



United Strength Power Holdings Limited 眾誠能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 2337



2025
INTERIM REPORT



CONTENTS

Corporate Information	2
Financial Highlights	3
Consolidated Statement of Profit or Loss	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	8
Condensed Consolidated Cash Flow Statement	10
Notes to the Unaudited Interim Financial Report	11
Independent Review Report	26
Management Discussion and Analysis	27
Other Information	36



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Zhao Jinmin (*Chairman & Chief Executive Officer*)

Mr. Liu Yingwu

Mr. Ma Haidong

Mr. Wang Zhiwei

Ms. Bian Xiaodan

Independent Non-Executive Directors

Ms. Su Dan

Mr. Zhang Zhifeng

Mr. Lau Ying Kit

COMPANY SECRETARY

Mr. Lo Wai Kit, *ACCA, FCPA, CFA*

AUTHORIZED REPRESENTATIVES

Mr. Ma Haidong

Mr. Lo Wai Kit

MEMBERS OF AUDIT COMMITTEE

Mr. Lau Ying Kit (*Chairman*)

Ms. Su Dan

Mr. Zhang Zhifeng

MEMBERS OF REMUNERATION COMMITTEE

Mr. Zhang Zhifeng (*Chairman*)

Mr. Liu Yingwu

Ms. Su Dan

MEMBERS OF NOMINATION COMMITTEE

Ms. Su Dan (*Chairman*)

Mr. Ma Haidong

Mr. Zhang Zhifeng

REGISTERED OFFICE

Cricket Square, Hutchins Drive

PO Box 2681, Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 2101, Unit 1

Block 23, Zone G

Solana 2, Erdao District

Changchun

Jilin Province, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 24

The Lee Garden One

33 Hysan Road

Causeway Bay

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F

Far East Finance Centre

16 Harcourt Road

Hong Kong

PRINCIPAL BANKERS

CMB Wing Lung Bank Limited

China Construction Bank

Industrial and Commercial Bank of China

HONG KONG LEGAL ADVISER

Anthony Siu & Co.

18th Floor, Nine Queen's Road Central

Hong Kong

AUDITOR

KPMG

(Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance)

8th Floor, Prince's Building

10 Chater Road

Central

Hong Kong

STOCK CODE

2337

COMPANY WEBSITE

www.united-strength.com

CONTACT DETAILS

Phone: (852) 3896 3333

Fax: (852) 3896 3300

FINANCIAL HIGHLIGHTS

Six months ended 30 June		
	2025	2024
	RMB'000	RMB'000
Revenue	3,082,015	3,839,411
Gross profit	151,299	212,028
(Loss)/profit for the period	(5,832)	27,940
(Loss)/profit attributable to equity shareholders of the Company	(7,278)	26,970
Gross profit margin	5%	6%
(Loss)/earning per share		
– Basic & diluted (RMB)	(0.02)	0.07
	At 30 June	At 31 December
	2025	2024
	RMB'000	RMB'000
Total assets	2,434,562	1,877,283
Net assets	527,362	547,955

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025 – unaudited (Expressed in Renminbi (“RMB”))

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Revenue	4	3,082,015	3,839,411
Cost of sales		(2,930,716)	(3,627,383)
Gross profit	4(b)	151,299	212,028
Other income	5	3,439	3,585
Staff costs	6(b)	(78,646)	(83,108)
Depreciation expenses	6(c)	(30,372)	(32,652)
Impairment reversal/(loss) on trade receivables		910	(973)
Other operating expenses		(39,640)	(43,638)
Profit from operations		6,990	55,242
Share of profits of an associate		755	524
Finance costs	6(a)	(13,066)	(13,696)
(Loss)/profit before taxation	6	(5,321)	42,070
Income tax	7	(511)	(14,130)
(Loss)/profit for the period		(5,832)	27,940
Attributable to:			
Equity shareholders of the Company		(7,278)	26,970
Non-controlling interests		1,446	970
(Loss)/profit for the period		(5,832)	27,940
(Loss)/earnings per share			
– Basic and diluted (RMB)	8	(0.02)	0.07

The notes on pages 11 to 25 form part of this interim financial report.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025 – unaudited (Expressed in RMB)

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
(Loss)/profit for the period	(5,832)	27,940
Other comprehensive income for the period (after tax):		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of financial statements denominated in foreign currencies into presentation currency of the Group	(531)	893
Total comprehensive income for the period	(6,363)	28,833
Attributable to:		
Equity shareholders of the Company	(7,859)	27,886
Non-controlling interests	1,496	947
Total comprehensive income for the period	(6,363)	28,833

The notes on pages 11 to 25 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025 – unaudited (Expressed in RMB)

	Note	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment	9	407,618	427,782
Investment properties		1,520	1,581
Interest in an associate		54,467	54,545
Deferred tax assets		71,228	59,651
		534,833	543,559
Current assets			
Inventories		126,381	140,362
Trade and bills receivables	10	173,059	95,630
Prepayments, deposits and other receivables	11	1,120,985	933,224
Income tax recoverable		7,742	5,880
Restricted cash	12	388,350	88,350
Cash and cash equivalents	13	83,212	70,278
		1,899,729	1,333,724
Current liabilities			
Bank and other loans	14(a)	640,100	445,175
Trade and bills payables	15	286,822	2,748
Accrued expenses, other payables and contract liabilities	16	704,635	549,717
Lease liabilities		83,487	87,357
Income tax payable		10,507	16,026
		1,725,551	1,101,023
Net current assets		174,178	232,701
Total assets less current liabilities		709,011	776,260
Non-current liabilities			
Bank and other loans	14(b)	12,500	47,840
Lease liabilities		166,453	177,538
Deferred tax liabilities		2,696	2,927
		181,649	228,305
NET ASSETS		527,362	547,955

The notes on pages 11 to 25 form part of this interim financial report.

Consolidated Statement of Financial Position (continued)

At 30 June 2025 – unaudited (Expressed in RMB)

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
CAPITAL AND RESERVES		
Share capital	32,293	32,293
Reserves	456,647	478,378
Total equity attributable to equity shareholders of the Company	488,940	510,671
Non-controlling interests	38,422	37,284
TOTAL EQUITY	527,362	547,955

The notes on pages 11 to 25 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 – unaudited (Expressed in RMB)

	Attributable to equity shareholders of the Company							Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserve RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Retained profits RMB'000	Total RMB'000		
Balance at 1 January 2024	32,293	711,315	(700,106)	15,000	8,963	402,038	469,503	42,604	512,107
Changes in equity for the six months ended 30 June 2024:									
Profit for the period	–	–	–	–	–	26,970	26,970	970	27,940
Other comprehensive income for the period	–	–	–	–	916	–	916	(23)	893
Total comprehensive income	–	–	–	–	916	26,970	27,886	947	28,833
Special dividend approved during the period	–	(27,345)	–	–	–	–	(27,345)	–	(27,345)
Distributions paid to non-controlling equity holder of a subsidiary	–	–	–	–	–	–	–	(14)	(14)
	–	(27,345)	–	–	–	–	(27,345)	(14)	(27,359)
Balance at 30 June 2024 and 1 July 2024	32,293	683,970	(700,106)	15,000	9,879	429,008	470,044	43,537	513,581
Changes in equity for the six months ended 31 December 2024:									
Profit for the period	–	–	–	–	–	40,821	40,821	1,895	42,716
Other comprehensive income for the period	–	–	–	–	(194)	–	(194)	(48)	(242)
Total comprehensive income	–	–	–	–	(194)	40,821	40,627	1,847	42,474
Distributions paid to non-controlling equity holders of subsidiaries	–	–	–	–	–	–	–	(8,100)	(8,100)
Balance at 31 December 2024	32,293	683,970	(700,106)	15,000	9,685	469,829	510,671	37,284	547,955

The notes on pages 11 to 25 form part of this interim financial report.

Consolidated Statement of Changes in Equity (continued)

For the six months ended 30 June 2025 – unaudited (Expressed in RMB)

	Attributable to equity shareholders of the Company							Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Share premium RMB'000	Other reserve RMB'000	Statutory reserve RMB'000	Exchange reserve RMB'000	Retained profits RMB'000	Total RMB'000		
Balance at 1 January 2025	32,293	683,970	(700,106)	15,000	9,685	469,829	510,671	37,284	547,955
Changes in equity for the six months ended 30 June 2025:									
(Loss)/profit for the period	-	-	-	-	-	(7,278)	(7,278)	1,446	(5,832)
Other comprehensive income for the period	-	-	-	-	(581)	-	(581)	50	(531)
Total comprehensive income	-	-	-	-	(581)	(7,278)	(7,859)	1,496	(6,363)
Dividend approved during the period	-	(13,872)	-	-	-	-	(13,872)	-	(13,872)
Distributions paid to non-controlling equity holder of a subsidiary	-	-	-	-	-	-	-	(358)	(358)
	-	(13,872)	-	-	-	-	(13,872)	(358)	(14,230)
Balance at 30 June 2025	32,293	670,098	(700,106)	15,000	9,104	462,551	488,940	38,422	527,362

The notes on pages 11 to 25 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025 – unaudited (Expressed in RMB)

	Note	Six months ended 30 June	
		2025 RMB'000	2024 RMB'000
Operating activities			
Cash generated from operations		179,091	69,735
Income tax paid		(19,700)	(20,348)
Net cash generated from operating activities		159,391	49,387
Investing activities			
Payment for purchase of property, plant and equipment		(4,204)	(7,153)
Proceeds from disposal of property, plant and equipment		1,976	2,527
Interest received		301	700
Net cash used in investing activities		(1,927)	(3,926)
Financing activities			
Proceeds from bank and other loans		383,660	107,772
Proceeds in connection with taxes chargeable to certain subsidiaries prior to their becoming the Group's subsidiaries		24,054	–
Repayment of bank and other loans		(224,075)	(140,600)
Capital element of lease rentals paid		(14,827)	(14,741)
Interest element of lease rentals paid		(8,140)	(9,101)
Dividends paid to non-controlling equity holder of a subsidiary		(358)	(14)
Net (increase)/decrease in pledged bank deposits		(300,000)	39,000
Interest paid		(4,807)	(4,289)
Net cash used in financing activities		(144,493)	(21,973)
Net increase in cash and cash equivalents		12,971	23,488
Cash and cash equivalents at 1 January	13	70,278	46,517
Effect of foreign exchange rate changes		(37)	72
Cash and cash equivalents at 30 June	13	83,212	70,077

The notes on pages 11 to 25 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in RMB unless otherwise indicated)

1 CORPORATE INFORMATION

United Strength Power Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 19 December 2016 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 16 October 2017.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in retail sale of refined oil and natural gas by operating refuelling stations and storage facilities, wholesale of refined oil and provision of franchising services to franchisees and transportation of petroleum and natural gas services.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard (“IAS”) 34, *Interim financial reporting*, issued by the International Accounting Standards Board (the “IASB”). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with IFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. KPMG’s independent review report to the board of directors of the Company is included on page 26.

2 BASIS OF PREPARATION (continued)

The number of refuelling stations and storage facilities of the Group as at 30 June 2025 was as follows:

	Owned by the Group		Operated by the Group under the entrusted management agreement	
	Refuelling stations	Petroleum storage facilities	Refuelling stations	Petroleum storage facilities
At 30 June 2025	38	2	39	1
At 31 December 2024	38	2	39	1

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to IAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are retail sale of refined oil and natural gas by operating refuelling stations and storage facilities, wholesale of refined oil and provision of franchising services to franchisees and transportation of petroleum and natural gas services.

Further details regarding the Group's principal activities are disclosed in Note 4(b).

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Sales of refined oil and natural gas	3,050,307	3,790,626
Revenue from the provision of transportation services	31,699	37,807
Revenue from the provision of franchising services	–	9,411
Revenue from the trading of compressed natural gas ("CNG") and liquefied petroleum gas ("LPG")	9	1,567
	3,082,015	3,839,411

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in Note 4(b).

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its contracts for the provision of transportation of petroleum and natural gas services such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for the provision of franchising services to franchisees and transportation of petroleum and natural gas services that had an original expected duration of one year or less.

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Sale of refined oil: this segment carries out sales of refined oil to vehicular end-users by operating petroleum refuelling stations, sales of refined oil to other petroleum refuelling stations, construction sites and other industrial users by operating petroleum storage facilities, and provision of franchising services to franchisees;
- Sale of natural gas: this segment sells CNG, LPG and liquefied natural gas ("LNG") to vehicular end-users by operating refuelling stations, and trading of CNG and LPG; and
- Provision of transportation services: this segment provides petroleum and natural gas transportation services by managing dangerous goods transportation vehicles.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales and revenue generated by those segments and the expenses incurred by those segments. However, other than reporting inter-segment sales, assistance provided by one segment to another is not measured.

The measure used for reporting segment is gross profit. The Group's other income, staff costs, depreciation expenses, impairment reversal/(loss) on trade receivables, other operating expenses and share of profits of an associate, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

4 REVENUE AND SEGMENT REPORTING (continued)**(b) Segment reporting (continued)****(i) Segment results (continued)**

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance is set out below.

	Six months ended 30 June 2025			
	Sale of refined oil RMB'000	Sale of natural gas RMB'000	Provision of transportation services RMB'000	Total RMB'000
Disaggregated by timing of revenue recognition:				
– Point in time	2,975,427	74,889	–	3,050,316
– Over time	–	–	31,699	31,699
Revenue from external customers	2,975,427	74,889	31,699	3,082,015
Inter-segment revenue	12,297	–	17,435	29,732
Reportable segment revenue	2,987,724	74,889	49,134	3,111,747
Reportable segment gross profit	100,752	19,272	31,275	151,299

	Six months ended 30 June 2024			
	Sale of refined oil RMB'000	Sale of natural gas RMB'000	Provision of transportation services RMB'000	Total RMB'000
Disaggregated by timing of revenue recognition:				
– Point in time	3,660,728	140,876	–	3,801,604
– Over time	–	–	37,807	37,807
Revenue from external customers	3,660,728	140,876	37,807	3,839,411
Inter-segment revenue	15,127	–	26,575	41,702
Reportable segment revenue	3,675,855	140,876	64,382	3,881,113
Reportable segment gross profit	138,908	30,951	42,169	212,028

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(ii) Reconciliations of reportable segment revenue and profit or loss

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Revenue		
Reportable segment revenue	3,111,747	3,881,113
Elimination of inter-segment revenue	(29,732)	(41,702)
Consolidated revenue (Note 4(a))	3,082,015	3,839,411
Profit		
Reportable segment gross profit	151,299	212,028
Other income	3,439	3,585
Staff costs	(78,646)	(83,108)
Depreciation expenses	(30,372)	(32,652)
Impairment reversal/(loss) on trade receivables	910	(973)
Other operating expenses	(39,640)	(43,638)
Share of profits of an associate	755	524
Finance costs	(13,066)	(13,696)
Consolidated (loss)/profit before taxation	(5,321)	42,070

(iii) Geographic information

All of the Group's customers patronised at the Group's operations carried out in the People's Republic of China (the "PRC"). The Group's non-current assets, including property, plant and equipment and investment properties, are located and the location of operations of the Group's associate is in the PRC.

5 OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Rental income from operating leases	1,387	2,063
Net gain/(loss) on disposal of property, plant and equipment	309	(245)
Interest income	301	700
Others	1,442	1,067
	3,439	3,585

6 (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging:

(a) Finance costs:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Interest expenses on:		
– bank and other loans	4,807	4,289
– lease liabilities	8,259	9,407
	13,066	13,696

(b) Staff costs:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Salaries, wages and other benefits	69,621	74,059
Contributions to defined contribution retirement plans	9,025	9,049
	78,646	83,108

(c) Other items:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Depreciation expenses:		
– owned property, plant and equipment	10,552	11,786
– right-of-use assets	19,759	20,801
– investment properties	61	65
	30,372	32,652
Operating lease charges relating to short-term leases and leases of low-value-assets	2,440	2,192
Cost of inventories	2,925,154	3,620,297

7 INCOME TAX

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current taxation		
Provision for the period	12,319	21,705
Deferred taxation		
Origination and reversal of temporary differences	(11,808)	(7,575)
	511	14,130

Notes:

- (i) The Company and subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% during the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%).
- (ii) The Company and subsidiaries of the Group incorporated in countries other than the PRC (including Hong Kong) are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.
- (iii) The subsidiaries of the Group established in the PRC (excluding Hong Kong) are subject to PRC Corporate Income Tax rate of 25% during the six months ended 30 June 2025 (six months ended 30 June 2024: 25%).
- (iv) Pursuant to tax relief policies issued by Ministry of Finance and State Taxation Administration of the PRC, certain companies of the Group established in the PRC (excluding Hong Kong), which meet the stipulated small scale operations are subject to preferential tax rates of 5% for their taxable profits for the six months ended 30 June 2025 (six months ended 30 June 2024: 5%).
- (v) One of the Group's subsidiaries in the Mainland China enjoyed a preferential PRC Corporate Income Tax rate of 15% (six months ended 30 June 2024: 15%) applicable for enterprise with advanced and new technologies.

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share for the six months ended 30 June 2025 is calculated based on the loss attributable to ordinary equity shareholders of the Company and 374,502,000 ordinary shares in issue during the interim period (six months ended 30 June 2024: 374,502,000).

(b) Diluted loss per share

There were no potential dilutive ordinary shares during the six months ended 30 June 2025 and 2024.

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group incurred capital expenditure on property, plant and equipment with a cost of RMB12,060,000 (six months ended 30 June 2024: RMB6,732,000).

10 TRADE AND BILLS RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade receivables, net of loss allowance, due from:		
– related parties	32	67
– third parties	32,934	29,563
	32,966	29,630
Bills receivable	140,093	66,000
	173,059	95,630

All of the trade receivables, net of loss allowance, are expected to be recovered within one year.

(a) Ageing analysis

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

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 month	25,858	25,115
1 to 3 months	6,490	3,006
3 to 6 months	618	1,509
	32,966	29,630

11 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Prepayments for purchase of inventories and services from:		
– related parties	874,159	630,468
– third parties	222,279	255,985
	1,096,438	886,453
Deposits to suppliers	3,985	3,817
Advances to staff	729	717
VAT recoverable	9,817	8,730
Amounts due from non-controlling equity holders of subsidiaries (Note (i))	–	24,054
Others	10,016	9,453
Financial assets measured at amortised cost (Note (ii))	24,547	46,771
	1,120,985	933,224

Notes:

(i) During the year ended 31 December 2024, two subsidiaries of the Group, Liaoning Oilfield Resource Products Distribution Company Limited and Dandong Kuandian Petroleum Company Limited (the "Subsidiaries"), were imposed of payment of taxes and surcharges in connection with certain taxes chargeable to the Subsidiaries prior to their becoming the Group's subsidiaries (in August 2020) for the period between 2018 to 2020. While the Group has followed authorities' request to fulfill the payment obligations of such taxes and surcharges during the year ended 31 December 2024, the relevant equity holders of the Subsidiaries repaid such amount to the Group in March 2025.

(ii) All of the prepayments, deposits and other receivables are expected to be recovered or recognised as expenses within one year.

12 RESTRICTED CASH

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Pledged deposits for issuance of bank loans and bills	388,350	88,350

13 CASH AND CASH EQUIVALENTS

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Cash at bank and on hand	83,212	70,278

Note:

The Group's operations in the PRC (excluding Hong Kong) conducted their businesses in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC (excluding Hong Kong) is subject to the exchange restrictions imposed by the PRC government.

14 BANK AND OTHER LOANS**(a) The Group's short-term bank and other loans are analysed as follows:**

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Bank and other loans:		
Secured by property, plant and equipment, investment properties, bills receivable and/or restricted bank deposits of the Group, and/or guaranteed by a subsidiary or related parties	466,350	320,350
Guaranteed by a subsidiary or related parties	123,000	109,325
Guaranteed by a third party	–	10,000
Unsecured	7,000	3,000
	596,350	442,675
Add: current portion of long-term bank and other loans (<i>Note 14(b)</i>)	43,750	2,500
	640,100	445,175

(b) The Group's long-term bank and other loans are analysed as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Bank and other loans:		
Secured by property, plant and equipment and/or investment properties of the Group, and/or guaranteed by a subsidiary or related parties	56,250	50,340
Less: current portion of long-term bank and other loans (<i>Note 14(a)</i>)	(43,750)	(2,500)
	12,500	47,840

15 TRADE AND BILLS PAYABLES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Trade payables due to third parties	1,822	2,748
Bills payable	285,000	–
	286,822	2,748

As of the end of the reporting period, the ageing analysis of the Group's trade payables, based on the invoice date, is as follows:

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Within 1 month	1,812	2,738
Over 3 months	10	10
	1,822	2,748

16 ACCRUED EXPENSES, OTHER PAYABLES AND CONTRACT LIABILITIES

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Payables for staff related costs	6,283	6,345
Deposits from customers	2,018	2,143
Payables for acquisitions of property, plant and equipment	10,834	2,977
Other taxes payables	1,750	6,642
Amounts due to a related party (Note (i))	391,599	125,965
Payables to co-operative refuelling stations (Note (ii))	27,081	28,691
Dividends payable	13,689	8,100
Others	15,451	19,716
Financial liabilities measured at amortised cost	468,705	200,579
Contract liabilities – receipts in advance due to:		
– related parties	12,695	102,085
– third parties	130,992	138,068
Contract liabilities – vehicular end-users' prepaid cards	143,687	240,153
for consumption at refuelling stations	92,243	108,985
	235,930	349,138
	704,635	549,717

All of the accrued expenses, other payables and contract liabilities are expected to be settled or recognised as revenue within one year or are repayable on demand.

Note:

- (i) Changchun Yitonghe Petroleum Distribution Company Limited ("Changchun Yitonghe") settled payments to suppliers on behalf of the Group. These payments were in relation to purchase of refined oil for operation of petroleum refuelling stations and petroleum storage facilities, which are owned by Changchun Yitonghe and operated by the Group according to the entrusted agreements entered into with Changchun Yitonghe. During the six months ended 30 June 2025, the payments, in aggregate, amounted to RMB1,361,381,000 (the six months ended 30 June 2024: RMB1,104,080,000), including payments by bank acceptance notes of RMB1,210,880,000 (the six months ended 30 June 2024: RMB761,000,000) issued by Changchun Yitonghe. As at 30 June 2025, RMB391,599,000 (31 December 2024: RMB125,965,000) was outstanding and subject to repayment by the Group to Changchun Yitonghe.
- (ii) The Group's vehicular end-users can purchase prepaid cards issued by the Group at the Group's refuelling stations. Under co-operation arrangements entered into between the Group and other small-size refuelling stations at surrounding areas in which the Group operates ("Co-operative Refuelling Stations"), the Group's vehicular end-users can use these prepaid cards at these Co-operative Refuelling Stations for the consumption of refined oil and natural gas. The Group will make periodic settlements with these Co-operative Refuelling Stations.

17 DIVIDENDS**(a) Dividends payable to equity shareholders of the Company attributable to the interim period**

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: RMBNil).

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period

	2025 RMB'000	2024 RMB'000
Final dividend in respect of the previous financial year, approved during the following interim period, of Hong Kong dollar 0.04 per ordinary share	13,872	—

(c) Special dividend payable to equity shareholders of the Company approved during the interim period

	2025 RMB'000	2024 RMB'000
Special dividend approved during the period, of Hong Kong dollar 0.08 per ordinary share	—	27,345

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The carrying amounts of the financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2025 and 31 December 2024.

19 COMMITMENTS**Capital commitments outstanding at 30 June 2025 not provided for in the interim financial report**

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Commitments in respect of acquisitions of property, plant and equipment:		
Contracted for	1,400	—
Authorised but not contracted for	14,049	27,135
	15,449	27,135

20 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the interim financial report, the material related party transactions entered into by the Group with the equity shareholders of the Company and companies controlled by the equity shareholders of the Company and their close family members during the six months ended 30 June 2025 are set out below.

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Sales of goods	14,460	25,361
Provision of transportation services	9,549	11,566
Purchases of goods	1,084,078	1,453,303
Rental income from operating leases	235	113
Operating lease charges (recognised as depreciation and interest expenses from right-of-use assets under IFRS 16)	23,379	24,456
Operating lease charges	463	214
Service fee paid for other services received	1,218	1,332
Payments on behalf of the Group through:		
– bank acceptance notes	1,210,880	761,000
– cash (Note 16(i))	150,501	343,080
Payments to related party for the Group's purchases (Note 16(i))	1,095,747	1,313,375

	At 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Guarantees received for the Group's bank and other loans at the end of the reporting period	289,000	313,675
Guarantees received for the Group's banking facilities at the end of the reporting period	30,000	50,000

INDEPENDENT REVIEW REPORT



**Review report to the board of directors of
United Strength Power Holdings Limited**
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 4 to 25 which comprises the consolidated statement of financial position of United Strength Power Holdings Limited as of 30 June 2025 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and International Accounting Standard (“IAS”) 34, *Interim financial reporting*, as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34, *Interim financial reporting*.

Certified Public Accountants
8th Floor, Prince’s Building
10 Chater Road
Central, Hong Kong

27 August 2025

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS AND FINANCIAL REVIEW

I. Industry Review

In the first half of 2025, international crude oil prices experienced a cycle of fluctuating upside down, and then gradually rebounding. Geopolitical risks exposed short-term shocks on prices, while supply-demand patterns shaped the long-term pricing trends. Initially, due to risk mainly arose from geopolitical conflicts, international oil prices skyrocketed to a January high of USD92. Subsequently, under the dual impact of weakened demand incurred from trade wars and surging U.S. shale oil production, prices fell to an annual low of USD75 in March. Regionally, sluggish demand in developed economies such as Europe weighed on prices, whereas stronger economy recoveries in emerging markets drove the demand and supported the oil price.

During the Reporting Period, China's crude oil production reached 104.8 million tons, compared to 103.2 million tons in the same period last year, representing a year-on-year steady increase of 1.55%. Crude oil imports were 279.2 million tons, a 0.36% rise compared to 278.2 million tons in the previous year. The external dependence ratio of crude oil decreased from 72.1% to 71.6%.

From a structural perspective, China's crude oil demand is generated from various fields, including transportation fuels, chemical raw materials, industrial fuels, and others. Based on 2024 statistic data, the first three categories accounted for 52%, 28%, and 12% of total demand, respectively. Specifically, within transportation, there are three main segments: gasoline, diesel, and jet fuel. Gasoline consumption declined due to rising penetration of new energy vehicles and the impact of the energy transition. In contrast, diesel demand increased against the backdrop of recovering logistics and freight transportation, while jet fuel consumption grew as international flights returned to 2019 levels.

Supported by favorable monetary and financial policies issued by Central Government, domestic consumption demand continued to grow, further stimulating interprovincial logistics and freight. At the same time, demand for chemical raw material processing rose due to integrated refining-chemical facilities and increased ethylene production. Overall, China's crude oil demand is undergoing a historic shift: declining fuel consumption and rising chemical consumption.

Regarding natural gas, since the beginning of 2025, global natural gas supply has continued to increase, while sluggish global economic recovery has led to weak demand, resulting in an overall downward trend in natural gas prices. Specifically, first, the occurrence of a globally mild winter – with Europe experiencing significantly warmer weather overall and the absence of cold snaps in Northeast Asia – caused a decline in gas stockpiling demand. Second, on the supply side, natural gas output from countries such as the United States, Qatar, and Russia increased significantly compared to the same period last year. Meanwhile, the surge in global renewable energy supply has also exposed certain pressure on traditional oil and gas energy.

In the first half of this year, China's economy maintained a steady growth trend, and the natural gas consumption market overall demonstrated a pattern of "slight total growth and structural transformation". Specifically, according to forecasts from a research report by CICC's energy sector, China's apparent natural gas consumption in the first half of 2025 is expected to reach 205 billion cubic meters, representing a year-on-year increase of 3.0%. During the same period, China's natural gas production is projected to be 115 billion cubic meters, up 5.8% year-on-year, while natural gas imports are expected to reach 104 billion cubic meters, up 2.0% year-on-year. The external dependence ratio of natural gas is forecast to decline from 48% in the same period last year to 45% in the first half of this year.

1. BUSINESS AND FINANCIAL REVIEW (continued)

I. Industry Review (continued)

From the medium- to long-term perspective of China's energy structure, the trend of "rising gas and declining oil" remains unchanged. According to the China Energy Outlook 2060 (2025 Edition) released by China Petrochemical Corporation in April this year, China's total primary energy consumption will enter a plateau period after 2030, with total oil consumption expected to peak before 2027. Driven by factors such as coal-to-gas substitution in industrial sectors, gas-fired power generation, and the adoption of LNG heavy trucks, natural gas consumption is anticipated to return to medium- to high-speed growth.

At the same time, it is worth noting that since the beginning of 2025, the production and sales of natural gas heavy trucks in China have experienced strong growth. According to data from the China Association of Automobile Manufacturers (based on enterprise invoice statistics), in February 2025, sales in China's natural gas heavy truck market (including chassis and tractors) reached 17,700 units, representing a month-on-month increase of 131% and a year-on-year increase of 85%, marking three consecutive months of growth. Since 2025, the Ministry of Transport, together with two other ministries, jointly issued the Notice on Implementing the Scrapping and Renewal of Old Operational Trucks, which specified the subsidy details for the replacement of medium- and heavy-duty trucks in 2025 and, for the first time, included natural gas vehicles within the scope of subsidies. This policy adjustment is expected to significantly stimulate replacement demand for natural gas heavy trucks. Coupled with the economic advantage brought by the price differential between oil and gas, the natural gas heavy truck market is anticipated to continue its strong growth momentum in 2025. The renewed surge in natural gas heavy truck sales not only highlights the short-term effect of policy incentives but also demonstrates the strong market potential and development resilience of this segment. As the scale of China's natural gas heavy truck market continues to expand, it will provide positive momentum for the domestic natural gas refueling station market.

Overall, the ongoing transformation of China's energy structure has created both market challenges and opportunities. Before demand for petrochemical energy is expected to peak, downstream enterprises will proactively seize the business opportunities arising from shifts in the energy supply-demand landscape and drive steady long-term business development through diversified expansion.

Sales of Refined Oil Business

The sales of refined oil mainly consisted of retail sale of refined oil to vehicular end-users by operation of petroleum refuelling stations, to other petroleum refuelling stations, construction sites and other industrial users by operating petroleum storage facilities, and wholesale of refined oil to other industrial users. For the first six months of 2025, the Group recorded sales of refined oil income of approximately RMB2,975.4 million, representing a decrease of approximately 19% and accounted for 97% of the total revenue of the same period. During the Reporting Period, the sales volume of refined oil reached approximately 433 thousand tonnes (six months ended 30 June 2024: approximately 493 thousand tonnes), representing a decrease of approximately 12% as compared with the same period last year. The decrease in sales volume was mainly due to the decrease in the sales volume of petroleum products which was due to the decrease in market demand as a result of more vehicle customers having shifted to use new energy vehicles during the Reporting Period.

1. BUSINESS AND FINANCIAL REVIEW (continued)

Sales of Natural Gas Business

The sales of natural gas are mainly conducted by our gas refuelling stations in China. For the first six months of 2025, the Group recorded sales of natural gas income of approximately RMB74.9 million, representing a decrease of approximately 47% and accounting for approximately 2% of the total revenue of the same period. During the period, the sales volume of CNG reached approximately 13.4 million cubic meters (six months ended 30 June 2024: approximately 26.2 million cubic meters), representing a decrease of approximately 49% as compared with the same period last year. The decrease in sales of natural gas business was mainly due to the decrease in market demand for natural gas products as a result of more natural gas vehicle customers having shifted to use new energy vehicles during the Reporting Period.

The table below shows the location of and product offer at our refuelling stations as at 30 June 2025:

City, Province	Gas refuelling stations	Petroleum refuelling stations	Mixed (gas and petroleum) refuelling stations	Total number of stations
Changchun City, Jilin Province	3	22	7	32
Jilin City, Jilin Province	2	4	–	6
Liaoyuan City, Jilin Province	–	1	1	2
Yanji City, Jilin Province	4	–	–	4
Meihekou, Jilin Province	1	1	–	2
Hunchun, Jilin Province	–	1	–	1
Longjing, Jilin Province	–	–	1	1
Baicheng, Jilin Province	1	2	–	3
Songyuan, Jilin Province	1	1	–	2
Siping City, Jilin Province	1	–	–	1
Baishan City, Jilin Province	–	2	–	2
Tonghua City, Jilin Province	–	1	–	1
Total station(s) in Jilin Province	13	35	9	57
Dandong City, Liaoning Province	–	12	1	13
Benxi City, Liaoning Province	–	1	–	1
Anshan City, Liaoning Province	–	5	–	5
Dalian City, Liaoning Province	–	1	–	1
Total station(s) in Liaoning Province	–	19	1	20
Total:	13	54	10	77

1. BUSINESS AND FINANCIAL REVIEW (continued)

Provision of Transportation Services

The provision of transportation services are conducted by Jieli Logistics and Xinxin Logistics. For the first six months of 2025, the Group recorded the transportation income of approximately RMB31.7 million, representing a decrease of approximately 16% and accounting for approximately 1% of the total revenue of the same period.

At present, Jieli Logistics and its subsidiary own and manage a fleet of over 100 dangerous goods transport vehicles, including 48 locomotives, 45 trailers and 30 head-mounted integrated vehicles (for petroleum transport), as well as 23 locomotives, 22 trailers and 1 head-mounted integrated vehicle (for gas transport).

Operating Results

Revenue

The principal activities of the Group are (i) the sale of refined oil and natural gas by operating refuelling stations network and storage facilities and (ii) the provision of transportation of petroleum and gas services. For the six months ended 30 June 2025, the Group's revenue amounted to approximately RMB3,082.0 million, representing a decrease of approximately RMB757.4 million or approximately 20% from approximately RMB3,839.4 million in the corresponding period in 2024. The decrease in revenue was mainly attributable to the decrease in the sales volume of the Company's petroleum products during the first half of 2025.

Cost of Sales and Gross Profit

The Group's cost of sales primarily represents all costs of purchase of refined oil, CNG, LPG and LNG from our suppliers and other costs incurred in transporting the inventories to their present location and transportation costs. For the six months ended 30 June 2025, the Group's cost of sales decreased by approximately 19% to approximately RMB2,930.7 million from approximately RMB3,627.4 million in the corresponding period in 2024 due to the decrease in the sales volume of the Company's products during the first half of 2025.

The gross profit for the six months ended 30 June 2025 was approximately RMB151.3 million (six months ended 30 June 2024: approximately RMB212.0 million), with a gross profit margin of approximately 5% (the six months ended 30 June 2024: approximately 6%). The decrease in gross profit margin was mainly attributable to the decrease in gross profit margin of the Company's products compared with that of the same period in the previous year. The decrease in gross profit was mainly attributable to the decrease in the sales volume and the gross profit margin of the Company's products compared with that of the previous year.

Impairment Reversal/(Loss) on Trade Receivables

For the six months ended 30 June 2025, impairment reversal on trade receivables amounted to approximately RMB0.9 million (six months ended 30 June 2024: impairment loss on trade receivables of approximately RMB1.0 million).

Other Income

Other income mainly comprises rental income from operating lease. For the six months ended 30 June 2025, other income amounted to approximately RMB3.4 million, representing a decrease of approximately RMB0.2 million from approximately RMB3.6 million in the corresponding period in 2024. The decrease in other income was mainly attributable to the decrease in rental income from operating leases during the first half of 2025.



1. BUSINESS AND FINANCIAL REVIEW (continued)

Staff Costs

Staff costs mainly consisted of salaries, wages and other benefits and defined contributions retirement plan. For the six months ended 30 June 2025, staff costs amounted to approximately RMB78.6 million, representing a decrease of approximately RMB4.5 million from approximately RMB83.1 million in the corresponding period in 2024. The decrease in staff costs was principally attributable to the decrease in average salary payable for staff during the first half of 2025.

Other Operating Expenses and Finance Costs

Other operating expenses, including utilities expenses related to gas and oil refuelling stations and other general office and administrative expenses decreased by 9%, from approximately RMB43.6 million to approximately RMB39.6 million. The decrease was mainly attributable to the decrease in legal and professional fees, repair and maintenance expenses and leasing expenses during the Reporting Period.

For the six months ended 30 June 2025, the finance costs decreased by 4% from approximately RMB13.7 million for the six months ended 30 June 2024 to approximately RMB13.1 million for the six months ended 30 June 2025.

Share of Profits of an Associate

The Group shared profits from the associate of the Group with China Travel Service International Financial Leasing Company Limited (“**CTS Financial Leasing**”), which is held as to 30% indirectly by the Group. The share of profits of CTS Financial Leasing amounted to approximately RMB0.8 million for the six months ended 30 June 2025.

(Loss)/Profit before Taxation

As a result of the foregoing factors, the loss before taxation for the six months ended 30 June 2025 amounted to approximately RMB5.3 million (profit before taxation for the six months ended 30 June 2024: approximately RMB42.1 million).

Income Tax

For the six months ended 30 June 2025, income tax decreased by approximately RMB13.6 million, or approximately 96%, to approximately RMB0.5 million from approximately RMB14.1 million in the corresponding period in 2024. Such decrease was mainly due to loss before taxation recorded during the period.

(Loss)/Profit for the Period

For the six months ended 30 June 2025, the net loss of the Group amounted to approximately RMB5.8 million, representing a decrease of approximately RMB33.7 million from the profit of approximately RMB27.9 million in the corresponding period in 2024.

1. BUSINESS AND FINANCIAL REVIEW (continued)

FINANCIAL RESOURCES AND LIQUIDITY

The Group maintained a strong financial position for the six months ended 30 June 2025. Total assets increased by approximately 30% and amounted to approximately RMB2,434.6 million (31 December 2024: approximately RMB1,877.3 million), and total equity remained stable and amounted to approximately RMB527.4 million (31 December 2024: approximately RMB548.0 million).

Capital Expenditure

Capital expenditure for the six months ended 30 June 2025 amounted to approximately RMB12.1 million and capital commitments as at 30 June 2025 amounted to approximately RMB15.4 million. Both the capital expenditure and capital commitments were mainly related to the purchases of property, plant and equipment. The Group anticipates that funding for those commitments will come from the proceeds from future operating revenue, bank borrowings and other sources of finance when appropriate.

Borrowings

The Group's borrowings as at 30 June 2025 and 31 December 2024 are summarised below:

	30 June 2025		31 December 2024	
	RMB'000	%	RMB'000	%
Short-term borrowings	640,100	98	445,175	90
Long-term borrowings	12,500	2	47,840	10
Currency denomination				
– RMB	652,600	100	493,015	100
Borrowings				
– secured	645,600	99	490,015	99
– unsecured	7,000	1	3,000	1
Interest rate structure				
– fixed-rate borrowings	652,600	100	483,015	98
– variable-rate borrowings	–	–	10,000	2
Interest rate				
– fixed-rate borrowings		2.7%-7.2%		3.35%-7.2%
– variable-rate borrowings		–		3.45%

As at 30 June 2025, the Group's gearing ratio was approximately 78% (31 December 2024: approximately 71%). The calculation of the gearing ratio was based on total liabilities and total assets as at 30 June 2025 and 31 December 2024 respectively.

1. BUSINESS AND FINANCIAL REVIEW (continued)

Use of proceeds

The Company has received net proceeds of approximately HK\$115.6 million after deducting the underwriting fee and commissions and relevant expenses in connection with the initial public offerings (“IPO”) on 16 October 2017. On 27 November 2018, 31 January 2019 and 30 March 2022, the Board resolved to change the proposed use of proceeds from that originally set out in the prospectus for the IPO. Details of which are set out in the announcements of the Company dated 27 November 2018, 31 January 2019, 30 March 2022 and 27 March 2024 respectively. The unutilised proceeds have been placed with the licensed banks and financial institutions in Hong Kong and the PRC as interest-bearing deposits. Set out below is a summary of the original allocation of the net proceeds, the revised allocation of net proceeds and the utilisation of the net proceeds:

	Original allocation HK\$'000	Revised allocation HK\$'000	Utilization as at 30 June 2025 HK\$'000	Remaining balance as at 30 June 2025 HK\$'000
Finance the expansion of the CNG refuelling station network	104,000	19,500	19,500	–
Strengthen the marketing and promotion strategies	5,800	5,800	5,800	–
General working capital	5,800	5,800	5,800	–
Acquisition of Silver Spring and assignment of the shareholder's loan	–	34,500	34,500	–
Expansion of petroleum and gas refuelling station network	–	40,000	40,000	–
Expansion of the logistics vehicles teams	–	10,000	10,000	–
Total	115,600	115,600	115,600	–

1. BUSINESS AND FINANCIAL REVIEW (continued)

Pledge of Assets

As at 30 June 2025, the aggregate carrying amount of the property, plant and equipment, investment properties, bills receivable and restricted bank deposits of the Group of RMB593.95 million were pledged for the Group's bank and other loans and bank acceptance bills. At 30 June 2025, bank loans and bank acceptance bills facilities of the Group amounted to RMB415,000,000, and were utilised to the extent of RMB401,250,000. In addition, the Group's bank loan of RMB30 million and bank acceptance bills facilities of RMB30 million were secured by the personal guarantee by Mr. Zhao Jinmin (趙金岷先生) ("Mr. Zhao"), the ultimate controlling shareholder, chief executive officer, executive director and chairman of the Board, and Ms. Ji Yuanyuan (姬媛媛女士), the spouse of Mr. Zhao.

Contingent Liabilities

As at the date of this report and as at 30 June 2025, the Board is not aware of any material contingent liabilities.

Human Resources

As at 30 June 2025, the Group had 1,344 employees. The Group participates in retirement insurance, medicare, unemployment insurance and housing funds scheme according to the applicable laws and regulations of the PRC for its employees in the PRC and made contributions to the Mandatory Provident Fund Scheme of Hong Kong for its employees in Hong Kong. The Group remunerated its employees in accordance with their work performance and experience. The remuneration packages are subject to review on a regular basis.

In addition, the Group also adopted the share option scheme on 21 September 2017 (the "Share Option Scheme"), under which eligible directors and employees are entitled to various share options to subscribe for the ordinary shares in the Company in accordance with their past and potential contribution to the growth of the Group. As at 30 June 2025, no share options have been granted or agreed to be granted pursuant to the Share Option Scheme.

Material Acquisition and Disposal of Subsidiaries and Affiliated Companies

The Group had no significant investment, material acquisitions or disposals for the six months ended 30 June 2025.

Foreign Exchange Risk Management

The Group's sales and purchases during the period were mostly denominated in RMB.

RMB is not a freely convertible currency. Future exchange rates of RMB could vary significantly from the current or historical exchange rates as a result of controls imposed by the PRC government. The exchange rates may also be affected by economic developments and political changes domestically and internationally as well as the demand and supply of RMB. The appreciation or devaluation of RMB against foreign currencies may have an impact on the operating results of the Group.

The Group currently does not maintain a foreign currency hedging policy. However, the Group's management monitors the foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.



2. BUSINESS PROSPECTS

I. Future Prospects

Against the backdrop of anticipated interest rate cuts by the Federal Reserve, which are expected to release liquidity, as well as accelerated issuance of special-purpose bonds in China, increased subsidies for equipment upgrades, and stabilizing infrastructure investment – combined with factors such as the global penetration of AI technology and improvements in total factor productivity – economic research institutions including the International Monetary Fund (IMF) and the World Bank forecast that the global economic growth rate will reach 2.8% this year. In respect of the domestic market, the Government Work Report released in March 2025 set China’s GDP growth target for 2025 at around 5%. The country will implement a moderately accommodative monetary policy and a more proactive fiscal policy, with policy measures expected to continue supporting a steady economic recovery.

In the crude oil market, on the demand side, according to a report published by the International Energy Agency (IEA) in March 2025, global oil demand for the full year was projected to increase to just over 103.9 million barrels per day, up 20% compared to 83 million barrels per day in 2024. Nearly 60% of this growth will come from Asian markets, led by China. On the supply side, the OPEC+ alliance planned to begin lifting voluntary production cuts starting in April and to gradually increase output. At the same time, the IEA expects that in 2025, oil supply from non-OPEC+ countries, led by the United States, will increase by 1.5 million barrels per day. Therefore, although demand will rise compared to the same period last year, the substantial increase in supply will result in excess capacity, exerting further downward pressure on oil prices. The central price level of international crude oil is expected to decline further on the basis established in the first half of the year.

The COP29 summit, which concluded at the end of 2024, highlighted that the global energy system standing at a critical crossroads, and that 2025 marks a pivotal year for the energy transition. Natural gas is widely regarded as playing a bridging role in achieving carbon peaking and carbon neutrality targets. Against the backdrop of global decarbonization, natural gas demand is expected to continue to grow. Looking ahead to the second half of the year, on the supply side, new LNG production capacities in countries such as the United States, Qatar, Russia, and Mozambique are expected to be released intensively. On the demand side, global natural gas demand is forecasted to grow by 1.5%, with the incremental consumption mainly concentrated in China, India, and emerging markets. In the Asia-Pacific region, natural gas demand is expected to grow by 3.3% year-on-year. However, due to weak demand in developed economies such as Europe and the United States, coupled with China’s policy-driven energy transition, there is structural potential for increased natural gas consumption. Taking all factors into consideration, it is anticipated that the central axis of natural gas prices will move further downward in the second half of the year.

Facing both the opportunities and challenges brought by the overall loose global oil and gas supply-demand landscape and this critical year of energy transition, the global oil and gas market will actively seek a balance between energy supply and energy transformation and continue to move forward amid changes and challenges. Looking to the second half of 2025, the Group will remain committed to aligning with China’s energy transition and the broader trend of coordinated development between conventional and renewable energies. It will continue to focus on deepening its core operations in refueling and gas refueling station operations, further optimize natural gas and petroleum distribution and transportation businesses, and proactively explore pathways for transformation and upgrading. The Group will strategically position itself for opportunities along the LPG industry chain, deepening the breadth and depth of existing businesses while offering more diversified energy services to seize the opportunities arising from evolving energy demand in China. As the penetration rate of new energy vehicles continues to rise, the Group will also actively capture the growth potential brought by the construction of new energy vehicle gas refueling stations and charging infrastructure, thereby broadening revenue sources, unlocking greater synergies, and delivering sustainable value returns for shareholders.

OTHER INFORMATION

DISCLOSURE OF INTERESTS

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required to notify to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) were required to be and were entered in the register required to be maintained by the Company pursuant to section 352 of the SFO, or (c) were required, pursuant to the Model Code, as otherwise notified to the Company and the Stock Exchange, were as follows:

Long Position in the Shares of the Company

Name of Director	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholding in the Company
Mr. Zhao Jinmin ("Mr. Zhao") (Note 1)	Interest of controlled corporation	209,829,240	56.03%
Mr. Liu Yingwu ("Mr. Liu") (Note 2)	Interest of controlled corporation	27,287,600	7.29%
Ms. Bian Xiaodan ("Ms. Bian") (Note 3)	Interest of spouse	940,000 (long position)	0.25%

Notes:

- These underlying shares comprise (i) 138,049,240 Shares held in the name of Golden Truth Holdings Limited ("Golden Truth"); and (ii) 71,780,000 Shares held in the name of Propitious Peak Limited ("Propitious Peak"). Propitious Peak is wholly owned by Golden Truth which is in turn wholly owned by Mr. Zhao, our Chairman, an executive Director and Chief Executive Officer. By virtue of the SFO, Mr. Zhao is deemed to be interested in the shares in which Golden Truth and Propitious Peak are interested.
- These underlying shares comprise (i) 17,587,600 Shares held in the name of Heroic Year Limited ("Heroic Year"); and (ii) 9,700,000 Shares held in the name of Amber Heyday Limited ("Amber Heyday"). Amber Heyday is wholly owned by Heroic Year which is in turn wholly owned by Mr. Liu, an executive Director. By virtue of the SFO, Mr. Liu is deemed to be interested in the shares in which Heroic Year and Amber Heyday are interested.
- These 940,000 Shares were held by Ms. Bian's spouse. By virtue of the SFO, Ms. Bian is deemed to be interested in these Shares.

Long Position in the Shares of the Associated Corporations

Name of Director	Relevant Company	Capacity/Nature of interest	Number of ordinary shares	Approximate percentage of shareholding in the company
Mr. Zhao Jinmin	Golden Truth Holdings Limited	Beneficial owner	100	100%
	Propitious Peak Limited	Beneficial owner	100	100%

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company and their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTEREST IN SHARES AND UNDERLYING SHARES

As at 30 June 2025 and to the best knowledge of the Directors and chief executives of the Company, persons (other than Directors or chief executives of the Company) who had an interest or short position, in the shares and underlying shares of the Company, as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in the Shares of the Company Substantial shareholders

Name of Shareholder	Nature of interest/Capacity	Number of Shares	Approximate percentage of shareholding in our Company
Golden Truth (Note 1)	Beneficial owner and interest of controlled corporation	209,829,240	56.03%
Propitious Peak (Note 1)	Beneficial owner	71,780,000	19.17%
Ji Yuanyuan (Note 2)	Interest of spouse	209,829,240	56.03%
Xu Hang (Note 3)	Interest of controlled corporation	37,931,400	10.13%
Dynamic Fame Global Limited (Note 3)	Beneficial owner and interest of controlled corporation	37,931,400	10.13%
Immense Ocean Limited (Note 3)	Beneficial owner	14,550,000	3.89%
Heroic Year (Note 4)	Beneficial owner and interest of controlled corporation	27,287,600	7.29%
Ma Dan (Note 5)	Interest of spouse	27,287,600	7.29%

Notes:

- These underlying shares comprise (i) 138,049,240 Shares held in the name of Golden Truth; and (ii) 71,780,000 Shares held in name of Propitious Peak. Propitious Peak is wholly owned by Golden Truth which is in turn wholly owned by Mr. Zhao, our Chairman, an executive Director and Chief Executive Officer.
- Ji Yuanyuan is the spouse of Mr. Zhao. By virtue of the SFO, Ji Yuanyuan is deemed to be interested in the shares in which Mr. Zhao is interested.
- These underlying shares comprise (i) 23,381,400 Shares held in the name of Dynamic Fame Global Limited ("**Dynamic Fame**"); and (ii) 14,550,000 Shares held in name of Immense Ocean Limited ("**Immense Ocean**"). Immense Ocean is wholly owned by Dynamic Fame which is in turn wholly owned by Ms. Xu Hang, our substantial shareholder. By virtue of the SFO, Ms. Xu Hang is deemed to be interested in the shares in which Dynamic Fame and Immense Ocean are interested.
- These underlying shares comprise (i) 17,587,600 Shares held in the name of Heroic Year; and (ii) 9,700,000 Shares held in name of Amber Heyday. Amber Heyday is wholly owned by Heroic Year which is in turn wholly owned by Mr. Liu, an executive Director.
- Ms. Ma Dan is the spouse of Mr. Liu. By virtue of the SFO, Ms. Ma Dan is deemed to be interested in the shares in which Mr. Liu is interested.

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any persons (other than the Directors or chief executives of the Company) who also had interests or short positions on the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The terms of the Share Option Scheme approved and adopted by the Company on 21 September 2017 (the “**Share Option Scheme**”) are in accordance with the provisions of Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, the Company and to enable the Company and its subsidiaries to recruit and retain high-calibre employees.

The Directors may, at their discretion, offer eligible persons (being full time or part time employees, executive directors, non-executive directors and independent non-executive directors or consultant of the Group or any person whom the Board considers, in its sole discretion, has contributed or contributes to the Group) who the Board may in its absolute discretion select to subscribe the shares.

Initially the maximum number of shares which may be issued upon exercise of all the options to be granted under the Share Option Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) shall not exceed 10% of the aggregate number of the shares in issue as at the date of the Listing equivalent to 23,450,200 shares of the Company, which is 6.26% of the issued share capital of the Company as at the date of this Interim Report.

The total number of shares which may be issued upon exercise of all the options granted and yet to be exercised under the Share Option Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the aggregate number of the shares in issue from time to time.

Unless approved by shareholders, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) under the Share Option Scheme or any other share option scheme adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) in any 12-month period must not exceed 1% of the shares in issue as at the date of grant.

The vesting periods, exercise periods and vesting conditions maybe specified by the Company at the time of the grant, and the share options shall expire no later than 10 years from the relevant date of grant.

At the time of the grant of the options, the Company may specify any performance target(s) which must be achieved before the options can be exercised. The Share Option Scheme does not contain any performance targets.

The amount payable by a grantee on acceptance of a grant of options is HK\$1.00. The subscription price for the shares of the Company being the subject of the options shall be no less than the highest of (i) the closing price of the shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Stock Exchange business days immediately preceding the date of grant; and (iii) the nominal value of a share on the date of grant.

The Share Option Scheme will expire on 20 September 2027. No options have been granted under the Share Option Scheme as at 30 June 2025, or as at the date of this Interim Report.



CORPORATE GOVERNANCE

The Company has complied with all of the code provisions of the Corporate Governance Code and Corporate Governance Report (“CG Code”) as set out in Appendix C1 to the Listing Rules during the six months ended 30 June 2025, except the following:

Code provision C.1.6 of the CG Code requires that independent non-executive directors and other non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders. Certain independent non-executive Directors were unable to attend the annual general meeting of the Company that were held on 19 June 2025 in Hong Kong respectively due to their commitments outside Hong Kong.

Code provision C.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. After the change of the chief executive officer with effect from 31 December 2020, Mr. Zhao is both the chairman of the Board and the chief executive officer of the Company.

The Board considers that having the same person to perform the roles of both the chairman and the chief executive officer provides the Company with strong and consistent leadership, and allows effective and efficient planning and implementation of business decisions and strategies. Such structure would not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the operations of the Board which comprises experienced and high calibre individuals and having meeting regularly to discuss issues affecting the operations of the Group.

Code Provision F.2.2 of the CG Code requires, amongst others, the chairman of the board should attend the annual general meeting. The Chairman was unable to attend the annual general meeting of the Company that was held on 19 June 2025 in person due to his overseas commitment.

AUDIT COMMITTEE

The Company established the Audit Committee on 21 September 2017 with written terms of reference in compliance with the CG Code as set forth in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee include the review of the financial reporting, risk management and internal control system of the Group. Currently, the Audit Committee comprises Mr. Lau Ying Kit (Chairman), Mr. Zhang Zhifeng and Ms. Su Dan, all of whom are independent non-executive Directors.

Review of Interim Financial Information

The interim financial report for the six months ended 30 June 2025 is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants, whose unmodified review report is included in the interim report to be sent to shareholders.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 June 2025, and was of the opinion that the preparation of such interim results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee with written terms of reference in compliance with the CG Code. The primary duties of the Remuneration Committee include the review of Directors’ and senior management’s remuneration packages, bonuses and other compensation. Currently, the Remuneration Committee comprises Mr. Liu Yingwu who is an executive Director and Mr. Zhang Zhifeng and Ms. Su Dan who are independent non-executive Directors. The Remuneration Committee is chaired by Mr. Zhang Zhifeng.

NOMINATION COMMITTEE

The Company has established the Nomination Committee with written terms of reference in compliance with the CG Code. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, identify individuals suitably qualified to become members of the Board. Currently, the Nomination Committee comprises Mr. Ma Haidong who is an executive Director, and Ms. Su Dan and Mr. Zhang Zhifeng who are independent non-executive Directors. The Nomination Committee is chaired by Ms. Su Dan.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

DIVIDENDS

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

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. The Company, having made specific enquiry with all Directors, confirms that its Directors had complied with the required standards set out in the Model Code throughout the six months ended 30 June 2025.

SUFFICIENCY OF PUBLIC FLOAT

Since the date of the Company's listing on the Stock Exchange and up to the date of this report, the Company has maintained a sufficient public float.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business partners and bankers for their support to the Group throughout the period.

By Order of the Board
United Strength Power Holdings Limited
Mr. Zhao Jinmin
Chairman and chief executive officer

Hong Kong, 27 August 2025