



**Lopal**  
**龙蟠科技**

**江蘇龍蟠科技集團股份有限公司**  
**JIANGSU LOPAL TECH. GROUP CO., LTD**

(a joint stock company incorporated in the People's Republic of China with limited liability)  
Stock code: 2465

# 2025

Interim Report





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# CORPORATE INFORMATION

<b>Registered Office and Headquarters in the PRC</b>	No. 6 Hengtong Avenue Nanjing Economic and Technological Development Zone PRC
<b>Principal Place of Business in Hong Kong</b>	46/F, Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
<b>Company's Website</b>	<a href="http://www.lopal.com.cn">www.lopal.com.cn</a>

## BOARD OF DIRECTORS

<b>Executive directors</b>	Mr. Shi Junfeng ( <i>Chairman</i> ) Mr. Lu Zhenya Mr. Qin Jian Mr. Shen Zhiyong Mr. Zhang Yi
<b>Non-executive director</b>	Ms. Zhu Xianglan
<b>Independent non-executive directors</b>	Mr. Li Qingwen Mr. Ye Xin Ms. Geng Chengxuan Mr. Hong Kam Le
<b>Joint Company Secretaries</b>	Mr. Zhang Yi Ms. Leung Hoi Yan ( <i>appointed on March 28, 2025</i> ) Ms. Cheung Lai Ha ( <i>resigned on March 28, 2025</i> )
<b>Authorised Representatives</b>	Mr. Zhang Yi Ms. Leung Hoi Yan ( <i>appointed on March 28, 2025</i> ) Ms. Cheung Lai Ha ( <i>resigned on March 28, 2025</i> )
<b>Audit Committee</b>	Ms. Geng Chengxuan ( <i>Chairlady</i> ) Mr. Ye Xin Mr. Hong Kam Le
<b>Remuneration and Evaluation Committee</b>	Mr. Li Qingwen ( <i>Chairman</i> ) Ms. Geng Chengxuan Mr. Lu Zhenya
<b>Nomination Committee</b>	Mr. Ye Xin ( <i>Chairman</i> ) Ms. Geng Chengxuan Mr. Shi Junfeng

<b>Strategy Committee</b>	Mr. Shi Junfeng ( <i>Chairman</i> ) Mr. Zhang Yi Mr. Li Qingwen
<b>Hong Kong Legal Adviser</b>	Han Kun Law Offices LLP Rooms 4301–10, 43/F Gloucester Tower, The Landmark 15 Queen's Road Central Hong Kong
<b>Auditor</b>	Ernst & Young Certified Public Accountants Registered Public Interest Entity Auditor 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
<b>Compliance Adviser</b>	Guotai Junan Capital Limited 27/F, Low Block Grand Millennium Plaza 181 Queen's Road Central Hong Kong
<b>Hong Kong H Share Registrar</b>	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

# DEFINITIONS

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"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are listed on the Shanghai Stock Exchange and domestic share(s) traded in RMB;
"A Shareholder(s)"	holder(s) of the A Share(s);
"Aisis"	Aisis Alliance L.P., an exempted limited partnership established in the Cayman Islands;
"Articles of Association"	the articles of association of the Company, as amended from time to time;
"Audit Committee"	the audit committee of the Company;
"Board"	the board of Directors;
"BOC"	Bank of China Limited (中國銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 3988);
"CATL"	Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司), a joint stock company established in the PRC on December 16, 2011, the A shares of which are listed on the Shenzhen Stock Exchange (stock code: 300750) and the H shares of which are listed on the Hong Kong Stock Exchange (stock code: 3750), which was an indirect shareholder controlling (i) 30% equity interest in Lopal Times, through Yichun Times, and (ii) 5.91% equity interest in Changzhou Liyuan through its wholly-owned subsidiary Ningbo Meishan Baoshuigang District Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司) as of the Latest Practicable Date;
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules;
"Changzhou Liyuan"	Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司), a limited liability company established in the PRC and a direct non-wholly owned subsidiary of the Company;
"China" or "PRC"	the People's Republic of China;
"Company" or "the Company"	Jiangsu Lopal Tech. Group Co., Ltd. (江蘇龍蟠科技股份集團有限公司) (formerly known as Jiangsu Lopal Tech. Co., Ltd. (江蘇龍蟠科技股份有限公司)), a joint stock company incorporated in the PRC with limited liability whose A Shares are listed on the Shanghai Stock Exchange (stock code: 603906) and H Shares are listed on the HKEX (stock code: 2465);
"Controlling Shareholders"	has the meaning ascribed thereto in the Hong Kong Listing Rules, and unless the context otherwise requires, refers to Mr. Shi, Ms. Zhu, Lopal International and Nanjing Bailey;
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會);

"Director(s)"	director(s) of the Company;
"Global Offering"	the Hong Kong public offering and the international offering of the H Shares;
"Group", "the Group" or "Lopal"	the Company and its subsidiaries from time to time, or, where the context so requires, in respect of the period before the Company became the holding company of the present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time or the business operated by such subsidiaries or their predecessors (as the case may be);
"H Share(s)"	overseas listed foreign Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are traded in HK dollars and are listed on the HKEX;
"H Share Registrar"	Computershare Hong Kong Investor Services Limited;
"HKD", "HK\$" or "Hong Kong Dollars"	Hong Kong dollars and cents, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time;
"Hong Kong Stock Exchange" or "HKEX"	The Stock Exchange of Hong Kong Limited;
"ICBC"	Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC, the H shares of which are listed on the Stock Exchange (stock code: 1398);
"INA"	PT Akasya Investasi Indonesia, a limited liability company established in the Republic of Indonesia;
"Independent third party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not the connected persons;
"LBM New Energy"	LBM New Energy (AP) Pte. Ltd. (formerly known as Lopal Tech Singapore Pte. Ltd.), a private company limited by shares incorporated in Singapore on September 28, 2018, an indirect non-wholly owned subsidiary of the Company which is wholly-owned by Changzhou Liyuan;
"LFP"	lithium iron phosphate (LiFePO <sub>4</sub> );
"LG"	LG Energy Solution, Ltd., a company established in 2020 and listed on the Korea Exchange and mainly engaged in producing advanced automotive battery, mobility battery, and ESS battery;

"Listing"	the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange on October 30, 2024;
"Listing Date"	the date, being October 30, 2024, on which the H Shares were listed on the Hong Kong Stock Exchange and from which dealings in the H Shares are permitted to commence on the Hong Kong Stock Exchange;
"LMFP"	lithium-ion manganese iron phosphate;
"Lopal International"	Lopal International Holdings Co., Ltd. (龍蟠國際控股有限公司), previously known as Nanjing Meiduo Investment Management Co., Ltd. (南京美多投資管理有限公司), a limited company established in the PRC on October 17, 2013, the general partner of Nanjing Bailey and was owned as to 90% by Mr. Shi and as to 10% by Ms. Zhu as of the Latest Practicable Date. Lopal International is one of the Controlling Shareholders;
"Lopal Times"	Yichun Lopal Times Lithium Industry Technology Co., Ltd. (宜春龍蟠時代鋰業科技有限公司) (formerly known as Yifeng Times New Energy Materials Co., Ltd. (宜豐時代新能源材料有限公司) and Yifeng Times Yongxing New Energy Materials Co., Ltd. (宜豐時代永興新能源材料有限公司)), a limited liability company established in the PRC on March 2, 2022 and a direct non-wholly owned subsidiary of the Company which is owned as to 70% by the Company and 30% by Yichun Times as of the Latest Practicable Date;
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules;
"Mr. Shi"	Mr. Shi Junfeng (石俊峰), the chairman of the Board, an executive Director, the general manager of the Company, one of the Controlling Shareholders and the spouse of Ms. Zhu;
"Ms. Zhu"	Ms. Zhu Xianglan (朱香蘭), a non-executive Director and one of the Controlling Shareholders and the spouse of Mr. Shi;
"NAFR"	National Administration of Financial Regulation in PRC;
"Nanjing Bailey"	Nanjing Bailey Venture Capital Center (Limited Partnership) (南京貝利創業投資中心(有限合夥)), a limited partnership established in the PRC on October 25, 2013 and one of the Controlling Shareholders;
"PRC Company Law"	Company Law of the People's Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time;

"PRC Law"	the laws and regulations of the PRC, without reference to the laws and regulations of Hong Kong, the Macau Special Administrative Region of the PRC and the relevant regulations of Taiwan region;
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time;
"Prospectus"	the prospectus of the Company dated October 22, 2024;
"PT LBM"	PT LBM Energi Baru Indonesia, a foreign investment company incorporated in Indonesia on February 22, 2023, an indirect non-wholly owned subsidiary of the Company which is indirectly wholly-owned by Changzhou Liyuan;
"Reporting Period"	for the six months ended June 30, 2025;
"RMB"	the lawful currency of the PRC;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented or otherwise modified from time to time;
"Shanghai Listing Rules"	Rules Governing the Listing of Stocks on Shanghai Stock Exchange, as amended or supplemented from time to time;
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所);
"Shareholder(s)"	holder(s) of Share(s);
"Supervisor(s)"	member(s) of the supervisory committee of the Company;
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
"USD" or "US\$"	United States dollars, the lawful currency of the United States;
"Yichun Times"	Yichun Times New Energy Resources Co., Ltd. (宜春時代新能源資源有限公司), a limited liability company established in the PRC on November 23, 2021 and a direct wholly owned subsidiary of CATL as of the Latest Practicable Date;
"%"	per cent.

*In this interim report, the terms "associate", "close associate", "connected person", "connected transaction", "continuing connected transaction", "core connected person", "controlling shareholder", "subsidiary" and "substantial shareholder" shall have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.*



# FINANCIAL SUMMARY

	For the six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Revenue	3,621,880	3,568,612
Loss before income tax	(97,356)	(194,942)
Loss for the period	(109,110)	(261,633)
Total comprehensive loss for the period	(107,781)	(263,553)

  

	As of June 30, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Unaudited and restated)
<b>Assets</b>		
Non-current assets	8,669,919	8,856,901
Current assets	9,174,583	7,198,287
Total assets	17,844,502	16,055,188
<b>Equity and liabilities</b>		
Total equity	3,853,099	4,022,974
Non-current liabilities	3,569,432	3,386,700
Current liabilities	10,421,971	8,645,514
Total liabilities	13,991,403	12,032,214
Total equity and liabilities	17,844,502	16,055,188

## BUSINESS REVIEW

During the Reporting Period, the Company remained committed to its mission of building a better global life through green new energy core materials, while contributing to the sustainable development of the new energy industry. In terms of industrial layout, the Company adopted a dual-track strategy, advancing both its new energy business and traditional business segments in parallel. In the automotive environmental-friendly specialty chemical sector, the Company continued to innovate and diversify its product portfolio on the basis of traditional products such as including lubricants, coolants, brake fluid, and exhaust fluid, so as to adapt to industry changes and maintain its leading market position. In the first half of 2025, despite intensified market competition leading to a net loss, the Company implemented proactive measures that resulted in improved capacity utilization at its LFP plant production bases, a robust order backlog, and steady growth in sales volume of key products, which ultimately led to the Group's gross profit position in the first half of 2025. Revenue amounted to RMB3,621,880.1 thousand, while net loss attributable to owners of the Company RMB84,193.9 thousand, with the loss narrowed significantly year-on-year. During the Reporting Period, the Company focused on the following key initiatives:

### (I) Focusing on Overseas Market Development and Actively Expanding New Customers

Against the backdrop of continuously rising installation capacity in the power and energy storage markets, the global demand for LFP batteries continues to grow, and China's LFP industry is accelerating its expansion into overseas markets. With a strong focus on overseas market development, the Company is accelerating engagements with more than ten overseas customers across Japan, South Korea, the U.S., and other regions. Progress has been made across multiple stages, including sample testing, pilot production, small-batch orders, factory verification by customers, and approval as a qualified supplier. During the Reporting Period, the Company achieved significant milestones in overseas cooperation. Building on the long-term supply agreement with LG for 260,000 tons of LFP cathode materials, the Company further solidified its overseas LFP cathode materials sales for the 2026–2030 period by securing additional long-term supply agreements with Blue Oval Battery Park, Michigan (“**Blue Oval**”) in January 2025 and Eve Energy Malaysia Sdn. Bhd. (“**Eve Energy**”) in June 2025. Deep collaboration with overseas customers helps to better understand their product standards and requirements, which is expected to bring relatively stable revenue and profits. This will further drive the expansion of the Company's overseas production capacity, enabling it to take the lead in capturing international market share and solidify its position in the global LFP cathode material industry.

### (II) Completion of Key Projects and Advancement in Overseas and Raw Material Production Capacity

During the Reporting Period, the accelerated construction and gradual ramp-up of several production bases led to the establishment of a diversified supply system. This has enabled the Group to provide customers with a stable product supply, implement its vertically integrated development strategy, further enhance its large-scale production capabilities, and improve its brand recognition and reputation in the LFP cathode material industry, as well as maintain and expand its customer base. The Phase I of the 30,000-ton LFP cathode materials project in Indonesia began mass production in 2025, with product quality gaining customer recognition and achieving stable supply to target markets. The Phase II of the 90,000-ton LFP project in Indonesia is also under active construction, marking a further expansion of the Company's overseas LFP cathode material production capacity.

### (III) Prioritizing Innovation and Research and Development (“R&D”) to Enhance Product Competitiveness

During the Reporting Period, the Company concentrated its R&D efforts on innovation breakthroughs in automotive specialty chemicals and LFP cathode materials, developing a synergistic multi-domain advancement landscape. Leveraging its three R&D centers in Shenzhen, Nanjing, and Changzhou, along with a CNAS-accredited testing platform, the Company intensified R&D investments in LFP cathode materials, sodium-ion battery cathode materials, and solid-state battery technologies. As of the end of the Reporting Period, the Company held 474 valid authorized patents, including 138 invention patents.

The Company has developed a diversified portfolio of cathode materials tailored to various industry sectors, application scenarios, and specific customer requirements, including Lithium Energy 1 (鋰能1號), optimized for high-end energy storage with superior energy density and cycle life; Manganese Lithium 1 (High-Cycle Edition) (錳鋰1號高循環版) and Iron Lithium 1 (Fast-Charging Edition) (鐵鋰1號快充王), featuring high compaction, safety, and low-temperature fast-charging performance; Range 1 (續航1號), addressing range anxiety, low-temperature efficiency, and fast-charging challenges; Recycled 1 (再生1號), enabling resource recovery from spent battery electrodes; the fourth generation high-voltage lithium iron phosphate materials adopting breakthrough ‘single-sintering’ process technology to prepare, which simplifies traditional multi-stage sintering processes into single precision temperature-controlled molding compared to dual-sintering process, while ensuring product particle gradation effectiveness at the same time, significantly reduces production energy consumption and cycle; and the Solid-State Battery Precursor D392 featuring excellent cycling performance, extended battery life and stable power output. Solid-State Battery Precursor D392 developed by Jiangsu Sanjin Lithium Technology Co., Ltd. (“**Sanjin Lithium**”), a wholly-owned subsidiary of the Company, is a high-nickel ternary precursor material specifically engineered for solid-state batteries. This advanced product incorporates optimized elemental doping and structural modifications to enhance stability, safety and longevity, effectively addressing critical challenges in solid-state batteries including cathode material cracking and high-temperature decomposition. The continuous introduction of such innovative products demonstrates the Company’s strong technological capabilities in R&D and further strengthens its leading position in the new energy materials sector.

In terms of automotive specialty chemical business, the Company has continuously improved its product formulations through R&D testing to gain competitive advantages in the dynamic market. During the Reporting Period, by closely following industry standards, the Company successfully upgraded its flagship product “Lopal No.1 automobile lubricant (龍蟠1號)” with significantly enhancement in its anti-wear performance and fuel economy performance, establishing it as a technological benchmark for domestic high-end lubricants. For supporting products, the Company has launched low-conductivity coolants for new energy applications, particularly its third-generation low-conductivity coolant. This coolant possesses metal anti-corrosion protection capability exceeding the Chinese National Standard by fivefold; its unique corrosion inhibition formulation provides excellent anti-corrosion protection for metals within power battery cooling systems. Relying on the “New Energy Coolant Research Key Laboratory of Lopal”, the Company continuously strengthens its technological advantages.

Furthermore, in the hydrogen energy sector, the Company has focused on achieving breakthroughs in fuel cell catalysts, with sales volume further expanding. Its products are now widely applied in fields including fuel cell vehicles, hydrogen-powered two-wheelers, hydrogen-powered drones, and fuel cell power generation systems.

#### **(IV) Multi-channel Financing to Provide Adequate Fund Security**

Successful issuance of H Shares provided a broader international capital platform for the Company's internalization, and subsequent fundraising therefore will no longer be limited within a single market, expanding fundraising channels and methods. During the Reporting Period, the Company continued to optimize financial structure by leveraging diversified fundraising channels. The Company completed the placement of 20,000,000 new H Shares on June 12, 2025 with net proceeds of approximately HKD120 million. Meanwhile, the Company actively introduced strategic investors at the subsidiary level. Specifically, the Company successfully introduced investors, i.e. INA and Aisis to LBM New Energy, a holding subsidiary, and the subscription of shares completed in February 2025 with proceeds of USD200 million raised. Besides, the Group recently completed the capital increase and share expansion of its third-tier subsidiary, Liyuan (Indonesia) (鋰源(印尼)), and finalized the transaction of introducing LG as an investor, with proceeds of USD15,970,911.12 raised. Fully leveraging capital markets and multi-channel fundraising, the Company mitigated fund pressures, optimized assets and debts structure and provide adequate fund security for production capability expansion and business development, thereby facilitating high-quality and sustainable development.

#### **(V) Cost Reduction and Efficiency Enhancement to Improve Operational Efficiency**

In terms of supply chain, the Company has continued to strengthen its management capabilities by promoting the transition from traditional procurement to strategic sourcing, and by establishing long-term strategic partnerships with key suppliers to jointly explore cost-saving and technological innovation initiatives. The Company also formulates proactive procurement strategies for critical components through forward-looking market analysis. Through the use of ERP and WMS systems, the Smart Operations Department dynamically and continuously monitors inventory levels to ensure production and delivery needs are met, while flexibly adjusting stock levels based on fluctuations in raw material prices and customer order volumes to accelerate inventory turnover.

During the Reporting Period, to mitigate the impact of sharp price fluctuations of raw materials on operating performance, the management of the Company actively implemented countermeasures, strengthened procurement price control, and explored new sourcing channels to achieve cost control from multiple dimensions and drive overall cost reduction and efficiency enhancement. The Company also engaged in hedging activities using financial instruments including but not limited to futures and options, covering commodities such as urea, ethylene glycol, lithium carbonate, and crude oil, which helped reduce the adverse impact of raw material price volatility on the Company's profitability.

## (VI) Introducing High-end Talents, with Equal Emphasis on Training and Introduction

During the Reporting Period, the Company continued to deepen its talent strategy and supported global development and business transformation through systematic initiatives. By fully advancing the “Tenglong Program”, a large-scale management trainee project, the Company aimed to attract and cultivate outstanding graduates through all-round training in corporate culture, business processes and management skills. For the core management, the Company launched the “Excellent Leadership Training Program”, with senior management members personally involved in course design and delivery, covering modules such as strategic interpretation and performance management, which successfully cultivated numerous core cadres and facilitated the implementation of strategies. In addition, the Company focused on building an international talent echelon to expand overseas markets. The Company has developed courses such as “Introduction to Life in Indonesia”, combining online and offline resources to improve employees’ cross-cultural adaptability. As a result, a number of key personnel were trained to support overseas operations. In terms of language ability building, the Company offered language training courses in English, Korean, Indonesian, etc. for all employees to lay a solid foundation for international operations. At the same time, the Company built a digital learning system through Cloud platform, which enabled integration of curriculum resources, promotion of reading activities for all employees, and sharing of reading notes, hereby advancing the construction of a learning organization. These initiatives not only optimized the talent structure, but also provided a solid human resource base for the Company’s global development and technological breakthroughs.

## (VII) Industry Recognition and Honors

Due to its outstanding contributions in the fields of automotive environmental protection and green new energy core materials, as well as its exceptional product quality and service, the Company has received numerous industry honors: its lubricant products have been recognized as one of the “Top Ten Lubricant Brands in China” (中國潤滑油十大品牌) for consecutive years, highlighting the Company’s market position and brand influence in the field of automotive environmental-friendly specialty chemicals sector; in May 2025, Lopal Lubricants was honored as the decade-long “Through Thick and Thin” Partner Award by Leapmotor; at the 2025 Automotive Supply Chain New Ecosystem Conference (2025年汽車供應鏈新生態大會), the Company was honored as the “Technology Innovation Ecosystem Partner Award” (技術創新生態夥伴獎); at the “2025 Gaogong New Energy & New Materials Industry Conference (2025高工新能源新材料產業大會)”, Changzhou Liyuan was honored as the “2025 New Energy & New Materials Innovation Enterprise (2025新能源新材料創新企業)”; additionally, the Company was awarded the “2025 Outstanding Employer” title by 51job. These achievements underscore the Company’s continuously growing comprehensive competitiveness in the fields of green chemistry and new energy materials.

## REVENUE

The Group recorded revenue of RMB3,621.9 million for the six months ended June 30, 2025, representing an increase of approximately 1.5% from RMB3,568.6 million for the same period in 2024, primarily due to an increase in lithium carbonate business.

The table below sets out the breakdown of the revenue for the periods indicated:

	For the six months ended June 30,			
	2025		2024	
	RMB'000	%	RMB'000	%
<b>Types of products</b>				
<b>LFP cathode materials</b>	<b>2,313,631</b>	<b>63.9</b>	2,475,580	69.4
Without procurement of lithium carbonate and raw materials from customers	<b>1,324,187</b>	<b>36.6</b>	1,696,977	47.6
With procurement of lithium carbonate and raw materials from customers <sup>(1)</sup>	<b>989,444</b>	<b>27.3</b>	778,603	21.8
<b>Automotive specialty chemicals</b>	<b>981,468</b>	<b>27.1</b>	970,147	27.2
Diesel exhaust fluid	<b>255,811</b>	<b>7.1</b>	306,607	8.6
Automobile and industrial lubricant	<b>378,471</b>	<b>10.4</b>	367,623	10.3
Coolant	<b>274,304</b>	<b>7.6</b>	248,948	7.0
Car maintenance products	<b>52,297</b>	<b>1.4</b>	36,988	1.0
Other products <sup>(2)</sup>	<b>20,585</b>	<b>0.6</b>	9,981	0.3
<b>Lithium carbonate products</b>	<b>286,786</b>	<b>7.9</b>	42,685	1.2
<b>Others<sup>(3)</sup></b>	<b>39,995</b>	<b>1.1</b>	80,200	2.2
<b>Total</b>	<b>3,621,880</b>	<b>100.0</b>	3,568,612	100.0

Notes:

- (1) Revenue from sales of LFP cathode materials with procurement of lithium carbonate and raw materials from customers is recognized on a net basis, excluding cost of lithium carbonate and raw materials procured from customers.
- (2) Mainly comprising revenue from sales of filling equipment and packaging containers, etc. for automotive specialty chemical products.
- (3) Mainly comprising revenue from sales of iron phosphate by-product, daily chemical products and unfinished products as well as revenue from the emerging hydrogen energy business.

Revenue from LFP cathode materials decreased by approximately 6.5% from RMB2,475.6 million for the six months ended June 30, 2024 to RMB2,313.6 million for the same period in 2025, primarily due the decrease in the average selling price of LFP cathode materials of the Group following the decline in the market price of lithium carbonate, a key raw material for LFP cathode materials.

Revenue from automotive specialty chemicals increased by approximately 1.8% from RMB970.1 million for the six months ended June 30, 2024 to RMB981.5 million for the same period in 2025, primarily due to an increase in sales revenue from coolants.

Revenue from lithium carbonate products increased by approximately 571.7% from RMB42.7 million for the six months ended June 30, 2024 to RMB286.8 million for the same period in 2025, primarily due to an increase in sales of lithium carbonate.

Revenue from others decreased by approximately 50.1% from RMB80.2 million for the six months ended June 30, 2024 to RMB40.0 million for the same period in 2025, primarily due to a decline in trading-related income.

### **COST OF SALES**

Cost of sales of the Group decreased by approximately 3.2% from RMB3,224.6 million for the six months ended June 30, 2024 to RMB3,120.7 million for the same period in 2025. The decrease was primarily due to the decrease in market prices of key raw materials, including base oil, urea, and lithium carbonate.

### **GROSS PROFIT AND GROSS PROFIT MARGIN**

The Group recorded a gross profit of RMB501.2 million for the six months ended June 30, 2025, representing an 45.7% increase from a gross profit of RMB344.0 million for the same period in 2024. Such increase was primarily attributable to a reduced gross loss in the LFP cathode materials business.

### **OTHER INCOME, GAINS AND LOSSES**

For the six months ended June 30, 2025, the other income, gains and losses of the Group decreased by approximately 27.7% from RMB134.1 million for the six months ended June 30, 2024 to RMB96.9 million for the same period in 2025. This decrease was primarily attributable to the loss from changes in fair value of financial liabilities at FVTPL and reduced government grants.

### **REVERSAL OF IMPAIRMENT LOSSES/(IMPAIRMENT LOSSES) ON FINANCIAL ASSETS**

The Group recorded impairment losses on financial assets of RMB11.1 million for the six months ended June 30, 2025, as compared to a reversal of impairment loss on financial assets of RMB30.5 million for the same period in 2024, mainly due to fluctuations in accounts receivable balances.

### **SELLING AND DISTRIBUTION EXPENSES**

Selling and distribution expenses decreased by approximately 13.8% from RMB80.7 million for the six months ended June 30, 2024 to RMB69.6 million for the same period in 2025, primarily attributable to reduced business promotion expenses.

### **ADMINISTRATIVE EXPENSES**

Administrative expenses of the Group remained relative stable at RMB275.6 million for the six months ended June 30, 2024 and RMB274.7 million for the same period in 2025.

### **RESEARCH AND DEVELOPMENT EXPENSES**

Research and development expenses of the Group decreased by approximately 7.3% from RMB205.0 million for the six months ended June 30, 2024 to RMB190.1 million for the same period in 2025, primarily attributable to streamlined research and development efforts of the Group.

## SHARE OF RESULTS OF AN ASSOCIATE

The share of results of an associate represents the profits attributable to us from the equity interest in an associate. The Group recorded a loss on share of results of an associate of RMB11.9 million for the six months ended June 30, 2024 and RMB8.9 million for the same period in 2025, primarily because decrease in loss by the associate.

## FINANCE COSTS

Finance costs of the Group increased by approximately 8.2% from RMB130.4 million for the six months ended June 30, 2024 to RMB141.1 million for the same period in 2025, primarily attributable to the increase in interest on bank and other borrowings due to the addition of bank loans.

## INCOME TAX

The Group recorded income tax expense of RMB66.7 million for the six months ended June 30, 2024 while it recorded income tax expense of RMB11.8 million for the same period in 2025, primarily attributable to deferred income tax adjustments.

## LOSS FOR THE PERIOD

As a result of the foregoing, the Group recorded a loss of RMB109.1 million for the six months ended June 30, 2025, as compared to a loss of RMB261.6 million for the same period in 2024.

## INVENTORIES

The inventories primarily consist of raw materials, such as lithium carbonate, iron phosphate, base oil, ethylene glycol, urea and lubricant additives, work in progress and finished goods. The inventories decreased by approximately 4.7% from RMB1,392.5 million as of December 31, 2024 to RMB1,327.6 million as of June 30, 2025, primarily attributable to reduce in prices of key raw materials, including lithium carbonate.

## TRADE AND BILLS RECEIVABLES

The trade and bills receivables, where bills receivables are mainly value-added tax recoverable, prepayments for purchases of non-current assets, prepayments to suppliers and prepayments for advertising and marketing expenses, increased by 6.3% from RMB1,460.6 million as of December 31, 2024 to RMB1,552.5 million as of June 30, 2025, primarily due to increase in receivables.

## PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment consist of construction in progress, buildings, plant and machinery, motor vehicles, other equipment and leasehold improvement. Property, plant and equipment of the Group remained relatively stable at RMB6,787.9 million as of December 31, 2024 and RMB6,597.8 million as of June 30, 2025.

## GOODWILL

The goodwill remained stable at RMB214.2 million as of December 31, 2024 and RMB214.2 million as of June 30, 2025, respectively.

## RIGHT-OF-USE ASSETS

The Group recorded right-of-use assets of RMB1,239.6 million and RMB1,199.4 million as of December 31, 2024 and June 30, 2025, respectively. Such decrease was primarily due to depreciation of the leased properties.

### TRADE AND OTHER PAYABLES

The trade and other payables, where other payables mainly consist of payroll, other tax payables, payables for equipment and constructions, etc., decreased by approximately 6.1% from RMB1,997.1 million as of December 31, 2024 to RMB1,874.6 million as of June 30, 2025, primarily attributable to the decrease in bills payable as a result of a reduction in bank acceptance bills issued.

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

The financial assets at FVTPL held by the Group mainly comprise of the investments in listed and unlisted equity, unlisted funds and wealth management products. The financial assets at FVTOCI/FVTPL amounted to RMB505.4 million and RMB1,573.8 million as of December 31, 2024 and June 30, 2025, respectively. Such increase was primarily attributable to increased purchases of wealth management products. The investment in wealth management products and invest in other types of financial assets is to maximize the capital utilization efficiency.

### CONTRACT LIABILITIES

As of December 31, 2024 and June 30, 2025, the contract liabilities were RMB92.3 million and RMB41.7 million, respectively. Such decrease was primarily due to a decrease in advance payments received for orders.

### CAPITAL STRUCTURE

The total assets of the Group increased from RMB16,055.2 million as of December 31, 2024 to RMB17,844.5 million as of June 30, 2025. The total liabilities of the Group increased from RMB12,032.2 million as of December 31, 2024 to RMB13,991.4 million as of June 30, 2025. Liabilities-to-assets ratio increased from approximately 74.9% as of December 31, 2024 to approximately 78.4% as of June 30, 2025. The current ratio of the Group, being current assets divided by current liabilities as of the respective date, remains stable at 0.8 times as of December 31, 2024 and as of June 30, 2025.

### LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and perform ongoing liquidity review. The primary uses of cash are to satisfy its working capital, capital expenditure and investment needs. For the Reporting Period, the Group financed its operations primarily through cash and cash equivalents, cash flows from operating activities, available bank loans and banking facilities, and net proceeds from the Global Offering, details of which were disclosed in the Prospectus. The Group mainly used Renminbi and U.S. Dollar to make borrowings and loans and to hold cash and cash equivalents. Cash and cash equivalents of the Group increased by approximately 6.1% from RMB2,509.6 million as of December 31, 2024 to RMB2,663.9 million as of June 30, 2025, primarily attributable to capital injection from preferred shareholders of a subsidiary. During the Reporting Period, the Group did not use any financial instrument for hedging purpose and did not have any outstanding hedging instruments to manage the liquidity and capital resources as of June 30, 2025.

To mitigate the price fluctuations of lithium carbonate, the Group has leveraged the lithium carbonate futures contracts traded on the Guangzhou Futures Exchange through the future hedging risk management working group (“**Working Group**”). The Working Group is responsible for applying and review the Futures and Derivatives Hedging Business Management System (期貨和衍生品套期保值業務管理制度) and the Internal Management Measures for Futures Hedging Operations (期貨套期保值業務內部控制管理辦法) issued by the Company and the relevant rules and guidelines of the Shanghai Stock Exchange on the disclosure of information managing and approving transactions accounts, monitoring risks, reporting to senior management of the Company and the Board for hedging activities.

Gearing ratio is calculated by total debt, comprising total bank and other borrowings and divided by total equity as of the same date and multiplied by 100%. The gearing ratio of the Group increased from 299.09% as of December 31, 2024 to 363.12% as of June 30, 2025, which was primarily due to the increased financial liabilities at fair value through profit or loss as a result of the issue of convertible redeemable preferred shares of LBM New Energy to its minority shareholders.

## INDEBTEDNESS

### (A) Bank and other borrowings

As of June 30, 2025, the Group had interest-bearing bank and other borrowings of RMB9,526.8 million, representing an increase of 7.2% as compared to RMB8,883.3 million as of December 31, 2024. All of the borrowings of the Group are denominated in Renminbi. The following table sets forth the maturity structure of the bank and other borrowings of the Group as of December 31, 2024 and June 30, 2025:

	As of June 30, 2025			As of June 30, 2024		
	RMB'000			RMB'000		
	Fixed-rate bank borrowings	Endorse bills	Other Borrowings	Fixed-rate bank borrowings	Endorse bills	Other Borrowings
Within 1 year	5,522,089	571,535	893,438	4,929,432	658,249	878,019
1 to 2 years	1,141,841	—	—	495,375	—	—
2 to 5 years	1,397,866	—	—	1,922,230	—	—

As of June 30, 2025, banking facilities of the Group totaling RMB10,515.19 million (as of December 31, 2024: RMB9,625.0 million) were utilized to the extent of RMB8,934.38 million (as of December 31, 2024: RMB7,306.0 million).

As of December 31, 2024 and June 30, 2025, the other borrowings amounted to RMB878.0 million and RMB893.4 million, respectively. Other borrowings derived from the repurchase rights granted to certain new investors of Changzhou Liyuan in connection with its capital increases in October 2021, February 2024 and May 2024.

### (B) Lease liabilities

The lease liabilities amounted to RMB871.6 million and RMB836.8 million as of December 31, 2024 and June 30, 2025, respectively. Such decrease was primarily due to the Group's rent payments.

## CAPITAL EXPENDITURES

The capital expenditures are primarily cash used to purchase property, plant and equipment and other intangible assets. The capital expenditures increased by approximately 169.47% from RMB562.5 million for the six months ended December 31, 2024 to RMB1,515.78 million for six months ended June 30, 2025, primarily due to the commencement of the 90,000-ton LFP cathode materials project in Indonesia. The Group finances its capital expenditures through cash generated from operations, bank loans and the net proceeds from the Global Offering.

## FOREIGN EXCHANGE RISK AND HEDGING

The Group operates in the PRC with most of the transactions settled in Renminbi. Foreign currency risk arises when commercial transactions or recognized assets or liabilities are denominated in a currency other than the entities' functional currency. The Group is exposed to foreign currency risk primarily with respect to USD and HKD.

As of the date of this report, the Group does not use any derivative contracts to hedge against its exposure to foreign currency exchange risks but has closely managed its foreign currency risk by performing regular reviews of its net foreign currency exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure.

## EMPLOYEE AND REMUNERATION

As of June 30, 2025, the Group had 3,953 employees, as compared with 4,354 employees as of June 30, 2024. Total staff costs (including Directors, chief executive, and Supervisors), including but not limited to wages, salaries and bonuses, retirement benefit expense, social security costs, housing benefits and other employee benefits, were RMB324.3 million for the Reporting Period (for the six months ended June 30, 2024: RMB321.7 million).

The remuneration of employees was based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustment commensurate with the pay level in the industry. In addition to basic salaries, employees may be offered with discretionary bonus, cash awards and share awards based on individual performance. The Group have implemented and adopted the 2023 Share Option Scheme, providing share awards and share options to eligible employees as incentives. The Group provides training periodically and across operational functions, including introductory training for new employees, technical training, product training, management training and work safety training, with a view to fostering the basic skills of new employees to perform their duties and improving the relevant skills of the existing employees as well.

## CONTINGENT LIABILITIES

As of June 30, 2025, the Group did not have any material contingent liabilities, guarantees any litigations or claims of material importance, pending or threatened against any member of the Group that is likely to have a material and adverse effect on the business, financial condition or results of operations.

## PLEDGE OF ASSETS

As of June 30, 2025, the property, plant and equipment and right-of-use assets of the Group with carrying amounts of RMB1,134.3 million and RMB57.6 million (as of December 31, 2024: RMB1,373.1 million and RMB63.4 million) respectively were pledged as collateral for the borrowings. As of June 30, 2025, the bank deposits of the Group in the amount of RMB192.8 million (as of December 31, 2024: RMB93.6 million) were pledged as security for bill payable. As of June 30, 2025, the long-term equity investments of the Group in the amount of RMB844.4 million (as of December 31, 2024: RMB844.4 million) were pledged as collateral for borrowings.

As of June 30, 2025, trade and bills receivables of the Group in the amount of RMB31.6 million (as of December 31, 2024: RMB163.4 million) were pledged as security for bill payable.

Save as disclosed above, the Group had no other pledged assets as of June 30, 2025.

## SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

### (A) LG Subscription

On February 21, 2025, LBM New Energy, PT LBM and LG entered into a subscription agreement ("**LG Subscription Agreement**") and the shareholders agreement; and the Company, Changzhou Liyuan, LBM New Energy, PT LBM and LG entered into a side letter agreement. Under the LG Subscription Agreement, at the closing, PT LBM shall issue to LG, and LG shall subscribe for a total of 255,930.64 newly issued shares of PT LBM for an aggregate subscription price of USD15,970,911.12, which upon issuance will collectively represent 20% of the issued and outstanding share capital of PT LBM on a fully diluted basis (the "**LG Subscription**"). Further details are set out in the announcement of the Company dated February 21, 2025 and circular of the Company dated March 27, 2025.

### (B) Capital Increase

On May 29, 2025, the Company entered into the capital increase agreement with Changzhou Liyuan and Changzhou Liyuan's shareholders in relation to, among others, the capital contribution by the Company in the sum of RMB369.7056 million to Changzhou Liyuan to subscribe for approximately RMB55.51 million of Changzhou Liyuan's registered capital (the "**Capital Increase**"). Upon completion of the Capital Increase, the shareholding ratio of the Company in Changzhou Liyuan will increase from approximately 64.03% to 66.42%. Further details are set out in the announcements of the Company dated May 29, 2025 and June 16, 2025, as well as circular of the Company dated June 27, 2025.

### (C) Wealth Management Products

The financial assets that the Group invested include investments in wealth management products. The exact returns on all of these wealth management products are not guaranteed, hence their contractual cash flow does not qualify for solely payments of principal and interests. Therefore, they are measured at fair value through profit or loss. As of June 30, 2025, the aggregated outstanding principal amount of the Group's wealth management products was RMB1,220.4 million, and the wealth management products measured at FVTPL was 1,221.3 million, constituting 6.84% to the Group's total asset. As of June 30, 2025, there were no outstanding wealth management products (in aggregate) subscribed from any single licensed bank that exceed 5% of the Group's total assets.

Save for the subscriptions of the wealth management products from ICBC announced by the Company on January 8, 2025 and March 10, 2025 and the subscriptions of the wealth management products from BOC announced by the Company on May 26, 2025, June 17, 2025 and June 24, 2025, the wealth management products subscribed by the Group during the Reporting Period did not constitute notifiable transactions under Chapter 14 of the Listing Rules.

The Directors are of the view that the subscriptions of wealth management products will enable the Group to use its temporary idle funds with relatively low risk exposure and will enable the Group to enhance the utilization of capital and increasing income from idle funds of the Group and increase income of the Group. The Directors consider that the subscriptions of wealth management products are on normal commercial terms which are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

Save as disclosed above, there was no significant investment, material acquisition and disposal of subsidiaries, associates and joint ventures by the Group during the Reporting Period. In addition, save for the expansion plans as disclosed in the sections headed “Business” and “Future Plans and Use of Proceeds” in the Prospectus, there were no specific future plan authorized by the Board for other material investments or acquisition of capital assets as of the date of this report. However, the Group will continue to identify new opportunities for business development.

## USE OF PROCEEDS

### (A) Global Offering

The Company was listed on the Main Board of Hong Kong Stock Exchange on October 30, 2024. The net proceeds from the Global Offering amounted to approximately HKD495.0 million and a gross proceeds of approximately HKD550.0 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed “Future Plans and Use of Proceeds” of the Prospectus and there has been no change in the intended use of the net proceeds and the expected timeline. The following table sets forth the status of the use of the net proceeds from the Global Offering as of June 30, 2025:

Intended use of net proceeds	Percentage of intended use of net proceeds (%)	Net proceeds <sup>(1)</sup> from the Global Offering (In HKD millions)	Amount utilized as of June 30, 2025 (In HKD millions)	Amount unutilized as of June 30, 2025 (In HKD millions)	Expected timeline of full utilization of the net proceeds
<b>Payment for partial expenses for the phase II of the Indonesia Plant</b>	<b>40.0</b>	<b>198.0</b>	<b>0.0</b>	<b>198.0</b>	
Construction expenses of the Plant	20.0	99.0	0.0	99.0	By the end of 2025
Purchase and installation of major production machineries and equipment	20.0	99.0	0.0	99.0	By the end of 2025
<b>New LMFP production lines at Xiangyang Plant in Hubei Province</b>	<b>40.0</b>	<b>198.0</b>	<b>0.0</b>	<b>198.0</b>	<b>By the end of 2025</b>
<b>Repay certain interest-bearing bank borrowings</b>	<b>10.0</b>	<b>49.5</b>	<b>49.5</b>	<b>0.0</b>	
Repay borrowings from Bank of Nanjing (南京銀行)	6.6	32.7	32.7	0.0	—
Repay borrowings from Agricultural Bank of China (中國農業銀行)	3.4	16.8	16.8	0.0	—
<b>Working capital and other general corporate purposes</b>	<b>10.0</b>	<b>49.5</b>	<b>45.5</b>	<b>4.0</b>	<b>By the end of 2025</b>
<b>Total</b>	<b>100.0</b>	<b>495.0</b>	<b>95.0</b>	<b>400.0</b>	

Notes:

(1) The figures in the table are approximate figures.

## (B) Placing

Reference is made to the announcements of the Company dated June 4, 2025 and June 12, 2025 (the “**Announcements**”). On June 4, 2025, the Company entered into the placing agreement with Guotai Junan Securities (Hong Kong) Limited (the “**Placing Agent**”), pursuant to which the Company has agreed to appoint the Placing Agent, and the Placing Agent has conditionally agreed, as the Company’s Placing Agent, to procure, on a best effort basis, not less than six placees, who are and whose ultimate beneficial owners are independent third parties, to purchase up to an aggregate of 20,000,000 new H Shares with aggregate nominal value of RMB20,000,000 at the placing price of HK\$6.00 per H Share (the “**Placing**”). The closing price as quoted on the Hong Kong Stock Exchange on June 4, 2025, being the date of the placing agreement, is HK\$6.59 per H Share. Completion of the Placing took place on June 12, 2025 in accordance with the terms and conditions of the placing agreement.

The estimated net placing price, after deducting all fees, costs and expenses incurred by the Company in connection with the Placing including the commission and levies, is therefore approximately HK\$5.84 per H Share. The net proceeds of approximately HK\$116.89 million from the Placing are intended to be used for (i) general working capital; (ii) repaying the Group’s outstanding debts; and (iii) transformation of the low conductivity coolant production line. It is expected that the net proceeds will be fully utilized by the end of 2025. As of June 30, 2025, none of the net proceeds from the Placing has been utilized. Furthermore, as of the date of this report, the Company has no intention to change its intended use of the net proceeds from the Placing. The following table sets forth the status of the use of the net proceeds from the Placing as of June 30, 2025:

Intended use of net proceeds	Percentage of intended use of net proceeds (%)	Net proceeds <sup>(1)</sup> from the Placing (In HKD millions)	Amount utilized as of June 30, 2025 (In HKD millions)	Amount unutilized as of June 30, 2025 (In HKD millions)	Expected timeline of full utilization of the net proceeds
<b>General working capital</b>	<b>48.67</b>	<b>56.89</b>	<b>0.00</b>	<b>56.89</b>	
Purchase of raw materials, including base oil, ethylene glycol and urea, etc.	<b>34.22</b>	<b>40.00</b>	<b>0.00</b>	<b>40.00</b>	By the end of 2025
Staff wages and compensation	<b>12.83</b>	<b>15.00</b>	<b>0.00</b>	<b>15.00</b>	By the end of 2025
Utilities and taxes	<b>1.62</b>	<b>1.89</b>	<b>0.00</b>	<b>1.89</b>	By the end of 2025
<b>Repaying the Group’s outstanding debts<sup>(2)</sup></b>	<b>34.22</b>	<b>40.00</b>	<b>0.00</b>	<b>40.00</b>	By the end of 2025
<b>Transformation of the low conductivity coolant production line</b>	<b>17.11</b>	<b>20.00</b>	<b>0.00</b>	<b>20.00</b>	By the end of 2025
<b>Total</b>	<b>100.0</b>	<b>116.89</b>	<b>0.00</b>	<b>116.89</b>	

*Notes:*

- (1) The figures in the table are approximate figures.
- (2) HK\$40 million of the net proceeds from the Placing is expected to be used to partially repay the outstanding bank loan of RMB100 million from the Industrial and Commercial Bank of China with an interest rate of 2.8% per annum and maturity date on September 11, 2025. The remaining of the outstanding bank loan is expected to be repaid with the Group's existing funds. As disclosed in the annual report of the Company for the year ended December 31, 2024 under the section headed "Use of Proceeds", the intended net proceeds from the Global Offering for the repayment of bank borrowings from Bank of Nanjing and Agricultural Bank of China have been fully utilized and these bank borrowings have been fully repaid. The use of net proceeds from the Placing in relation to the repayment of the Group's outstanding debts does not overlap with that of the intended net proceeds from the Global Offering for the repayment of bank borrowings from Bank of Nanjing and Agricultural Bank of China.

The Directors consider that the Placing represents an opportunity to strengthen the financial position of the Group by reducing the Group's liabilities and providing additional working capital to the Group to meet any future development and obligations, and to broaden the Shareholder base of the Company. The Placing can also facilitate the transformation of the low conductivity coolant production line, enhancing production efficiency. The Directors have explored various options to raise capital and considered that the Placing represents the most suitable and efficient financing option for the Company to raise further funding to support the Group's continuous development and business growth, which is in the interest of the Company and its Shareholders as a whole.

The current expected timeframe for utilizing the remaining unutilized net proceeds in full are based on the best estimation by the Directors barring any unforeseen circumstances, and may be subject to change based on the Group's operating conditions and prevailing and future development of market conditions. The Directors will assess the plans for the use of the unutilized net proceeds on an ongoing basis and may revise or modify such plans where necessary to respond to the changing market conditions with a view to promoting a better growth and development of the Group. The Group will continue to evaluate the use of the unutilized net proceeds cautiously and monitor the market conditions closely to adjust the use of the unutilized net proceeds from the fund raising activities by the Group where necessary for the long-term development of the Group. The Company will make appropriate announcement(s) in due course in accordance with and if required under the Hong Kong Listing Rules should there be any material change in the intended use of the unutilized net proceeds.

As of the date of this report, save as disclosed in the tables above, the Directors are not aware of any material change or delay to the planned use of the net proceeds. Further details of the breakdown of the use of the net proceeds are set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus and the Announcements.

**ROUNDING**

Certain amounts and percentage figures included in this report have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

## EVENTS AFTER THE REPORTING PERIOD

### (A) Completion of the LG Subscription

Reference is made to the announcements of the Company dated February 21, 2025, April 17, 2025 and August 11, 2025 and the circular of the Company dated March 27, 2025. Closing under the LG Subscription Agreement has taken place. Upon closing, the Company holds approximately 66.42% of the equity interest in the Changzhou Liyuan, which holds 56.04% of the equity interest in LBM New Energy. LBM New Energy and LBM New Energy Singapore Pte. Ltd. (a wholly-owned subsidiary of LBM New Energy) collectively hold 80% of the equity interest in PT LBM while LG holds the remaining 20% of the equity interest in PT LBM. PT LBM remains as a subsidiary of the Company and its financial results will continue to be consolidated with the Group upon closing.

### (B) Change of Company Name

Reference is made to the announcements of the Company dated July 22, 2025, August 8, 2025 and August 13, 2025 and the circular of the Company dated July 22, 2025 in relation to the change of Company name. Subsequent to the passing of the special resolution at the 2025 fourth extraordinary general meeting of the Company held on August 8, 2025, the Company completed the industrial and commercial change registration procedures, and obtained a new business license issued by Nanjing Market Supervision and Administration Bureau on August 13, 2025.

The Chinese name of the Company has been changed from “江蘇龍蟠科技股份有限公司” to “江蘇龍蟠科技集團股份有限公司”, and the English name of the Company has been changed from “Jiangsu Lopal Tech. Co., Ltd.” to “Jiangsu Lopal Tech. Group Co., Ltd.”. After the change of Company name, the Company’s stock code, the Chinese stock short name and the English stock short name for trading in the shares of the Company will remain unchanged. The Company will carry out all necessary registration and/or filing procedures with the Hong Kong Companies Registry.

Save as disclosed above, the Group has no material events subsequent to June 30, 2025 which could have a material impact on the operating and financial performance of the Group as of the date of this report.

## NO MATERIAL CHANGE

Since the publication of the Group’s annual report for the year ended December 31, 2024 on April 22, 2025, there has been no material change to the Group’s business.

## INTERIM DIVIDEND

The Board did not recommend the payment of any interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: Nil).



## OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sales of treasury shares) of the Company in both the Hong Kong Stock Exchange and Shanghai Stock Exchange. As of June 30, 2025 and up to the date of this report, the Company did not hold any H shares of the Company as treasury shares (as defined in the Hong Kong Listing Rules).

### 2023 SHARE OPTION SCHEME

Pursuant to the written resolutions passed by the Board on September 22, 2023, the Company has adopted the 2023 Share Option Scheme under which A Shares options were granted as awards to eligible participants at the determination of the Board. As confirmed by the Remuneration and Evaluation Committee, the purpose of 2023 Share Option Scheme is: (i) to align the interests of the Company, Shareholders and employees, facilitate the parties' mutual interests to focus on the long-term development of the Company, thus bring about more attractive and sustainable returns for the Shareholder; (ii) to improve the corporate governance structure and the long-term and effective incentive mechanisms of the Company to ensure long-term and stable development of the Company; and (iii) to incentivize the management personnel and employees, attract and retain management talents and key personnel, prevent loss of talents, and enhance cohesiveness and competitiveness of the Company.

The total number of underlying Shares which may be issued upon exercise of all outstanding options granted under the 2023 Share Option Scheme (the "**2023 Scheme Mandate Limit**") shall be 5,295,000 A Shares options and shall not be more than 10% of the share capital of the Company in aggregate. The 2023 Scheme Mandate Limit shall be adjusted in the event of any alteration in the capital structure of the Company whilst any option remains exercisable, to proportionally reflect any capitalization of profits or reserves, bonus issue, rights issue, sub-division, consolidation of shares, dividend distribution, etc. of the Company. Any grant of the options to any grantees in respect of all the options granted to such person under all validly subsisting share option schemes of the Company in aggregate shall not exceed 1% of the Shares in issue. The 2023 Share Option Scheme shall be valid and effective for the period of time commencing from the date of grant of options, i.e. September 22, 2023 (the "**2023 Scheme Effective Date**") and expiring on the day when all options granted to the 2023 Eligible Participants under the 2023 Share Option Scheme are exercised or cancelled, which shall in any event be no later than the date which is 36 months after the 2023 Scheme Effective Date. The remaining life of the 2023 Share Option Scheme is approximately 1 year. The A Shares to be issued to the grantees pursuant to the exercise of the options are subject to lock-up restrictions in accordance with the PRC Company Law, the PRC Securities Law and other relevant laws and regulations and the Articles of Association, in particular, where the grantee is a director or a member of the senior management of the Company, the number of Shares which may be transferred by the grantee each year during his/her tenure of office shall not exceed 25% of the total number of the Shares held by him/her, and the grantee shall not transfer any Shares held by him/her within six months after his/her resignation from the positions held in the Group. The options granted to the 2023 Eligible Participants shall not be transferred or used as guarantee or for repayment of debts during the vesting period. As determined by the Board or the scheme administrator from time to time, Directors, senior management, mid-level management and key technical (business) personnel of the Company and shall not include the independent directors, Supervisors and any shareholders or actual controllers of over 5% equity interests of the Company, together with their spouses, parents and children ("**2023 Eligible Participants**").

On May 16, 2025, upon the completion of cancellation registration for 2,920,000 A Shares options under the 2023 Share Option Scheme, 2,375,000 A Shares options remained outstanding, representing 0.35% of the total issued Shares as of June 30, 2025.

Since no options or awards will be granted by the Company pursuant to the 2023 Share Option Scheme after the Listing, the provisions of Chapter 17 of the Hong Kong Listing Rules do not apply to the terms of the 2023 Share Option Scheme. Further details of the principal terms of the 2023 Share Option Scheme are set out in the section headed “Statutory and General Information — A. Further Information about Our Group — 5. 2023 Share Option Scheme” in Appendix IV to the Prospectus.

Details of the movement in the share options granted under the 2023 Share Option Scheme during the six months ended June 30, 2025 are set out below:

Name of the grantees	Date of grant	Outstanding as of January 1, 2025	Options granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of A Shares underlying the outstanding options granted as of June 30, 2025	Exercise price (RMB per Share)	Vesting period	Exercise period
<b>Director</b>										
Qin Jian (秦建)	September 22, 2023	180,000	—	—	90,000	—	90,000	11.92	See Note (1)	See Note (2)
Lu Zhenya (呂振亞)	September 22, 2023	190,000	—	—	95,000	—	95,000	11.92	See Note (1)	See Note (2)
Shen Zhiyong (沈志勇)	September 22, 2023	690,000	—	—	345,000	—	345,000	11.92	See Note (1)	See Note (2)
Zhang Yi (張羿)	September 22, 2023	190,000	—	—	95,000	—	95,000	11.92	See Note (1)	See Note (2)
<b>Subtotal</b>		1,250,000	—	—	625,000	—	625,000	11.92		
<b>Other employees of the Company who are the 2023 Eligible Participants</b>	September 22, 2023	4,045,000	—	—	2,295,000	—	1,750,000	11.92	See Note (1)	See Note (2)
<b>Total</b>		5,295,000	—	—	2,920,000	—	2,375,000			

*Notes:*

- (1) The vesting periods are 12 months and 24 months commencing from the grant date of the 2023 Share Option Scheme, i.e. September 22, 2023.
- (2) The exercise periods for the relevant options are as follows: 50% of the options shall be exercisable from September 22, 2024 to September 21, 2025, and 50% of the options shall be exercisable from September 22, 2025 to September 21, 2026.

As at June 30, 2025, the total number of Shares available for issue under the 2023 Share Option Scheme was 2,375,000 A Shares (options had been granted and were outstanding), representing approximately 0.35% of the Shares in issue as at June 30, 2025.

Pursuant to the rules of the 2023 Share Option Scheme, no further share options would be granted. Hence, the number of options available for grant under the scheme mandate at the beginning and the end of the Reporting Period are both zero.

As no options and awards were granted during the Reporting Period, thus, the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the Reporting Period is not available.

### CHANGES IN DIRECTORS' AND SUPERVISORS' INFORMATION

With effect from 8 August 2025, ordinary resolutions passed to resolve that the supervisory committee of the Company abolished and the position of Supervisors, namely Mr. Xue Jie, Mr. Zhou Lin and Ms. Chang Huihong ceased to serve as Supervisors.

Save as disclosed herein, there has been no change in the information of Directors and Supervisors which is required to be disclosed pursuant to Rule 13.51B (1) of the Hong Kong Listing Rules during the Reporting Period and up to the date of this report.

### INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As of June 30, 2025, the interests and/or short positions (as applicable) of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which had been notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be separately notified to the Company and the HKEX pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were set out as follows:

#### (A) Interest in the Company

Name of Director, Supervisor or chief executive	Nature of interest	Class	Number of Shares <sup>(1)</sup>	Approximate percentage of shareholding in the relevant class of shares of the Company <sup>(2)</sup>	Approximate percentage of shareholding in the total share capital of the Company <sup>(3)</sup>
Mr. Shi <sup>(4)(7)</sup>	Beneficial owner	A Shares	212,662,195	37.63%	31.04%
	Interest held by controlled corporation	A Shares	1,901,208	0.34%	0.28%
	Interest of spouse	A Shares	23,618,649	4.18%	3.45%
	Other <sup>(5)</sup>	A Shares	2,082,400	0.37%	0.30%
Ms. Zhu <sup>(6)</sup>	Beneficial owner	A Shares	23,618,649	4.18%	3.45%
	Interest of spouse	A Shares	216,645,803	38.34%	31.62%
Mr. Lu Zhenya	Beneficial owner	A Shares	336,988	0.06%	0.05%
Mr. Qin Jian <sup>(8)</sup>	Beneficial owner	A Shares	320,832	0.06%	0.05%
	Interest of spouse	A Shares	33,056	0.01%	0.00%
Mr. Shen Zhiyong	Beneficial owner	A Shares	563,112	0.10%	0.08%
Mr. Zhang Yi	Beneficial owner	A Shares	290,792	0.05%	0.04%

*Notes:*

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 565,078,903 A Shares or 120,000,000 H Shares in issue as of June 30, 2025.
- (3) The calculation is based on the total number of 685,078,903 Shares as of June 30, 2025 and without taking into account the options granted under the 2023 Share Option Scheme.
- (4) Mr. Shi is the spouse of Ms. Zhu. By virtue of the SFO, Mr. Shi is deemed to be interested in the Shares in which Ms. Zhu is deemed to be interested. In addition, Mr. Shi and Ms. Zhu may be taken to have an interest in those treasury shares held by the Company as shareholders controlling more than one-third or more voting power in the Company.
- (5) As of June 30, 2025, the Company holds 2,082,400 A shares as treasury share. Mr. Shi controls one-third or more of the voting power at general meetings of the Company is to be taken to have an interest in the aforesaid 2,082,400 A shares held in treasury under Part XV of the SFO. As of June 30, 2025, Mr. Shi has pledged 56,800,000 A Shares as security in favor of certain PRC financial institutions regulated by the NAFR or the CSRC.
- (6) Ms. Zhu is the spouse of Mr. Shi. By virtue of the SFO, Ms. Zhu is deemed to be interested in the Shares in which Mr. Shi is deemed to be interested.
- (7) Nanjing Bailey is a limited partnership established in the PRC, which is managed by Lopal International as its general partner. Lopal International is a limited company established in the PRC, which is owned as to 90% by Mr. Shi and 10% by Ms. Zhu. Accordingly, Mr. Shi is deemed to be interested in the Shares held by Nanjing Bailey.
- (8) Ms. Xu Suxia (徐素蝦) is the spouse of Mr. Qin Jian. As of June 30, 2025, Ms. Xu Suxia held 33,056 A Shares. By virtue of the SFO, Mr. Qin Jian is deemed to be interested in the Shares in which Ms. Xu Suxia is deemed to be interested.

Save as disclosed above, as of June 30, 2025, none of the Directors, Supervisors and chief executive of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the HKEX pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be otherwise notified to the Company and the HKEX pursuant to the Model Code.

**(B) Interest in Associated Corporations**

<b>Name of Director, chief executive or Supervisor</b>	<b>Nature of interests<sup>(1)</sup></b>	<b>Associated corporations</b>	<b>Approximate percentage of holding in associated corporations</b>
Mr. Shi	Interest held by controlled corporation	Changzhou Liyuan	70.91% <sup>(2)</sup>
Mr. Shen Zhiyong	Interest held by controlled corporation	Changzhou Liyuan	2.25% <sup>(3)</sup>
Mr. Xue Jie	Interest held by controlled corporation	Changzhou Liyuan	0.9% <sup>(4)</sup>

Notes:

- (1) All the interests stated are long positions.
- (2) As of June 30, 2025, Changzhou Liyuan was owned as to approximately 66.42% by the Company in which Mr. Shi controlled more than one-third of voting power and approximately 4.49% by Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)), in which Mr. Shi served as the general partner and owned 99.9% interest, respectively. Therefore Mr. Shi is deemed to be interested in the shares in Changzhou Liyuan held by Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)) and the shares in Changzhou Liyuan held by the Company under the SFO.
- (3) As of June 30, 2025, Changzhou Liyuan was owned as to approximately 2.25% by Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)) in which Mr. Shen served as the general partner and owned 99% interest. Therefore Mr. Shen is deemed to be interested in the shares in Changzhou Liyuan held by Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)) under the SFO.
- (4) As of June 30, 2025, Changzhou Liyuan was owned as to approximately 0.9% by Nanjing Chaoli Venture Capital Center (Limited Partnership) (南京超利創業投資中心(有限合夥)) in which Mr. Xue served as the general partner and owned 80% interest. Therefore Mr. Xue is deemed to be interested in the shares in Nanjing Chaoli Venture Capital Center (Limited Partnership) (南京超利創業投資中心(有限合夥)) under the SFO.

**DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES**

Save as disclosed in this interim report, none of the Company, or any of its subsidiaries have entered into any arrangement to enable the Directors or Supervisors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other corporate body, and none of the Directors and Supervisors or their spouses and children under the age of 18 had any right to subscribe for the share capital or debt securities of the Company or any other corporate body or had exercised any such right at any time during the Reporting Period.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, to the knowledge of the Directors, the following persons (other than the Directors, Supervisors and chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Shareholder	Nature of interest	Class	Number of Shares <sup>(1)</sup>	Approximate percentage of shareholding in the relevant class of shares of the Company <sup>(2)</sup>	Approximate percentage of shareholding in the total share capital of the Company <sup>(3)</sup>
China Credit Trust Co., Ltd. <sup>(4)</sup>	Interest of controlled corporation	H Shares	20,000,000	16.67%	2.92%
Harvest Fund Management Co., Ltd. <sup>(4)</sup>	Interest of controlled corporation	H Shares	20,000,000	16.67%	2.92%

*Notes:*

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 565,078,903 A Shares or 120,000,000 H Shares in issue as of June 30, 2025.
- (3) The calculation is based on the total number of 685,078,903 Shares as of June 30, 2025 and without taking into account the options granted under the 2023 Share Option Scheme.
- (4) Harvest International Premium Value (Secondary Market) Fund SPC on behalf of Harvest Oriental SP, who held 20,000,000 H Shares, is owned as to 91% by Harvest Global Investments Limited. Harvest Global Investments Limited is 100% owned by Harvest Fund Management Co., Ltd. Harvest Fund Management Co., Ltd. is owned as to 40% by China Credit Trust Co., Ltd.

Save as disclosed above, as of June 30, 2025, so far as the Directors are aware and based on publicly available information, no person had any interests and short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

## EMOLUMENT POLICY

The Company recognizes the employees are prominent assets for the long-term development and place great emphasis on attracting and recruiting qualified employees. The Company adopts a fair treatment for the employees to ensure that they enjoy fair opportunities and conditions. For emolument policy, the Company provides the employees with remuneration packages covering matters including wages, employee benefits, safety and sanitary conditions in the workplace. The Company also enters into standard confidentiality agreements with all of the employees. The Board will review and determine the remuneration and compensation packages of the Directors, Supervisors and senior management. The remuneration of the Directors, Supervisors and senior management of the Company is determined after taking into account salaries paid by comparable companies, time commitment and responsibilities of the Directors, Supervisors and senior management and performance of the Group. As required by PRC law, the Group participates in various social security plans for the employees including housing provident fund, pension insurance, medical insurance, work-related injury insurance, maternity insurance, and unemployment insurance. Additionally, the Company also adopted 2023 Share Option Scheme to incentivise and motivate the employees, under which qualified employees are granted with share awards or share options.

A Remuneration and Evaluation committee has been established by the Group to review the policy and structure of the remuneration for the Directors, Supervisors, and senior management and make recommendations on the remuneration packages of individual Directors, Supervisors, and senior management. Particulars on the compensation paid during the Reporting Period or payable to key management personnel (including chief executive officer of the Company and Directors and other senior executives of the Group) for employee services are set out in notes 22(d) to the unaudited condensed consolidated financial statement in this interim report.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has adopted the principles and code provisions as set out in CG Code.

The Board is of the view that during the Report Period and up to the date of this report, the Company has complied with all applicable code provisions as set out in the CG code, except for the deviation from the code provision C.2.1 of Part 2 of the CG Code. Mr. Shi Junfeng is the chairman of the Board and the general manager of the Company, and he has been managing the Group's business and supervising the overall operations of the Group since its foundation in 2003. Although deviating from the code provision C.2.1 of Part 2 of the CG Code, the Directors consider that vesting both roles in Mr. Shi Junfeng will be beneficial to the management and business development of the Group and will provide a strong and consistent leadership to our Group. For the purposes of complying with the CG Code and maintaining a high standard of corporate governance of the Company, the Board will continue to review and consider splitting the roles of the chairman of the Board and the general manager of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry with all the Directors and Supervisors, all the Directors and Supervisors confirmed that they have strictly complied with the Model Code throughout the Relevant Period.

The Board has also established written guidelines on terms no less exacting than the Model Code (the "Guidelines") for securities transactions by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Guidelines by the Company's relevant employees has been noted during the Reporting Period after making reasonable enquiry.

### RIGHTS TO ACQUIRE THE COMPANY'S SECURITIES AND EQUITY-LINKED AGREEMENTS

Save as disclosed under the sections headed "2023 Share Option Scheme" in this interim report, at no time during the six months ended June 30, 2025 was the Company, or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, nor did the Company enter into any equity-linked agreement.

### AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

As of the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Ms. Geng Chengxuan, Mr. Ye Xin and Mr. Hong Kam Le. Ms. Geng Chengxuan is the chairlady of the Audit Committee who possesses appropriate professional qualifications as required by Rules 3.10(2) and 3.21 of the Hong Kong Listing Rules. The Audit Committee has reviewed the interim report and the unaudited interim results of the Group for the six months ended June 30, 2025. The Audit Committee and the Company's management have also reviewed, with no disagreement, the accounting principles and practices adopted by the Group; and discussed matters in relation to risk management, internal control and financial reporting.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June

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	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>Revenue</b>	4	<b>3,621,880</b>	3,568,612
Cost of sales		<b>(3,120,686)</b>	(3,224,644)
<b>Gross profit</b>		<b>501,194</b>	343,968
Other income, gains and losses	4	<b>96,920</b>	134,121
(Impairment losses)/reversal of impairment loss on financial assets		<b>(11,081)</b>	30,458
Selling and distribution expenses		<b>(69,608)</b>	(80,665)
Administrative expenses		<b>(274,704)</b>	(275,599)
Research and development expenses		<b>(190,094)</b>	(204,953)
Share of results of an associate		<b>(8,905)</b>	(11,877)
Finance costs	6	<b>(141,078)</b>	(130,395)
<b>LOSS BEFORE TAX</b>	5	<b>(97,356)</b>	(194,942)
Income tax	7	<b>(11,754)</b>	(66,691)
<b>LOSS FOR THE PERIOD</b>		<b>(109,110)</b>	(261,633)
<b>Attributable to:</b>			
Owners of the Company		<b>(84,194)</b>	(219,233)
Non-controlling interests		<b>(24,916)</b>	(42,400)
		<b>(109,110)</b>	(261,633)
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<b>967</b>	(1,083)
Change in the fair value on hedging instruments designated as cash flow hedges		<b>362</b>	(837)
<b>Other comprehensive income/(loss) for the period</b>		<b>1,329</b>	(1,920)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(107,781)</b>	(263,553)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO:</b>			
Owners of the parent		<b>(82,971)</b>	(220,631)
Non-controlling interests		<b>(24,810)</b>	(42,922)
		<b>(107,781)</b>	(263,553)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted	9	<b>RMB(0.12)</b>	RMB(0.39)

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

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	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	6,597,764	6,787,868
Right-of-use assets	11	1,199,391	1,239,640
Goodwill		214,173	214,173
Other intangible assets		49,275	49,488
Investments in an associate		39,224	47,659
Financial assets at fair value through other comprehensive income	14(b)	141,450	141,450
Deferred tax assets		354,988	344,332
Other non-current assets	13(b)	73,654	32,291
<b>Total non-current assets</b>		<b>8,669,919</b>	<b>8,856,901</b>
<b>CURRENT ASSETS</b>			
Inventories	12	1,327,611	1,392,470
Trade and bills receivables	13(a)	1,552,475	1,460,645
Prepayments, other receivables and other assets	13(b)	621,427	757,798
Tax recoverable		4,603	9,630
Financial assets at fair value through profit or loss ("FVTPL")	14(a)	1,573,804	505,364
Financial assets at fair value through other comprehensive income	14(b)	887,612	296,752
Derivative financial instruments		4,175	68
Pledged deposits	15	192,836	265,957
Time deposits	15	346,170	—
Cash and cash equivalents	15	2,663,870	2,509,603
<b>Total current assets</b>		<b>9,174,583</b>	<b>7,198,287</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	1,874,640	1,997,116
Tax payable		14,496	5,325
Bank and other borrowings	17	6,987,062	6,465,700
Lease liabilities	11	49,100	69,580
Derivative financial instruments		681	878
Contract liabilities		41,733	92,296
Financial liabilities at fair value through profit or loss	18	1,431,470	—
Deferred income		22,789	14,619
<b>Total current liabilities</b>		<b>10,421,971</b>	<b>8,645,514</b>
<b>NET CURRENT LIABILITIES</b>		<b>(1,247,388)</b>	<b>(1,447,227)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>7,422,531</b>	<b>7,409,674</b>



Interim Condensed Consolidated Statement of Financial Position  
As at 30 June 2025

	Notes	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		6,720	6,646
Bank and other borrowings	17	2,539,707	2,417,605
Lease liabilities	11	787,703	801,990
Provision		48,612	—
Deferred income		186,690	160,459
<b>Total non-current liabilities</b>		<b>3,569,432</b>	3,386,700
<b>Net assets</b>		<b>3,853,099</b>	4,022,974
<b>EQUITY</b>			
Share capital	19	685,079	665,079
Reserves		2,415,354	2,504,669
Equity attributable to owners of the parent		3,100,433	3,169,748
Non-controlling interests		752,666	853,226
<b>Total equity</b>		<b>3,853,099</b>	4,022,974

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

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	Attributable to owners of the parent										Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Capital reserve RMB'000	Treasury share RMB'000	Translation reserve RMB'000	Share-based payment reserve RMB'000	Hedging reserve RMB'000	Statutory reserve RMB'000	Retained profits RMB'000	Total RMB'000			
At 1 January 2025 as originally stated	665,079	2,744,352	(50,273)	(3,484)	3,443	(216)	83,262	(361,914)	3,080,249	853,226		3,933,475
Effect of adopting merger accounting for common control combination (note 20)	—	100,000	—	—	—	—	—	(10,501)	89,499	—		89,499
At 1 January 2025 as restated (Unaudited)	665,079	2,844,352	(50,273)	(3,484)	3,443	(216)	83,262	(372,415)	3,169,748	853,226		4,022,974
Loss and total comprehensive loss for the period	—	—	—	—	—	—	—	(84,194)	(84,194)	(24,916)		(109,110)
Change in fair value on hedging instruments designated as cash flow hedges	—	—	—	—	—	393	—	—	393	(31)		362
Exchange differences arising on translation of foreign operations	—	—	—	830	—	—	—	—	830	137		967
Total comprehensive loss for the period	—	—	—	830	—	393	—	(84,194)	(82,971)	(24,810)		(107,781)
Appropriation to maintenance and production funds	—	—	—	—	—	—	3,220	(3,220)	—	—		—
Utilisation of maintenance and production funds	—	—	—	—	—	—	(2,260)	2,260	—	—		—
Recognition of equity-settled share-based payments	—	—	—	—	960	—	—	—	960	189		1,149
Consideration paid for acquisition of subsidiaries under common control	—	(100,539)	—	—	—	—	—	—	(100,539)	—		(100,539)
Acquisition of non-controlling interests	—	5,814	—	—	—	—	—	—	5,814	(76,348)		(70,534)
Other	—	470	—	—	—	—	—	—	470	409		879
Issues of shares (Note 19)	20,000	86,951	—	—	—	—	—	—	106,951	—		106,951
At 30 June 2025 (Unaudited)	685,079	2,837,048	(50,273)	(2,654)	4,403	177	84,222	(457,569)	3,100,433	752,666		3,853,099

Interim Condensed Consolidated Statement of Changes in Equity  
For the six months ended 30 June 2025

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	Attributable to owners of the parent								Total	Non-controlling interests	Total equity
	Share capital	Capital reserve	Treasury share	Translation reserve	Share-based payment reserve	Hedging reserve	Statutory reserve	Retained profits			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 as originally stated	565,079	2,580,366	(50,273)	260	2,682	(1,612)	80,636	275,229	3,452,367	728,699	4,181,066
Effect of adopting merger accounting for common control combination	—	50,000	—	—	—	—	—	(1,201)	48,799	—	48,799
At 1 January 2024 as restated (Unaudited and restated)	565,079	2,630,366	(50,273)	260	2,682	(1,612)	80,636	274,028	3,501,166	728,699	4,229,865
Loss and total comprehensive expense for the period	—	—	—	—	—	—	—	(219,233)	(219,233)	(42,400)	(261,633)
Change in fair value on hedging instruments designated as cash flow hedges	—	—	—	—	—	(610)	—	—	(610)	(227)	(837)
Exchange differences arising on translation of foreign operations	—	—	—	(788)	—	—	—	—	(788)	(295)	(1,083)
Total comprehensive expense for the period	—	—	—	(788)	—	(610)	—	(219,233)	(220,631)	(42,922)	(263,553)
Dividends paid to the non-controlling shareholders of subsidiaries	—	—	—	—	—	—	—	—	—	(4,273)	(4,273)
Appropriation to maintenance and production funds	—	—	—	—	—	—	4,024	(4,024)	—	—	—
Utilisation of maintenance and production funds	—	—	—	—	—	—	(2,007)	2,007	—	—	—
Recognition of equity-settled share-based payments	—	—	—	—	4,664	—	—	—	4,664	—	4,664
Deemed partial disposal of interest in subsidiaries without losing control	—	185,301	—	—	—	—	—	—	185,301	200,126	385,427
Recognition of financial liability arising from put option held by non-controlling shareholders	—	(385,427)	—	—	—	—	—	—	(385,427)	—	(385,427)
Contribution from the controlling shareholder to a subsidiary adopting merger accounting for common control combination	—	50,000	—	—	—	—	—	—	50,000	—	50,000
Contribution from non-controlling shareholders	—	—	—	—	—	—	—	—	—	93,060	93,060
At 30 June 2024 (Unaudited and restated)	565,079	2,480,240	(50,273)	(528)	7,346	(2,222)	82,653	52,778	3,135,073	974,690	4,109,763

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June

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	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		(97,356)	(194,942)
Adjustments for:			
Finance costs	6	141,078	130,395
Interest income		(16,732)	(12,317)
Share of results of an associate	4	8,905	11,877
Depreciation of property, plant and equipment	10	354,401	249,488
Depreciation of right-of-use assets	11	40,249	42,959
Amortisation of other intangible assets		7,381	13,158
Write-down of inventories to net realisable value		66,778	69,494
Impairment losses/(reversal of impairment losses) on trade receivables		11,521	(31,787)
Impairment losses/(reversal of impairment losses) on other receivables		301	(725)
Impairment losses/(reversal of impairment losses) on bills receivables		(741)	2,054
Impairment losses on goodwill		—	25,249
Share based payment recognised		1,149	4,664
Loss from disposal of property, plant and equipment		344	388
(Gain)/loss from changes in fair value of financial assets at FVTPL		(27,338)	5,539
Loss from changes in fair value of other borrowings at FVTPL		15,419	16,355
Loss from changes in fair value of financial liabilities at FVTPL		26,830	—
Gain on early termination of leases		—	(1,823)
Operating cash flows before movements in working capital		532,189	330,026
Decrease/(increase) in inventories		67,527	(107,344)
(Increase)/decrease in trade and other receivables		(376,127)	240,394
Decrease in trade and other payables		(179,151)	(429,121)
(Decrease)/increase in contract liabilities		(50,563)	8,187
Increase in deferred income		34,400	38,845
Cash generated from operations		28,275	80,987
Income tax paid		(22,207)	(16,143)
<b>Net cash from operating activities</b>		<b>6,068</b>	<b>64,844</b>

Interim Condensed Consolidated Statement of Cash Flows  
For the six months ended 30 June

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	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		21,661	12,273
Proceeds from disposal of property, plant and equipment		—	1,056
Proceeds from disposal of financial assets at FVTPL		—	4,826,862
Purchase of property, plant and equipment		(269,491)	(563,732)
Purchase of other intangible assets		(66,497)	(3,889)
Purchase of financial assets at FVTPL		(1,032,360)	(5,614,000)
(Placement)/withdrawal of pledged bank deposits		(2,542)	257,098
Placement of bank deposit with original maturity over three months		(346,169)	—
<b>Net cash used in investing activities</b>		<b>(1,695,398)</b>	<b>(1,084,332)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(98,730)	(113,603)
Addition of bank borrowings		3,298,384	3,655,274
Repayment of bank and other borrowings		(2,640,476)	(3,536,985)
Repayment of lease liabilities		(83,356)	(180,111)
Dividend paid to non-controlling interests of subsidiaries		—	(4,273)
Proceeds from issuance of preferred shares of a subsidiary		1,433,980	—
Deemed disposal of subsidiaries without loss of control		—	385,427
Issuance of shares	19	106,951	—
Contribution from controlling interest		—	50,000
Contribution from non-controlling interest		—	93,060
Cash paid for business combination under common control		(100,539)	—
Acquisition of non-controlling interests		(70,534)	—
<b>Net cash from financing activities</b>		<b>1,845,680</b>	<b>348,789</b>
<b>NET (INCREASE)/DECREASE IN CASH AND CASH EQUIVALENTS</b>			
		156,350	(670,699)
<b>Cash and cash equivalents at beginning of the period</b>		<b>2,509,603</b>	<b>2,986,413</b>
Effect of foreign exchange rate changes, net		(2,083)	(1,083)
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD, REPRESENTING BANK BALANCES AND CASH</b>		<b>2,663,870</b>	<b>2,314,631</b>

## 1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

### Going concern

During the six months ended 30 June 2025, the Group reported a net loss of approximately RMB109 million (for the six months ended 30 June 2024: RMB262 million). As at 30 June 2025, the Group's current liabilities exceeded its current assets by approximately RMB1,247 million (2024: the Group's current liabilities exceeded its current assets by approximately RMB1,447 million). The net current liabilities primarily arose from the convertible redeemable preferred shares of a subsidiary amounting to RMB1,431 million as at 30 June 2025. The directors of the Company are of the opinion that no payment is expected for the settlement of the liabilities arising from financial instruments issued to investors as the related redemption rights would be terminated and such financial instruments would irrevocably be converted into equity upon the listing of the subsidiary.

In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financial resources to continue as a going concern. In order to improve the Group's liquidity and cash flows to sustain the Group as a going concern, the Group has implemented, or is in the process of implementing, the following key plans and measures: (i) The Group has been actively negotiating with a number of banks and financial institutions for renewal, extension and replacement of bank loans; (ii) The Group continues to take active measures to control administrative costs including streamlining the workflows of different business operations; (iii) The Group continues to take active actions to improve the working capital situation including monitoring the collection of receivables closely and take immediate actions for any outstanding receivables and negotiation with suppliers to extend credit terms; and (iv) The Group will consider other financing arrangements with a view to improving the Group's liquidity and financial position. The directors of the Company have reviewed the Group's cash flow projections which cover a period of not less than twelve months from the end of the reporting period. The directors of the Company are of the opinion that after taking into account the above plans, the Group has sufficient financial resources to continue as a going concern for the foreseeable future. Therefore, the directors of the Company are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

### Adoption of merger accounting and restatement

As disclosed in note 20 to the interim condensed consolidated financial statements, a business combination under common control was effected during the current interim period. The interim condensed consolidated financial statements incorporate the financial information of the combining entities as if they had been combined from the date when the combining entities first came under the common control of the controlling party.

The net assets of the combining entities are consolidated using the existing book values from the controlling party's perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the business combination under common control and no amount is recognised in respect of goodwill.

## 1. BASIS OF PREPARATION (CONTINUED)

### Adoption of merger accounting and restatement (Continued)

The interim condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group include the results and cash flows of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control of the controlling party, where this is a shorter period, regardless of the date of the business combination under common control. The comparative amounts in the interim condensed consolidated financial statements are restated as if the entities had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is later. The impact on the Group arising from the common control combinations is disclosed in note 20 to this interim condensed consolidated financial information.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

*Lack of Exchangeability*

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer and directors of the Company that makes strategic decisions.

The CODM review the Group's internal reporting in order to assess performance and allocate resources. Management determined the operating segments based on these reports.

The CODM assesses the performance based on the nature of the Group's businesses which are principally located in the Mainland China, and comprises (i) Sales of automotive specialty chemicals business and (ii) sales of lithium iron phosphate ("LFP") cathode material business and (iii) processing for lithium carbonate and raw materials.

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

Segment results represent the gain/(loss) generated by each segment without allocation of other income, gain and losses, share of result of an associate, finance costs, listing expenses and income tax expense. This is the measure reported to the CODM for the purposes of resources allocation and assessment of segment performance.

No information about segment assets and liabilities is presented as such information is not regularly provided to CODM for resource allocation and performance assessment purposes.

#### Six months ended 30 June 2025

	Sales of automotive specialty chemicals business RMB'000 (Unaudited)	Sales of LFP cathode material business RMB'000 (Unaudited)	Processing for lithium carbonate and raw materials RMB'000 (Unaudited)	Other business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>Segment revenue</b>					
Sales to external customers	956,051	2,359,175	282,807	23,847	3,621,880
Intersegment sales	145,351	151,220	614,028	84,253	994,852
<b>Total segment revenue</b>	<b>1,101,402</b>	<b>2,510,395</b>	<b>896,835</b>	<b>108,100</b>	<b>4,616,732</b>
<i>Reconciliation:</i>					
Elimination of intersegment sales					(994,852)
Revenue					<u>3,621,880</u>
<b>Segment results</b>	<b>124,056</b>	<b>(185,819)</b>	<b>20,341</b>	<b>(2,871)</b>	<b>(44,293)</b>
<i>Reconciliation:</i>					
Unallocated other income, gain and losses					96,920
Share of result of an associate					(8,905)
Finance costs					<u>(141,078)</u>
Loss before tax					<u>(97,356)</u>

### 3. OPERATING SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2024

	Sales of automotive specialty chemicals business RMB'000 (Unaudited and restated)	Sales of LFP cathode material business RMB'000 (Unaudited and restated)	Processing for lithium carbonate and raw materials RMB'000 (Unaudited and restated)	Other business RMB'000 (Unaudited and restated)	Total RMB'000 (Unaudited and restated)
<b>Segment revenue</b>					
Sales to external customers	990,595	2,516,515	57,782	3,720	3,568,612
Intersegment sales	22,327	667	332,809	6,843	362,646
<b>Total segment revenue</b>	<b>1,012,922</b>	<b>2,517,182</b>	<b>390,591</b>	<b>10,563</b>	<b>3,931,258</b>
<i>Reconciliation:</i>					
Elimination of intersegment sales					(362,646)
<b>Revenue</b>					<b>3,568,612</b>
<b>Segment results</b>	<b>91,780</b>	<b>(293,678)</b>	<b>41,922</b>	<b>(13,420)</b>	<b>(173,396)</b>
<i>Reconciliation:</i>					
Unallocated other income, gain and losses					134,121
Share of result of an associate					(11,877)
Finance costs					(130,395)
Listing expenses					(13,395)
<b>Loss before tax</b>					<b>(194,942)</b>

#### 4. REVENUE

An analysis of revenue is as follows:

##### Revenue from contracts with customers Disaggregated revenue information

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>Type of goods or services</b>		
LFP cathode materials	2,313,631	2,475,580
Automotive specialty chemicals	981,468	970,147
Processing income	286,786	42,685
Others	39,995	80,200
Total	3,621,880	3,568,612
<b>Timing of revenue recognition</b>		
At a point in time	3,621,880	3,568,612

The major customers which contributed more than 10% of the total revenue for the period are listed as below:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Customer A	952,188	1,114,401
Customer B (note (a))	527,765	7,750
Customer C (note (a))	408,796	86,534
Customer D (note (b))	224,964	525,290
Customer E (note (b))	154,261	383,792

#### 4. REVENUE (CONTINUED)

##### Revenue from contracts with customers (Continued)

##### Disaggregated revenue information (Continued)

Notes:

- (a) The revenue contributed by Customer B and C less than 10% of the total revenue for the six months ended 30 June 2024.
- (b) The revenue contributed by Customer D and E less than 10% of the total revenue for the six months ended 30 June 2025.

An analysis of other income, gains and losses is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Interest income	16,732	12,317
Government grants	80,914	106,096
Loss on disposal of property, plant and equipment	(509)	(388)
Gain on early termination of leases	—	1,823
Gain/(loss) from changes in fair value of financial assets at FVTPL	27,338	(5,539)
Loss from changes in fair value of financial liabilities at FVTPL	(26,830)	—
Loss from changes in fair value of other borrowings at FVTPL	(15,419)	(16,355)
Gain from changes in fair value of derivatives	7,066	30,319
Others	7,628	5,848
Total	96,920	134,121

## 5. LOSS BEFORE TAX

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

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Cost of inventories sold*		3,120,686	3,224,644
Depreciation of property, plant and equipment	10	354,401	249,488
Depreciation of right-of-use assets	11	40,249	42,959
Amortisation of other intangible assets		7,381	13,158
Impairment loss on goodwill		—	25,249
Write-down of inventories to net realisable value		66,778	69,494
Impairment losses/(reversal of impairment losses) on trade receivables	13(a)	11,521	(31,787)
Impairment losses/(reversal of impairment losses) on other receivables		301	(725)
Reversal of impairment losses/(impairment losses) on bills receivable	13(a)	(741)	2,054
Staff cost (including directors', chief executives', and supervisors' remuneration):			
Wages, salaries and bonuses		257,284	250,614
Retirement benefit expense		27,893	26,982
Equity-settled share-based payment		1,149	4,664
Social security costs, housing benefits and other employee benefits		37,943	26,791

\* Cost of inventories sold includes expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets and staff costs, which is also included in the respective total amounts disclosed separately above for each of these types of expenses.

## 6. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Interest on bank and other borrowings	116,107	80,930
Interest on lease liabilities	23,781	40,952
Interest on discounted bills	1,190	8,513
Total	141,078	130,395

## 7. INCOME TAX

The amounts of income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income represent:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
PRC Enterprise Income Tax		
Current tax	22,147	27,930
Under provision in prior years	132	276
Deferred tax	22,279 (10,525)	28,206 38,485
Total	11,754	66,691

The Company is subject to income tax on an entity basis on profits arising in or derived from jurisdictions in which its subsidiaries are domiciled and operate.

## 7. INCOME TAX (CONTINUED)

### Mainland China

Tax on profits assessable in Mainland China has been calculated at the applicable enterprise income tax ("EIT") rate of under the Law of the People's Republic of China (the "PRC"). Subsidiaries in Mainland China are subject to EIT at 25% tax rate for the current period ended 30 June 2025 (for the six months ended 30 June 2024: 25%). Certain subsidiaries of the Group are qualified as a small low-profit enterprise as their annual taxable income were less than RMB3,000,000 for both periods. The annual taxable income of a small low-profit enterprise shall be computed at a reduced rate of 25% (for the six months ended 30 June 2024: 25%) of taxable income amount, and subjected to EIT at 20% (for the six months ended 30 June 2024: 20%) tax rate. Certain subsidiaries of the Group are qualified as high and new technology enterprises and therefore were entitled to a preferential income tax rate of 15% for the current period ended 30 June 2025 (for the six months ended 30 June 2024: 15%).

### Singapore

The subsidiary of the Group operating in Singapore was subject to income tax at the rate of 17% (for the six months ended 30 June 2024: 17%) on the taxable income during the reporting period.

### Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the reporting period. No Hong Kong profits tax was provided for as the Group did not have any assessable profits arising in Hong Kong during the reporting period (for the six months ended 30 June 2024: nil).

### Indonesia

The subsidiary incorporated in Indonesia is subject to income tax at the rate of 22% on any estimated assessable profits arising in Indonesia during the reporting period, except for certain subsidiaries of the Company, which are exempted or taxed at preferential rates of 0% entitled by subsidiaries in accordance with relevant tax rules and regulations in Indonesia or approvals obtained by the tax bureaus in Indonesia.

## 8. DIVIDENDS

No dividend was declared or proposed by the Company in respect of the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

## 9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the loss for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 666,330,000 (for the six months ended 30 June 2024: 562,997,000) outstanding during the period, as adjusted to reflect the rights issue during the period.

During the periods ended 30 June 2025 and 2024, the dilutive potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilution.

## 9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (CONTINUED)

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>Loss</b>		
Loss for the period attributable to owners of the parent, used in basic loss per share calculation	(84,194)	(219,233)
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	666,330	562,997
Effect of dilutive — weighted average number of ordinary shares: Share options	—	—
Total	666,330	562,997

## 10. PROPERTY, PLANT AND EQUIPMENT

	Construction in progress RMB'000	Building RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Other equipment RMB'000	Leasehold improvements RMB'000	Total RMB'000
<b>COST</b>							
At 1 January 2024 (Unaudited and restated)	2,657,752	730,622	3,456,601	28,292	219,056	295,326	7,387,649
Additions	558,714	50,339	237,575	3,514	21,603	14,582	886,327
Transfer from constructions in progress	(2,532,172)	1,155,770	1,328,786	356	42,262	4,998	—
Disposals	—	—	(7,893)	(219)	(1,589)	(97)	(9,798)
At 31 December 2024 and 1 January 2025 (Unaudited and restated)	684,294	1,936,731	5,015,069	31,943	281,332	314,809	8,264,178
Additions	153,651	489	13,737	1,668	3,870	3,385	176,800
Transfer from constructions in progress	(487,245)	126,932	328,501	—	31,427	385	—
Disposals	—	—	(3,615)	(405)	(9,585)	(563)	(14,168)
Exchange realignment	(181)	—	(1,633)	—	(330)	(313)	(2,457)
<b>At 30 June 2025 (Unaudited)</b>	<b>350,519</b>	<b>2,064,152</b>	<b>5,352,059</b>	<b>33,206</b>	<b>306,714</b>	<b>317,703</b>	<b>8,424,353</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>							
At 1 January 2024 (Unaudited and restated)	—	163,996	525,855	12,491	99,739	143,093	945,174
Depreciation provided for the year	—	58,775	399,322	4,779	38,759	15,664	517,299
Impairment loss recognised in profit or loss	—	—	17,620	38	96	—	17,754
Eliminated on disposals	—	—	(2,491)	(205)	(1,124)	(97)	(3,917)
At 31 December 2024 and 1 January 2025 (Unaudited and restated)	—	222,771	940,306	17,103	137,470	158,660	1,476,310
Depreciation provided for the period	—	46,531	244,260	2,349	22,858	38,403	354,401
Impairment loss recognised in profit or loss	—	—	—	—	—	—	—
Eliminated on disposals	—	—	(2,852)	(246)	(511)	(513)	(4,122)
<b>At 30 June 2025 (Unaudited)</b>	<b>—</b>	<b>269,302</b>	<b>1,181,714</b>	<b>19,206</b>	<b>159,817</b>	<b>196,550</b>	<b>1,826,589</b>
<b>CARRYING VALUES</b>							
<b>At 30 June 2025 (Unaudited)</b>	<b>350,519</b>	<b>1,794,850</b>	<b>4,170,345</b>	<b>14,000</b>	<b>146,897</b>	<b>121,153</b>	<b>6,597,764</b>
At 31 December 2024 (Unaudited and restated)	684,294	1,713,960	4,074,763	14,840	143,862	156,149	6,787,868

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

No impairment losses were recognised in respect of property, plant and equipment for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

## 11. LEASES

The Group leases various offices, warehouses and factories for its operations. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

### (a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the reporting period are as follows:

	Leasehold land RMB'000	Leasehold properties RMB'000	Total RMB'000
<b>Carrying value</b>			
At 1 January 2024			
(Unaudited and restated)	365,645	920,548	1,286,193
Additions	—	41,557	41,557
Lease modification	—	18,400	18,400
Early termination of lease	—	(18,629)	(18,629)
Depreciation provided for the year	(10,448)	(77,433)	(87,881)
At 31 December 2024			
(Unaudited and restated)	355,197	884,443	1,239,640
Additions	—	—	—
Lease modification	—	—	—
Early termination of lease	—	—	—
Depreciation provided for the period	(2,789)	(37,460)	(40,249)
<b>At 30 June 2025 (Unaudited)</b>	<b>352,408</b>	<b>846,983</b>	<b>1,199,391</b>

During the six months ended 30 June 2025, the management conducted a review of the Group's right of use assets when there was indication for impairment. The carrying amount of the right-of-use assets does not exceed the recoverable amount and no impairment has been recognised (for the six months ended 30 June 2024: nil).

## 11. LEASES (CONTINUED)

### (b) Lease liabilities

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Lease liabilities payable:		
Within one year	49,100	69,580
Within a period of more than one year but not more than two years	57,659	36,434
Within a period of more than two years but not more than five years	620,390	643,730
Within a period of more than five years	109,654	121,826
	836,803	871,570
Less: Amounts due for settlement within 12 months shown under current liabilities	(49,100)	(69,580)
Amounts due for settlement after 12 months shown under non-current liabilities	787,703	801,990

## 12. INVENTORIES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Raw materials	424,113	329,880
Work in progress	40,418	56,575
Finished goods	863,080	1,006,015
Total	1,327,611	1,392,470

### 13. TRADE AND BILLS RECEIVABLES/PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

#### (a) Trade and bills receivables

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Trade and bills receivables	1,652,889	1,550,279
Impairment	(100,414)	(89,634)
Total	1,552,475	1,460,645

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Within 1 year	1,503,632	1,404,353
1 to 2 years	34,130	33,191
Over 2 years	7,465	1,767
Total	1,545,227	1,439,311

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
At beginning of period/year	89,634	124,322
Impairment losses, net ( <i>note 5</i> )	10,780	(34,688)
At end of period/year	100,414	89,634

### 13. TRADE AND BILLS RECEIVABLES/PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (CONTINUED)

#### (b) Prepayments, other receivables and other assets

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Prepayments, other receivables and other assets	695,081	790,089
Analysis for reporting purposes: Current portion	621,427	757,798
Non-current portion	73,654	32,291

### 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/PROFIT OR LOSS

#### (a) Financial assets at fair value through profit or loss

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Listed equity investments, at fair value	899	419
Wealth management products ( <i>note (a)</i> )	1,221,257	30,082
Unlisted funds investment ( <i>note (b)</i> )	351,648	474,863
Total	1,573,804	505,364

#### 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/ PROFIT OR LOSS (CONTINUED)

##### (b) Financial assets at fair value through other comprehensive income

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Non-current assets		
Unlisted equity investments, at fair value	141,450	141,450
Current assets		
Bills receivable	887,612	296,752
Total	1,029,062	438,202

*Notes:*

- (a) The wealth management product was issued by banks in the PRC and were low-risk in nature. The wealth management products are structured fixed deposits with financial institutions with maturities within one year. The principal of the structured fixed deposits will be invested in debt instruments or derivative markets. The Group received variable return depending on the return of the derivative. The returns of these investments were determined by reference to the performance of the expected return rates stated in the contracts.
- (b) The unlisted funds investment were bond funds and the fair value of the Group's interests in the funds are determined by reference to its net assets value per share at the end of the reporting period, since the Group has the right to request for redemption of some or all of its interests in the fund at a redemption price, which equals to the net assets value, according to the private placing memorandum of the fund. The fair value of the Group's interests in the fund is categorised as level 2 under fair value measurement hierarchy.

## 15. CASH AND BANK BALANCES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Cash on hand	232	81
Cash at bank	2,663,638	2,509,522
Cash and cash equivalents	2,663,870	2,509,603
Add:		
Time deposits	346,170	—
Pledged bank deposits	192,836	265,957
Cash and bank balances	3,202,876	2,775,560

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Pledged bank deposits carry fixed interest rate ranged from 0.05% to 1.40% and as at 30 June 2025 (31 December 2024: 0.05% to 1.80%). Pledged deposits amounting to RMB192,836,000 (31 December 2024: RMB265,957,000), have been pledged to secure bills payables and are therefore classified as current assets.

The term of time deposit is within one year, depending on the cash management of the Group. Time deposits carry fixed interest rates ranged from 1.10% to 4.25%.

The conversion of the RMB denominated balances maintained in the PRC into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

## 16. TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Trade payables	1,164,164	948,092
Bills payable	57,890	98,747
Other payables	652,586	950,277
Total	1,874,640	1,997,116

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Less than 1 year	957,153	778,929
1 to 2 years	200,800	125,320
2 to 3 years	1,730	39,541
Over 3 years	4,481	4,302
Total	1,164,164	948,092

## 17. BANK AND OTHER BORROWINGS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Bank borrowings		
Secured (note (a))	6,256,112	5,331,245
Unsecured	1,509,068	1,638,811
Total	7,765,180	6,970,056
Endorsed bills	571,535	658,249
Sale-leasebacks (note (b))	296,616	376,981
Other borrowings (note (c) and (d))	893,438	878,019
Total	9,526,769	8,883,305

## 17. BANK AND OTHER BORROWINGS (CONTINUED)

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
The carrying amounts of the above bank borrowings are repayable (based on scheduled repayment dates set out in the loan agreements):		
Within one year	5,363,860	4,766,605
Within a period of more than one year but not exceeding two years	1,021,177	359,644
Within a period of more than two years but not exceeding five years	1,380,143	1,843,807
Total	7,765,180	6,970,056
The carrying amounts of the above endorsed bills are repayable within one year	571,535	658,249
The carrying amounts of the above other borrowings are repayable within one year	893,438	878,019
Total	9,230,153	8,506,324
The carrying amounts of the above sale-leasebacks are repayable (based on scheduled repayment dates set out in the lease agreements):		
Within one year	158,229	162,827
Within a period of more than one year but not exceeding two years	120,664	135,731
Within a period of more than two years but not exceeding five years	17,723	78,423
Total	9,526,769	8,883,305
Less: amounts due within one year shown under current liabilities	(6,987,062)	(6,465,700)
Amounts shown under non-current liabilities	2,539,707	2,417,605

## 17. BANK AND OTHER BORROWINGS (CONTINUED)

Notes:

- (a) The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are 2.15% to 4.06% per annum (31 December 2024: 2.65% to 3.65% per annum) as at 30 June 2025.

Bank borrowings of the Group of RMB805,148,960 (31 December 2024: RMB809,609,214) as at 30 June 2025 are guaranteed by Mr. Shi.

Bank borrowings of the Group of RMB1,370,000,000 (31 December 2024: RMB800,000,000) as at 30 June 2025 are guaranteed by Mr. Shi and Ms. Zhu Xianglan ("Mrs. Shi"), the spouse of Mr. Shi.

Bank borrowings of the Group of RMB606,888,000 (31 December 2024: RMB380,000,000) as at 30 June 2025 are secured by property, plant and equipments, term deposits and long-term equity investments of RMB1,470,766,000 (31 December 2024: RMB1,657,201,000).

- (b) To better manage the Group's capital structure and financing needs, the Group sometimes enters into sale and leaseback arrangements in relation to machinery leases. These legal transfers do not satisfy the requirements of IFRS15 to be accounted for as a sale of the machinery.

- (c) In October 2021, Changzhou Liyuan New Energy Technology Co., Ltd. ("Changzhou Liyuan") entered into a capital contribution agreement with two independent third-party investors ("Investors A"), who committed to invest RMB345 million for a 20% equity stake. The agreement included a repurchase clause, granting Investors A the right to require Changzhou Liyuan to buy back their shares upon certain triggering events, such as the Company's failure to announce a spin-off and qualified listing of Changzhou Liyuan within four years, or to complete such listing within five years, post-investment. The repurchase price would be the higher of (i) the invested amount plus a 10% annualized internal rate or (ii) the fair market value of the equity at redemption.

The capital contribution is initially recognised as a financial liability at fair value, whereby the Group recognised a debit of approximately RMB345,000,000 to equity. The fair value at initial recognition of the financial liability at completion date of the capital contribution was measured based on the present value contractually determined stream of future cash flows with reference to valuation carried out by an independent professional valuer not connected with the Group using the Binomial model.

- (d) In February 2024 and May 2024, Changzhou Liyuan New Energy Technology Co., Ltd. ("Changzhou Liyuan") entered into capital contribution agreements with two independent third-party investors ("Investors B"), who invested RMB100 million and RMB285.427 million for 1.93% and 5.50% equity stakes, respectively. The agreements included a repurchase option, allowing Investors B to require Changzhou Liyuan to buy back their shares upon specified triggering events, such as the Company's failure to announce a spin-off and qualified listing within four years or achieve such listing within five years post-investment. The repurchase price would be the higher of (i) the invested amount plus an 8% annualized internal rate or (ii) the fair market value at redemption.

The capital contribution is initially recognised as a financial liability at fair value, whereby the Group recognised a debit of approximately RMB100,000,000 and RMB285,427,000 to equity, respectively. The fair value at initial recognition of the financial liability at completion date of the capital contribution was measured based on the present value contractually determined stream of future cash flows with reference to valuation carried out by an independent professional valuer not connected with the Group using the Binomial model.

## 18. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Convertible redeemable preferred shares ("CRPS") of a subsidiary	1,431,470	—
Total	1,431,470	—

On 10 February 2025, LBM New Energy issued to two independent third parties (the "Investors") 66,387,000 Series A Convertible Redeemable Preferred Shares with a total consideration of US\$200,000,000 (equivalent to RMB1,433,980,000).

The key terms of the Preferred Shares are summarised as follows:

### Redemption rights and prices

The Investors could request LBM New Energy to repurchase all the Shares held by such Investor upon the occurrence or non-occurrence of certain specified events, including failure to be admitted to the Official List of the Singapore Exchange Securities Trading Limited or any other recognised securities exchange agreed by Investors within six years after the completion date. The repurchase price is based on higher of capital contribution plus 16% internal rate of return per annum (inclusive of all paid Series A Preferred Distribution or other distribution of profits of the LBM New Energy to date) or the Fair Market Value of such Shares.

### Conversion rights

Each Preferred Share may, at the option of the holders, shall be converted into such number of fully paid Ordinary Shares as is determined by dividing the Initial Subscription Price Per Series A Share (as appropriately adjusted for any subdivisions, consolidations, share dividends or similar recapitalisations) by the then applicable conversion price per Series A Share.

Each Preferred Share shall automatically be converted into ordinary shares, at the applicable then-effective conversion price immediately upon the consummation of a Qualifying IPO. In the event that the equity value of an IPO is less than the minimum equity value required for a Qualifying IPO, the conversion ratio of the Shares shall be adjusted to ensure that the Investors achieve a USD IRR of 16%, inclusive of all paid Series A Preferred Distribution, dividends, proceeds or other distribution of profits of the LBM New Energy to the date of the Qualifying IPO.

## 18. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

### Accounting for convertible redeemable preferred shares

The Company does not bifurcate any embedded derivatives from the host instruments and has designated the entire instruments as financial liabilities at fair value through profit or loss. Any directly attributable transaction costs are recognised as finance costs in the statement of profit or loss. Subsequent to initial recognition, the fair value change of the Preferred Shares is recognised in the statement of profit or loss except for the portion attributable to credit risk change which shall be recognised in other comprehensive income, if any.

As at 30 June 2025, the convertible redeemable preferred shares were classified as current liabilities, because the holders of the Preferred Shares can demand the Company to convert the convertible redeemable preferred shares to ordinary shares within 12 months. The Group applied the discount cash flow method and option pricing method to determine the fair value of the convertible redeemable preferred shares.

## 19. SHARE CAPITAL

	Number of shares	Amount RMB'000
Registered, issued and fully paid ordinary shares with par value of RMB1.00 each share		
At 1 January 2024	565,078,903	565,079
Issue of shares	100,000,000	100,000
At 31 December 2024	665,078,903	665,079
Issue of shares	20,000,000	20,000
At 30 June 2025 (Unaudited)	685,078,903	685,079

On 12 June 2025, the Company issued a total of 20,000,000 new shares of RMB1 each at an issue price of HK\$6.0 per share. The registered share capital of the Company was increased from RMB665,079,000 to RMB685,079,000. The net proceeds of HK\$120,000,000 (approximately RMB106,951,000) was raised by the Company. The share capital of the Company increased by RMB20,000,000, the capital reserve of the Company increased by RMB86,951,000.

On 30 October 2024, the Company issued a total of 100,000,000 new shares of RMB1 each at an issue price of HK\$5.5 per share pursuant to its prospectus dated 22 October 2024 (the "Global Offer"). The registered share capital of the Company was increased from RMB565,079,000 to RMB665,079,000 upon the completion of the Global Offer. The net proceeds of HK\$504,106,000 (approximately RMB462,196,000) was raised by the Company. The share capital of the Company increased by RMB100,000,000, the capital reserve of the Company increased by RMB362,196,000.

## 20. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS

The Group adopts merger accounting for common control combinations in respect of the following transaction which occurred during the six months ended 30 June 2025: On 21 January 2025, the Group acquire 100% equity interest of Shandong Meiduo Technology Company Limited (山東美多科技有限公司) at an aggregate cash consideration of RMB100,539,000 from Longpan International Holdings Co., Ltd (龍蟠國際控股有限公司), which is controlled by Mr. Shi, the controlling shareholder of the Company.

The book values of the merged company's assets and liabilities as at the merger date and 31 December 2024 were as follows:

	<b>Merger date</b> <b>Book value</b> RMB'000 (Unaudited)	31December 2024 Book value RMB'000 (Unaudited)
Non-current assets	213,694	213,694
Current assets	32,526	32,526
Current liabilities	(87,655)	(87,655)
Non-current liabilities	(69,066)	(69,066)
Net assets	89,499	
Difference directly credited to equity	11,040	
Cash consideration	100,539	

## 20. BUSINESS COMBINATIONS UNDER COMMON CONTROL AND RESTATEMENTS (CONTINUED)

The effects of the application of merger accounting for business combinations under common control occurred during the six months ended 30 June 2024 on the Group's financial position as at 31 December 2024 and the results for the six months ended 30 June 2024 are summarised as follows:

### For the six months ended 30 June 2024:

	As originally stated RMB'000 (Unaudited)	Effect of business Combinations under common control RMB'000 (Unaudited)	As restated RMB'000 (Unaudited)
Revenue	3,568,612	—	3,568,612
Loss for the period	(260,220)	(1,413)	(261,633)
Other comprehensive income	(1,920)	—	(1,920)
Total comprehensive loss for the period	(262,140)	(1,413)	(263,553)
Attributable to:			
Owners of the Company	(219,218)	(1,413)	(220,631)
Non-controlling interests	(42,922)	—	(42,922)

### As at 31 December 2024:

	As originally stated RMB'000	Effect of business combinations under common control RMB'000 (Unaudited)	As restated RMB'000 (Unaudited)
Non-current assets	8,643,207	213,694	8,856,901
Current assets	7,165,761	32,526	7,198,287
Current liabilities	(8,557,859)	(87,655)	8,645,514
Non-current liabilities	(3,317,634)	(69,066)	3,386,700
Total equity attributable to owners of the Company	3,080,249	89,499	3,169,748
Non-controlling interests	853,226	—	853,226

## 21. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
Property, equipment and other intangible assets	1,515,777	1,142,012
Total	1,515,777	1,142,012

## 22. RELATED PARTY TRANSACTIONS

The following significant transactions were carried out between the Group and its related parties during the reporting period. In the opinion of the directors of the Company, the related party transactions were carried out at terms negotiated between the Group and the respective related parties.

### (a) Name and relationship with related parties

The following companies are related parties of the Group that had balances and/or transactions with the Group during the reporting period.

Name of related parties	Relationship with the Group
泰州市暢能瑞商貿有限公司 Taizhou Changnengrui Trading Co., Ltd. ("Taizhou Changnengrui")	The entity is controlled or jointly controlled by the Company's main investors, key managers, or family members who are closely related.
南京威樂佳潤滑油有限公司 Nanjing Weilejia Lubricating Oil Co., Ltd. ("Nanjing Weilejia")	The entity is controlled or jointly controlled by the Company's main investors, key managers, or family members who are closely related.
南通聚途商貿有限公司 Nantong Jutu Trading Co., Ltd. ("Nantong Jutu")	The entity is controlled or jointly controlled by the Company's main investors, key managers, or family members who are closely related.
泰州市恒安商貿有限公司 Taizhou Hengan Trading Co., Ltd. ("Taizhou Hengan")	The entity is controlled or jointly controlled by the Company's main investors, key managers, or family members who are closely related.
南京瑞福特化工有限公司 Nanjing Ruifute Chemical Co., Ltd. ("Nanjing Ruifute")	The entity is controlled or jointly controlled by the Company's main investors, key managers, or family members who are closely related.
湖北豐鋰新能源科技有限公司 Huibei Fengli New Energy Technology Co., Ltd. ("Hubei Fengli")	Associate of the Company

## 22. RELATED PARTY TRANSACTIONS (CONTINUED)

### (b) Significant related party transactions

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
<b>Revenue from sales of products provision of services</b>		
Nanjing Weilejia	3,665	3,337
Taizhou Changnengrui	4,241	6,501
Nanjing Ruifute	—	—
Taizhou Hengan	1,100	3,080
Nantong Jutu	700	790
	9,706	13,708
<b>Purchase</b>		
Hubei Fengli	134,940	80,256

## 22. RELATED PARTY TRANSACTIONS (CONTINUED)

### (c) Significant balances with related parties

As disclosed in the consolidated statements of financial position, the Group had outstanding balances with related parties at 31 December 2024 and 30 June 2025 as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Unaudited and restated)
Trade and other receivables ( <i>Note (i)</i> )		
Taizhou Changnengrui	769	48
	769	48
Trade and other payable ( <i>Note (i)</i> )		
Hubei Fengli	88,148	67,730
Nanjing Weilejia	1	1
Taizhou Hengan	4	4
	88,153	67,735
Contract liabilities ( <i>Note (i)</i> )		
Nanjing Weilejia	604	734
Taizhou Changnengrui	551	129
Taizhou Hengan	140	6
Nantong Jutu	257	62
	1,552	931

Notes:

- (i) The balances with related parties and an associate are trade in nature, unsecured, interest-free and repayable on demand.
- (ii) As disclosed in Note 17(a), Mr. Shi and Mrs. Shi provided personal guarantees to banks in respect of the Group's bank borrowings as at 30 June 2025 and 31 December 2024. Those personal guarantees would be released upon the full settlement of such bank borrowings according to the repayment terms.

## 22. RELATED PARTY TRANSACTIONS (CONTINUED)

### (d) Key management personnel compensations

The compensations paid or payable to key management personnel (including chief executive officer and directors of the Company and other senior executives of the Group) for employee services are show below:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited and restated)
Wages, salaries and bonuses	6,783	6,451
Retirement benefit expense	252	294
Social security costs, housing benefits and other employee benefits	292	296
Share-based compensation	339	2,543
Total	7,666	9,584

## 23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

	Carrying amounts		Fair values	
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Unaudited and restated)
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	1,029,062	438,202	1,029,062	438,202
Financial assets at fair value through profit or loss	1,573,804	505,364	1,573,804	505,364
Derivative financial instruments	4,175	68	4,175	68
<b>Total</b>	<b>2,607,041</b>	<b>943,634</b>	<b>2,607,041</b>	<b>943,634</b>
<b>Financial liabilities</b>				
Derivative financial instruments	681	878	681	878
Financial liabilities at fair value through profit or loss	1,431,470	—	1,431,470	—
Other borrowings	893,438	878,019	893,438	878,019
<b>Total</b>	<b>2,325,589</b>	<b>878,897</b>	<b>2,325,589</b>	<b>878,897</b>

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through other comprehensive income	—	887,612	141,450	1,029,062
Financial assets at fair value through profit or loss	899	1,572,905	—	1,573,804
Derivative financial instruments	4,175	—	—	4,175
<b>Total</b>	<b>5,074</b>	<b>2,460,517</b>	<b>141,450</b>	<b>2,607,041</b>

As at 31 December 2024 (Unaudited and restated)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial assets at fair value through other comprehensive income	—	296,752	141,450	438,202
Financial assets at fair value through profit or loss	419	504,945	—	505,364
Derivative financial instruments	68	—	—	68
<b>Total</b>	<b>487</b>	<b>801,697</b>	<b>141,450</b>	<b>943,634</b>

## 23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value hierarchy (Continued)

#### Liabilities measured at fair value:

As at 30 June 2025 (Unaudited)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Financial liabilities at fair value through profit or loss	—	—	1,431,470	1,431,470
Other borrowing at fair value through profit or loss	—	—	893,438	893,438
Derivative financial instruments	681	—	—	681
<b>Total</b>	<b>681</b>	<b>—</b>	<b>2,324,908</b>	<b>2,325,589</b>

As at 31 December 2024 (Unaudited and restated)

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	
Other borrowing at fair value through profit or loss	—	—	878,019	878,019
Derivative financial instruments	878	—	—	878
<b>Total</b>	<b>878</b>	<b>—</b>	<b>878,019</b>	<b>878,897</b>

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (for the six months ended 30 June 2024: Nil).

## 24. EVENTS AFTER THE REPORTING PERIOD

The subscription agreement entered into between LBM New Energy, PT LBM and LG Energy Solution, Ltd., has taken place and was completed subsequently. LG holds 20% of the equity interest in PT LBM. PT LBM remains as a subsidiary of the Company and its financial results will continue to be consolidated with the Group.

Save as disclosed above, there is no significant subsequent event undertaken by the Group after 30 June 2025.