

Interim Report

Stock Code : 1090

2025

**DA MING INTERNATIONAL
HOLDINGS LIMITED**

Incorporated in the Cayman Islands
with limited liability



CONTENTS

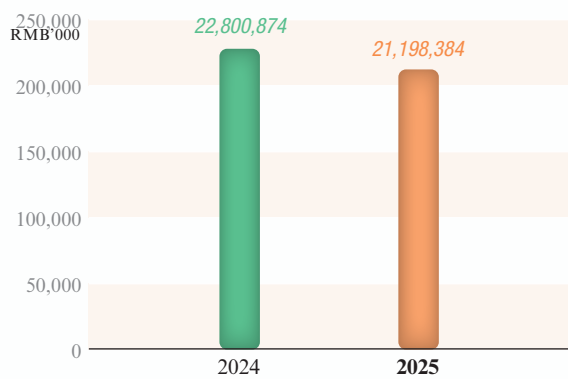
1	Financial and Operating Highlights
4	Management Discussion and Analysis
19	Unaudited Condensed Consolidated Statement of Financial Position
21	Unaudited Condensed Consolidated Statement of Comprehensive Income
22	Unaudited Condensed Consolidated Statement of Changes in Equity
23	Unaudited Condensed Consolidated Statement of Cash Flows
24	Notes to the Unaudited Condensed Consolidated Financial Statements
39	Other information

FINANCIAL AND OPERATING HIGHLIGHTS

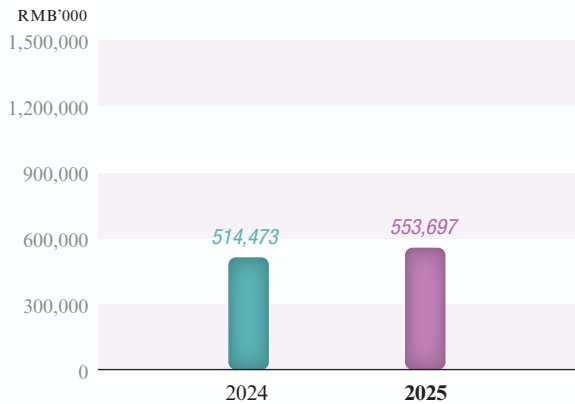
Financial Highlights

	Six months ended 30 June		
	2025 RMB'000	2024 RMB'000	% change
Revenue	21,198,384	22,800,874	-7.0%
Gross profit	553,697	514,473	+7.6%
Total comprehensive income for the period	22,767	9,424	+141.6%

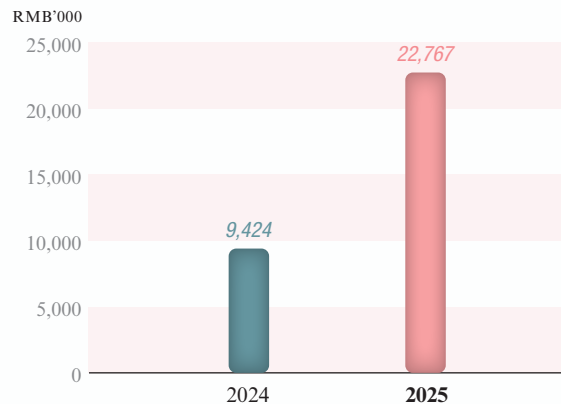
Revenue



Gross profit



Total comprehensive income



FINANCIAL AND OPERATING HIGHLIGHTS

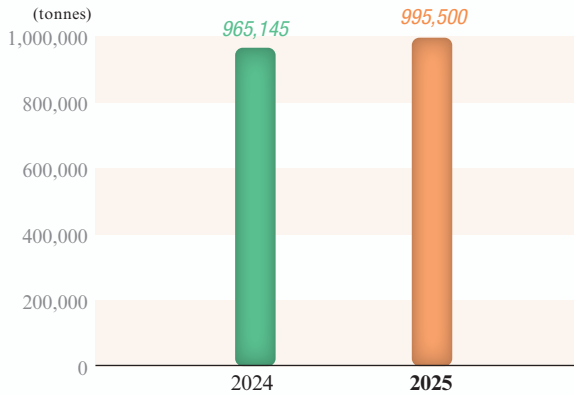
Operating Highlights

	Six months ended 30 June		
	2025	2024	% change
Stainless steel			
Sales volume (tonnes)	995,500	965,145	+3.1%
Processing volume (tonnes)	1,521,769	1,524,910	-0.2%
Processing multiple (<i>note</i>)	1.53	1.58	
Carbon steel			
Sales volume (tonnes)	2,390,742	2,382,729	+0.4%
Processing volume (tonnes)	2,444,372	2,292,416	+6.6%
Processing multiple (<i>note</i>)	1.02	0.96	

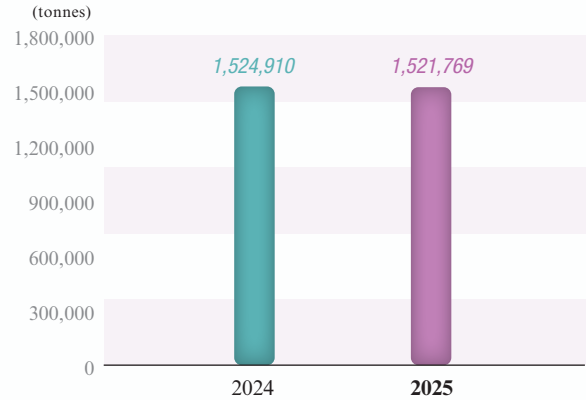
Note : Processing multiple = Processing volume / Sales volume

FINANCIAL AND OPERATING HIGHLIGHTS

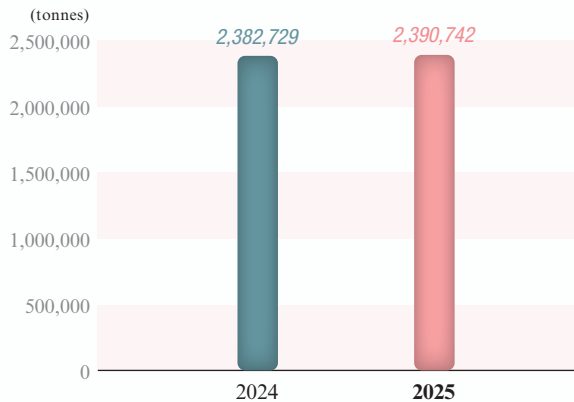
Sales volume of stainless steel



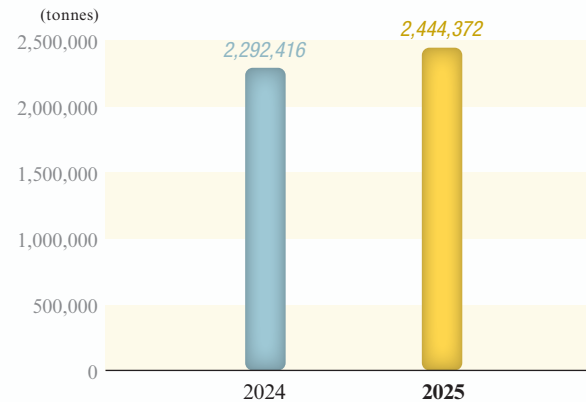
Processing volume of stainless steel



Sales volume of carbon steel



Processing volume of carbon steel



BUSINESS REVIEW

1. Shipbuilding Breakthrough: Daming partnered with Jiangxi (Shipyards) to launch Holland High-End Chemical Tanker Project—135m Stainless Steel Special Vessel, which demonstrated global high-end market competitiveness

Recently, a 135-meter chemical tanker project in the Netherlands, jointly built by Hubei Daming Processing Center and Jiangxi (Shipyards), officially kicked off. The project is classified by the international authoritative classification society Lloyd's Register (LR), marking a major breakthrough in the field of high-tech, high value-added special ship fabrication in the internationalization of the fabrication services of Daming.

A strong alliance creates a new benchmark for shipbuilding

The cooperation is a deep integration of the core advantages of both parties: the shipyard relies on decades of shipbuilding experience to provide overall design and engineering management, while Hubei Daming provides leading technologies in the field of special stainless steel fabrication. The hull is made of high-performance dual-phase steel. Through precision welding and surface treatment, it meets the stringent requirements of environmental protection standards and extreme chemical transportation, and its technical level reaches the first echelon of the international community.



MANAGEMENT DISCUSSION AND ANALYSIS

Deepening synergy to develop global high-end market

“This project is a milestone of the strategic synergy between the two parties,” said the project manager, “By integrating Daming’s ‘Precision Manufacturing’ capabilities in the field of stainless steel special materials and the shipyard’s ship system engineering advantages, we have successfully entered the European high-end ship market.” With a length of 135 meters, a loading capacity of over 10,000 tons, and an intelligent liquid cargo management system, the vessel will become the main ship type of the chemical transportation fleet of the Dutch shipowner.

Strengthening the international competitiveness of Chinese manufacturing

The cooperation highlights three core value propositions:

1. **Technological Breakthrough:** Pioneering large-scale innovative applications of special stainless steel in shipbuilding.
2. **Model Upgrade:** Establishing a new industry paradigm of scientific material selection + precision manufacturing supply chain synergy.
3. **Market Expansion:** Building credentials for future high-end international projects like LNG-powered vessels and liquid hydrogen carriers.

The project will propel Hubei Daming’s upgrade in ship component manufacturing, injecting new momentum into high-end special vessel processing through integrated material supply, precision fabrication, and logistics solutions.



2. Super-Large Mining Truck Bodies shipped from Daming Yangtze River Terminal to southern hemisphere

A batch of super-large mining truck bodies produced by Daming Heavy Industry Construction Machinery Company for a well-known global mining equipment service provider set sail from Daming Yangtze River Terminal. The super large mining truck bodies are equipped for 20 super large tonnage diesel – AC electric drive mining trucks located in an southern hemisphere mine with open pit full of copper, gold, and silver. Five were delivered last year, with the remaining 15 expected to be completed in 2025.



3. Daming Yangtze River Terminal efficiently handled oversized imported equipment

As the oversized imported precision equipment, weighing over 1,000 tons in total, was slowly hoisted ashore, Daming Yangtze River Terminal marked another milestone in logistics operations. Two 500-ton units (each exceeding 12 meters in length and 5 meters in both width and height) will be stored and transshipped at the terminal before being efficiently transported via the golden waterway of the Yangtze River.



MANAGEMENT DISCUSSION AND ANALYSIS

4. Daming helps Hubei put 600,000-ton Acetic Acid Project into production

The 600,000-ton acetic acid project of Handsome (Jingmen) New Materials Limited was successfully launched with products tested qualified, marking that the project formally entered the commercial production stage. As an important material and processing service provider for the project, the Big Projects Department of Daming Group, together with Hubei Daming, provided more than 1,600 tons of stainless steel products for the core equipment of the project with its powerful nine processing platforms and “one-stop” service solutions.



5. Shandong Daming delivers batches of Normal-Pressure Storage Tanks abroad

Shandong Daming completed the shipment of two batches of normal-pressure storage tanks tailored for the customers, working together with Daming International Import & Export. The delivery of this project once again demonstrates the advantages of Daming Group five major differentiation strategies: metal fabrication services, specialty steel, strategic customers, engineering projects, product and export services, which received significant praise and trust from clients.



6. **Tianjin Daming High-End Oil Tank Prefabrication Project in full swing**

In June, Tianjin Daming is vigorously advancing a high-end oil tank prefabrication project targeting overseas markets. The prefabricated tank components being manufactured serve as critical parts of a large-scale storage and transportation facility in a certain country. The project imposes extremely stringent requirements on material quality, machining precision, groove standards, cylindrical forming, and transport protection. Leveraging its profound expertise in metal processing and extensive export experience, Tianjin Daming has successfully secured this contract.



7. **Zhejiang Daming supports Ningxing Shipbuilding to build a 13000DWT Duplex Chemical Tanker**

A stainless-steel chemical tanker with a capacity of 13,000DWT, built by Zhoushan Ningxing Shipbuilding, started a sea trial recently in Zhoushan. Zhejiang Daming provided tailored shipbuilding plate solutions for the project.



MANAGEMENT DISCUSSION AND ANALYSIS

8. Daming Yangtze River Terminal breaks Hoisting Record

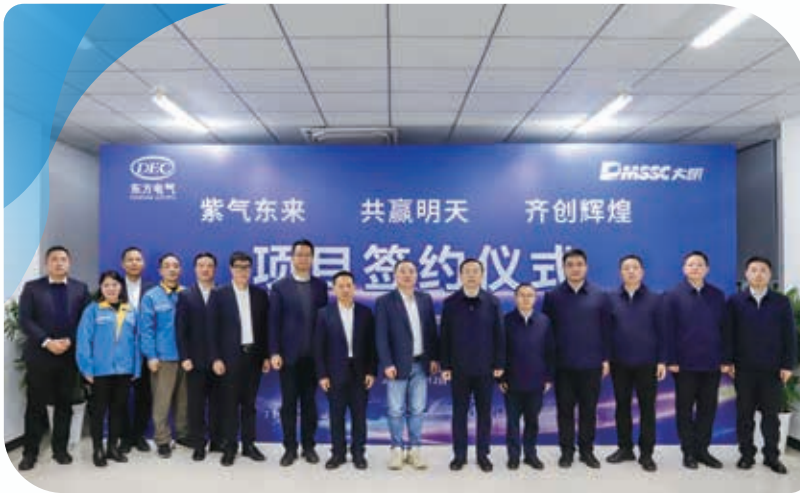
The operation, which involved two 1,200-ton cranes with a combined lifting capacity of 2,200 tons, was executed with meticulous precision at Daming Yangtze River Terminal by lifting equipment maneuver a 38-meter-long, 6-meter-diameter, and 800-ton precision pressure vessel onto the deck of the “Yuanshunhai 2” ship. This precision operation not only marked the successful completion of the 800-ton lifting project, but also set a new hoisting record for Daming Yangtze River Terminal.



STRATEGIC COOPERATION

1. Daming signed multiple project agreements with DEC Turbine and Dongfang Electric Group Digital Technology Co. LTD

Daming Heavy Industry held signing ceremonies with DEC Turbine and Dongfang Electric Group Digital Technology Co. LTD for several strategic projects, including a smart manufacturing procurement framework agreement and a low-pressure module assembly contract with Dongfang Electric Group Digital Technology Co. LTD.



2. Daming Jingjiang Base launched green, high-efficiency Automated Parking Tower

China's largest vertical circulation mechanical parking system has been commissioned at Daming Jingjiang base, featuring a space-efficient 2,000-square-meter design with 50 high-performance parking units that accommodate 980 vehicles, delivering over 3 times the land utilization efficiency of conventional parking lots. The cutting-edge system enables 90-second vehicle retrieval, effectively eliminating peak-hour congestion, while its revolutionary bidirectional rotation technology reduces failure rates to one-fifth of industry averages and slashes maintenance costs by 60%.



MANAGEMENT DISCUSSION AND ANALYSIS

Operating results

The Group recorded a net profit of approximately RMB22.8 million for the six months ended 30 June 2025 representing an increase of approximately 141.6% as compared with the net profit of approximately RMB9.4 million for the six months ended 30 June 2024.

The sales volume of our stainless steel processing business increased from approximately 965,000 tonnes for the six months ended 30 June 2024 to approximately 996,000 tonnes for the six months ended 30 June 2025 representing an increase of approximately 3.1%. The processing volume decreased from approximately 1,525,000 tonnes for the six months ended 30 June 2024 to approximately 1,522,000 tonnes for the six months ended 30 June 2025 representing a decrease of approximately 0.2%.

The sales volume of our carbon steel processing business increased from approximately 2,383,000 tonnes for the six months ended 30 June 2024 to approximately 2,391,000 tonnes for the six months ended 30 June 2025 representing an increase of approximately 0.4%. The processing volume increased from approximately 2,292,000 tonnes for the six months ended 30 June 2024 to approximately 2,444,000 tonnes for the six months ended 30 June 2025 representing an increase of approximately 6.6%.

MANAGEMENT DISCUSSION AND ANALYSIS

The sales volume and processing volume of our processing centres for the six months ended 30 June 2025 and the corresponding period in 2024 were as follows:

Stainless steel

	Six months ended 30 June		
	2025 <i>Tonnes</i>	2024 <i>Tonnes</i>	% change
Sales volume			
Wuxi	416,567	399,492	+4.3%
Hangzhou	115,552	117,473	-1.6%
Tianjin	122,547	119,344	+2.7%
Taiyuan	75,177	71,753	+4.8%
Wuhan	58,664	49,871	+17.6%
Jingjiang	80,194	81,214	-1.3%
Shandong	92,297	79,767	+15.7%
Jiaying	34,502	46,231	-25.4%
Total	995,500	965,145	+3.1%
Processing volume			
Wuxi	637,475	682,331	-6.6%
Hangzhou	144,082	144,938	-0.6%
Tianjin	124,865	118,939	+5.0%
Taiyuan	269,082	239,900	+12.2%
Wuhan	66,497	62,051	+7.2%
Jingjiang	134,115	135,683	-1.2%
Shandong	80,914	76,200	+6.2%
Jiaying	64,739	64,868	-0.2%
Total	1,521,769	1,524,910	-0.2%

MANAGEMENT DISCUSSION AND ANALYSIS

Carbon steel

	Six months ended 30 June		
	2025	2024	
	<i>tonnes</i>	<i>tonnes</i>	<i>% change</i>
Sales volume			
Wuxi	436,481	415,351	+5.1%
Hangzhou	25,705	38,614	-33.4%
Tianjin	287,630	274,021	+5.0%
Taiyuan	156,072	186,129	-16.1%
Wuhan	324,875	303,809	+6.9%
Jingjiang	449,573	450,886	-0.3%
Shandong	329,887	308,304	+7.0%
Jiaxing	378,364	405,165	-6.6%
Chongqing	2,155	—	—
Total	2,390,742	2,382,279	+0.4%
Processing volume			
Wuxi	365,590	357,602	+2.2%
Hangzhou	26,709	37,251	-28.3%
Tianjin	236,814	240,225	-1.4%
Taiyuan	224,173	185,448	+20.9%
Wuhan	389,393	296,638	+31.3%
Jingjiang	571,029	523,334	+9.1%
Shandong	292,621	276,299	+5.9%
Jiaxing	338,043	375,619	-10.0%
Total	2,444,372	2,292,416	+6.6%

FINANCIAL REVIEW AND ANALYSIS

During the six months ended 30 June 2025, we recorded a revenue of approximately RMB21,198 million, gross profit of approximately RMB554 million and profit attributable to equity holders of the Company of approximately RMB8 million. Total assets of the Group as at 30 June 2025 amounted to approximately RMB17,116 million while equity attributable to equity holders of the Company amounted to approximately RMB2,535 million.

Revenue

Our revenue for the six months ended 30 June 2025 amounted to approximately RMB21,198 million comprising approximately RMB20,473 million from our processing business and approximately RMB725 million from our manufacturing business. As compared with the revenue for the six months ended 30 June 2024 of approximately RMB22,801 million, it represented a decrease of approximately 7.0%.

The sales volume of our stainless steel processing business increased from 965,145 tonnes for the six months ended 30 June 2024 to 995,500 tonnes for the six months ended 30 June 2025 representing an increase of approximately 3.1%. The sales volume of our carbon steel processing business increased from 2,382,729 tonnes for the six months ended 30 June 2024 to 2,390,742 tonnes for the six months ended 30 June 2025 representing an increase of approximately 0.4%.

The processing volume of our stainless steel processing business decreased from 1,524,910 tonnes for the six months ended 30 June 2024 to 1,521,769 tonnes for the six months ended 30 June 2025 representing a decrease of approximately 0.2%. The processing volume of our carbon steel processing business increased from 2,292,416 tonnes for the six months ended 30 June 2024 to 2,444,372 tonnes for the six months ended 30 June 2025 representing an increase of approximately 6.6%.

MANAGEMENT DISCUSSION AND ANALYSIS

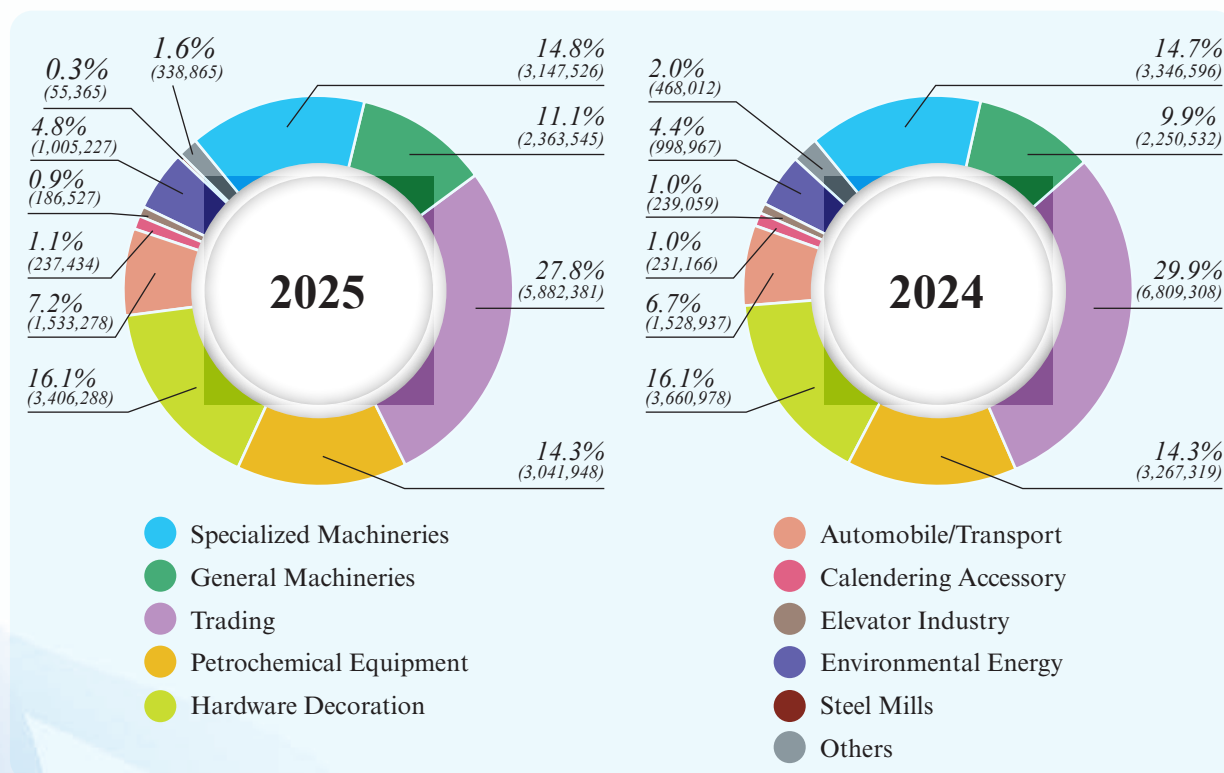
Analysis of revenue by key industry segments

During the six months ended 30 June 2025 and the corresponding period in 2024, our revenue by key industry segments were shown below:

Revenue

Industry	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Specialized Machineries	3,147,526	14.8	3,346,596	14.7
General Machineries	2,363,545	11.1	2,250,532	9.9
Trading	5,882,381	27.8	6,809,308	29.9
Petrochemical Equipment	3,041,948	14.3	3,267,319	14.3
Hardware Decoration	3,406,288	16.1	3,660,978	16.1
Automobile/Transport	1,533,278	7.2	1,528,937	6.7
Calendering Accessory	237,434	1.1	231,166	1.0
Elevator Industry	186,527	0.9	239,059	1.0
Environmental Energy	1,005,227	4.8	998,967	4.4
Steel Mills	55,365	0.3	—	—
Others	338,865	1.6	468,012	2.0
Total	21,198,384	100.0	22,800,874	100.0

RMB'000



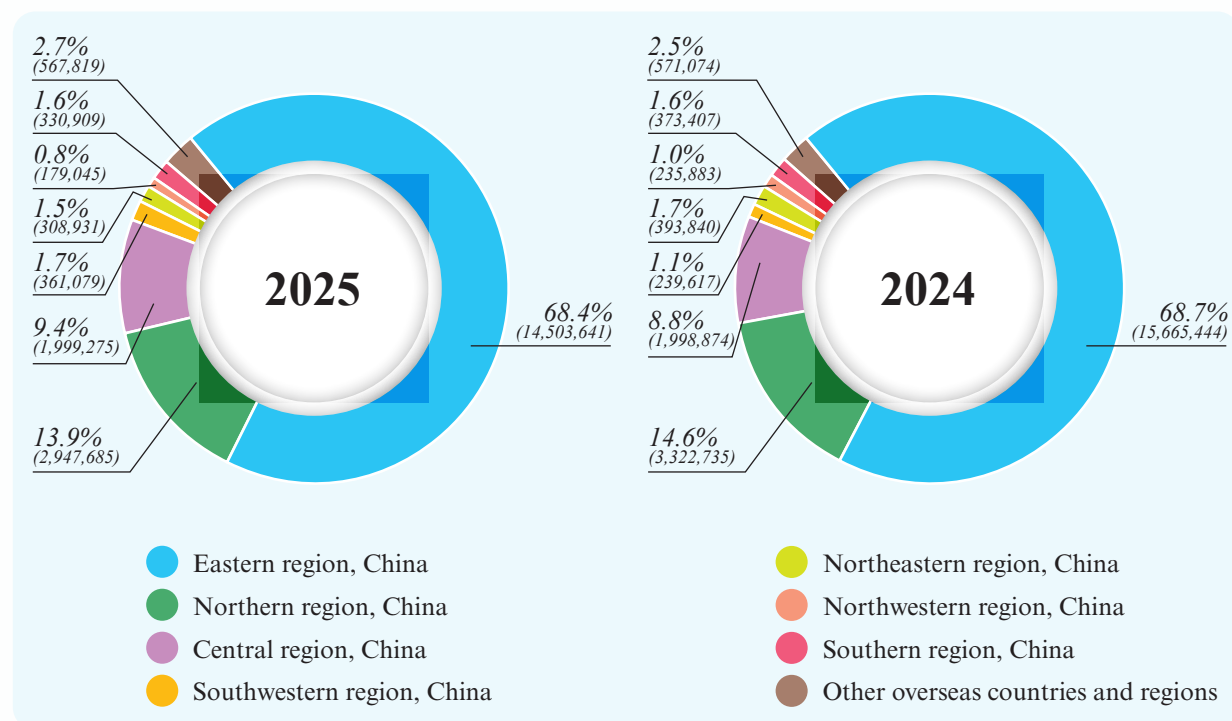
MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of revenue by geographical regions

During the six months ended 30 June 2025 and the corresponding period in 2024, our revenue by geographical regions were shown below:

Region	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Eastern region, China	14,503,641	68.4	15,665,444	68.7
Northern region, China	2,947,685	13.9	3,322,735	14.6
Central region, China	1,999,275	9.4	1,998,874	8.8
Southwestern region, China	361,079	1.7	239,617	1.1
Northeastern region, China	308,931	1.5	393,840	1.7
Northwestern region, China	179,045	0.8	235,883	1.0
Southern region, China	330,909	1.6	373,407	1.6
Overseas	567,819	2.7	571,074	2.5
Total	21,198,384	100.0	22,800,874	100.0

RMB'000



MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit

Gross profit increased from approximately RMB514.5 million for the six months ended 30 June 2024 to approximately RMB553.7 million for the six months ended 30 June 2025 mainly due to the improvement in operating efficiency.

Other income

Other income decreased from approximately RMB27.9 million for the six months ended 30 June 2024 to approximately RMB9.9 million for the six months ended 30 June 2025 mainly due to the decrease in government grants received during the current period.

Distribution costs

Distribution costs increased slightly from approximately RMB228.3 million for the six months ended 30 June 2024 to approximately RMB233.4 million for the six months ended 30 June 2025. Such increase was mainly due to the increase in transportation costs.

Administrative expenses

Administrative expenses increased from approximately RMB176.4 million for the six months ended 30 June 2024 to approximately RMB184.6 million for the six months ended 30 June 2025. Such increase was mainly due to the increase in stamp duty, property tax and other surcharges.

Finance costs

Finance costs decreased from approximately RMB122.3 million for the six months ended 30 June 2024 to approximately RMB110.5 million for the six months ended 30 June 2025. Such decrease was mainly due to the decrease in interest expenses on bank borrowings and the increase in interest income.

Income tax expense

The income tax expense increased from approximately RMB4.7 million for the six months ended 30 June 2024 to approximately RMB10.8 million for the six months ended 30 June 2025 due to the increase in profit.

Profit for the period

The Group recorded a net profit of approximately RMB22.8 million for the six months ended 30 June 2025 as compared with a net profit of approximately RMB9.4 million for the six months ended 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign exchange risk management

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. However, the Group has certain trade receivables, restricted bank balances, cash and cash equivalents, trade payables, other payables and borrowings denominated in foreign currencies, mainly United States Dollar, Euro, Hong Kong Dollar and Japanese Yen, which are exposed to foreign currency translation risk.

The management will closely monitor the exchange rate fluctuations to ensure sufficient precautionary measures against any adverse impacts.

LIQUIDITY, CAPITAL STRUCTURE AND FINANCIAL RESOURCES

As at 30 June 2025, the borrowings of the Group amounted to approximately RMB11,653 million. Notes payable amounted to approximately RMB340 million while the bank balances were approximately RMB6,000 million of which approximately RMB5,613 million were restricted bank deposits for bank financing facilities for issuing letter of credit and notes payable.

As at 30 June 2025, the Group recorded a net current liabilities of approximately RMB1,280 million.

The gearing ratios as at 30 June 2025 and 31 December 2024 were 79.60% and 71.42% respectively. The ratios are calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents while total capital is calculated as total equity plus net debt.

CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment	6	4,977,439	5,121,368
Right-of-use assets		537,959	521,364
Investment properties		1,961	1,638
Intangible assets		24,385	19,987
Deferred income tax assets		269,322	254,394
Trade receivables and contract assets	8	13,260	5,651
Other non-current assets		40,045	38,957
		5,864,371	5,963,359
Current assets			
Inventories	7	3,683,877	3,821,706
Trade receivables and contract assets	8	524,262	414,538
Prepayments, deposits and other receivables	9	973,258	1,075,670
Financial assets at fair value through other comprehensive income		69,739	49,762
Restricted bank deposits		5,612,723	1,491,549
Cash and cash equivalents		387,359	153,891
		11,251,218	7,007,116
Total assets		17,115,589	12,970,475
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	10	109,041	109,041
Reserves		2,426,451	2,418,872
		2,535,492	2,527,913
Non-controlling interests		352,073	336,885
Total equity		2,887,565	2,864,798

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
	Note		
LIABILITIES			
Non-current liabilities			
Borrowings	11	1,528,325	1,659,376
Deferred government grants		119,619	126,898
Deferred income tax liabilities		20,872	13,020
Lease liabilities		1,719	523
Long-term payables		26,144	28,149
		<u>1,696,679</u>	<u>1,827,966</u>
Current liabilities			
Trade payables	12	976,993	1,082,057
Accruals and other current liabilities		482,362	513,452
Contract liabilities		871,578	960,491
Current income tax liabilities		43,946	35,418
Borrowings	11	10,124,662	5,652,858
Lease liabilities		1,543	3,174
Dividends payable		30,261	30,261
		<u>12,531,345</u>	<u>8,277,711</u>
Total liabilities		<u>14,228,024</u>	<u>10,105,677</u>
Total equity and liabilities		<u>17,115,589</u>	<u>12,970,475</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Note	RMB'000	RMB'000
Revenue	13	21,198,384	22,800,874
Cost of sales	14	(20,644,687)	(22,286,401)
Gross profit		553,697	514,473
Other income		9,891	27,862
Other expenses		(1,535)	(1,275)
Distribution costs	14	(233,427)	(228,302)
Administrative expenses	14	(184,604)	(176,368)
Operating profit		144,022	136,390
Finance income	15	26,696	21,535
Finance costs	15	(137,151)	(143,834)
Finance costs – net	15	(110,455)	(122,299)
Profit before income tax		33,567	14,091
Income tax expense	16	(10,800)	(4,667)
Profit and total comprehensive income for the period		22,767	9,424
Attributable to:			
Equity holders of the Company		7,579	4,436
Non-controlling interests		15,188	4,988
		22,767	9,424
Earnings per share for profit attributable to equity holders of the Company during the period (expressed in RMB per share)			
– basic earnings per share	17	0.59 cents	0.35 cents
– diluted earnings per share	17	0.59 cents	0.35 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to equity holders of the Company		Non- controlling interests	Total equity
	Share Capital <i>RMB'000</i>	Reserves <i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2024	109,041	2,833,451	338,756	3,281,248
Comprehensive income				
Loss for the year	—	(414,579)	29,440	(385,139)
Transactions with owners				
Dividends	—	—	(31,311)	(31,311)
Balance at 31 December 2024	109,041	2,418,872	336,885	2,864,798

	Attributable to equity holders of the Company		Non- controlling interests	Total equity
	Share Capital <i>RMB'000</i>	Reserves <i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2025	109,041	2,418,872	336,885	2,864,798
Comprehensive income				
Profit for the period	—	7,579	15,188	22,767
Total comprehensive income for the period	—	7,579	15,188	22,767
Total transaction with owners	—	—	—	—
Balance at 30 June 2025	109,041	2,426,451	352,073	2,887,565

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Cash flows from operating activities		
Cash flows from/(used in) operations	254,961	(46,620)
Interest received	26,696	21,535
Interest paid	(137,112)	(143,834)
Income tax paid	(9,348)	(10,665)
Net cash from/(used in) operating activities	135,197	(179,584)
Cash flows from investing activities		
Purchase of property, plant and equipment	(89,284)	(267,765)
Other investing cash flow	(32,024)	(15,982)
Net cash used in investing activities	(121,308)	(283,747)
Cash flows from financing activities		
Net change in borrowings	4,340,753	2,907,206
Net change in restricted bank deposits	(4,121,174)	(2,372,670)
Dividend paid to non-controlling shareholders	—	(20,000)
Net cash from financing activities	219,579	514,536
Net change in cash and cash equivalents	233,468	51,205
Cash and cash equivalents at beginning of the period	153,891	265,311
Cash and cash equivalents at end of the period	387,359	316,516

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 14 February 2007 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 December 2010.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These unaudited condensed consolidated financial statements have not been reviewed by external auditors but have been reviewed by the Company's audit committee.

Going Concern

As at 30 June 2025, the Group's current liabilities exceeded its current assets by approximately RMB1,280,127,000. This financial condition may cast significant doubt upon the Group's ability to continue as a going concern.

The Group meets its day-to-day working capital requirements mainly through its operating cash flows and bank borrowings. In preparing the financial statements, the Directors of the Company have given a careful consideration to the projected needs for liquidity, operating results and the available financial resources of the Group in evaluating whether the Group will have sufficient financial resources to continue as a going concern. Management's plan has included a number of measures to mitigate the liquidity pressure and to improve the financial position and operating results:

- (i) the Group will continue to make efforts to improve its operating results and cash flows, including but not limited to increasing sales volume, improving working capital turnover by enhancing inventory level management and trade receivables collection, and controlling operating expenditures;
- (ii) the Group will continue to maintain ongoing relationships with banks and other financial institutions to secure sufficient available bank credit quota, and manage financing from bank borrowings to pursue renewal or refinancing of existing bank borrowings upon maturity; and
- (iii) the Group will continue to manage its capital expenditures in line with the available funding from operating and financing activities and sufficiency of liquidity.

Having considered the above, the Directors of the Company believe that the Group will have adequate liquidity to fulfill its financial obligations when fall due, and to continue operations for the foreseeable future of not less than twelve months from period end date of these financial statements. The Directors, therefore, are of the opinion that it is appropriate to adopt the going concern basis in preparing the Group's consolidated financial statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings.

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual financial period commencing 1 January 2025:

		Effective for annual periods beginning on or after
HKAS 21 (Amendments)	Lack of Exchangeability	1 January 2025

(b) New and amended standards not yet effective for the current reporting period

The following new interpretations and amendments to standards and interpretations have been issued but were not mandatory for interim reporting periods ended on 30 June 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is assessing the full impact of the new standards, new interpretations and amendments to standards and interpretations.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

4. ESTIMATES

The preparation of unaudited condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, and liquidity risk.

The unaudited condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no changes in the risk management department since year end or in any risk management policies.

5.2 Fair value estimation

There are no financial assets/liabilities carried at fair value determined by valuation method. The carrying value of cash and cash equivalents, restricted bank deposits, trade and other receivables and financial liabilities including trade and other payables and borrowings are assumed to approximate their fair values.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT

	Buildings and plant RMB'000	Machinery RMB'000	Vehicles RMB'000	Office equipment and others RMB'000	Construction in progress RMB'000	Total RMB'000
Year ended 31 December 2024						
Opening net book amount	1,449,269	2,798,525	18,972	26,426	907,322	5,200,514
Additions	–	14,358	1,766	6,386	326,446	348,956
Transfer from construction-in-progress	205,018	522,199	15	580	(727,812)	–
Disposals (Note 34(b))	(2)	(690)	(267)	(180)	–	(1,139)
Depreciation (Note 28)	(70,495)	(343,710)	(4,297)	(8,461)	–	(426,963)
Closing net book amount	1,583,790	2,990,682	16,189	24,751	505,956	5,121,368
At 31 December 2024						
Cost	2,080,461	5,465,808	56,020	103,116	505,956	8,211,361
Accumulated depreciation	(496,671)	(2,475,126)	(39,831)	(78,365)	–	(3,089,993)
Net book amount	1,583,790	2,990,682	16,189	24,751	505,956	5,121,368
Six months ended 30 June 2025						
Opening net book amount	1,583,790	2,990,682	16,189	24,751	505,956	5,121,368
Additions	5,393	15,315	806	1,427	57,561	80,502
Transfer from construction in progress	736	159,576	–	16,928	(177,240)	–
Disposals	(101)	(102)	(110)	(143)	–	(455)
Depreciation	(37,892)	(180,807)	(1,779)	(3,497)	–	(223,976)
Closing net book amount	1,551,926	2,984,664	15,106	39,466	386,277	4,977,439
At 30 June 2025						
Cost	2,086,489	5,640,597	56,716	121,328	386,277	8,291,407
Accumulated depreciation	(534,563)	(2,655,933)	(41,610)	(81,862)	–	(3,313,968)
Net book amount	1,551,926	2,984,664	15,106	39,466	386,277	4,977,439

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

7. INVENTORIES

	As at 30 June 2025 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>
Raw materials	2,838,735	2,590,576
Finished goods and work-in-progress	845,142	1,231,130
	3,683,877	3,821,706

For the six months ended 30 June 2025, the Group recorded a gain of approximately RMB59,729,000 for the reversal of provision for the write-down of inventories to their net realisable value. A gain of approximately RMB70,223,000 was recorded for the reversal of provision for the write-down of inventories to their net realisable value for the six months ended 30 June 2024. These amounts have been included in the cost of sales in the unaudited condensed consolidated statement of comprehensive income.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

8. TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 30 June 2025			As at 31 December 2024		
	Current RMB'000	Non- Current RMB'000	Total RMB'000	Current RMB'000	Non- Current RMB'000	Total RMB'000
Contract assets	26,084	13,307	39,391	6,316	5,671	11,987
Accounts receivable	538,827	–	538,827	448,919	–	448,919
	564,911	13,307	578,218	455,235	5,671	460,906
Less: provision for impairment	(40,649)	(47)	(40,696)	(40,697)	(20)	(40,717)
	524,262	13,260	537,522	414,538	5,651	420,189

The carrying amounts of trade receivables and contract assets approximate their fair value as at the balance sheet date.

Majority of the Group's sales are made on (i) cash on delivery, (ii) receipt of bank or commercial acceptance. Credit terms within 180 days are granted to certain long term customers with good credit history. The aging analysis of trade receivables was as follows:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Accounts receivable		
– within 30 days	344,470	243,995
– 30 days to 3 months	84,358	119,878
– 3 months to 6 months	52,191	22,595
– 6 months to 1 year	26,537	15,293
– 1 year to 2 years	16,457	31,648
– over 2 years	14,814	15,510
	538,827	448,919

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Prepayment for purchase of raw materials	826,326	914,467
Discounted interest for notes receivable	39,575	20,912
Value added tax recoverable	53,212	110,886
Export tax refundable	208	471
Deposits and other receivables	53,937	28,934
	973,258	1,075,670

10. SHARE CAPITAL

	Number of shares '000	HKD'000	RMB'000
Authorised share capital: As at 31 December 2024 and 30 June 2025 (ordinary shares of HKD0.10 each)	1,500,000	150,000	128,886
Issued and fully paid up: As at 31 December 2024 and 30 June 2025 (ordinary shares of HKD0.10 each)	1,274,528	127,453	109,041

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

11. BORROWINGS

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Non-current		
Bank borrowings	1,405,538	1,583,709
Borrowing under finance lease arrangement	122,786	75,667
	1,528,324	1,659,376
Current		
Bank borrowings	10,045,673	5,568,434
Borrowing under finance lease arrangement	78,989	84,424
	10,124,662	5,652,858
Total borrowings	11,652,987	7,312,234
Representing :		
Bank borrowings		
– secured	6,740,639	2,644,449
– unsecured	4,710,573	4,507,694
Finance lease arrangement	201,775	160,091
	11,652,987	7,312,234

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12. TRADE PAYABLES

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Accounts payable	636,993	707,299
Notes payable	340,000	374,758
	976,993	1,082,057

The ageing analysis of the trade payable was as follows:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Within 6 months	955,837	972,012
6 months to 1 year	11,724	106,862
1 year to 2 years	7,130	2,883
More than 2 years	2,302	300
	976,993	1,082,057

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

13. REVENUE AND SEGMENT INFORMATION

The result of its sales from external customers in different countries and regions was as follows:

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Mainland China	20,630,565	22,229,800
Hong Kong and other overseas countries and regions (i)	567,819	571,074
Total sales	21,198,384	22,800,874

- (i) Other overseas countries and regions mainly represented Australia, United States of America, South Korea, Japan, Europe, South America and Southeast Asia.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

The segment results for the six months ended 30 June 2025:

	Processing RMB'000	Manufacturing RMB'000	Elimination RMB'000	Total RMB'000
Sales to external customers	20,473,474	724,910	–	21,198,384
Intra-group sales	372,119	82,477	(454,596)	–
Segment revenue	<u>20,845,593</u>	<u>807,387</u>	<u>(454,596)</u>	<u>21,198,384</u>
Segment results	172,059	(26,849)	(9,544)	135,666
Other income and expenses				8,356
Finance costs – net				<u>(110,455)</u>
Profit before income tax				33,567
Income tax expense				<u>(10,800)</u>
Profit for the period				<u>22,767</u>
<i>Items included in profit and loss:</i>				
Depreciation and amortisation	<u>163,167</u>	<u>70,047</u>	<u>–</u>	<u>233,213</u>

The segment results for the six months ended 30 June 2024:

	Processing RMB'000	Manufacturing RMB'000	Elimination RMB'000	Total RMB'000
Sales to external customers	22,092,241	708,633	–	22,800,874
Intra-group sales	357,210	56,232	(413,442)	–
Segment revenue	<u>22,449,451</u>	<u>764,865</u>	<u>(413,442)</u>	<u>22,800,874</u>
Segment results	117,652	(7,811)	(38)	109,803
Other income and expenses				26,587
Finance costs – net				<u>(122,299)</u>
Profit before income tax				14,091
Income tax expense				<u>(4,667)</u>
Profit for the period				<u>9,424</u>
<i>Items included in profit and loss:</i>				
Depreciation and amortisation	<u>162,892</u>	<u>60,201</u>	<u>–</u>	<u>223,093</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14. EXPENSES BY NATURE

Expenses included in cost of sales, distribution costs and administrative expenses were analysed as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Changes in inventories of finished goods	92,412	156,836
Raw materials consumed	19,902,014	21,515,055
Stamp duty, property tax and other surcharges	49,773	43,915
Transportation costs	125,237	121,920
Employee benefit expenses, including directors' emoluments	510,027	512,020
Depreciation and amortisation	233,213	223,093
Operating lease rental for buildings	4,441	4,605
Utilities charges	43,337	42,882
Reversal of write-down of inventories	(59,729)	(70,223)
Entertainment and travelling expenses	28,678	23,739
Professional service expenses	7,619	5,193
Others	125,696	112,036
	21,062,718	22,691,071

15. FINANCE COSTS - NET

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Interest expenses on bank borrowings	90,568	98,061
Interest expenses on bank/commercial acceptance notes and letters of credit	47,952	53,725
Exchange gain, net	(1,369)	(7,952)
Total finance costs	137,151	143,834
Interest income	(26,696)	(21,535)
	110,455	122,299

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

16. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current income tax expense		
– Mainland China corporate income tax	17,612	20,798
Deferred income tax expense	(6,812)	(16,131)
	<u>10,800</u>	<u>4,667</u>

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

The subsidiary incorporated in British Virgin Islands under the International Business Companies Acts of the British Virgin Islands is exempted from payment of British Virgin Islands income tax.

Subsidiaries incorporated in Hong Kong are subject to income tax at the prevailing rates of 16.5% (2024: 16.5%). Hong Kong profits tax has not been provided as there is no estimated assessable profit arising in or derived from Hong Kong during the financial periods.

The PRC Corporate Income Tax (“CIT”) is calculated based on the statutory profit of subsidiaries incorporated in the PRC in accordance with the PRC tax laws and regulations, after adjustments on certain income and expense items, which are not assessable or deductible for income tax purposes. All of the subsidiaries of the Group in Mainland China are subject to corporate income tax rate of 25% (2024: 25%), except for certain subsidiaries which are entitled to certain preferential income tax rates of 15% to 20%.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

17. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2025	2024
Profit attributable to equity holders of the Company (RMB'000)	7,579	4,436
Weighted average number of ordinary shares in issue (thousands)	1,274,528	1,274,528
Basic earnings per share (RMB)	0.59 cents	0.35 cents

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 30 June 2025, there was no dilutive potential ordinary shares for the Company. Accordingly, diluted earnings per share for the six months ended 30 June 2025 and 2024 are the same as basic earnings per share for the periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

18. INTERIM DIVIDENDS

The board of directors does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2025 (2024: nil).

19. COMMITMENTS

Capital commitments

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Contracted but not provided for:		
Acquisition of property, plant and equipment	126,914	225,878

OTHER INFORMATION

CORPORATE GOVERNANCE

The Company is committed to ensuring high standards of corporate governance in enhancing shareholders' value and safeguarding interests of shareholders and other stakeholders.

The Company has complied with the Corporate Governance Code (the "CG Code") set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the six months ended 30 June 2025. The Company adopted the CG Code as its own code of corporate governance.

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code") as its code of conduct regarding securities transactions by the directors. Having made specific enquiry with all the directors of the Company (the "Directors"), all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2025.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 10 to the unaudited condensed consolidated financial statements.

INTERIM DIVIDEND

The board of Directors does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

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

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the six months ended 30 June 2025.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has discussed with the management and reviewed the unaudited interim results, including the unaudited condensed consolidated financial statements, of the Group for the six months ended 30 June 2025 and considered that the Company has complied with all applicable accounting standards and requirements.

CHANGE IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors since the date of the 2024 annual report of the Company are set out below:

1. Prof. Chen Xin ceased to be a director of Yunnan Investment Holding Group Co., Ltd. with effect from 22 April 2025.
2. Prof. Chen Xin ceased to be a professor at the Shanghai Advanced Institution of Finance of Shanghai Jiao Tong University since January 2025.
3. Prof. Chen Xin worked as an associate dean of Shanghai University of Finance and Economics, SPD Bank Financial Innovation Research Institute since June 2025.

Save as disclosed above, there is no other change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SHARE AWARD SCHEME

The Company adopted a share award scheme on 25 August 2011. Principal terms of the share award scheme were set out in our 2024 Annual Report and the supplemental announcement on 26 May 2025.

During the period ended 30 June 2025, no awarded shares were granted to directors and selected employees. As at 30 June 2025, an independent trustee holds 17,614,000 shares of the Company for the share award scheme.

EMPLOYMENT POLICY

As at 30 June 2025, the Group employed a total of 6,608 staffs (2024: 7,011), of which 4,896 were production and technical personnel, representing 74.1%; 1,081 were sales personnel, representing 16.4%; and 631 were management and financial officer, representing 9.5%.

The remuneration of the Directors and employees is based on their performance, skills, knowledge, experiences and market trend. The remuneration committee reviews the remuneration policies and packages of the Group on a regular basis. In addition to basic salaries, employees may be offered with discretionary bonus on individual performance. The Group has also adopted share award scheme for its employees, providing incentives and rewards to eligible participants with reference to their contribution.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, the interests and short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register required to be kept by the Company under section 352 of Part XV of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code, were as follows:

(a) Long and short position in the shares and underlying shares of the Company

Name of Director	Nature of interests	Number of shares/underlying shares held	% of issued share capital
Mr. Zhou Keming	Personal, family and corporate	738,551,000 ⁽¹⁾	57.95%
Ms. Xu Xia	Personal, family and corporate	738,551,000 ⁽¹⁾	57.95%
Mr. Zou Xiaoping	Personal and family	5,060,000 ⁽²⁾	0.40%
Mr. Zhang Feng	Personal	2,144,000 ⁽³⁾	0.17%

(1) 738,435,000 shares are held by Ally Good Group Limited, which is owned as to 77.2% by Mr. Zhou Keming, and 22.8% by Ms. Xu Xia. Mr. Zhou Keming and Ms. Xu Xia each personally hold 60,000 shares and 56,000 shares, respectively.

(2) 60,000 shares are held by Mr. Zou Xiaoping and 5,000,000 shares are held by Mr. Zou Xiaoping's spouse, Ms. Li Jun.

(b) Long position in the shares in associated corporation(s)

Name of Director	Name of associated corporation	Nature of interests	Number of shares held	% of issued share capital of associated corporation
Mr. Zhou Keming	Ally Good Group Limited ⁽¹⁾	Personal and family	1,000 ⁽²⁾	100%
Ms. Xu Xia	Ally Good Group Limited ⁽¹⁾	Personal and family	1,000 ⁽²⁾	100%

(1) As at 30 June 2025, Ally Good Group Limited is the holder of 57.94% of the issued share capital of the Company and is an associated corporation under SFO.

(2) 772 shares are held by Mr. Zhou Keming and 228 shares are held by Ms. Xu Xia. Ms. Xu Xia is the spouse of Mr. Zhou Keming.

Save as disclosed above, as at 30 June 2025, none of the directors or chief executive and their associates, had interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations which were recorded in the register required to be kept under section 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the reporting period was the Company, its subsidiaries, its associated companies, its fellow subsidiaries or its parent company a party to any arrangement to enable the directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interest or short positions in the shares or underlying shares in, or debenture of the Company or its associated corporation.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, the interests or short positions of every person, other than a director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, are set out below:

Aggregate long position in the shares and underlying shares of the Company

Name of Shareholder	Number of ordinary shares held	Approximate percentage of the Company's issued share capital
<i>Long position</i>		
Ally Good Group Limited	738,435,000 ⁽¹⁾	57.94%
China Baowu Steel Group Corporation Limited ("China Baowu")	207,500,000 ⁽²⁾	16.28%
Baosteel Stainless Steel (International) Limited ("Baosteel")	103,750,000	8.14%
Tisco Trading (H.K.) Limited ("Tisco (H.K.) Limited")	103,750,000	8.14%

(1) As Ally Good Group Limited is owned as to 77.2% by Mr. Zhou Keming and 22.8% by Ms. Xu Xia, they have interest in these shares as disclosed under the previous section.

(2) These Shares comprise 103,750,000 shares held by China Baowu indirectly through Baosteel and 103,750,000 shares held by China Baowu indirectly through Tisco (H.K.) Limited. China Baowu owned 51% equity interests in Taiyuan Iron & Steel (Group) Co., Ltd. ("Taiyuan Steel"). Taiyuan (Group) International Trade Co., Ltd. ("Taiyuan (Group) International") is a direct wholly-owned subsidiary of Taiyuan Steel. Taiyuan (Group) International owned 12.23% equity interests in Tisco (H.K.) Limited, Taiyuan Steel directly owned 87.77% equity interest in Tisco (H.K.) Limited, Tisco (H.K.) Limited is a subsidiary of Taiyuan Steel. As such, China Baowu was deemed to be interested in the same 103,750,000 shares in which Tisco (H.K.) Limited held.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30 June 2025.