term debentures and notes	17,962	37,205
Interest expenses on medium-term debentures and bonds	220,192	189,586
Interest expenses on guaranteed notes	193,343	188,544
Interest expenses on convertible bonds	133,162	96,295
Interest expenses on other financial liability	87,660	88,634
Interest expenses on lease liabilities	22,654	21,868
Total interest expense for financial liabilities not measured at fair value through profit or loss ("FVTPL")	1,432,654	1,714,778
Less: amounts capitalised in the cost of qualifying assets	(148,502)	(153,733)
	1,284,152	1,561,045
Amortisation of intangible assets	8,046	2,397
Cost of inventories recognised as an expense	60,233,901	55,790,488
Depreciation of property, plant and equipment	3,576,548	3,414,206
Depreciation of investment properties	1,573	1,430
Depreciation of right-of-use assets	151,143	146,044
Foreign exchange loss, net	368,987	361,202
Research and development expenses (note)	339,320	920,736
Gross rental income from investment properties	300	300
Less: direct operating expenses incurred for investment properties that generated rental income during the period	—	—
	300	300

Note: Included in research and development expenses was staff cost of approximately RMB70,315,000 (six months ended 30 June 2024: RMB151,309,000).



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

9. DIVIDENDS

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Dividends recognised as distribution during the period:		
2024 Final dividend – HK102 cents (2024: 2023 Final dividend – HK29 cents)	8,666,133	2,497,093

No interim dividend in respect of the six months ended 30 June 2025 has been proposed by the directors of the Company (six months ended 30 June 2024: HK59 cents per share).

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings		
Earnings for the purpose of basic earnings per share	12,361,046	9,154,911
Effect of dilutive potential ordinary shares:		
Interest expense on liability component of convertible bonds	–	–
Changes in fair values of derivatives component of convertible bonds	–	–
Exchange loss on translation of liability component of convertible bonds	–	–
Earnings for the purpose of diluted earnings per share	12,361,046	9,154,911

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

10. EARNINGS PER SHARE (Continued)

	Six months ended 30 June	
	2025 '000 (Unaudited)	2024 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	9,404,674	9,475,538
Effect of dilutive potential ordinary shares:		
Convertible bonds	—	—
Weighted average number of ordinary shares for the purposes of diluted earnings per share	9,404,674	9,475,538

The computation of diluted earnings per share for the six months ended 30 June 2025 and 2024 did not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in an increase in earnings per share.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group purchased property, plant and equipment of approximately RMB469,057,000 (six months ended 30 June 2024: RMB411,154,000), and disposed plant and machinery and motor vehicles with carrying amount of approximately RMB498,722,000 (six months ended 30 June 2024: RMB2,544,000).

During the six months ended 30 June 2025, the Group also spent approximately RMB7,698,419,000 (six months ended 30 June 2024: RMB4,816,750,000) on the construction of its new product lines and plant.

When any indicators of impairment or reversal of impairment are identified, property, plant and equipment are reviewed for impairment or reversal of impairment based on each cash generating unit ("CGU"). The CGU is an individual plant. The carrying values of these individual plants were compared to the recoverable amounts of the CGUs, which were based on fair values less costs of disposal or value-in-use. Market comparison approach is used to measure the fair value less costs of disposal of the CGU which is based on the recent transaction prices for similar property, plant and equipment adjusted for nature, location and conditions of the relevant assets. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering expected earning period.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the six months ended 30 June 2025, the directors of the Company conducted a review and determined that certain plant and equipment were impaired. The recoverable amounts of relevant property, plant and equipment were determined based on the higher of their value in use and fair value less costs of disposal and the impairment of approximately RMB58,606,000 (six months ended 30 June 2024: RMB534,225,000) had been recognised in profit or loss.

No reversal of impairment of property, plant and equipment was recognised during the six months ended 30 June 2025 and 2024.

There are properties with a carrying amount of approximately RMB4,046,157,000 (31 December 2024: RMB5,215,238,000) located in the PRC of which the Group is in the process of obtaining the ownership certificates. In the opinion of the directors of the Company, there is no legal barrier or otherwise for the Group to obtain the relevant title ownership certificates for these buildings from the relevant PRC authority.

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

As at 30 June 2025, right-of-use assets of approximately RMB9,652,886,000 (31 December 2024: RMB9,623,399,000) represents land use rights located in the PRC and Indonesia for a period of 20 to 70 years. During the six months ended 30 June 2025, the Group purchased land use rights located in the PRC of approximately RMB115,893,000 (six months ended 30 June 2024: RMB214,069,000).

As at 30 June 2025, the Group is still in the process of obtaining the land certificate with the carrying amount of approximately RMB204,065,000 (31 December 2024: RMB267,668,000). In the opinion of the directors of the Company, based on the advice from the Group's external legal adviser, the absence of the land certificate does not impair its carrying value to the Group.

During the six months ended 30 June 2025, the Group entered into a number of new lease agreements for land use rights and recognised right-of-use assets of approximately RMB56,735,000 (six months ended 30 June 2024: offices premises and land use rights of approximately RMB2,119,000 and RMB60,136,000 respectively).

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(ii) Lease liabilities

As at 30 June 2025, the carrying amount of lease liabilities was approximately RMB978,435,000 (31 December 2024: RMB957,482,000).

(iii) Amount recognised in profit or loss

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Depreciation of right-of-use assets	151,143	146,044
Interest expense on lease liabilities	22,654	21,868

(iv) Others

During the six months ended 30 June 2025, the total cash outflow for leases (excluded payments on purchase of land use rights) amounted to approximately RMB58,436,000 (six months ended 30 June 2024: RMB91,514,000).



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

13. INTERESTS IN ASSOCIATES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Costs of investments in associates	6,554,989	5,829,094
Share of profits and other comprehensive income, net of dividends received	2,371,945	1,489,619
	8,926,934	7,318,713
Loan to associates	6,415,792	5,903,718
	15,342,726	13,222,431

The loan to associates of US\$370,928,000, equivalent to approximately RMB2,655,325,000 (31 December 2024: US\$380,920,000, equivalent to approximately RMB2,738,263,000) is unsecured, interest bearing at Secured Overnight Financing Rate (“SOFR”) + 3% and no fixed term for repayment.

The remaining loan to associates of US\$525,308,000, equivalent to approximately RMB3,760,467,000 (31 December 2024: US\$424,818,000, equivalent to approximately RMB3,165,455,000) is unsecured, interest bearing at SOFR + 5% and no fixed term for repayment.

During the six months ended 30 June 2025, the Group made additional contribution to an existing associate with an amount of approximately RMB731,895,000 (six months ended 30 June 2024: RMB5,092,000) and disposal of an associate with an amount of approximately RMB2,192,000 (six months ended 30 June 2024: nil).

The Group’s payable balances with the associates are disclosed in note 37.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

14. GOODWILL

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cost		
At beginning and at the end of the financial period/year	1,934,457	1,934,457
Impairment		
At beginning of the financial year	1,656,233	1,656,233
Impairment loss recognised during the period	80,418	–
At the end of the financial period/year	1,736,651	1,656,233
Carrying amount		
At the end of the financial period/year	197,806	278,224

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

During the six months ended 30 June 2025, the Group recognised an impairment loss of approximately RMB80,418,000 (six months ended 30 June 2024: nil) in relation to goodwill arising on acquisition of Binzhou Hongnuo New Materials Co., Ltd. (“**Binzhou Hongnuo**”), resulting in the carrying amount of the CGU being written down to its recoverable amount. The impairment loss of goodwill was resulted from decrease in value-in-use of Binzhou Hongnuo. No impairment loss has been recognised during the year ended 31 December 2024.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

Financial assets at fair value through other comprehensive income (“**FVTOCI**”) comprise:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Equity instrument as at FVTOCI		
– Listed	1,066,003	1,060,450
– Unlisted	84,360	84,360
	1,150,363	1,144,810

The fair value of these investments is disclosed in note 33.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”) (Continued)

The investments in listed equity securities are as follows:

Name of listed equity securities	Place of listing	Fair value	
		30 June 2025	31 December 2024
		RMB'000 (Unaudited)	RMB'000 (Audited)
WEIHAI BANK CO., LTD.	Hong Kong	742,483	736,124
Innovation New Material Technology Co., Ltd.	Shanghai	172,544	167,215
Thunder Software Technology Co., Ltd.	Shenzhen	149,993	156,128
Others	Hong Kong	983	983
		1,066,003	1,060,450

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

During the six months ended 30 June 2024, the Group had disposed a listed equity security at consideration of RMB166,485,000 (2025: nil) which approximate its fair value.

As at 30 June 2025, the investment in unlisted equity security represents the Group's interest in a private entity established in the PRC which engaged in development and application of semiconductor materials.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

	As at	
	30 June 2025	31 December 2024
	RMB'000 (Unaudited)	RMB'000 (Audited)
Financial assets at FVTPL		
– Limited partnerships	11,545,197	11,088,589

The fair value of these investments is disclosed in note 33.

The directors of the Company consider that the Group does not have any control nor significant influence to affect the variable returns through its investment in those enterprises or similar activities.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

17. INVENTORIES

During the period, write-down of inventories of approximately RMB135,475,000 (six months ended 30 June 2024: RMB57,550,000) has been recognised.

During the six months ended 30 June 2025, inventories previously impaired were sold or used. As a result, a reversal of provision of approximately RMB213,738,000 (six months ended 30 June 2024: RMB106,365,000) has been recognised and included in cost of sales.

18. TRADE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables	8,404,372	9,783,057
Less: allowance for impairment loss	(8,234)	(9,134)
	8,396,138	9,773,923

The Group allows an average credit period of 90 days to its trade customers with trading history, or otherwise sales on cash terms are required. The following is an ageing analysis of trade receivables, net of allowance for impairment of trade receivables, presented based on the date of delivery of goods, which approximates the respective revenue recognition dates, at the end of the reporting period.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 3 months	5,923,395	6,583,327
3 to 12 months	2,463,063	3,187,646
12 to 24 months	9,680	2,950
	8,396,138	9,773,923



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

19. BILLS RECEIVABLES

The ageing analysis of bills receivables presented based on the issue date at the end of the reporting period is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 3 months	535,492	3,248,513
3 to 6 months	182,964	3,334,259
Over 6 months	2,595	19,682
	721,051	6,602,454

TRANSFERS OF FINANCIAL ASSETS

The following were the Group's financial assets transferred to suppliers by endorsing those bills receivables on a full recourse basis. As the Group has retained the significant risks and rewards which include default risks, relating to these bills receivables, it continues to recognise the full carrying amount of the bills receivables and the corresponding trade payables and other payables in the condensed consolidated statement of financial position. Subsequent to the endorsement, the Group did not retain any rights on the use of the endorsed bills, including the sale, transfer or pledge of the endorsed bills to any other third parties. These financial assets and financial liabilities are carried at amortised cost in the condensed consolidated statement of financial position.

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Bills receivables endorsed to suppliers with full recourse (note)		
Carrying amount of transferred assets	423,036	6,090,027
Carrying amount of trade payables	(423,036)	(6,090,027)
Net position	—	—

Note: The maturity dates of bills receivables have not yet due at the end of the reporting period. As the Group was still exposed to credit risk on these receivables at the end of the reporting period, the cash received from the bills endorsed to the suppliers for which the maturity dates have not yet been due are recognised as current liabilities in the condensed consolidated statement of financial position.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

20. PREPAYMENTS AND OTHER RECEIVABLES

The balance consists of prepayments and other receivables at cost of:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Prepayments to suppliers	1,596,021	4,322,776
Value-added tax recoverable	2,416,435	2,375,154
Other receivables	1,835,967	1,137,207
	5,848,423	7,835,137
Less: allowance for impairment loss	(23,388)	(23,426)
	5,825,035	7,811,711

21. CASH AND CASH EQUIVALENTS AND RESTRICTED BANK DEPOSITS

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cash and bank balances	48,744,597	44,770,241
Restricted bank deposits	2,700,144	2,797,477
	51,444,741	47,567,718
Less:		
Restricted bank deposits:		
– pledged for bills payables	(1,683,419)	(1,687,494)
– pledged for issuance of letter of credit	(623,766)	(800,193)
– pledged for guarantee issued	(392,959)	(309,790)
Cash and cash equivalents	48,744,597	44,770,241



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

22 CHANGES IN FAIR VALUES OF FINANCIAL INSTRUMENTS

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Changes in fair values arising from:		
– derivatives component of convertible bonds (note 29)	(2,561,722)	(1,387,102)
– financial assets at FVTPL (note 16)	456,608	(227,675)
	(2,105,114)	(1,614,777)

23. TRADE AND BILLS PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables	11,481,244	14,567,452
Bills payables	401,039	363,063
	11,882,283	14,930,515

Included in trade payables are creditors with the following ageing analysis presented based on the invoice date at the end of the reporting period:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 6 months	10,236,536	13,685,014
6 to 12 months	768,832	566,827
1 to 2 years	435,479	295,197
More than 2 years	40,397	20,414
	11,481,244	14,567,452

The average credit period on purchases of goods is six months. Bills payables were bills of acceptance with maturity of less than one year.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

24. BANK BORROWINGS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Current		
Secured bank borrowings	8,099,641	10,254,860
Unsecured bank borrowings	28,201,040	23,913,342
	36,300,681	34,168,202
Non-current		
Secured bank borrowings	6,302,299	5,292,796
Unsecured bank borrowings	4,480,932	8,841,431
	10,783,231	14,134,227
	47,083,912	48,302,429

Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within one year	36,300,681	34,168,202
In the second year	4,092,099	8,099,946
In the third to fifth years, inclusive	3,700,993	4,923,512
Over fifth years	2,990,139	1,110,769
	47,083,912	48,302,429

Fixed-rate borrowings with an aggregate carrying amount of approximately RMB11,182,192,000 (31 December 2024: RMB31,079,784,000) denominated in RMB at interest rate ranged from 3.20% to 7.10% (31 December 2024: 3.50% to 7.50%) per annum as at 30 June 2025.

In addition, the Group has variable-rate borrowings denominated in RMB at floating rates calculated based on the borrowing rates announced by the People's Bank of China (the "PBOC") or China Foreign Exchange Trading System & National Interbank Funding Center ("CFETS"). Interests on borrowings denominated in US\$ at floating rates are calculated based on Secured Overnight Financing Rate.

Bank borrowings of RMB3,200,000,000 (31 December 2024: RMB6,600,000,000) are guaranteed by a related party and was set out in note 37(c).



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

25. OTHER FINANCIAL LIABILITY

On 21 December 2023, Shandong Hongtuo Industrial Company Limited (“**Shandong Hongtuo**”)* 山東宏拓實業有限公司, a subsidiary of the Company, entered into various capital contribution agreements with the investors for the capital contributions (at an aggregate cash consideration of RMB2,962,600,000). Details of the capital contributions are set out in the Company’s announcements dated 21 December 2023.

Pursuant to the capital contributions from investors as mentioned above, a redemption right is granted by the Company to each investor.

Each investor shall have the right to request Shandong Weiqiao Aluminum & Power Co., Ltd. (“**Shandong Weiqiao**”)* 山東魏橋鋁電有限公司, Shandong Hongqiao New Material Co., Ltd. (“**Shandong Hongqiao**”)* 山東宏橋新型材料有限公司, which are the subsidiaries of the Company, or other related parties designated by Shandong Weiqiao other than Shandong Hongtuo and Shandong Hongqiao (one or more parties, singly or collectively, the “**Repurchase Obligor(s)**”) to repurchase all of their equity interests in Shandong Hongtuo at the redemption price, if any of the triggering events occurs during the redemption period, which commenced from the date of the completion of each capital contribution or before 31 December 2026.

The key triggering events included:

- (i) Shandong Hongtuo fails to conduct an initial public offering and the listing of its securities on the Stock Exchange in the PRC after 36 months of capital contribution, unless such failure was a result of non-cooperation by the investors or any force majeure events as set out in the capital contributions agreements; and
- (ii) Fails to fulfill dividend distribution policy (i.e. 30% of distributable profit) and anti-dilution compensation (i.e. subscription price for new registered capital cannot be lower than this capital contributions) as set out in the capital contributions agreements.

The redemption price was the principal amount plus accrued interest, being 6% per annum calculated from the date of the completion of each capital contribution to the date of receipt of the redemption price by each investors, less any dividends income received by each investor as the shareholders of Shandong Hongtuo.

In the opinion of the directors of the Company, except for the successful listing of Shandong Hongtuo, the Group has the control of all other triggering events and does not expect redemption will occur within next twelve months from the end of the reporting period.

* The English translation is for reference only.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

25. OTHER FINANCIAL LIABILITY (Continued)

The redemption right constituted a contract that contains an obligation for the Group to repurchase the equity instruments of the subsidiaries of the Company gives rise to a redemption financial liability recognised at the present value of the redemption price, being RMB2,962,600,000, and subsequently measured at amortised cost. The movements in the redemption financial liability are as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
At the beginning of the period	2,730,955	2,965,195
Interest expense	87,660	177,756
Dividend paid	–	(411,996)
At the end of the period	2,818,615	2,730,955

26. SHORT-TERM DEBENTURES AND NOTES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Short-term debentures and notes	2,000,000	3,000,000



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

26. SHORT-TERM DEBENTURES AND NOTES (Continued)

The details of the unsecured short-term debentures and notes issued and outstanding as at 30 June 2025 and 31 December 2024 are set out as follows:

Debentures	Date of issue	Principal amount		Interest rate	Date of maturity
		30 June 2025	31 December 2024		
		RMB'000 (Unaudited)	RMB'000 (Audited)		
Short-term debentures M	11 January 2024	–	1,000,000	3.30%	11 January 2025
Short-term debentures N	6 February 2024	–	1,000,000	3.19%	6 February 2025
Short-term debentures O	17 May 2024	–	1,000,000	2.80%	17 May 2025
Short-term debentures P	23 May 2025	1,000,000	–	2.10%	23 May 2026
Short-term debentures Q	11 June 2025	1,000,000	–	2.00%	11 June 2026

The short-term debentures and notes were issued to various independent third parties according to the approvals issued by National Association of Financial Market Institutional Investors (“NAFMII”). Interest is payable annually.

27. MEDIUM-TERM DEBENTURES AND BONDS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Medium-term debentures and bonds – due within one year	9,348,209	5,781,304
Medium-term debentures and bonds – due after one year	9,145,222	9,553,655
	18,493,431	15,334,959

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

27. MEDIUM-TERM DEBENTURES AND BONDS (Continued)

The details of the unsecured, medium-term debentures and bonds issued and outstanding as at 30 June 2025 and 31 December 2024 are set out as follows:

		Principal amount				
		30 June 2025	31 December 2024	Coupon	Effective	
		RMB'000	RMB'000	interest	interest	Date of
Debentures	Date of issue	(Unaudited)	(Audited)	rate	rate	maturity
Unlisted						
Medium-term debentures S	29 March 2023	–	300,000	4.82%	4.82%	29 March 2025
Medium-term debentures T	13 April 2023	–	1,000,000	4.96%	4.82%	13 April 2025
Medium-term debentures U	16 June 2023	–	600,000	5.00%	4.82%	16 June 2025
Medium-term debentures V	28 July 2023	720,000	720,000	4.95%	4.82%	28 July 2025
Medium-term debentures W	21 August 2023	300,000	300,000	4.95%	4.82%	21 August 2025
Medium-term debentures X	26 December 2023	300,000	300,000	4.80%	4.82%	26 December 2025
Medium-term debentures Y	19 January 2024	1,000,000	1,000,000	4.00%	4.31%	19 January 2026
Medium-term debentures Z	1 February 2024	1,000,000	1,000,000	3.78%	4.10%	1 February 2026
Medium-term debentures AA	4 March 2024	1,000,000	1,000,000	3.60%	3.92%	4 March 2026
Medium-term debentures AB	22 March 2024	1,000,000	1,000,000	3.50%	3.91%	22 March 2026
Medium-term debentures AC	12 April 2024	1,000,000	1,000,000	3.50%	3.82%	12 April 2026
Medium-term debentures AD	14 June 2024	1,000,000	1,000,000	2.60%	2.91%	14 June 2026
Medium-term debentures AE	27 June 2024	500,000	500,000	2.57%	2.88%	27 June 2026
Medium-term debentures AG	11 July 2024	300,000	300,000	3.07%	3.36%	11 July 2027
Medium-term debentures AH	26 July 2024	1,000,000	1,000,000	3.00%	3.29%	26 July 2027
Medium-term debentures AI	8 August 2024	1,000,000	1,000,000	2.80%	3.12%	8 August 2027
Medium-term debentures AJ	13 September 2024	300,000	300,000	2.95%	3.28%	13 September 2027
Medium-term debentures AK	9 January 2025	300,000	–	2.65%	2.86%	9 January 2028
Medium-term debentures AL	16 January 2025	500,000	–	3.50%	3.84%	16 January 2030
Medium-term debentures AM	20 February 2025	1,000,000	–	2.65%	2.86%	20 February 2028
Medium-term debentures AN	2 April 2025	300,000	–	3.60%	3.64%	2 April 2030
Medium-term debentures AO	17 April 2025	1,000,000	–	2.60%	2.81%	17 April 2028
Medium-term debentures AP	8 May 2025	1,000,000	–	2.50%	2.71%	8 May 2027
Medium-term debentures AQ	14 May 2025	500,000	–	2.50%	2.71%	14 May 2027
Medium-term debentures AR	29 May 2025	500,000	–	3.30%	3.52%	29 May 2030
Medium-term debentures AU	20 June 2025	1,000,000	–	2.40%	2.81%	20 June 2028
Listed						
Enterprise bonds P	13 June 2022	–	1,000,000	4.30%	4.52%	13 June 2025
Enterprise bonds Q	3 August 2022	1,000,000	1,000,000	4.50%	4.60%	3 August 2025
Enterprise bonds R	3 November 2022	550,000	620,000	4.00%	4.12%	3 November 2027
Enterprise bonds S	3 July 2024	500,000	500,000	3.08%	3.41%	3 July 2027



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

27. MEDIUM-TERM DEBENTURES AND BONDS (Continued)

Enterprise bonds were issued according to the approvals issued by National Development and Reform Commission and are listed on Shanghai Stock Exchange and carry interest at coupon rate with the issuer's option to adjust the rate at pre-agreed dates.

According to the terms and conditions of enterprise bonds R, the bonds holders have a right to redeem all or part of the bonds at a redemption price equal to 100% of the principal plus accrued and unpaid interest at the end of each year and the Group has a right to adjust the interest rate of the enterprise bonds. As a result, enterprise bonds R was classified as current liabilities as at 30 June 2025 and 31 December 2024.

Debentures were issued to various independent third parties according to the approvals issued by NAFMII and all of the debentures carry interest at fixed rate without any early redemption clause.

Interest is payable annually. Issue costs are included in the carrying amount of the medium-term debentures and bonds and amortised over the period of the medium-term debentures and bonds using the effective interest method.

28. GUARANTEED NOTES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Amounts shown under current liabilities	–	2,154,409
Amounts shown under non-current liabilities	4,351,259	–
	4,351,259	2,154,409

On 6 January 2025, the Company issued 7.05% guaranteed notes with the aggregate principal amount of US\$330,000,000 (equivalent to approximately RMB2,398,176,000) (the “**January 2028 Guaranteed Notes**”) which are guaranteed by certain subsidiaries of the Group. The January 2028 Guaranteed Notes will mature on 10 January 2028.

On 22 May 2025, the Company issued 6.925% guaranteed notes with the aggregate principal amount of US\$270,000,000 (equivalent to approximately RMB1,970,811,000) (the “**November 2028 Guaranteed Notes**”) which are guaranteed by certain subsidiaries of the Group. The November 2028 Guaranteed Notes will mature on 29 November 2028.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

28. GUARANTEED NOTES (Continued)

On 25 March 2024, the Company issued 7.75% guaranteed notes with the aggregate principal amount of US\$300,000,000 (equivalent to approximately RMB2,131,770,000) (the “**2025 Guaranteed Notes**”) which are guaranteed by certain subsidiaries of the Group. The 2025 Guaranteed Notes will mature on 27 March 2025. On 27 March 2025, the Company has redeemed the 2025 Guaranteed Notes in full at their principal amount together with interests accrued to the maturity date.

29. CONVERTIBLE BONDS

On 25 January 2021, the Company issued a convertible bonds (“**2021 CBs**”) bearing interest at 5.25% per annum, which were due on 25 January 2026 with an aggregate principal amount of US\$300,000,000. The 2021 CBs were denominated in US\$ and entitle the holders to convert them into ordinary shares of the Company at an original conversion price of HK\$8.91 per share (subject to adjustment as provided in the term of agreements) with fixed exchange rate of HK\$7.7530 equal to US\$1.00 at any time on or after 7 March 2021 and thereafter up to the close of business on the tenth day prior to the maturity date or if such bonds shall have been called for redemption by the holders before maturity date, then up to and including the close of business on a date no later than 10 days prior to the date fixed for redemption thereof. Unless previously redeemed, converted, purchased and cancelled, all convertible bonds outstanding on maturity date shall be repaid by the Company at its principal amount outstanding on maturity date plus accrued interest. The Company may, at the option of the holders, on giving not more than 60 days and not less than 30 days prior to the put option date, on 25 January 2023, redeem the outstanding 2021 CBs in whole or in part at 100% of the principal amount and accrued interest to the respective date fixed for redemption. At the issue date, the 2021 CBs were bifurcated into liability and derivative components. The effective interest rate of the liability component of 2021 CBs is 9.872% per annum.

On 27 March 2025, the Company issued a new convertible bonds (“**2025 CBs**”) bearing interest at 1.50% per annum, which were due on 26 March 2030 with an aggregate principal amount of US\$300,000,000. The 2025 CBs were denominated in US\$ and entitle the holders to convert them into ordinary shares of the Company at a conversion price of HK\$20.88 per share with fixed exchange rate of HK\$7.7719 equal to US\$1.00 at any time on or after 26 March 2028 and thereafter up to the close of business on the tenth day prior to the maturity date or if such bonds shall have been called for redemption by the holders before maturity date, then up to and including the close of business on a date no later than 10 days prior to the date fixed for redemption thereof. Unless previously redeemed, converted, purchased and cancelled, all convertible bonds outstanding on maturity date shall be repaid by the Company at its principal amount outstanding on maturity date plus accrued interest. The Company may, at the option of the holders, on giving not more than 60 days and not less than 30 days prior to the put option date, on 9 April 2028, redeem the outstanding 2025 CBs in whole or in part at 100% of the principal amount and accrued interest to the respective date fixed for redemption. At the issue date, the 2025 CBs were bifurcated into liability and derivative components. The effective interest rate of the liability component of 2025 CBs is 9.380% per annum.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

29. CONVERTIBLE BONDS (Continued)

The movements of the liability and derivatives components of the 2021 CBs and 2025 CBs and the reconciliation of Level 3 fair value measurement during the reporting period are set out below:

	Liability component of 2021 CBs RMB'000	Derivatives component of 2021 CBs RMB'000	Liability component of 2025 CBs RMB'000	Derivatives component of 2025 CBs RMB'000	Total RMB'000
As at 1 January 2024 (Audited)	1,963,567	521,919	–	–	2,485,486
Changes in fair values	–	1,387,102	–	–	1,387,102
Effective interest expenses	96,295	–	–	–	96,295
Interest paid	(56,893)	–	–	–	(56,893)
Exchange translation	41,560	25,322	–	–	66,882
As at 30 June 2024 (Unaudited)	2,044,529	1,934,343	–	–	3,978,872
As at 1 January 2025 (Audited)	2,093,235	2,109,265	–	–	4,202,500
At issuance date	–	–	1,544,536	629,801	2,174,337
Transaction costs	–	–	(26,258)	–	(26,258)
Changes in fair values	–	2,366,403	–	195,319	2,561,722
Effective interest expenses	98,425	–	34,737	–	133,162
Interest paid	(57,026)	–	(8,147)	–	(65,173)
Exchange translation	(47,619)	(72,958)	(20,456)	(10,511)	(151,544)
As at 30 June 2025 (Unaudited)	2,087,015	4,402,710	1,524,412	814,609	8,828,746

No redemption, purchase or cancellation by the Company has been made in respect of the 2021 CBs and 2025 CBs during the six months ended 30 June 2025 and 2024.

As a result of the Company's declaration of dividend, the conversion price of the 2021 CBs was adjusted to HK\$5.68 per share (31 December 2024: HK\$6.14) and 2025 CBs was adjusted to HK\$19.36 (27 March 2025: HK\$20.88) with effect from 30 May 2025. Save for this alteration, all other terms and conditions of the outstanding 2021 CBs and 2025 CBs remained unchanged. The relevant ordinary resolution was duly passed at the annual general meeting.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

29. CONVERTIBLE BONDS (Continued)

As at 30 June 2025, the principal amount of the 2021 CBs that remained outstanding amounted to US\$300,000,000 (31 December 2024: US\$300,000,000) of which a maximum of 409,489,436 (31 December 2024: 378,811,074) shares and 2025 CBs that remained outstanding amounted to US\$300,000,000 (31 December 2024: nil) of which a maximum of 120,432,334 (31 December 2024: nil) shares may fall to be issued upon their conversions, subject to adjustments provided in the terms of the 2021 CBs and 2025 CBs. Details of the terms of the 2021 CBs and 2025 CBs are set out in announcements of the Company dated 11 June 2021, 25 November 2021, 31 May 2022, 21 November 2022, 31 May 2023, 24 November 2023, 30 May 2024, 22 November 2024, 27 March 2025 and 29 May 2025.

At 30 June 2025 and 31 December 2024, the fair values of the derivatives component of convertible bonds were valued by Asia-Pacific Consulting and Appraisal Limited, an independent qualified professional valuer not connected with the Group. The fair values of the derivatives component of convertible bonds were estimated at the end of reporting period using the binomial option pricing model. The changes in fair value of the derivatives component of convertible bonds were recognised in profit or loss. The inputs into the model were as follows:

	2021 CBs		2025 CBs	
	At 30 June 2025 (Unaudited)	At 31 December 2024 (Audited)	At 30 June 2025 (Unaudited)	At issuance date (Unaudited)
Share price	HK\$17.98	HK\$11.76	HK\$17.98	HK\$15.64
Conversion price	HK\$5.68	HK\$6.14	HK\$19.36	HK\$20.88
Expected volatility	45.72%	46.35%	49.61%	49.30%
Expected life	0.57 years	1.07 years	4.74 years	5.00 years
Risk free rate	4.24%	4.17%	3.78%	4.08%
Expected dividend yield	6.53%	4.01%	5.61%	5.61%



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

30. FINANCIAL ASSET AT AMORTISED COST

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Financial asset at amortised cost		
Collective investment trust B	2,494,000	2,494,000

The collective investment trust B represents asset income trust with 2,494,000,000 units at RMB1 per unit issued by CITIC Trust Co., Ltd. and will be matured on 13 January 2028. The asset income trust carries fixed interest rate of 5.78% per annum.

31. ISSUED CAPITAL

	Number of shares		Share Capital	
	30 June 2025	31 December 2024	30 June 2025 US\$	31 December 2024 US\$
Authorised:				
Ordinary shares of US\$0.01 each	20,000,000,000	20,000,000,000	200,000,000	200,000,000
	30 June 2025	31 December 2024	30 June 2025 US\$	31 December 2024 US\$
Issued and fully paid:				
Ordinary shares of US\$0.01 each	9,288,308,925	9,475,538,425	92,883,089	94,755,384
			Number of shares	Share Capital RMB'000
Issued and fully paid:				
At 1 January 2024 and 31 December 2024			9,475,538,425	618,881
Shares repurchased and cancelled			(187,229,500)	(13,480)
At 30 June 2025			9,288,308,925	605,401

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

31. ISSUED CAPITAL (Continued)

The Company does not have any share option scheme.

All shares issued rank pari passu in all respects with all shares then in issue.

During the six months ended 30 June 2025, the Company repurchased and cancelled a total of 187,229,500 its own ordinary shares on the Stock Exchange at price ranged from HK\$11.26 to HK\$16.16 or at an aggregate consideration of approximately RMB2,418,474,000. The cancellation resulted in a decrease of share capital of RMB13,480,000 and a decrease of shares premium of RMB2,404,994,000 of the Company.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

32. RESERVES

(a) Capital reserve

Capital reserve represents (i) the effect of the group reorganisation completed in March 2010; (ii) deemed capital contribution from its equity holders; (iii) amount of consideration paid by Shandong Hongqiao Financial Factoring Co., Ltd. ("**Chongqing Weiqiao**")* 重慶魏橋金融保理有限公司 acquired from Shandong Weiqiao Chuangye Group Company Limited ("**Weiqiao Chuangye**")* 山東魏橋創業集團有限公司 in 2018; (iv) difference between the carrying amount of non-controlling interests acquired and the consideration paid for acquisition of addition interest in subsidiaries; (v) share of capital reserve of an associate and subsidiaries from Shandong Suotong Innovation Carbon New Material Co., Ltd. ("**Innovation Carbon New Material**")* 山東索通創新炭材料有限公司; and (vi) the difference between the fair value of capital contribution received from the non-controlling interests and the proportionate of the carrying amount of the net assets of the respective subsidiary attributable to owners of the Company being deemed disposed of.

(b) Statutory surplus reserve

In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China ("**PRC**"), those subsidiaries are required to transfer 5% to 10% of the profit after taxation reported under the relevant accounting policies and financial regulations in the PRC to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity owners. The statutory surplus reserve can be used to make up previous year's losses, expand the existing operations or convert into additional capital of the subsidiaries.

* The English names of the above companies are for reference only.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

32. RESERVES (Continued)

(c) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

(d) Investment revaluation reserve

Investments revaluation reserve represents the cumulative gains and losses arising on the revaluation of investments in equity instruments as at FVTOCI.

33. FAIR VALUE DISCLOSURES

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

33. FAIR VALUE DISCLOSURES (Continued)

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2025 and 31 December 2024. The valuation techniques and inputs used in the fair value measurements of each financial instruments on a recurring basis are set out below:

Financial instruments	Fair value hierarchy	Fair value as at		Valuation technique and key inputs
		30/6/2025 RMB'000 (Unaudited)	31/12/2024 RMB'000 (Audited)	
Financial asset at FVTOCI – listed equity instrument	Level 1	1,066,003	1,060,450	Quoted bid prices in an active market
Financial asset at FVTOCI – unlisted equity instrument	Level 3	84,360	84,360	Market approach – Based on price-to-book (“P/B”) multiples of listed entities in similar industry with consideration of marketability discount (Key unobservable inputs: the higher P/B ratio, the higher the fair value)
Financial asset at FVTPL- limited partnerships	Level 3	11,545,197	11,088,589	Market approach – Based on P/B or price-to-sales (“P/S”) multiples of listed entities in similar industry with consideration of marketability discount (Key unobservable inputs: the higher P/B or P/S ratio, the higher the fair value) Income approach – by reference to the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate (Key unobservable inputs: the higher the discount rate, the lower the fair value)
Derivative component of convertible bonds	Level 3	5,217,319	2,109,265	Binomial option pricing model, the key input are underlying share price, exercise price, risk free rate, volatility and dividend yield (Key unobservable inputs: higher the volatility, the higher the fair value)



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

33. FAIR VALUE DISCLOSURES (Continued)

There were no transfer between levels of fair value hierarchy in the current and prior periods.

Reconciliation of Level 3 fair value measurements of financial assets or liabilities on recurring basis:

	Limited partnerships RMB'000	Derivative component of convertible bonds RMB'000	Unlisted equity securities RMB'000
At 1 January 2025	11,088,589	(2,109,265)	84,360
Issue	–	(629,801)	–
Total losses			
– in profit or loss (note 22)	456,608	(2,561,722)	–
Exchange difference	–	83,469	–
At 30 June 2025	11,545,197	(5,217,319)	84,360

Fair value measurements and valuation process

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuer to perform the valuation. The chief financial officer works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The chief financial officer reports findings to the board of directors of the Company semi-annually to explain the cause of fluctuations in the fair values of the assets and liabilities.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the interim condensed consolidated financial information approximate their fair value.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

34. PLEDGE OF ASSETS

At the end of each reporting period, certain of the Group's assets were pledged to secure banking facilities granted to the Group. The aggregate carrying amount of the assets of the Group pledged at the end of each reporting period is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Restricted bank deposits (note 21)	2,700,144	2,797,477
Property, plant and equipment (note 11)	8,725,426	9,487,773
Right-of-use assets (note 12)	1,846,893	916,378

35. COMMITMENTS

At the end of the reporting period, the Group had the following capital and other commitments:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	7,398,271	7,455,180
Commitments arising from unlisted equity investments in partnerships	1,408,283	1,408,283

In addition, the Group agreed to provide performance guarantee for Baowu Simandou Mining (Shanghai) Company Limited ("**Baowu Simandou (Shanghai)**"), an independent third party, for the funding obligation under the Simandou project entered into between Winning Consortium Simandou Pte. Ltd. ("**WCS**") and Winning Consortium Simandou Infrastructure Pte. Ltd. ("**WCSI**"), associates of the Group and being the beneficiary, and Baowu Simandou (Shanghai). Pursuant to the agreements, the Group shall undertake to fund the project in an amount not exceeding US\$1,780,000,000, equivalent to approximately RMB12,607,206,000 (which indirectly includes the obligations of the Group for its relevant funding contribution under the Winning Consortium Holdings Pte. Ltd.'s shareholders agreement).



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

36. CHANGE IN OWNERSHIP INTEREST IN SUBSIDIARIES

In 2025, the Group acquired an additional 1.44% issued shares of Shandong Hongqiao, increasing its ownership interest to 100%. Cash consideration of approximately RMB1,014,213,000 was paid to the non-controlling shareholders. The difference between the carrying amount of 1.44% interest acquired of Shandong Hongqiao and consideration paid was recognised in capital reserve within equity.

In 2025, the Group acquired an additional 25% issued shares of Yunnan Hongtai New Material Co., Ltd. (“**Yunnan Hongtai**”)* 雲南宏泰新型材料有限公司, increasing its ownership interest to 100%. Cash consideration of approximately RMB3,023,667,000 was paid to the non-controlling shareholders. The difference between the carrying amount of 25% interest acquired of Yunnan Hongtai and consideration paid was recognised in capital reserve within equity.

In 2024, the Group acquired an additional 4.04% issued shares of Shandong Hongqiao, increasing its ownership interest to 98.56%. Cash consideration of approximately RMB3,084,009,000 was paid to the non-controlling shareholders. The difference between the carrying amount of 4.04% interest acquired of Shandong Hongqiao and consideration paid was recognised in capital reserve within equity.

37. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere of the notes to the interim condensed consolidated financial information, the Group has the following related parties transactions.

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group:

Name of party	Relationship
Weiqiao Chuangye	note ii
Binzhou Weiqiao Technology Industrial Park Company Limited (“ Binzhou Industrial Park ”) 濱州魏橋科技工業園有限公司 (note i)	note iii
Shandong Minghong Textile Technology Company Limited (“ Ming Hong Textile ”) 山東銘宏紡織科技有限公司 (note i)	note iii
Binzhou City Construction Investment Development Co., Ltd. (“ Binzhou Investment ”) 濱州市公建投資開發有限公司 (note i)	note iii
Binzhou City Beihai Weiqiao Solid Waste Disposal Co., Ltd. (“ Beihai Solid Waste ”) 濱州市北海魏橋固廢處置有限公司 (note i)	note iii
Shandong Ruixin Tendering Co., Ltd. (“ Shandong Ruixin ”) 山東瑞信招標有限公司 (note i)	note iii
Zhanhua Weiqiao Port Logistics Co., Ltd. (“ Zhanhua Weiqiao Port Logistics ”) 沾化魏橋港口物流有限公司 (note i)	note iii
Weiqiao Textile Co., Ltd. (“ Weiqiao Textile ”) 魏橋紡織股份有限公司	note iii

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

Name of party	Relationship
Shandong Xiangshang Clothing Culture Co., Ltd. (“ Shandong Xiangshang ”) 山東向尚服飾文化有限公司 (note i)	note iii
Shandong Weiqiao Jiajia Home Textile Co., Ltd. (“ Weiqiao Jiajia ”) 山東魏橋嘉嘉家紡有限公司 (note i)	note iii
Shandong Anhao Medical Protective Products Technology Co., Ltd. (“ Shandong Anhao Medical ”) 山東安好醫療防護用品科技有限公司 (note i)	note iii
Weihai Weiqiao Energy Co., Ltd. (“ Weihai Weiqiao Energy ”) 威海魏橋能源有限公司 (note i)	note iii
Shandong Weiqiao New Energy Co., Ltd. (“ Weiqiao New Energy ”) 山東魏橋新能源有限公司 (note i)	note iii
Shandong Zhisheng Textile Co., Ltd. (“ Zhisheng Textile ”) 山東智盛紡織有限公司 (note i)	note iii
Weiqiao Yiwei (Shandong) Equipment Technology Co., Ltd. (“ Weiqiao Yiwei ”) 魏橋沂威(山東)裝備科技有限公司 (note i)	note iii
Zouping Junlan Property Co., Ltd. (“ Junlan Property ”) 鄒平君瀾物業有限公司 (note i)	note iii
Shandong Hongru Textile Technology Co., Ltd. (“ Hongru Textile ”) 山東宏儒紡織科技有限公司 (note i)	note iii
Shandong Green Intelligence Resources Comprehensive Utilisation Co., Ltd. (“ Green Intelligence ”) 山東綠智資源綜合利用有限公司 (note i)	note iii
Shandong Hongjie Textile Technology Co., Ltd. (“ Hongjie Textile ”) 山東宏傑紡織科技有限公司 (note i)	note iii
Shandong Lvxiang Resources Comprehensive Utilisation Co., Ltd. (“ Shandong Lvxiang ”) 山東綠祥資源綜合利用有限公司 (note i)	note iii
Binzhou Hongtong Resources Comprehensive Utilisation Co., Ltd. (“ Binzhou Hongtong Resources ”) 濱州市宏通資源綜合利用有限公司 (note i)	note iii
Yunnan Hongkang Solid Waste Disposal and Utilisation Co., Ltd. (“ Yunnan Hongkang ”) 雲南宏康固廢處置利用有限公司 (note i)	note iii
PT. Harita Jayaraya (“ Harita Jayaraya ”)	note iv
Hangqiao New Material Technology (Binzhou) Co., Ltd. (“ Hangqiao New Material ”) 航橋新材料科技(濱州)有限公司 (note i)	note v
Innovation Carbon New Material	note v
GTS Global Trading Pte. Ltd. (“ GTS ”)	note v
Zouping Binneng Energy Technology Co., Ltd. (“ Binneng Energy ”) 鄒平濱能能源科技有限公司 (note i)	note v



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

Name of party	Relationship
Shandong Huaye Materials Technology Co., Ltd. (" Huaye Materials ") 山東華葉材料科技有限公司 (note i)	note v
Shandong Binhong Photovoltaic New Energy Co., Ltd. (" Shandong Binhong ") 山東濱宏光伏新能源有限公司 (note i)	note v
Winning Consortium Simandou Railway SA (" WCSR ")	note v
Shandong Phoenix New Material Technology Co., Ltd. (" Shandong Phoenix New Material ") 山東鳳凰新材料科技有限公司 (note i)	note v
Africa Bauxite Mining Company Ltd. (" ABM ")	note v
Weihai Xingheng New Material Technology Co., Ltd. (" Weihai Xingheng ") 威海興恒新材料科技有限公司 (note i)	note v
Shandong Weiqiao Kuaike Environmental Protection Technology Co., Ltd. (" Weiqiao Kuaike ") 山東魏橋快刻環保科技有限公司 (note i)	note v
Societe Miniere de Boke S.A (" SMB ")	note v
Zhanhua Jinsha Water Supply Co., Ltd. (" Jinsha Water Supply ") 沾化金沙供水有限公司 (note i)	An associate of Weiqiao Chuangye
Business Aviation Asia (Cayman) Limited (" Business Aviation ")	An associate of Weiqiao Chuangye
Binzhou Xingye Water Supply Co., Ltd. (" Xingye Water ") 濱州興業供水有限公司 (note i)	An associate of Weiqiao Chuangye
Aihuahai (Weihai) Graphic Imaging Co., Ltd. (" Aihuahai (Weihai) ") 愛華海(威海)圖文影像有限公司 (note i)	An associate of Weiqiao Chuangye
PT. Cita Mineral Investindo, Tbk.	A subsidiary of Harita Jayaraya
PT. Antar Sarana Rekasa	A subsidiary of Harita Jayaraya

Notes:

- i. The English translation is for reference only.
- ii. Mr. Zhang Bo, the director of the Company, has a significant non-controlling beneficial interest in Weiqiao Chuangye, and is also the director of Weiqiao Chuangye.
- iii. Entities controlled by Weiqiao Chuangye.
- iv. Harita Jayaraya has a significant non-controlling beneficial interest in PT Well Harvest Winning Alumina Refinery, a subsidiary of the Group.
- v. Associate of a subsidiary of the Company.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

During the reporting period, the Group entered into the following transactions with related parties:

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Sales of steam			
– Binzhou Industrial Park	(b)	6,148	7,624
– Ming Hong Textile	(b)	1,753	2,006
– Binzhou Investment	(b)	14,716	16,597
– Zhanhua Weiqiao Port Logistics	(b)	616	944
– Zhisheng Textile	(b)	52	–
– Binzhou Hongtong Resources	(b)	226	–
Sales of water			
– Zhanhua Weiqiao Port Logistics	(b)	70	59
Sales of electricity			
– Shandong Binhong	(d)	74	91
– Huaye Materials	(a)	6	20
– Shandong Lvxiang	(b)	7,078	–
– Green Intelligence	(b)	1,866	–
– Binzhou Hongtong Resources	(b)	667	–
Sales of aluminum products			
– Aihuahai (Weihai)	(d)	92,375	43,196
– Binneng Energy	(a)	–	754
– Weihai Xingheng	(a)	8,029	–
– Hangqiao New Material	(a)	61,449	–
– Hongjie Textile	(b)	9	–
– Hongru Textile	(b)	24	–
Sales of coal			
– Binneng Energy	(a)	89,096	13,134



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

During the reporting period, the Group entered into the following transactions with related parties: (Continued)

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Sales of iron powder			
– Shandong Lvxiang	(b)	9,970	–
Sales of accessories			
– Yunnan Hongkang	(b)	1	–
Service income			
– Shandong Phoenix New Material	(a)	6,894	–
– Binzhou Hongtong Resources	(b)	5	–
Rental income			
– Shandong Binhong	(d)	175	–
– Beihai Solid Waste	(a)	1	–
Purchases of water			
– Jinsha Water Supply	(b)	(19,061)	(16,686)
– Weiqiao Chuangye	(b)	(17,196)	(20,120)
– Xingye Water	(b)	(3,295)	–
Industrial waste expenses			
– Beihai Solid Waste	(b)	(40,417)	(40,428)
– Binzhou Hongtong Resources	(b)	(4,870)	–
Purchases of bauxite			
– GTS	(d)	(13,128,427)	(8,846,224)
– PT. Cita Mineral Investindo, Tbk.	(d)	(528,278)	(530,987)

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

During the reporting period, the Group entered into the following transactions with related parties: (Continued)

	Notes	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Purchases of steam			
– Binneng Energy	(d)	(123,534)	(298,757)
– Weihai Weiqiao Energy	(b)	(1,919)	(2,348)
Purchases of aluminum products			
– Aihuahai (Weihai)	(d)	–	(4,938)
Purchase of electricity			
– Binneng Energy	(d)	(6,812,445)	(6,662,647)
– Shandong Binhong	(d)	(11,143)	(10,424)
– Weiqiao Chuangye	(a)	–	(1)
Legal and professional fee			
– Shandong Ruixin	(b)	(4,314)	(15,716)
– Business Aviation	(a)	(23,530)	(22,815)
Management fee			
– Junlan property	(b)	(4)	–
– Weiqiao Chuangye	(b)	(53)	–
Purchase of anode carbon block			
– Innovation Carbon New Material	(d)	(718,294)	(688,110)
Purchase of electrolyte powder			
– Binzhou Hongtong Resources	(b)	(3,720)	–



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

During the reporting period, the Group entered into the following transactions with related parties: (Continued)

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Purchase of accessories			
– Shandong Xiangshang	(b)	(1,198)	(90)
– Weiqiao Jiajia	(b)	(14,662)	(28)
– Huaye Materials	(a)	–	(169)
– Binneng Energy	(a)	–	(211)
– Shandong Anhao Medical	(b)	(25)	–
– Binzhou Industrial Park	(b)	(7)	–
– Binzhou Hongtong Resources	(b)	(486)	–
– Weiqiao Chuangye	(b)	(12)	–
Lease Payment			
– Weiqiao Chuangye	(a), (c)	(38,982)	(38,982)
– Harita Jayaraya	(d)	–	(589)
– PT. Antar Sarana Rekasa	(d)	–	(4,180)
Interest income from associates			
– Binneng Energy	(d)	60,333	60,333
– ABM	(d)	99,528	112,129
– WCSR	(d)	170,116	145,820

Notes:

- (a) The related party transactions constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules, however, they are exempt from the disclosure requirements in Chapter 14A of the Listing Rules in accordance with the provisions such as Rule 14.76 of the Listing Rules.
- (b) The related party transactions constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules and have complied with the disclosure requirements of Chapter 14A of the Listing Rules.
- (c) The Group entered into a twenty-five-year lease in respect of certain properties from Weiqiao Chuangye in 2018. The amount of lease payment made by the Group under the lease is approximately RMB237,000 per month. As at 30 June 2025, the carrying amount of such lease liabilities is approximately RMB36,610,000 (31 December 2024: RMB37,584,000).

The Group entered into a twenty-year lease in respect of land from Weiqiao Chuangye in 2023. The amount of lease payment made by the Group under the lease is approximately RMB37,560,000 per year and prepaid each year. As at 30 June 2025, the carrying amount of such lease liabilities is approximately RMB461,340,000 (31 December 2024: RMB489,641,000).

- (d) The related party transactions do not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

The following balances were outstanding at the end of the reporting period:

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Loans to associates			
ABM		2,655,325	2,738,263
Binneng Energy	(a)	2,000,000	2,000,000
WCSR		3,760,467	3,165,455
Trade payables			
GTS		(1,936,519)	(2,214,397)
Innovation Carbon New Material		(170,463)	–
Weiqiao Chuangye		(12,156)	(20,070)
Binneng Energy		(557,215)	(387,009)
Shandong Binhong		(5,590)	(1,463)
PT. Cita Mineral Investindo, Tbk.		(108,345)	(81,359)
Beihai Solid Waste		(235,597)	–
Shandong Anhao Medical		(12)	(28)
Weiqiao Jiajia		(13,324)	(22)
Shandong Xiangshang		(1,129)	–
Binzhou Hongtong Resources		(2,543)	–
Jinsha Water Supply		(4,613)	–
Weiqiao New Energy		(6,683)	–
Shandong Ruixin		(13)	–

Note:

- (a) The loan was secured by certain plant and equipment held by the respective associate, bearing interest at 6% (2024: 6%) per annum and repayable in June 2028.



Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

- (a) During the six months ended 30 June 2025, the directors of the Company are of the view that the following are related parties of the Group: (Continued)

The following balances were outstanding at the end of the reporting period: (Continued)

		30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
	Note		
Other payables			
Innovation Carbon New Material		(1,500)	(1,500)
Shandong Phoenix New Material		(3,629)	(4,288)
Beihai Solid Waste		(783)	(783)
Weiqiao Kuaike		–	(2)
SMB		(24)	(24)
Huaye Materials		–	(2,855)
Shandong Ruixin		(8)	–
Shandong Binhong		(424)	–
Business Aviation		(6,469)	–
Interest receivable			
ABM		99,232	111,697
WCSR		280,784	365,203

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

37. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

Key management personnel include directors and senior staff management of the Company.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Short term employee benefit	6,688	4,108
Retirement benefits scheme contributions	101	84
	6,789	4,192

(c) Guarantees and security

At the end of the reporting period, details of amounts of bank borrowings of the Group guaranteed by related parties were as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Weiqiao Chuangye	3,200,000	6,600,000

38. MAJOR NON-CASH TRANSACTIONS

During the six months ended 30 June 2025, the Group entered into new arrangement in respect of office premises and land use rights. Right-of-use assets and lease liabilities of approximately RMB56,735,000 (six months ended 30 June 2024: RMB62,255,000) were recognised at the commencement of the lease.