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

(Incorporated under the laws of Cayman Islands with limited liability)

(Stock Code: 1378)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS HIGHLIGHTS

- Revenue increased by approximately 4.0% to approximately RMB162,353,725,000 as compared with the corresponding period last year
- Gross profit decreased by approximately 1.6% to approximately RMB41,505,249,000 as compared with the corresponding period last year
- Profit for the year decreased by approximately 1.6% to approximately RMB24,153,850,000 as compared with the corresponding period last year
- Net profit attributable to owners of the Company increased by approximately 1.2% to approximately RMB22,636,105,000 as compared with the corresponding period last year
- Basic earnings per share increased by approximately 1.0% as compared with the corresponding period last year and were approximately RMB2.3842 per share
- Proposed final dividend is HK165 cents per share (total dividend for the year 2024: HK161 cents per share)

The board (“**Board**”) of directors (the “**Directors**”) of China Hongqiao Group Limited (the “**Company**” or “**China Hongqiao**”) announces the audited consolidated annual results of the Company and its subsidiaries (collectively as the “**Group**”) for the year ended 31 December 2025 (the “**Year**” or the “**Year under Review**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Revenue	3	162,353,725	156,168,720
Cost of sales		<u>(120,848,476)</u>	<u>(114,006,028)</u>
Gross profit		41,505,249	42,162,692
Other income and gains	5	2,417,154	2,984,394
Selling and distribution expenses		(743,466)	(661,024)
Administrative expenses		(4,274,597)	(4,992,949)
Other expenses	6	(1,221,454)	(2,898,537)
Finance costs		(3,483,268)	(3,363,259)
Changes in fair values of financial instruments		(3,782,065)	(2,192,462)
Share of profits of associates		<u>2,628,824</u>	<u>1,758,457</u>
Profit before taxation		33,046,377	32,797,312
Income tax expenses	7	<u>(8,892,527)</u>	<u>(8,251,619)</u>
Profit for the year		<u><u>24,153,850</u></u>	<u><u>24,545,693</u></u>
Attributable to:			
Owners of the Company		22,636,105	22,372,331
Non-controlling interests		<u>1,517,745</u>	<u>2,173,362</u>
		<u><u>24,153,850</u></u>	<u><u>24,545,693</u></u>

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Other comprehensive income (expense) for the year			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements of foreign operations		78,825	(92,886)
Share of other comprehensive expense of associates		(166,294)	(60,235)
		(87,469)	(153,121)
<i>Items 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		193,974	(90,083)
Total comprehensive income for the year, net of income tax		24,260,355	24,302,489
Total comprehensive income for the year attributable to			
Owners of the Company		22,736,096	22,074,435
Non-controlling interests		1,524,259	2,228,054
		24,260,355	24,302,489
Earnings per share	9		
– Basic (RMB)		2.3842	2.3611
– Diluted (RMB)		2.3842	2.3611

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		78,986,121	75,393,127
Right-of-use assets		9,962,303	9,668,117
Intangible assets		58,396	45,352
Investment properties		32,680	35,298
Deposits paid for acquisition of property, plant and equipment		671,438	1,349,009
Deferred tax assets		2,933,777	2,621,516
Interests in associates		18,422,937	13,222,431
Loan to an associate		2,000,000	2,000,000
Goodwill		197,806	278,224
Financial asset at amortised cost		4,954,000	2,494,000
Financial assets at fair value through other comprehensive income		1,519,060	1,144,810
Financial assets at fair value through profit or loss		11,073,456	11,088,589
		<u>130,811,974</u>	<u>119,340,473</u>
CURRENT ASSETS			
Inventories		36,635,529	37,344,003
Trade receivables	<i>10</i>	8,894,377	9,773,923
Bills receivables		345,750	6,602,454
Prepayments and other receivables		5,957,675	7,811,711
Income tax recoverable		346,020	370,768
Financial assets at fair value through profit or loss		4,872,594	–
Time deposits with maturity over three months		3,001,867	–
Restricted bank deposits		3,325,853	2,797,477
Cash and cash equivalents		51,187,377	44,770,241
		<u>114,567,042</u>	<u>109,470,577</u>
Non-current assets classified as held for sale		<u>–</u>	<u>353,982</u>
		<u>114,567,042</u>	<u>109,824,559</u>

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
CURRENT LIABILITIES			
Trade and bills payables	<i>11</i>	11,188,809	14,930,515
Other payables and accruals		12,260,427	13,213,465
Bank borrowings – due within one year		18,397,577	34,168,202
Lease liabilities		49,001	25,429
Income tax payable		2,250,685	3,674,186
Short-term debentures and notes		2,000,000	3,000,000
Medium-term debentures and bonds – due within one year		6,495,661	5,781,304
Guaranteed notes – due within one year		–	2,154,409
Liability component of convertible bonds – due within one year		235,993	–
Derivative component of convertible bonds – due within one year		1,159,497	–
Deferred income		51,543	35,039
		54,089,193	76,982,549
NET CURRENT ASSETS		60,477,849	32,842,010
TOTAL ASSETS LESS CURRENT LIABILITIES		191,289,823	152,182,483
NON-CURRENT LIABILITIES			
Bank borrowings – due after one year		25,013,994	14,134,227
Other financial liability		–	2,730,955
Lease liabilities		968,183	932,053
Medium-term debentures and bonds – due after one year		13,639,246	9,553,655
Guaranteed notes – due after one year		4,188,286	–
Liability component of convertible bonds – due after one year		1,539,848	2,093,235
Derivative component of convertible bonds – due after one year		1,765,440	2,109,265
Deferred tax liabilities		750,350	488,057
Deferred income		1,713,984	1,527,538
		49,579,331	33,568,985
NET ASSETS		141,710,492	118,613,498
CAPITAL AND RESERVES			
Share capital	<i>12</i>	651,159	618,881
Reserves		131,941,876	107,181,060
Equity attributable to owners of the Company		132,593,035	107,799,941
Non-controlling interests		9,117,457	10,813,557
TOTAL EQUITY		141,710,492	118,613,498

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. CORPORATE INFORMATION

The Company is a limited liability company 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, 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 annual report.

The Company acts as an investment holding company, and the principal activities of its subsidiaries (together with the Company, referred to as the “**Group**”) are set out in the annual report.

The consolidated financial statements are 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 Republic of Indonesia, Republic of Singapore and the Republic of Guinea is denoted in United States Dollar (“**US\$**”).

2. APPLICATION OF AMENDMENTS TO AN IFRS ACCOUNTING STANDARD

Application of amendments to an IFRS Accounting Standard

In the current year, the Group has applied, for the first time, the following amendments to IFRS Accounting Standard issued by the International Accounting Standards Board (the “**IASB**”) which are effective for the Group’s financial year beginning on 1 January 2025:

Amendments to IAS 21

Lack of Exchangeability

In addition, the Group applied the agenda decisions of the IFRS Interpretations Committee of the IASB which are relevant to the Group.

The application of the amendments to IAS 21 in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRS Accounting Standards issued but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

IFRS 18	Presentation and Disclosure in Financial Statements ²
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ¹
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ²

¹ Effective for annual periods beginning on or after 1 January 2026.

² Effective for annual periods beginning on or after 1 January 2027.

³ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that, except as described below, the application of other new and amendments to IFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 “Statement of Cash Flows” and IAS 33 “Earnings per Share” are also made.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the consolidated financial statements of the Group.

3. REVENUE

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from sales of aluminum products		
– molten aluminum alloy	95,741,731	95,169,828
– aluminum alloy ingots	10,354,658	7,263,939
– aluminum fabrication	16,686,785	15,571,014
– alumina	38,833,758	37,351,737
Steam supply income	736,793	812,202
	<u>162,353,725</u>	<u>156,168,720</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<i>Geographical region</i>		
The PRC	148,945,811	142,787,017
India	2,395,557	4,623,728
Europe	2,258,374	4,324,118
Malaysia	2,438,057	386,711
Other Southeast Asia region	1,980,453	2,482,369
North America	3,795,175	1,094,521
Others	540,298	470,256
Total	<u>162,353,725</u>	<u>156,168,720</u>
<i>Type of customers</i>		
Government related	296	377
Non-government related	162,353,429	156,168,343
Total	<u>162,353,725</u>	<u>156,168,720</u>
<i>Sales channels</i>		
Direct sales	<u>162,353,725</u>	<u>156,168,720</u>

Transaction price allocated to the remaining performance obligation for contracts with customers

Sales of goods were made in a short period of time and the performance obligation was mostly satisfied in one year or less at the end of each year, thus the Group applied the expedient of not to disclose the transaction price allocated to unsatisfied performance obligation.

4. SEGMENT INFORMATION

For management purposes, the Group operates only one reportable segment which is manufacture and sales of aluminum products. The Group conducts its principal operation in the PRC (including Hong Kong) and Indonesia. Management monitors the operating results of its business unit as a whole for the purpose of making decisions about resources allocation and performance assessment.

Geographical information

The Group operates principally in the PRC (including Hong Kong) and Indonesia. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Non-current assets	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
PRC	102,696,777	93,631,293
Indonesia	<u>5,634,904</u>	<u>6,360,265</u>
	<u>108,331,681</u>	<u>99,991,558</u>

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

Revenue from a customer of the corresponding year contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	<u>50,508,716</u>	<u>49,439,232</u>

5. OTHER INCOME AND GAINS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	359,283	352,615
Other interest income	224,830	225,560
Investment income	153,982	154,652
Interest income from loans to associates	697,365	525,139
Gain from sales of raw materials and scraps materials	704,509	750,325
Gain from sales of slag of carbon anode blocks	–	694,657
Reversal of impairment of trade receivables	1,845	–
Reversal of impairment of other receivables	9	–
Amortisation of deferred income	69,525	43,856
Rental income for investment properties under operating lease that lease payments are fixed	600	600
Gain on disposal of property, plant and equipment	23,420	100,444
Gain on disposal of non-current assets classified as held for sale	46,018	–
Others	135,768	136,546
	<u>2,417,154</u>	<u>2,984,394</u>

6. OTHER EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Impairment loss recognised in respect of property, plant and equipment	416,736	2,635,479
Impairment loss recognised in respect of goodwill	80,418	–
Impairment loss recognised in respect of other receivables	–	9
Impairment loss recognised in respect of trade receivables	–	1,795
Write-down of inventories	724,300	261,254
	<u>1,221,454</u>	<u>2,898,537</u>

7. INCOME TAX EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax:		
– PRC Enterprise Income Tax	8,323,381	7,239,156
– Indonesia Corporate Income Tax	468,941	337,845
– Withholding tax	150,173	181,758
	<u>8,942,495</u>	<u>7,758,759</u>
Deferred taxation	(49,968)	492,860
Total income tax expenses for the year	<u>8,892,527</u>	<u>8,251,619</u>

8. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Dividends recognised as distribution during the year:		
2024 Final dividend – HK102 cents (2024: 2023 Final dividend – HK29 cents) per share	8,666,133	2,497,093
2024 Interim dividend – HK59 cents per share	–	5,161,444
	<u>8,666,133</u>	<u>7,658,537</u>

Subsequent to the end of the reporting period, a final dividend of HK165 cents per share in respect of the year ended 31 December 2025, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

9. 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Earnings for the purpose of basic and diluted earnings per share	<u>22,636,105</u>	<u>22,372,331</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<u>9,494,025</u>	<u>9,475,538</u>

The computation of diluted earnings per share for the years ended 31 December 2025 and 2024 did not assume the conversion of the Company outstanding convertible bonds since their exercise would result in an increase in earnings per share.

10. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	8,901,666	9,783,057
Less: allowance for impairment losses	<u>(7,289)</u>	<u>(9,134)</u>
	<u>8,894,377</u>	<u>9,773,923</u>

As at 1 January 2024, the gross amount of trade receivable arising from contracts with customers amounted to approximately RMB5,496,090,000.

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 aged 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	4,930,063	6,583,327
3 to 12 months	3,961,134	3,187,646
12 to 24 months	<u>3,180</u>	<u>2,950</u>
	<u>8,894,377</u>	<u>9,773,923</u>

11. TRADE AND BILLS PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables to third parties	8,278,473	11,863,104
Trade payables to associates	2,152,772	2,602,869
Trade payables to related parties	<u>425,396</u>	<u>101,479</u>
	10,856,641	14,567,452
Bills payables (<i>note</i>)	<u>332,168</u>	<u>363,063</u>
	<u>11,188,809</u>	<u>14,930,515</u>

Note: The amounts relate to trade payables in which the Group has issued bills to the relevant suppliers for future settlement trade payables. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 6 months	10,360,367	13,685,014
6 to 12 months	163,502	566,827
1 to 2 years	268,047	295,197
More than 2 years	<u>64,725</u>	<u>20,414</u>
	<u>10,856,641</u>	<u>14,567,452</u>

The trade payables are non-interest bearing and are normally settled on a credit term of six months. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Bills payables were bills of acceptance with maturity of less than one year.

12. SHARE CAPITAL

	Number of shares		Share Capital	
	2025	2024	2025 US\$	2024 US\$
Authorised:				
Ordinary shares of US\$0.01 each	<u>20,000,000,000</u>	<u>20,000,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
	2025	2024	2025 US\$	2024 US\$
Issued and fully paid:				
Ordinary shares of US\$0.01 each	<u>9,932,297,039</u>	<u>9,475,538,425</u>	<u>99,322,970</u>	<u>94,755,384</u>

	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
Issue of shares upon conversion of 2021 CBs (note i)	363,080,614	25,919
Issue of shares upon share subscription (note ii)	400,000,000	28,304
Shares repurchased and cancelled (note iii)	<u>(306,322,000)</u>	<u>(21,945)</u>
At 31 December 2025	<u>9,932,297,039</u>	<u>651,159</u>

Notes:

- (i) During the year ended 31 December 2025, 2021 CBs with principal amounts of US\$266,000,000 was converted into 363,080,614 ordinary shares of the Company at par at the conversion price of HK\$5.68 per ordinary share.
- (ii) On 25 November 2025, 400,000,000 ordinary shares of US\$0.01 each were issued and allotted at a price of HK\$29.20 per share, raising a total proceeds of approximately RMB10,470,613,000, net of share issue expenses of approximately RMB159,637,000.
- (iii) During the year ended 31 December 2025, the Company repurchased and cancelled a total of 306,322,000 its own ordinary shares on the Stock Exchange at price ranged from HK\$11.26 to HK\$27.00 or at an aggregate consideration of approximately RMB5,130,300,000. The cancellation resulted in a decrease of share capital of RMB21,945,000 and a decrease of shares premium of RMB5,108,355,000 of the Company.

The Company does not have any share option scheme.

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

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year (2024: nil).

CHAIRMAN'S STATEMENT

On behalf of the Board, I hereby present the audited consolidated annual results of the Group for the year ended 31 December 2025.

Looking back at 2025, the global economy experienced a slowdown in growth, finding itself at a critical juncture where recovery coexisted with challenges. The profound adjustments in the global trade landscape and tariff policies, coupled with persistent uncertainties in the geopolitical environment, introduced further variables into the economic outlook. Although regional cooperation and trade negotiations provided support for an open landscape, the volatility arising from the restructuring of global industrial chains continued to constrain overall growth momentum. Despite the aforementioned uncertainties, the Chinese economy still demonstrated robust resilience and a positive momentum. According to data from the National Bureau of Statistics of China, the gross domestic product (GDP) in China surpassed the RMB140 trillion mark for the first time during the Year, achieving an annual growth rate of 5.0%. This milestone signifies notable progress in China's high-quality development and represents a significant achievement as the "14th Five-Year Plan" drew to a successful conclusion. With the accelerated cultivation of new quality productive forces, the in-depth implementation of innovation-driven strategies, and the rollout of measures to expand domestic demand and deepen reform and opening-up, the Chinese economy continues to maintain its fundamentally positive long-term outlook, injecting growth momentum into global economic stability.

In terms of the industry, the performance of the global commodity markets showed divergence during the Year. China's primary aluminum production recorded modest growth, gradually approaching the production capacity ceiling under supply-side reforms and reaching a record high. Concurrently, the industrial demand structure continued to adjust, with the growth drivers for aluminum consumption shifting towards emerging sectors such as new energy vehicles, power grids, energy storage, and high-end manufacturing. Driven by numerous factors including China's consumption stimulus policies of "trade-in schemes", interest rate cuts by the U.S. Federal Reserve, frequent occurrence of overseas production cuts, and increasing potential supply risks, aluminum prices maintained a relatively strong trend throughout the year. By the year-end, the prices touched a three-year high, with the overall price level shifting upwards.

In this era of profound changes and hidden opportunities, the Group, with a pragmatic and innovative approach, is committed to being a practitioner and leader in the industry's deep transformation. During the Year, the Group continuously advanced intelligent production, green energy transition, and industrial integration, reshaping business paradigms through technological innovation. Meanwhile, adhering to the development philosophy of technology and innovation-led approach, digital intelligence empowerment, ecological prioritisation and collaborative success, the Group focused on the national strategic needs in science and technology and cultivated a strong foundation in talent development and technological innovation, driving conceptual renewal and systemic upgrades through practical applications, thereby creating a new development landscape characterised by complementary advantages and mutually beneficial outcomes.

During the Year under Review, the Group's revenue was approximately RMB162,353,725,000, representing a year-on-year increase of approximately 4.0%. Gross profit amounted to approximately RMB41,505,249,000, representing a year-on-year decrease of approximately 1.6%. Net profit attributable to shareholders of the Company amounted to approximately RMB22,636,105,000, representing a year-on-year increase of approximately 1.2%. Basic earnings per share were approximately RMB2.3842 (corresponding period in 2024: approximately RMB2.3611). The Board proposed the payment of a final dividend of HK165 cents per share for the year 2025 (cumulative dividends for the year 2024: HK161 cents per share).

During the Year under Review, against the backdrop of high global aluminum prices and fluctuating raw material and energy costs, the Group's meticulously developed "integrated upstream and downstream industrial chain" model continued to serve as a solid foundation for its steady development, providing stable and competitive cost advantages for the Group's growth. Coupled with the proactive deployment of overseas bauxite resources in earlier years to foster a mutually beneficial global development pattern, this enabled the Group to maintain a leading level of profitability over the long term, demonstrating exceptional risk resilience and operational tenacity capable of navigating business cycles.

Leveraging its rich and diverse application scenarios, the Group is currently actively utilising digital and intelligent technologies to drive a comprehensive upgrade of its production and management systems. With technological innovation as the core driver, it explores practical pathways for the deep integration of "intelligent reconstruction" and "digital and intelligent transformation", precisely formulating reinforcement strategies and deepening the data governance framework to ensure the efficient implementation of such strategies. The Group continues to deepen its presence in the aluminum industry, striving to enhance industrial efficiency, and further improves the complete industrial chain covering bauxite mining, alumina production, primary aluminum smelting, deep processing of aluminum products, and aluminum recycling. Continuous breakthroughs have been achieved in the construction of smart alumina plants and future-oriented electrolytic aluminum factories. Through the "Smart Aluminum Large Model", the Group has pioneered a new intelligent production paradigm of "AI + Electrolytic Aluminum", driving conceptual innovation and systemic upgrades in practical applications, and further strengthening its core competitiveness.

During the Year under Review, the Group continued to advance its green and low-carbon strategy. It diligently implemented the "three-step" strategy outlined in the Carbon Reduction Action Report of China Hongqiao Group Limited published during the Year, advancing emission reduction targets in phases. The Group implemented carbon reduction initiatives throughout the entire process of investment, construction, production, and operation, continuously increasing the proportion of clean energy to inject strong momentum into high-quality green development. Notably, the Yunnan Green and Low-Carbon Demonstration Industrial Park and the Wenshan Smart Aluminum Project officially commenced operations, establishing itself as a significant benchmark for industrial upgrading and green transformation. The integrated "Wind-Solar-Storage" new energy project in Yunnan, a core pillar of the Group's green energy framework, progressed steadily, with the first phase of photovoltaic projects achieving full-capacity grid connection. Looking ahead, the Group will continue to implement the "dual carbon" strategy through actual actions, persistently leading the traditional manufacturing industries towards green and low-carbon development.

During the Year, several of the Group’s projects were successively completed and put into operation, yielding a series of breakthrough achievements in the fields of new materials, new technologies, and new processes. This further consolidated the Group’s leading edge in the global aluminum alloy materials and green manufacturing sectors. Among these, the world’s first NEUI600+ super electrolytic cell production line deployed for scaled application at Yunnan Honghe New Materials Co., Ltd. (雲南宏合新型材料有限公司) commenced smooth operation during the Year. This production line entirely utilises the Group’s proprietary 600kA Plus extra-large aluminum electrolytic cells and incorporates several unique innovative technologies. As a core benchmark project within the Yunnan Green Aluminum Innovation Industrial Park, the high-precision aluminum alloy slabs project with the annual production capacity of 250,000 tonnes of the Group’s subsidiary, Yunnan Hongyan New Material Co., Ltd. (雲南宏硯新材料有限公司), was officially put into operation. This further strengthens the Group’s green aluminum strategic framework and promotes the quality enhancement and upgrading of the entire green aluminum industry chain.

In the field of lightweighting, the Group achieved a series of remarkable results. Its subsidiary, Shandong Hongqiao Lightweight Technology Co., Ltd. (山東宏橋輕量化科技有限公司), was honored with the “2025 China Excellent Die Castings Award for Special Contribution” and the “Excellent Casting Award” at the 19th Shanghai International Diecasting Exhibition. Furthermore, its “Shandong Aluminum Alloy Lightweight Materials Pilot Platform” was selected for the first national list of key cultivated pilot platforms, demonstrating the Group’s scientific research capabilities and industrial value.

During the Year under Review, the Group, rooted in its core business, deepened its involvement across the entire industrial chain, garnering recognition and accolades across various dimensions including comprehensive strength, corporate governance, and sustainable development in authoritative selections both domestically and internationally. These honors serve as a powerful testament to the Group’s robust development. Notably, the Group was jointly recognised by top international media outlets and professional institutions, including *TIME* magazine, and was listed among authoritative corporate rankings in the Asia-Pacific region as a representative of the aluminum industry. It not only maintained a leading position in the overall rankings of the Forbes Global 2000 for 2025 but also secured the second place among global aluminum enterprises. Concurrently, it received industry accolades such as the “ESG Leading Enterprises 2025” honor and the “Listed Enterprises 2025” award from Bloomberg Businessweek/Chinese Edition. These honors are strong affirmation of the Group’s deep commitment to the aluminum industry, its construction of an integrated full-industry chain structure, and its consistent practice of high-standard ESG principles.

During the Year, leveraging its diversified financing channels, exceptional market performance, and solid financial strength, the Group continued to earn high recognition from domestic and international investors, leading to credit rating upgrades for its domestic and overseas bond issuers. Notably, during the Year, Shandong Hongqiao New Material Co., Ltd. (山東宏橋新型材料有限公司), a subsidiary of the Group, successfully issued short-term financing bills, medium-term notes, and corporate bonds, with a total value of RMB10.6 billion. Shandong Weiqiao Aluminum & Power Co., Ltd. (山東魏橋鋁電有限公司) also successfully issued short-term financing bills and medium-term notes during the Year, with a total value of RMB2.0 billion. They received recognition and a positive response from a wide range of investors. Furthermore, the Group actively seized offshore financing windows, achieving several milestone results: it successfully completed two issuances of USD-denominated bonds and one issuance of convertible bonds during the Year. Among these, the US\$300 million convertible bonds made the Company become the first listed company in the Hong Kong stock market to innovatively employ a “convertible bond + share repurchase” model for composite financing, establishing a quality benchmark in the capital markets through flexible and pragmatic capital strategies and outstanding market performance. Among the two USD-denominated bonds mentioned, the US\$330 million senior unsecured notes, as the first high-yield USD bond in Asia in 2025, achieved an oversubscription of over 10 times upon issuance. This not only realised a negative new issue premium but also set the lowest coupon record for similar bonds issued by Chinese non-local government financing vehicle enterprises since February 2022, fully demonstrating the high level of recognition from international investors for the Group. In terms of equity financing, the Group completed a US\$1.5 billion top-up placement. This project represents the largest refinancing undertaking by China Hongqiao since its listing in Hong Kong. It attracted participation from numerous top-tier global long-term funds and achieved an oversubscription of over seven times. By virtue of its multi-dimensional and multi-layered financing system and a series of outstanding performance, the Group was honored with several authoritative awards, including the “2025 Outstanding Issuer” from Duration Finance and the “Best Mining High-Yield Bond” from The Asset, a leading international financial institution. These accomplishments not only affirm the Group’s steady progress within its industrial sector but also establish a reliable and high-quality image as a bond issuer, built upon consistent operational efficiency improvement, prudent financial management, and rigorous and trustworthy bond performance, demonstrating strong brand influence in the capital markets.

On behalf of the Board, I would like to express my sincere gratitude to the Group’s management and all employees for their dedication and concerted efforts during 2025. I also wish to extend our heartfelt thanks to our shareholders, investors, and partners for their continued trust and steadfast support. China Hongqiao will remain true to its original aspirations, forging ahead with determination, and working hand in hand with all stakeholders to create a new chapter of higher quality and sustainable development!

Zhang Bo

Chairman of the Board

20 March 2026

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY REVIEW

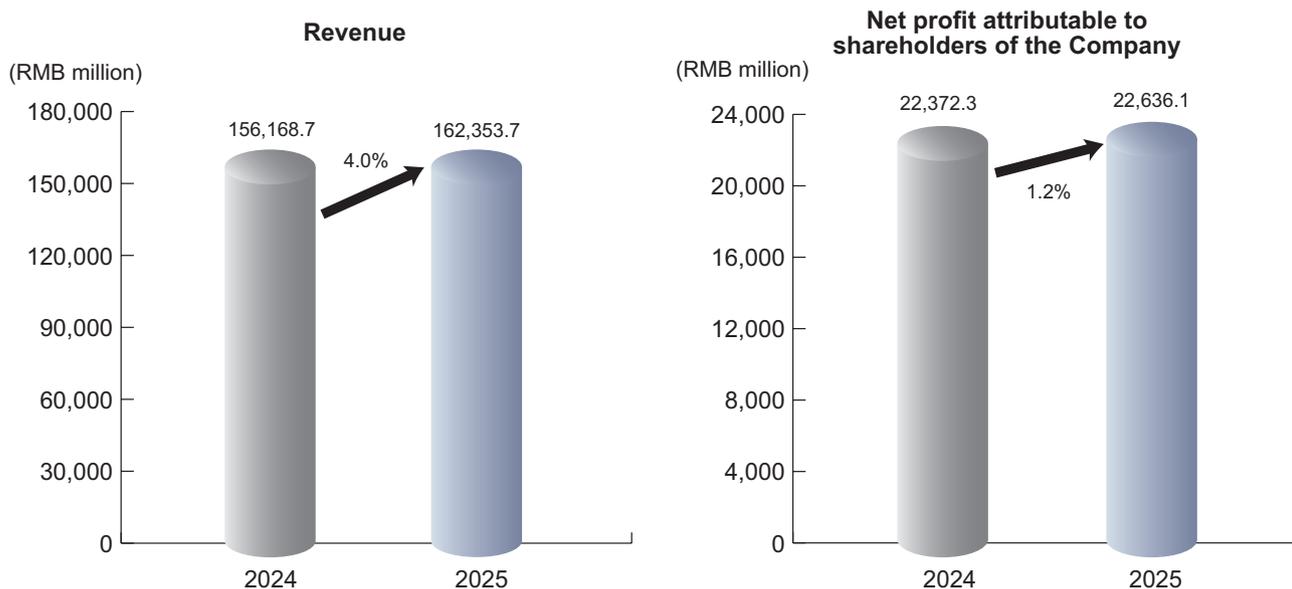
During the Year, both domestic and international aluminum price peaks reached three-year highs. The continued high price levels were primarily attributable to the ongoing deepening of the supply-side structural reforms in China's aluminum industry, which further narrowed the room for production growth. Additionally, persistent disruptions in overseas supply, including elevated electricity prices in Europe which hindered local companies from resuming production, and slower-than-expected pace of commissioning of new projects in Indonesia, continued to tighten global supply.

According to data from Beijing Antaike Information Technology Co., Ltd. ("**Antaike**"), during the Year under Review, the average price of three-month aluminum futures on the London Metal Exchange (LME) was approximately US\$2,641/tonne, representing a year-on-year increase of approximately 7.5%; and the average price of three-month aluminum futures on the Shanghai Futures Exchange (SHFE) was approximately RMB20,698/tonne, representing a year-on-year increase of approximately 3.5%.

According to the statistics of Antaike, during the Year, the global output of primary aluminum was approximately 74.23 million tonnes, representing a year-on-year increase of approximately 1.7%. Global consumption of primary aluminum was approximately 74.24 million tonnes, representing a year-on-year increase of approximately 2.3%. In the Chinese market, the output of primary aluminum during the Year was approximately 44.23 million tonnes, representing a year-on-year increase of approximately 1.8% and accounting for approximately 59.6% of the global output. Primary aluminum consumption in China was approximately 46.34 million tonnes, representing a year-on-year increase of approximately 2.6% and accounting for approximately 62.4% of the global consumption.

BUSINESS REVIEW

The Group's comparative figures of revenue and net profit attributable to shareholders of the Company for the year ended 31 December 2025 and 2024 are as follows:



For the year ended 31 December 2025, the Group's revenue was approximately RMB162,353,725,000, representing a year-on-year increase of approximately 4.0%, mainly due to the year-on-year increases in the sales price of aluminum alloy products, the sales volume of alumina products, as well as both the sales volume and sales price of aluminum fabrication products of the Group.

During the Year, the Group's sales volume of aluminum alloy products was approximately 5.824 million tonnes, which remained largely stable as compared with that of the corresponding period last year. The average sales price of aluminum alloy products grew by approximately 3.8% to approximately RMB18,216/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 13.397 million tonnes, representing a year-on-year increase of approximately 22.7%. The average sales price of alumina products decreased by approximately 15.2% to approximately RMB2,899/tonne (excluding value-added tax) as compared with that of the corresponding period last year. The sales volume of the Group's deep processed products of aluminum fabrication products was approximately 716,000 tonnes, which remained largely stable as compared with that of the corresponding period last year, while the average sales price grew by approximately 3.1% to approximately RMB20,874/tonne (excluding value-added tax) as compared with that of the corresponding period last year.

For the year ended 31 December 2025, net profit attributable to shareholders of the Company amounted to approximately RMB22,636,105,000, representing a year-on-year increase of approximately 1.2%, mainly due to the increase in the sales price of aluminum alloy products as compared with the corresponding period last year.

FINANCIAL REVIEW

Revenue, gross profit, gross profit margin and percentage of revenue

The following table sets out the breakdown of revenue, gross profit, gross profit margin and percentage of revenue by product for the years ended 31 December 2025 and 2024:

Products	For the year ended 31 December							
	2025				2024			
	Revenue <i>RMB'000</i>	Gross profit <i>RMB'000</i>	Gross profit margin %	Proportion to total revenue %	Revenue <i>RMB'000</i>	Gross profit <i>RMB'000</i>	Gross profit margin %	Proportion to total revenue %
Aluminum alloy products	106,096,389	30,187,613	28.5	65.3	102,433,767	25,200,391	24.6	65.6
Alumina	38,833,758	8,616,231	22.2	23.9	37,351,737	13,238,017	35.4	23.9
Aluminum fabrication products								
– Deep processed products	14,956,116	2,865,426	19.2	9.2	14,379,360	3,727,156	25.9	9.2
– Other products	1,730,669	161,231	9.3	1.1	1,191,654	71,333	6.0	0.8
Steam	736,793	(325,252)	(44.1)	0.5	812,202	(74,205)	(9.1)	0.5
Total	<u>162,353,725</u>	<u>41,505,249</u>	25.6	<u>100.0</u>	<u>156,168,720</u>	<u>42,162,692</u>	27.0	<u>100.0</u>

For the year ended 31 December 2025, the Group's revenue derived from aluminum alloy products was approximately RMB106,096,389,000, representing an increase of approximately 3.6% as compared to that of approximately RMB102,433,767,000 for the corresponding period last year, mainly due to the increase in the sales price of aluminum alloy products as compared with the corresponding period last year. The revenue derived from alumina products was approximately RMB38,833,758,000, representing an increase of approximately 4.0% as compared to that of approximately RMB37,351,737,000 for the corresponding period last year, mainly due to the increase in the sales volume of alumina products as compared with the corresponding period last year. The revenue from deep processed products of aluminum fabrication products was approximately RMB14,956,116,000, representing an increase of approximately 4.0% as compared to that of approximately RMB14,379,360,000 for the corresponding period last year, mainly due to the increase in the sales price of deep processed products of aluminum fabrication products as compared with the corresponding period last year.

For the year ended 31 December 2025, the overall gross profit margin of the Group's products was approximately 25.6%, representing a decrease of approximately 1.4 percentage points as compared to that of approximately 27.0% for the corresponding period last year, mainly due to the decrease in the gross profit margin of the Group's alumina products as compared with the corresponding period last year. Gross profit margin of aluminum alloy products was approximately 28.5%, representing an increase of approximately 3.9 percentage points as compared to that of the corresponding period last year, mainly due to the increase in the sales price of aluminum alloy products as compared with the corresponding

period last year. Gross profit margin of alumina products was approximately 22.2%, representing a decrease of approximately 13.2 percentage points as compared with that of the corresponding period last year, mainly due to the decrease in the sales price of alumina as compared with the corresponding period last year. Gross profit margin of deep processed products of aluminum fabrication products was approximately 19.2%, representing a decrease of approximately 6.7 percentage points as compared with that of the corresponding period last year. This decrease was mainly due to the impact of the decrease in capacity utilisation rate and the abolition of the export tax rebate on deep processed products of aluminum fabrication products.

Selling and distribution expenses

For the year ended 31 December 2025, the Group's selling and distribution expenses were approximately RMB743,466,000, representing an increase of approximately 12.5% as compared with approximately RMB661,024,000 for the corresponding period last year, which was mainly due to increased sales volume of alumina, leading to an increase in freight costs as compared with that of the corresponding period last year.

Administrative expenses

For the year ended 31 December 2025, the Group's administrative expenses amounted to approximately RMB4,274,597,000, representing a decrease of approximately 14.4% as compared with approximately RMB4,992,949,000 for the corresponding period last year, which was mainly due to the decrease in research and development expenses included in administrative expenses.

Finance costs

For the year ended 31 December 2025, the Group's finance costs amounted to approximately RMB3,483,268,000, representing an increase of approximately 3.6% as compared with approximately RMB3,363,259,000 for the corresponding period of last year, which was mainly due to the increase in the Group's total interest-bearing debts during the Year, leading to a corresponding increase in interest expenses.

Liquidity and financial resources

As at 31 December 2025, the Group's cash and cash equivalents were approximately RMB51,187,377,000, representing an increase of approximately 14.3% as compared to that of approximately RMB44,770,241,000 as at 31 December 2024. The increase in cash and cash equivalents was mainly due to the increase in the Group's net cash inflow from operating activities during the Year.

For the year ended 31 December 2025, the Group's net cash inflow from operating activities was approximately RMB38,995,459,000, net cash outflow from investing activities was approximately RMB22,494,351,000, and net cash outflow from financing activities was approximately RMB10,135,579,000. Net cash outflow from investing activities was mainly attributable to the cash outflows for the purchase of properties, plants and equipment. Net cash outflow for financing activities was mainly attributable to the cash outflows for the dividend payout and the payment of interest on debts by the Group during the Year.

For the year ended 31 December 2025, the Group's capital expenditure amounted to approximately RMB10,656,667,000, mainly 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 project in Yunnan (雲南綠色鋁創新產業園項目), lightweight material base (輕量化材料基地), new energy projects and others.

As at 31 December 2025, the Group had capital commitment of approximately RMB5,832,706,000 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 project in Yunnan, lightweight material base, and new energy projects. In addition, the Group agreed to provide 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 funding contribution under the Winning Consortium Holdings Pte. Ltd. Shareholders Agreement).

As at 31 December 2025, the Group's trade receivables amounted to approximately RMB8,894,377,000, representing a decrease of approximately 9.0% as compared with that of approximately RMB9,773,923,000 as at 31 December 2024, which was mainly due to faster payment collections from certain customers.

As at 31 December 2025, the Group's prepayments and other receivables amounted to approximately RMB5,957,675,000, representing a decrease of approximately 23.7% as compared with that of approximately RMB7,811,711,000 as at 31 December 2024, which was mainly because certain prepayments and other receivables as at the end of 2024 were utilised or collected during the Year.

As at 31 December 2025, the Group's inventory was approximately RMB36,635,529,000, representing a decrease of approximately 1.9% from approximately RMB37,344,003,000 as at 31 December 2024, which was mainly due to a slight decrease in both the inventory volume and unit price of raw materials.

Contingent liability

As at 31 December 2025 and 2024, the Group had no material contingent liabilities save as disclosed in this results announcement.

Income tax

The Group's income tax for 2025 amounted to approximately RMB8,892,527,000, representing an increase of approximately 7.8% from approximately RMB8,251,619,000 for the corresponding period last year, primarily due to an increase in unrecognised deferred income tax assets of the Group.

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

For the year ended 31 December 2025, net profit attributable to owners of the Company was approximately RMB22,636,105,000, representing an increase of approximately 1.2%, as compared to approximately RMB22,372,331,000 for the corresponding period last year.

During the Year, basic earnings per share of the Company were approximately RMB2.3842 (2024: approximately RMB2.3611).

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 31 December 2025, the cash and cash equivalents of the Group amounted to approximately RMB51,187,377,000 (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 stability and flexibility of the Group's business operations and providing strong support for the construction of the Group's major projects. 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 31 December 2025, the total liabilities of the Group amounted to approximately RMB103,668,524,000 (31 December 2024: approximately RMB110,551,534,000). Gearing ratio (total liabilities to total assets) was approximately 42.2% (31 December 2024: approximately 48.2%).

The Group used certain 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 31 December 2025, secured bank borrowings of the Group amounted to approximately RMB15,870,539,000 (31 December 2024: approximately RMB15,547,656,000).

As at 31 December 2025, the Group's total bank borrowings were approximately RMB43,411,571,000. The Group maintained an appropriate portfolio of liabilities at fixed interest rates and variable interest rates to manage its interest expenses. As at 31 December 2025, approximately 47.5% of the Group's bank borrowings were subject to fixed interest rates while its remainder of approximately 52.5% was 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 31 December 2025, liabilities of the Group, other than bank borrowings included short-term bonds of approximately RMB2,000,000,000, medium-term notes and corporate bonds of approximately RMB20,134,907,000, guaranteed notes of approximately RMB4,188,286,000 and convertible bonds (inclusive of derivatives components) of approximately RMB4,700,778,000, the interest rates of which ranged from 1.50% to 7.05% per annum. Such notes and bonds would facilitate the optimisation of the Group's debt structure and reduce financing costs.

As at 31 December 2025, the Group had net current assets of approximately RMB60,477,849,000. The Group will continue to expand its financing channels and optimise its debt structure. In addition, the Group will continue to control its production costs, enhance its profitability and improve its cash flow position in order to ensure adequate liquidity.

As at 31 December 2025, the Group's liabilities were mainly denominated in RMB and foreign currency, of which, approximately 85.3% of the total liabilities were denominated in RMB, and approximately 14.7% were denominated in foreign currency. The Group's cash and cash equivalents were mainly held in RMB and foreign currency, of which approximately 87.9% were held in RMB and approximately 12.1% were held in foreign currency.

Employee and remuneration policy

As at 31 December 2025, the Group had a total of 51,234 employees, which remained largely stable as compared to 31 December 2024. During the Year, the total staff costs of the Group amounted to approximately RMB6,051,284,000, representing an increase of approximately 8.9% from approximately RMB5,557,824,000 for the corresponding period last year, mainly due to the increase of staff salary during the Year, leading to the increase in staff costs. The total staff costs of the Group were approximately 3.7% 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 collected 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 and bank borrowings, convertible bonds and senior notes are denominated in foreign currencies, the Group is exposed to certain foreign exchange risk. As at 31 December 2025, the Group's bank balances denominated in foreign currencies were approximately RMB6,217,760,000, and liabilities denominated in foreign currencies were approximately RMB10,948,343,000.

For the year ended 31 December 2025, the Group had an exchange loss of approximately RMB302,156,000 (2024: exchange loss of approximately RMB222,689,000).

During the Year 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 actively took the following measures to prevent foreign exchange risks in accordance with its business operations: (i) reasonable arrangements for foreign currency 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 exchange rate risk management instruments to hedge foreign exchange risks in conjunction with changes in exchange rates and interest rates.

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, 22 May 2025, 9 June 2025, 10 December 2025, 4 January 2026 and 9 January 2026 in relation to the intended issuance of new shares by Shandong Hongqiao Aluminum Industry Holding Company Limited*(山東宏橋鋁業控股股份有限公司) (“**Hongqiao Holdings**”, formerly known as Shandong Hontron Aluminum Industry Holding Company Limited* (山東宏創鋁業控股股份有限公司), a company listed on the Shenzhen Stock Exchange, stock code: 002379.SZ), 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) (“**Hongtuo Industrial**”), a subsidiary of the Group, to acquire the target shares held by them. On 31 December 2025, the 100% equity interest in Hongtuo Industrial was fully transferred and registered under the name of Hongqiao Holdings. The 11,894,744,449 new shares issued by Hongqiao Holdings were listed on the Shenzhen Stock Exchange on 13 January 2026, and the transaction has been completed. Upon completion of the transaction, the indirect shareholding proportion of the Company in Hongqiao Holdings increased from approximately 22.98% to approximately 88.99%, and the indirect shareholding proportion of the Company in Hongtuo Industrial decreased from approximately 95.295% to approximately 88.99%. Both Hongqiao Holdings and Hongtuo Industrial (through Hongqiao Holdings) continue to be subsidiaries of the Group. Details are set out in the abovementioned announcements.

Save as disclosed above, for the year ended 31 December 2025, the Company did not have material acquisitions or disposals of subsidiaries, associates or joint ventures.

Significant investment held

Save as disclosed in this results announcement, for the year ended 31 December 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 results announcement, during the year ended 31 December 2025 and as at the date of this results announcement, there was no future plan approved by the Group for any material investments or capital assets.

FUTURE PROSPECT

Looking ahead, the global economy still faces multiple uncertainties, with trade barriers intertwined with policy fluctuations, and growth resilience coexisting with downward pressures. Meanwhile, the Chinese economy continuously unlocks domestic demand potential amidst structural adjustments. Precisely targeted policies will also provide ongoing support for industrial development and generate further opportunities within the context of the delicate balance between supply and demand in the aluminium industry. Seizing this moment, the Group will continue to anchor itself to the vision of “building a respected, century-standing manufacturing enterprise”. We will deepen our focus on the core aluminum industry sector, proactively align with and deeply integrate into the national “15th Five-Year Plan” strategies for independent technological innovation, industrial upgrading, and the domestic circulation. By solidifying our core competitiveness through digital empowerment and green transformation, we will respond to market challenges and chart a new industrial blueprint through innovation driven growth and high-quality development amidst the wave of industrial transformation and reform. We aim to break new ground, forge ahead towards the future, harness the momentum of the times, demonstrate industrial responsibility, and build a lasting, evergreen enterprise through sustained progress.

EVENT AFTER THE REPORTING PERIOD

No important events affecting the Group have occurred after 31 December 2025 and up to the date of this results announcement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this results announcement, the Company had maintained the public float as approved by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and as permitted under the Listing Rules.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association of the Company and the law of the Cayman Islands, and there is no restriction regarding such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders.

THE BOARD

As at the date of this results announcement, the Board comprises four executive Directors, four non-executive Directors and four independent non-executive Directors. The members of the Board are as follows:

Executive directors

Mr. Zhang Bo (*Chairman, Chief Executive Officer, Authorised Representative*)

Ms. Zheng Shuliang^{Note 1} (*Vice Chairwoman*)

Ms. Zhang Ruilian (*Executive Vice President, Chief Financial Officer*)

Ms. Wong Yuting (*Head of Corporate Finance Department, Senior Vice President*)

Non-Executive Directors

Mr. Yang Congsen

Mr. Zhang Jinglei

Mr. Tian Mingming^{Note 2} (*Mr. Zhang Hao as his alternate*)

Mr. Tu Yikai^{Note 2} (*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

Note 1: Ms. Zheng Shuliang is the mother of Mr. Zhang Bo and the mother-in-law of Mr. Yang Congsen.

Note 2: Mr. Tian Mingming, due to work reallocation, resigned as a non-executive Director and Mr. Zhang Hao ceased to act as an alternate Director to Mr. Tian Mingming, with effect from 4 August 2025. With effect from the same date, Mr. Tu Yikai has been appointed as a non-executive Director and Mr. Zhang Hao has been appointed as an alternate Director to Mr. Tu Yikai.

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company for a term of three years with effect from their respective dates of appointment, which may be terminated by not less than one month's notice in writing served by either the Directors or the Company. The appointments are subject to the provisions of retirement and rotation of directors under the Articles of Association. None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

EMOLUMENTS OF DIRECTORS

The Directors' fees are subject to shareholders' approval at general meetings of the Company. Other emoluments are determined by the Board with reference to the Directors' duties, responsibilities and performance. During the Year, Mr. Tian Mingming, a non-executive Director, and Mr. Tu Yikai, a non-executive Director, did not receive any Director's emolument from the Company pursuant to their respective service contracts with the Company. Save as disclosed above, none of the Directors waived or agreed to waive any emoluments during the Year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of any business of the Company was entered into by the Company or subsisted during the year ended 31 December 2025.

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

As at 31 December 2025, the interests and short positions of the Directors and 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 Securities and Futures Ordinance (Chapter 571) (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of 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 Listing Rules, were as follows:

Long positions in the shares of the Company

Name of director	Capacity/type of interest	Number of total shares held	Approximate percentage of shareholding in the total issued share capital as at 31 December 2025 (%)
Mr. Zhang Bo ⁽¹⁾	Beneficial owner	8,870,000(L)	0.09
	Interest in persons acting in concert	6,107,567,100 ⁽²⁾ (L)	61.49

Note:

- (1) Shiping Prosperity Private Trust Company (“**Shiping Trust Company**”) held 100% equity interest in China Hongqiao Holdings Limited (“**China Hongqiao Holdings**”) as trustee. Shiping Global Holding Company Limited (“**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 China 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 China Hongqiao Holdings.

Save as disclosed above, as at 31 December 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 the provisions of 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 under section 352 of the SFO; or to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 31 December 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 pursuant to 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:

Name of shareholder	Capacity/type of interest	Number of total shares held	Approximate percentage of shareholding in the total issued share capital as at 31 December 2025 (%)
Shiping Trust Company ⁽¹⁾	Trustee	6,107,567,100 ⁽⁵⁾ (L)	61.49
China Hongqiao Holdings ⁽¹⁾	Beneficial owner	6,107,567,100 ⁽⁵⁾ (L)	61.49
Ms. Zhang Hongxia ⁽²⁾	Interest in persons acting in concert	6,116,437,100 ⁽⁵⁾ (L)	61.58
Ms. Zhang Yanhong ⁽²⁾	Interest in persons acting in concert	6,116,437,100 ⁽⁵⁾ (L)	61.58
CTI Capital Management Limited ⁽⁴⁾	Beneficial owner	564,190,170 ⁽³⁾ (L)	5.68
CITIC Limited ⁽⁴⁾	Interest of a controlled corporation	564,190,170 (L)	5.68
CITIC Group Corporation ⁽⁴⁾	Interest of a controlled corporation	564,190,170 (L)	5.68

Note:

- (1) Shiping Trust Company held 100% equity interest in China Hongqiao Holdings as trustee.
- (2) Shiping Trust Company held 100% equity interest in China 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 China 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 in 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 564,190,170 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 China Hongqiao Holdings.

Save as disclosed above, as at 31 December 2025, so far as it is known to the Directors and chief executive of the Company, there was no any other person (other than the Directors or 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.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2025 and up to the date of this results announcement, 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 in the Year.

FINAL DIVIDENDS

The Board proposed the payment of a final dividend of HK165 cents per share for the year ended 31 December 2025 (the “**2025 Final Dividend**”). The 2025 Final Dividend, subject to the approval of the shareholders at the annual general meeting of the Company (the “**2025 Annual General Meeting**”) which will be held on Tuesday, 19 May 2026, will be paid on or before Thursday, 18 June 2026 to the shareholders whose names appear on the register of members of the Company on Tuesday, 2 June 2026.

The dividend for the year 2025 is HK165 cents per share (2024: HK161 cents per share).

CLOSURE OF REGISTER OF MEMBERS

The share register of the Company will be closed from Tuesday, 12 May 2026 to Tuesday, 19 May 2026 (both days inclusive), during which no transfer of shares will be effected. Shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 19 May 2026 are entitled to attend and vote at the forthcoming 2025 Annual General Meeting. In order to be entitled to attend the 2025 Annual General Meeting and vote at the meeting, all completed share transfer documents accompanying with the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, for registration not later than 4:30 p.m. on Monday, 11 May 2026. The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

The share register of the Company will be closed from Wednesday, 27 May 2026 to Tuesday, 2 June 2026 (both days inclusive), during which no transfer of shares will be effected. Shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 2 June 2026 are entitled to the 2025 Final Dividend. In order to qualify for the 2025 Final Dividend, all completed share transfer documents accompanying with the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, for registration not later than 4:30 p.m. on Tuesday, 26 May 2026. The address of Computershare Hong Kong Investor Services Limited is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

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 20 March 2026 to review the annual results and the consolidated financial statements of the Group for the year ended 31 December 2025. The Audit Committee considered that the financial results of the Group for the year ended 31 December 2025 were in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2025, the Company repurchased a total of 306,322,000 shares for a total consideration of approximately HK\$5.58 billion (excluding commissions and other expenses). The repurchased shares were subsequently cancelled. The Company undertook share repurchases because the Board believed that the Company's share price deviated from the value of the Company. The share repurchase reflects the confidence of the Board and the management team in the long-term strategy and growth of the Company. The Board considered that the share repurchased were in the best interest of the Company and its shareholders as a whole.

Details of the shares repurchased by the Company during the year ended 31 December 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 HK\$	Highest 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
August 2025	53,479,000	22.10	25.44	1,299,163,150.05
September 2025	64,747,000	23.58	26.00	1,648,753,658.55
October 2025	<u>866,500</u>	25.18	27.00	<u>22,704,655.20</u>
Total	<u><u>306,322,000</u></u>			<u><u>5,582,121,292.00</u></u>

Note:

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\$14.60 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 strategy 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.

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 year ended 31 December 2025 and up to the date of this results announcement.

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.

PLACING OF EXISTING SHARES AND SUBSCRIPTION OF NEW SHARES

In order to raise further capital and broaden the Company’s shareholder and capital base at the same time, on 17 November 2025, the Company, China Hongqiao Holdings and the placing agents entered into a placing and subscription agreement. Pursuant to the placing and subscription agreement, the placing agents agreed to place 400,000,000 shares of the Company held by China Hongqiao Holdings to independent places at the placing price of HK\$29.20 per share, and China Hongqiao Holdings agreed to subscribe for and the Company agreed to allot and issue 400,000,000 new shares of the Company to China Hongqiao Holdings at the subscription price of HK\$29.20 per share. The subscription shares are ordinary shares of the Company with an aggregate nominal value of US\$4,000,000. The net subscription price after deduction of fees and expenses was approximately HK\$28.73 per subscription share, which represented a discount of approximately 11.05% to the closing price of the ordinary shares of the Company of HK\$32.30 per share as quoted on the Stock Exchange on 17 November 2025, being the date of the placing and subscription agreement. The placing and the subscription were completed on 20 November 2025 and 25 November 2025, respectively. Details are set out in the Company’s announcements dated 17 November 2025 and 25 November 2025 and the next day disclosure return dated 25 November 2025.

Net proceeds from the subscription are approximately HK\$11,490.1 million, which have been or will be used for the following purposes:

Intended Use of Net Proceeds	Net proceeds from the subscription (HK\$ million)	Percentage of net proceeds	Actual amount utilised during the year ended 31 December 2025 (HK\$ million)	Net proceeds unutilised during the year ended 31 December 2025 (HK\$ million)	Expected timeline for full utilisation of net proceeds ^{Note}
Development and enhancement of the Company's domestic and overseas projects, including the Company's new energy projects, Simandou iron ore project, relocation of production capacity in Yunnan, and lightweight materials projects	6,894.1	60%	257.1	6,637.0	By 31 December 2026
Repayment of existing debt to optimise the Company's capital structure	3,447.0	30%	2,211.2	1,235.8	By 30 June 2026
Working capital and general corporate purposes	1,149.0	10%	1,149.0	–	N/A
Total	<u>11,490.1</u>	<u>100%</u>	<u>3,617.3</u>	<u>7,872.8</u>	

Note: Such allocation and expected time frame are based on the Directors' best estimation in the absence of unforeseen circumstances, and may be subject to appropriate adjustments based on factors such as the Company's operational needs, funding needs, and project progress.

CORPORATE BONDS OF SHANDONG HONGQIAO

(1) On 2 September 2020, Shandong Hongqiao obtained the Approval for the Registration for Public Issuance of Corporate Bonds to Professional Investors by Shandong Hongqiao New Material Co., Ltd. (Zheng Jian Xu Ke [2020] No. 2060) (《關於同意山東宏橋新型材料有限公司向專業投資者公開發行公司債券註冊的批覆》) from the China Securities Regulatory Commission, approving Shandong Hongqiao to issue the corporate bonds of not more than RMB20,000,000,000 in the PRC.

(i) On 13 June 2022, Shandong Hongqiao completed the issuance of 2022 domestic corporate bonds (first tranche), with an offering size of RMB1,000,000,000, for a term of 2+1 years (3-year fixed rate bonds, with the issuer's option to adjust the coupon rate and the investors' option to sell back at the end of the second year) and carrying an interest rate of 4.30% per annum.

Pursuant to the terms on sell-back by investors as set out in the bond prospectus, during the sell-back period from 20 May 2024 to 22 May 2024, the sell-back amount of the bondholders was RMB315,000,000. From 13 June 2024 to 10 July 2024, Shandong Hongqiao resold the aforesaid sell-back amount, for a resold amount of RMB315,000,000. After completion of the resale, the remaining principal amount of the bonds is RMB1,000,000,000 and the coupon rate decreases to 2.80%.

The bonds matured on 13 June 2025 and Shandong Hongqiao redeemed the bonds in full at their remaining aggregate principal amount together with interest accrued to the maturity date.

- (ii) On 3 August 2022, Shandong Hongqiao completed the issuance of 2022 domestic corporate bonds (second tranche), with an offering size of RMB1,000,000,000, for a term of 2+1 years (3-year fixed rate bonds, with the issuer's option to adjust the coupon rate and the investors' option to sell back at the end of the second year), carrying an interest rate of 4.50% per annum.

Pursuant to the terms on sell-back by investors as set out in the bond prospectus, during the sell-back period from 15 July 2024 to 17 July 2024, the sell-back amount of the bondholders was RMB341,000,000. From 3 August 2024 to 30 August 2024, Shandong Hongqiao resold the aforesaid sell-back amount, for a resold amount of RMB341,000,000. After completion of the resale, the remaining principal amount of the bonds is RMB1,000,000,000 and the coupon rate decreases to 2.35%.

The bonds matured on 3 August 2025 and Shandong Hongqiao redeemed the bonds in full at their remaining aggregate principal amount together with interest accrued to the maturity date.

- (iii) On 3 November 2022, Shandong Hongqiao completed the issuance of 2022 domestic corporate bonds (third tranche) (commodity index-linked), with an offering size of RMB1,000,000,000, for a term of 1+1+1+1+1 years (5-year bonds, with the investors' option to sell back at the end of the first, second, third and fourth year and the issuer's option to redeem at the end of the third year). The annual interest rate of the bonds consists of a base rate plus a floating rate. The coupon rate for the first interest-bearing year is 4.00%.

Pursuant to the terms on sell-back by investors as set out in the bond prospectus, during the sell-back period from 26 September 2023 to 28 September 2023, the sell-back amount of the bondholders was RMB1,000,000,000. From 3 November 2023 to 30 November 2023, Shandong Hongqiao resold the aforesaid sell-back amount, for a resold amount of RMB620,000,000. After completion of the resale, the remaining principal amount of the bonds is RMB620,000,000 and the coupon rate for the second interest-bearing year is 4.01%.

Pursuant to the terms on sell-back by investors as set out in the bond prospectus, during the sell-back period from 23 September 2024 to 25 September 2024, the sell-back amount of the bondholders was RMB70,000,000. After completion of the sellback, the remaining principal amount of the bonds is RMB550,000,000 and the coupon rate for the third interest-bearing year is 4.06%.

Pursuant to the terms on redemption by the issuer as set out in the bond prospectus, on 3 November 2025, Shandong Hongqiao has redeemed the bonds in full at their remaining aggregate principal amount together with interest accrued to the redemption date.

- (2) On 31 August 2023, Shandong Hongqiao obtained the Approval for the Registration for Public Issuance of Corporate Bonds to Professional Investors by Shandong Hongqiao New Material Co., Ltd. (Zheng Jian Xu Ke [2023] No. 2014) (《關於同意山東宏橋新型材料有限公司向專業投資者公開發行公司債券註冊的批覆》) from the China Securities Regulatory Commission, approving Shandong Hongqiao to issue the corporate bonds of not more than RMB17,000,000,000 in the PRC.
- (i) On 3 July 2024, Shandong Hongqiao completed the issuance of 2024 domestic technology innovation corporate bonds (first tranche) (high-growth industrial bond), with an offering size of RMB500,000,000, for a term of 3 years (3-year fixed rate bonds) and carrying an interest rate of 3.08% per annum.
- (ii) On 14 August 2025, Shandong Hongqiao completed the issuance of 2025 domestic technology innovation corporate bonds (first tranche) (high-growth industrial bond), with an offering size of RMB1,000,000,000, for a term of 2 years (2-year fixed rate bonds) and carrying an interest rate of 2.25% per annum.

ADJUSTMENT OF CONVERSION PRICE AND FULL CONVERSION 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 has 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.

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.

As of 8 January 2026, in accordance with the conversion notices received for the 2021 Convertible Bonds, 409,489,416 shares were issued and allotted by the Company based on the adjusted conversion price pursuant to the general mandate granted by the shareholders to the Directors at the annual general meeting of the Company, and the 2021 Convertible Bonds have been fully converted.

ISSUE OF US\$300,000,000 1.50% CONVERTIBLE BONDS DUE 2030 AND CONCURRENT SHARE REPURCHASE AND ADJUSTMENT OF CONVERSION PRICE

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 from the issuance of the convertible bonds were approximately US\$294,584,687. The proceeds were fully utilised by the Company for the uses as described in the announcement of the Company dated 18 March 2025. On 18 March 2025, concurrent with the offering of the 2025 Convertible Bonds, the Company concurrently repurchased 20,548,000 shares by private arrangement from the relevant buyers of the convertible bonds at a price of HK\$14.60 per share (total consideration excluding commissions and other expenses: HK\$300,000,800), which were cancelled on 14 April 2025. Please refer to the announcements of the Company dated 17 March 2025, 18 March 2025, 26 March 2025 and 27 March 2025, and the next day disclosure return dated 19 March 2025 for details.

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.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standards as set out in the Model Code.

Having made specific enquiry of all the Directors, the Company confirmed that each of the Directors has complied with the required standards set out in the Model Code and the code of conduct of the Company regarding directors' securities transactions throughout the year ended 31 December 2025 and up to the date of this results announcement.

COMPLIANCE WITH PROVISIONS OF THE CG CODE

The Company has applied the principles as set out in the CG Code. For the year ended 31 December 2025, the Company has complied with the code provisions of 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 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 chairwoman of the Board.

Save as disclosed above, there was no non-compliance of other code provisions of the CG Code by the Company for the year ended 31 December 2025.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hongqiaochina.com. The annual report will be published on or before 24 April 2026 and will be available on the Company's website and the website of the Stock Exchange.

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere gratitude to our Board members and management team, and to all the employees, business partners, customers and shareholders of the Group.

By order of the Board
China Hongqiao Group Limited
Mr. Zhang Bo
Chairman

Hong Kong, the PRC
20 March 2026

As at the date of this announcement, the Board comprises twelve Directors, namely Mr. Zhang Bo, Ms. Zheng Shuliang, Ms. Zhang Ruilian and Ms. Wong Yuting as executive Directors; Mr. Yang Congsen, Mr. Zhang Jinglei, Mr. Tu Yikai (Mr. Zhang Hao as his alternate) and Ms. Sun Dongdong as non-executive Directors; and Mr. Wen Xianjun, Mr. Han Benwen, Mr. Dong Xinyi and Ms. Fu Yulin as independent non-executive Directors.