

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



河南金源氢化化工股份有限公司
HENAN JINYUAN HYDROGENATED CHEMICALS CO., LTD.*
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2502)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026**

FINANCIAL HIGHLIGHTS

Revenue	:	RMB1,543.5 million
Profit for the period attributable to owners of the Company	:	RMB36.4 million
Basic earnings per share	:	RMB0.04

RESULTS

The board of directors (the “**Board**”) of Henan Jinyuan Hydrogenated Chemicals Co., Ltd.* (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2026 together with comparative figures for the six months ended 30 June 2025.

Presented below are the Group’s Condensed Consolidated Financial Statements, Management Discussion & Analysis and Corporate Governance & Other Information.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	<i>NOTES</i>	Six months ended 30/06/2026 RMB'000 (unaudited)	30/06/2025 RMB'000 (unaudited)
Revenue	3	1,543,503	1,442,220
Cost of sales		<u>(1,430,749)</u>	<u>(1,419,722)</u>
Gross profit		112,754	22,498
Other income	4	3,260	5,183
Other gains and losses	5	(756)	(2,384)
Impairment losses under expected credit loss ("ECL") model, net of reversal	6	(23,411)	–
Selling and distribution expenses		(6,691)	(6,920)
Administrative expenses		(19,031)	(20,829)
Finance costs	7	(5,766)	(7,938)
Share of result of a joint venture		<u>(1,562)</u>	<u>(351)</u>
Profit (loss) before tax	8	58,797	(10,741)
Income tax (expense) credit	9	<u>(17,225)</u>	<u>1,439</u>
Profit (loss) for the period		<u>41,572</u>	<u>(9,302)</u>
Other comprehensive expense:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Fair value loss on bills receivables at fair value through other comprehensive income ("FVTOCI"), net of income tax		<u>(125)</u>	<u>(30)</u>
Total comprehensive income (expense) for the period		<u>41,447</u>	<u>(9,332)</u>
Profit (loss) for the period attributable to:			
– Owners of the Company		36,399	(20,231)
– Non-controlling interests		<u>5,173</u>	<u>10,929</u>
		<u>41,572</u>	<u>(9,302)</u>
Total comprehensive income (expense) for the period attributable to:			
– Owners of the Company		36,274	(20,261)
– Non-controlling interests		<u>5,173</u>	<u>10,929</u>
		<u>41,447</u>	<u>(9,332)</u>
Earnings (loss) per share (RMB)			
– Basic	11	<u>0.04</u>	<u>(0.02)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

	NOTES	30/06/2026 RMB'000 (unaudited)	31/12/2025 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	12	747,471	779,562
Right-of-use assets		101,843	105,134
Intangible assets		19,427	20,154
Goodwill		10,669	10,669
Interest in a joint venture		69,291	74,773
Deferred tax assets	13	29,404	43,170
Deposits for a right-of-use asset		3,620	—
		981,725	1,033,462
CURRENT ASSETS			
Inventories		52,336	51,343
Trade and other receivables	14	44,676	31,383
Amount due from a shareholder	15	35,519	—
Amounts due from related parties	16	4,150	23,411
Bills receivables at FVTOCI		54,901	19,223
Time deposits		201,932	215,150
Bank balances and cash		145,753	142,249
		539,267	482,759
CURRENT LIABILITIES			
Borrowings	17	241,323	220,313
Trade and other payables	18	90,774	111,934
Amount due to a shareholder	19	3,566	2,668
Amount due to a related party	20	340	917
Contract liabilities		31,031	32,332
Lease liabilities		647	656
Tax payable		3,042	7,189
		370,723	376,009
NET CURRENT ASSETS		168,544	106,750
TOTAL ASSETS LESS CURRENT LIABILITIES		1,150,269	1,140,212

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

	<i>NOTES</i>	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
CAPITAL AND RESERVES			
Share capital		955,640	955,640
Reserves (deficits)		31,772	(4,502)
Equity attributable to owners of the Company		987,412	951,138
Non-controlling interests		105,248	100,075
TOTAL EQUITY		1,092,660	1,051,213
NON-CURRENT LIABILITIES			
Borrowings	<i>17</i>	37,916	66,332
Lease liabilities		698	2,635
Deferred revenue		17,502	18,595
Deferred tax liabilities	<i>13</i>	1,493	1,437
		57,609	88,999
		1,150,269	1,140,212

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Capital reserve	FVTOCI reserve	Statutory surplus reserve fund	(Accumulated losses) retained profits	Special reserve		
	RMB'000	RMB'000 (Note i)	RMB'000	RMB'000 (Note ii)	RMB'000	RMB'000 (Note iii)	Sub-total RMB'000	RMB'000
At 1 January 2026 (audited)	955,640	(10,103)	(101)	422	(33,606)	38,886	951,138	1,051,213
Profit for the period	-	-	-	-	36,399	-	36,399	41,572
Other comprehensive expense for the period	-	-	(125)	-	-	-	(125)	(125)
Total comprehensive (expense) income for the period	-	-	(125)	-	36,399	-	36,274	41,447
Transfer	-	-	-	-	(87)	87	-	-
At 30 June 2026 (unaudited)	<u>955,640</u>	<u>(10,103)</u>	<u>(226)</u>	<u>422</u>	<u>2,706</u>	<u>38,973</u>	<u>987,412</u>	<u>1,092,660</u>
At 1 January 2025 (audited)	955,640	(10,103)	(143)	422	3,000	36,557	985,373	1,091,550
(Loss) profit for the period	-	-	-	-	(20,231)	-	(20,231)	(9,302)
Other comprehensive expense for the period	-	-	(30)	-	-	-	(30)	(30)
Total comprehensive (expense) income for the period	-	-	(30)	-	(20,231)	-	(20,261)	(9,332)
Dividends recognised as distribution (Note 10)	-	-	-	-	-	-	(22,850)	(22,850)
Transfer	-	-	-	-	(2,004)	2,004	-	-
At 30 June 2025 (unaudited)	<u>955,640</u>	<u>(10,103)</u>	<u>(173)</u>	<u>422</u>	<u>(19,235)</u>	<u>38,561</u>	<u>965,112</u>	<u>1,059,368</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

Notes:

- (i) The balance mainly comprises (i) reserves arose from corporate reorganisation of the Company prior to the listing of the Company's H shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing**") and the share premium, net with transaction costs, arising from the issue of H shares for the Listing in the year 2023 and (ii) the difference between the carrying amount of consideration paid and 10% of the net assets value of Henan Jinrui Energy Co., Ltd.* 河南金瑞能源有限公司 ("**Jinrui Energy**") when acquiring the non-controlling interest of Jinrui Energy from Henan Hongkong (Jiyuan) Coking Group Co., Ltd.* 豫港(濟源)焦化集團有限公司 ("**Yugang Coking**") in the year 2023.
- (ii) Pursuant to the relevant laws in the People's Republic of China (the "**PRC**"), each of the entities established in the PRC is required to transfer 10% of its profit after tax as per statutory financial statements (as determined by the management of the group entities) to the reserve fund. The reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the respective company and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the entity.
- (iii) The Group is required to make appropriations based on its revenue in accordance with CaiZi [2022] No. 136 "Administrative measures for the accrual and use of expenses for work safety by enterprises" that is issued by the Ministry of Finance and the Ministry of Emergency Management. The reserve is for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

* *For identification purpose only*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended	
	30/06/2026	30/06/2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
NET CASH FROM OPERATING ACTIVITIES	<u>31,782</u>	<u>42,950</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(25,645)	(27,815)
Placement of time deposits	(100,000)	(100,000)
Withdrawal from time deposits	113,923	100,000
Other investing cash flows	<u>(2,869)</u>	<u>6,683</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(14,591)</u>	<u>(21,132)</u>
FINANCING ACTIVITIES		
Interest paid	(5,761)	(8,021)
Bank borrowings raised	105,800	204,800
Repayment of bank borrowings	(113,206)	(172,997)
Repayment of lease liabilities	(211)	(471)
Dividends paid to non-controlling shareholders of subsidiaries	<u>–</u>	<u>(22,850)</u>
NET CASH (USED IN) FROM FINANCING ACTIVITIES	<u>(13,378)</u>	<u>461</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,813	22,279
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	142,249	136,772
Effect of foreign exchange rate changes	<u>(309)</u>	<u>(146)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, REPRESENTED BY Bank balances and cash	<u><u>145,753</u></u>	<u><u>158,905</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the “IASB”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial assets, which are measured at fair value.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group’s consolidated financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2026 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards - Volume 11

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

Segments*	Six months ended 30 June 2026 (unaudited)				
	Refined chemicals	Energy products	Trading	Other Services	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or service					
Sales of goods					
Hydrogenated benzene-based chemicals	1,223,361	–	–	–	1,223,361
Coal gas	–	203,459	–	–	203,459
LNG	–	165,656	24,095	–	189,751
Refined oil	–	–	20,866	–	20,866
Hydrogen	–	2,857	10,730	–	13,587
Others	–	–	–	1	1
	1,223,361	371,972	55,691	1	1,651,025
Providing services					
Energy supply	–	–	401	5,709	6,110
Total	1,223,361	371,972	56,092	5,710	1,657,135

* Each of segments is defined in segment information as follows.

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	Six months ended 30 June 2026 (unaudited)		
	Segment revenue RMB'000	Eliminations RMB'000	Consolidated RMB'000
Refined chemicals	1,223,361	–	1,223,361
Energy products	371,972	(82,394)	289,578
Trading	56,092	(28,826)	27,266
Other Services	<u>5,710</u>	<u>(2,412)</u>	<u>3,298</u>
Revenue from contracts with customers	<u>1,657,135</u>	<u>(113,632)</u>	<u>1,543,503</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Disaggregation of revenue from contracts with customers – continued

Segments*	Six months ended 30 June 2025 (unaudited)				Total RMB'000
	Refined chemicals RMB'000	Energy products RMB'000	Trading RMB'000	Other Services RMB'000	
Types of goods or service					
<i>Sales of goods</i>					
Hydrogenated benzene-based chemicals	1,110,256	–	–	–	1,110,256
Coal gas	–	207,497	–	–	207,497
LNG	–	133,487	27,965	–	161,452
Refined oil	–	–	33,943	–	33,943
Hydrogen	–	2,369	21,956	–	24,325
Others	–	–	–	35	35
	<u>1,110,256</u>	<u>343,353</u>	<u>83,864</u>	<u>35</u>	<u>1,537,508</u>
<i>Providing services</i>					
Energy supply	–	–	182	3,782	3,964
Total	<u>1,110,256</u>	<u>343,353</u>	<u>84,046</u>	<u>3,817</u>	<u>1,541,472</u>

* Each of segments is defined in segment information as follows.

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	Six months ended 30 June 2025 (unaudited)		
	Segment revenue RMB'000	Eliminations RMB'000	Consolidated RMB'000
Refined chemicals	1,110,256	–	1,110,256
Energy products	343,353	(60,472)	282,881
Trading	84,046	(37,273)	46,773
Other Services	<u>3,817</u>	<u>(1,507)</u>	<u>2,310</u>
Revenue from contracts with customers	<u>1,541,472</u>	<u>(99,252)</u>	<u>1,442,220</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Performance obligations for contracts with customers and revenue recognition policies

The Group is mainly engaged in the production and sales of hydrogenated benzene-based chemicals, coal gas, LNG and hydrogen, trading of LNG, refined oil and hydrogen and provision of “Other Services” (as defined below), for which revenue is recognised at point in time.

For sales of hydrogenated benzene-based chemicals and energy products, revenue is recognised when control of the products has transferred, being when the products have been delivered to the location specified in the sales contract. Following the delivery, the customer has ability to direct the use of the products and bears the risks of obsolescence and loss in relation to the products.

In general, for some customers with long-term relationships, the normal credit term is within 60 days upon delivery. For other general customers, non-refundable prepayment from these customers is required in advance according to the contracts entered and recognised as a contract liabilities until the products have been delivered to the customer.

For trading of products to retail customers, revenue is recognised when control of the goods has been transferred, being at the point the customer purchases the goods at the gas station. Payment of the transaction price is due immediately at the point the customer purchases the goods.

For providing steam, which is the major services provided in Other Services segment, revenue is recognised when control of the goods has been transferred, being when the steam have been transmitted through the boundary of port specified in the sales contract.

Performance obligation of sales of goods or providing services is part of a contract that has an original expected duration of one year or less. Applying the practical expedient in IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Segment information

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on the Group’s revenue and profit for the period. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The Group’s operating segments under IFRS 8 “Operating Segments” are (i) sales of hydrogenated benzene based chemicals (“Refined chemicals”), (ii) sales of energy products, mainly coal gas, LNG and hydrogen (“Energy products”), (iii) trading of refined oil, LNG and hydrogen through gas stations (“Trading”), and (iv) sales of steam and provision of other services (“Other Services”).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

Six months ended 30 June 2026 (unaudited)

	Refined chemicals <i>RMB'000</i>	Energy products <i>RMB'000</i>	Trading <i>RMB'000</i>	Other Services <i>RMB'000</i>	Total <i>RMB'000</i>
SEGMENT REVENUE					
External sales	1,223,361	289,578	27,266	3,298	1,543,503
Inter-segment sales	–	82,394	28,826	2,412	113,632
	<u>1,223,361</u>	<u>371,972</u>	<u>56,092</u>	<u>5,710</u>	<u>1,657,135</u>
Segment results	<u>64,480</u>	<u>44,129</u>	<u>2,837</u>	<u>2,723</u>	114,169
Other income					3,260
Other gains and losses					(756)
Impairment losses under ECL model, net of reversal					(23,411)
Selling and distribution expenses					(6,691)
Administrative expenses					(19,031)
Finance costs					(5,766)
Share of result of a joint venture					(1,562)
Unallocated expenses					<u>(1,415)</u>
Profit before tax					<u>58,797</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Segment revenues and results – continued

Six months ended 30 June 2025 (unaudited)

	Refined chemicals <i>RMB'000</i>	Energy products <i>RMB'000</i>	Trading <i>RMB'000</i>	Other Services <i>RMB'000</i>	Total <i>RMB'000</i>
SEGMENT REVENUE					
External sales	1,110,256	282,881	46,773	2,310	1,442,220
Inter-segment sales	–	60,472	37,273	1,507	99,252
	<u>1,110,256</u>	<u>343,353</u>	<u>84,046</u>	<u>3,817</u>	<u>1,541,472</u>
Segment results	<u>(17,993)</u>	<u>36,083</u>	<u>3,141</u>	<u>1,915</u>	23,146
Other income					5,183
Other gains and losses					(2,384)
Selling and distribution expenses					(6,920)
Administrative expenses					(20,829)
Finance costs					(7,938)
Share of result of a joint venture					(351)
Unallocated expenses					<u>(648)</u>
Loss before tax					<u>(10,741)</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

3. REVENUE AND SEGMENT INFORMATION – CONTINUED

Entity-wide disclosures

Geographical information

During the six months ended 30 June 2026 and 2025, all of the Group's revenue from external customers were generated from the PRC whereas all non-current assets are located in the PRC as at 30 June 2026 and 31 December 2025.

4. OTHER INCOME

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income on bank deposits	1,456	2,058
Interest income on bills receivables at FVTOCI	171	552
Release of assets-related government subsidies	1,093	1,093
Government grants (<i>Note</i>)	9	507
Rental income	531	537
Insurance compensation income	–	436
	3,260	5,183

Note: The amounts represent the subsidies received from the local governments for the Group's local business development, and there were no unfulfilled conditions in the periods in which they were recognised.

5. OTHER GAINS AND LOSSES

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Fair value loss on bills receivables at FVTOCI	(997)	(1,303)
Loss on disposal/retirement of property, plant and equipment	–	(1,599)
Gain on early termination of leases	313	–
Net foreign exchange loss	(309)	(146)
Others	237	664
	(756)	(2,384)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

6. IMPAIRMENT UNDER ECL MODEL, NET OF REVERSAL

	Six months ended	
	30/06/2026	30/06/2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Impairment recognised on:		
– amounts due from Xinyang Steel Jingang Energy Co., Ltd. 信陽鋼鐵金港能源有限公司 (“Xinyang Jingang”) (Note 14)	23,411	–

7. FINANCE COSTS

	Six months ended	
	30/06/2026	30/06/2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Interest expense on:		
– bank borrowings	5,730	7,836
– lease liabilities	36	102
	5,766	7,938

8. PROFIT (LOSS) BEFORE TAX

Profit (loss) before tax for the period has been arrived at after charging the following items:

	Six months ended	
	30/06/2026	30/06/2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Staff costs		
Directors', chief executive's and supervisors' remuneration	740	931
Other staff costs	18,254	19,172
Other staff's benefits	1,493	1,476
Total staff costs	20,487	21,579
Capitalised in inventories	(13,954)	(14,070)
	6,533	7,509

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

8. PROFIT (LOSS) BEFORE TAX – CONTINUED

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	37,068	37,747
Depreciation of right-of-use assets	1,869	1,835
Amortisation of intangible assets	727	727
Total depreciation and amortisation	39,664	40,309
Capitalised in inventories	(34,582)	(34,984)
	5,082	5,325
Cost of inventories recognised as expenses (Note)	1,429,334	1,419,074

Note: The amount includes write-down of inventories of nil (six months ended 30 June 2025: RMB4,898,000).

9. INCOME TAX EXPENSE (CREDIT)

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
PRC Enterprise Income Tax		
– current tax	3,356	6,160
– under-provision in prior years	5	300
Deferred tax (<i>Note 13</i>)	13,864	(7,899)
	17,225	(1,439)

10. DIVIDENDS

During the current interim period, the Company did not declare nor pay any dividends in respect of the year ended 31 December 2025 (six months ended 30 June 2025: nil).

During the current interim period, none of the subsidiaries of the Company declared nor paid any dividends in respect of the year ended 31 December 2025 to non-controlling shareholders (six months ended 30 June 2025: RMB22,850,000).

Subsequent to the end of the current interim period, no dividend has been proposed by the directors of the Company (six months ended 30 June 2025: nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

11. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Earnings (loss)		
Profit (loss) for the period attributable to owners of the		
Company for the purpose of basic earnings (loss) per share	36,399	(20,231)
	'000	'000
	(unaudited)	(unaudited)
Weighted average number of shares		
Weighted average number of ordinary shares		
for the purpose of basic earnings (loss) per share	955,640	955,640

No diluted earnings (loss) per share is presented as there was no dilutive potential ordinary share in issue for the both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group incurred RMB3,155,000 for construction costs (six months ended 30 June 2025: RMB5,362,000) mainly comprising of RMB2,004,000 for circulating water system (six months ended 30 June 2025: RMB5,362,000 for hydrogen gas stations).

The Group also purchased other property, plant and equipment of RMB1,822,000 to comply with environmental protection regulations during the current interim period (six months ended 30 June 2025: RMB2,421,000 to upgrade manufacturing capabilities).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

13. DEFERRED TAX ASSETS/LIABILITIES

	Write-down of inventories <i>RMB'000</i>	Accelerated tax depreciation <i>RMB'000</i>	Fair value change of bills receivables at FVTOCI <i>RMB'000</i>	Unrealised profits <i>RMB'000</i>	Fair value adjustments upon acquisition of business <i>RMB'000</i>	Deferred revenue <i>RMB'000</i>	Tax losses <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2025	272	(5,294)	40	(10)	725	5,196	17,252	18,181
Credit (charge) to profit or loss	953	(3,160)	(18)	19	(79)	(273)	10,457	7,899
Credit to the other comprehensive income	—	—	10	—	—	—	—	10
At 30 June 2025 (unaudited)	1,225	(8,454)	32	9	646	4,923	27,709	26,090
At 31 December 2025	940	(5,474)	32	(42)	567	4,650	41,060	41,733
(Charge) credit to profit or loss	(940)	153	(17)	(71)	(79)	(273)	(12,637)	(13,864)
Credit to the other comprehensive income	—	—	42	—	—	—	—	42
At 30 June 2026 (unaudited)	—	(5,321)	57	(113)	488	4,377	28,423	27,911

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Deferred tax assets	29,404	43,170
Deferred tax liabilities	(1,493)	(1,437)
	27,911	41,733

As at 30 June 2026, the Group had unused tax losses of RMB121,690,000 (31 December 2025: RMB170,572,000) available to offset against future profits. Deferred tax assets of RMB28,423,000 (31 December 2025: RMB41,060,000) have been recognised in respect of tax losses of RMB113,692,000 (31 December 2025: RMB164,239,000). No deferred tax asset has been recognised in respect of the remaining tax loss of RMB7,998,000 (31 December 2025: RMB6,333,000) due to the unpredictability of future profit streams. All tax losses will expire within 5 years (31 December 2025: 5 years) from the year of origination.

As at 30 June 2026, the Group had deductible temporary differences of RMB23,411,000 (31 December 2025: nil) in respect of ECL allowance for amounts due from Xinyang Jingang to offset against future profits. No deferred tax assets have been recognized in respect of such deductible temporary differences due to the unpredictability of future profit streams.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

14. TRADE AND OTHER RECEIVABLES

	30/06/2026 RMB'000 (unaudited)	31/12/2025 RMB'000 (audited)
Trade receivables – contract with customers	<u>14,616</u>	<u>11,450</u>
Other receivables	<u>393</u>	<u>395</u>
Amount due from Xinyang Jingang (Note)	23,411	–
Less: Allowance for ECL	<u>(23,411)</u>	<u>–</u>
	<u>–</u>	<u>–</u>
Prepayments to suppliers	25,231	12,332
Prepaid other taxes and charges	<u>4,436</u>	<u>7,206</u>
	<u>44,676</u>	<u>31,383</u>

Note: The balance as at 30 June 2026 represents trade receivables from contracts with customers from Xinyang Jingang, which was a fellow subsidiary of the Company controlled by Henan Jinma Energy Company Limited (“Jinma Energy”). Xinyang Jingang ceased to be a related party of the Company as Jinma Energy lost control over Xinyang Jingang following the acceptance of Xinyang Jingang’s winding-up petition by the local court on 29 June 2026 and the takeover of the winding-up and management of Xinyang Jingang by the administrators on 30 June 2026. The amount due from Xinyang Jingang of RMB23,411,000, previously presented as an amount due from a related party as at 31 December 2025 (Note 16) was reclassified to trade and other receivables as at 30 June 2026 upon the cessation of the related party relationship. An ECL allowance of RMB23,411,000 is recognised for the trade receivables as at 30 June 2026 taken into account that Xinyang Jingang is under a winding-up and the probability to recover the balance is low.

The following is an aging analysis of trade receivables (net of allowance for ECL) presented based on the invoice date at the end of the reporting period:

	30/06/2026 RMB'000 (unaudited)	31/12/2025 RMB'000 (audited)
Within 90 days	13,339	9,104
181 – 365 days	70	2,346
Over 365 days	<u>1,207</u>	<u>–</u>
	<u>14,616</u>	<u>11,450</u>

The normal credit term to the customers is within 60 days. As at 30 June 2026 and 31 December 2025, trade receivables of RMB1,207,000 (31 December 2025: nil) of the Group are past due.

The Group does not hold any collateral over these balances.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

15. AMOUNT DUE FROM A SHAREHOLDER

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Trade nature		
Jinma Energy (<i>Note</i>)	35,519	–

Note: Jinma Energy is the parent of the Company. The balance as at 30 June 2026 comprises of trade receivables from contracts with customers of RMB9,000 and prepayment for purchase of raw materials of RMB35,510,000. The trade receivables are aged within 90 days based on invoice date and not past due at 30 June 2026. The Group does not hold any collateral over the balance.

16. AMOUNTS DUE FROM RELATED PARTIES

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Trade nature		
Xinyang Jingang (<i>Note i</i>)	–	23,411
Henan Jinjiang Refinery and Chemical Co., Ltd. 河南金江炼化有限公司 (“Jinjiang Refinery”) (<i>Note ii</i>)	230	–
	230	23,411
Non-trade nature		
Jinjiang Refinery (<i>Note iii</i>)	3,920	–
	4,150	23,411

Notes:

- (i) Xinyang Jingang ceased to be a related party of the Group on 30 June 2026 as detailed in Note 14.
- (ii) Jinjiang Refinery is a joint venture of a subsidiary of the Company. The balance as at 30 June 2026 represents prepayments for raw materials.
- (iii) The balance represents dividends in respect of the year 2025 receivable from Jinjiang Refinery.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

17. BORROWINGS

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Bank borrowings	279,239	286,645
Secured	79,639	102,645
Unsecured	199,600	184,000
	<u>279,239</u>	<u>286,645</u>
Fixed-rate borrowings	19,800	34,800
Floating-rate borrowings	259,439	251,845
	<u>279,239</u>	<u>286,645</u>
Less: Amount due for settlement within 12 months shown under current liabilities	<u>(241,323)</u>	<u>(220,313)</u>
Amount due for settlement after 12 months shown under non-current liabilities	<u>37,916</u>	<u>66,332</u>
The ranges of effective interest rate of the Group's bank borrowings are:		
	30/06/2026 (unaudited)	31/12/2025 (audited)
Effective interest rate per annum:		
– Fixed-rate borrowings	3.30%-4.45%	3.40%-4.10%
– Floating-rate borrowings	3.10%-5.40%	3.25%-5.60%

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

18. TRADE AND OTHER PAYABLES

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Trade payables	11,420	9,194
Salaries and wages payables	2,544	4,301
Other tax payables	9,007	9,217
Consideration payable for purchase of property, plant and equipment	63,656	84,324
Interest payable	643	638
Refundable deposit from suppliers	2,273	2,483
Other payables	1,231	1,777
	79,354	102,740
	90,774	111,934

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

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Within 90 days	9,175	6,684
91 – 180 days	177	1,537
181 – 365 days	1,532	389
Over 1 year	536	584
	11,420	9,194

19. AMOUNT DUE TO A SHAREHOLDER

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Trade nature		
Jinma Energy (<i>Note</i>)	3,566	2,668

Note: The balance represents payables for services and is aged within 90 days based on invoice date at 30 June 2026 and 31 December 2025. The normal credit term to the Group is within 60 days.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

20. AMOUNT DUE TO A RELATED PARTY

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Trade nature		
Jinjiang Refinery (<i>Note</i>)	<u>340</u>	<u>917</u>

Note: The balance represents trade payables for raw materials and is aged within 90 days based on invoice date at 30 June 2026 and 31 December 2025. The normal credit term to the Group is within 60 days.

21. TRANSFER OF FINANCIAL ASSETS

The Group (i) endorsed certain bills receivables for the settlement of trade and other payables; and (ii) discounted certain bills receivables to banks for raising of cash. In the opinion of the directors of the Company, the Group has transferred the significant risks and rewards relating to these bills receivables, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed and discounted bills receivable is low because all endorsed and discounted bills receivables are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were derecognised. The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivables at the end of the reporting period are as follows:

	30/06/2026 <i>RMB'000</i> (unaudited)	31/12/2025 <i>RMB'000</i> (audited)
Endorsed bills for settlement of payables	86,912	56,683
Discounted bills for raising cash	<u>248,618</u>	<u>97,684</u>
Outstanding endorsed and discounted bills receivables with recourse	<u><u>335,530</u></u>	<u><u>154,367</u></u>

The outstanding endorsed and discounted bills receivables are with maturities no more than 6 months.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial asset	30/06/2026 RMB'000 (unaudited)	Fair value as at 31/12/2025 RMB'000 (audited)	Fair value hierarchy	Valuation technique(s) and key input(s)
Bills receivables at FVTOCI	54,901	19,223	Level 2	Discounted cash flow. Future cash flows are estimated based on discount rate observed in the available market.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities at amortised cost recognised in the condensed consolidated financial statements approximate their fair values.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

23. RELATED PARTIES' TRANSACTIONS

Details of transactions between the Group and other related parties are disclosed below.

(a) Transactions with related parties

Other than the transactions and balances with related parties disclosed elsewhere in the condensed consolidated financial statements, the Group also had the following transactions and balances with the related parties during the current interim period.

	Six months ended	
	30/06/2026	30/06/2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of products and provision of services to:		
Jinma Energy	5,487	4,255
Bohigh Chemicals (<i>Note i</i>)	13,836	7,560
Jinma Zhongdong (<i>Note ii</i>)	191	202
Xinyang Jingang	–	1
Jinjiang Refinery	26,363	44,198
Yugang Coking (<i>Note iii</i>)	22	–
	=====	=====
Purchase of raw materials and acceptance of services from:		
Jinma Energy	49,642	86,886
Jinma Zhongdong (<i>Note ii</i>)	209,457	178,429
Jinjiang Refinery	722	5,098
	=====	=====

Notes:

- (i) Henan Bohigh Chemicals Co., Ltd. * 河南博海化工有限公司(“Bohigh Chemicals”) is a wholly owned subsidiary of Jinma Energy.
- (ii) Henan Jinma Zhongdong Energy Co., Ltd.* 河南金馬中東能源有限公司(“Jinma Zhongdong”) is a non-wholly owned subsidiary of Jinma Energy.
- (iii) Yugang Coking is controlled by an executive director of Jinma Energy.

* For identification purpose only

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

23. RELATED PARTIES' TRANSACTIONS – CONTINUED

(b) Compensation of key management personnel

The remuneration of key management personnel of the Group during the periods was as follows:

	Six months ended	
	30/06/2026	30/06/2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Salaries and allowance	837	875
Performance related bonuses	10	15
Retirement benefits	63	74
	910	964

Key management represents the directors of the Company and other senior management personnel of the Group. The remuneration of key management is determined with reference to the performance of the Group and the individuals.

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

The Group is a supplier of hydrogenated benzene-based chemicals and energy products in Henan Province. It mainly obtains raw materials (crude benzene and crude coking coal gas) from the upstream of the coking industry, and focuses on (i) the production and processing of hydrogenated benzene-based chemicals (mainly including pure benzene, toluene and xylene); (ii) the production and processing of energy products (including LNG and coal gas); and (iii) hydrogen purification and operation of hydrogen gas station. We have established a diversified customer base, (i) in respect of hydrogenated benzene-based chemicals, our major customers being nylon and fertilizer manufacturers, refined oil product manufacturers and other chemical companies; (ii) in respect of LNG, our major customers being industrial users, trading customers and retail customers of our self-operated oil and gas stations; and (iii) in respect of coal gas, our major customers being certain industrial enterprises (including Jinjiang Refinery, a joint venture company of the Group that separates the hydrogen component of coal gas for the purpose of hydrogen production, and resident users) located in the industrial park where we are situated, namely, the Jiyuan High-tech Industrial Development Zone (Chemical Industry Park), and the nearby areas. In addition, the operation of hydrogen gas stations has begun since the fourth quarter of 2023.

In response to the PRC government's commitment to encourage the development of a circular economy and "dual carbon target", and to meet the needs of a green and low-carbon transition, we are taking and will continue to take steps to expand our energy business to include hydrogen.

During the first half of 2026, the Group's revenue was mainly derived from the following major business segments:

- **Hydrogenated benzene-based chemicals:** involving the processing via hydrogenation of crude benzene, a coking by-product, into a range of benzene-based chemicals and the sale of these by-products;
- **Energy products:** involving the processing of crude coking coal gas into coal gas, the refining of coal gas into LNG and hydrogen, and the sale of coal gas, LNG and hydrogen; and
- **Trading:** mainly the trading of LNG, hydrogen and refined oil products through the oil and gas filling stations operated by the Group.

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		Changes <i>RMB million</i>
	2026 <i>RMB million</i> (Unaudited)	2025 <i>RMB million</i> (Unaudited)	
Revenue	1,543.5	1,442.2	101.3
Gross profit	112.8	22.5	90.3
Profit (loss) for the period	41.6	(9.3)	50.9
Basic earnings (loss) per share (RMB)	0.04	(0.02)	0.06
Interim dividend per share (RMB)	—	—	—
Gross profit margin	7.3%	1.6%	5.7%
Net profit (loss) margin	2.7%	(0.6%)	3.3%
	As at 30 June 2026 <i>RMB million</i> (Unaudited)	As at 31 December 2025 <i>RMB million</i> (Audited)	Changes <i>RMB million</i>
Total assets	1,521.0	1,516.2	4.8
Total equity	1,092.7	1,051.2	41.5

FACTORS AFFECTING RESULTS OF OPERATION AND FINANCIAL POSITION OF THE GROUP

The Group's results of operation are affected by a number of factors. Set forth below is a discussion of the most significant factors that may affect the Group's results of operation.

General Economic Conditions and Demand in Downstream Industries

The Group sells all of its products in the PRC. The general economic conditions in the PRC have affected the market price and demand for the Group's products as well as the prices of raw materials, namely crude benzene and crude coking coal gas, which are the major raw materials for the Group's production of hydrogenated benzene-based chemicals and energy products. During an economic downturn, the average selling prices of the Group's products may decrease and the Group may need to adjust the Group's purchasing and selling strategies to cope with such situation, such as reducing the purchases of raw materials or commencing more financing activities to strengthen the Group's working capital. When the economic condition recovers, the Group may increase the selling prices of the Group's products in response to the increase in market demand and the rise of raw material prices. In addition, the Group's prepayments for raw materials may increase to secure the supply of raw materials. As a result, the Group's results of operations, working capital position and operating cash flow changed correspondingly.

Sales of the Group's hydrogenated benzene-based chemicals and energy products (mainly LNG and coal gas) depend primarily on the consumption of these products by the domestic chemical industry in the PRC. Benzene-based chemicals are mainly used as raw materials in downstream industries such as rubber and textile, while LNG is mainly supplied to the neighbouring industrial parks for production use and at gas filling stations to provide gas supply services to logistics customers, heavy trucks and buses. In the PRC, thanks to abundant coal resources, hydrogenated benzene-based chemicals produced from crude benzene, a by-product of coking, are cost-competitive substitutes for benzene-based chemicals obtained from petroleum processing, but their prices are also affected by the prices of petroleum and the development of the petroleum industry. As for LNG products, as the PRC is highly dependent on LNG imports, fluctuations in global LNG prices will affect the PRC. Therefore, the prices of LNG in the PRC will maintain a trend similar to that of international LNG prices.

Prices of the Group's Raw Materials and Products

The Group is exposed to the risk of movements in the market prices of the Group's products and raw materials, as well as changes in the spread between those prices. The Group's raw materials are mainly by-products of the upstream of the coking industry (crude benzene and crude coking coal gas), and therefore the prices of the upstream raw material, coal, affect the Group's prices of raw materials. The Group generally determines the selling prices of its products based on the prevailing market prices in the regions where the products are sold with reference to a number of factors applicable to individual customers. Market forces of supply and demand generally determine the pricing of the Group's products. The prices of the Group's products are affected by a number of factors including:

- supply of and demand for the Group's products are mainly affected by the demand of the chemical industry and the PRC domestic as well as global economic cycles;

- changes in the prices of crude benzene and crude coking coal gas, the principal raw materials of the Group, are affected by the supply and demand of coal, the principal raw material for the upstream coking industry, as well as the PRC domestic and global economic cycles;
- the Group's product characteristics and quality;
- prices of chemicals in the international market; and
- the Group's transportation costs, the availability of transportation capacity and means of transportation.

The following table sets forth the average selling and purchase prices (net of VAT) of each of the Group's principal products and raw materials for the first six months of 2026 and for the year 2025 according to the Group's internal records.

	First six months of 2026 Average selling price⁽¹⁾ RMB/tonne (except coal gas in RMB/m³)	2025 Average selling price⁽¹⁾ RMB/tonne (except coal gas in RMB/m³)
Principal Products		
Hydrogenated Benzene-based Chemicals	5,876.33	5,266.23
Pure benzene	6,344.55	5,540.68
Toluene	—	4,381.61
Energy Products		
Coal gas	0.84	0.83
LNG	4,529.06	3,890.58

- (1) Calculated by dividing the revenue of each relevant product by the sales volume of such product (except that the average selling prices of the hydrogenated benzene-based chemicals represent the weighted average prices of relevant products in the segment or category, respectively), after intra-group elimination.

	First six months of 2026 Average purchase price	2025 Average purchase price
Major Raw Materials		
Crude benzene (RMB/tonne)	5,128.40	4,756.01
Crude coking coal gas (RMB/m ³)	0.69	0.63

Crude benzene:

We purchase crude benzene from a number of suppliers located in Henan and Shanxi (including the Jinma Group (i.e. Jinma Energy and its subsidiaries (but excluding our Group)) which accounted for approximately 91% of our total purchases of crude benzene during the first half of this year. We generally enter into annual supply contracts for crude benzene with our suppliers, which mainly set out the quality requirements, payment and delivery methods, but the actual quantity and prices of the products are based on orders placed by us from time to time. In most cases, we pay all or a portion of the purchase price in advance. The purchase price of crude benzene is generally based on the prevailing market price at the time of purchase. Because the price of crude benzene fluctuates rapidly, we generally recognize our purchases on the basis of weekly purchase orders.

Crude coking coal gas:

We purchase substantially all of our crude coking coal gas from the Jinma Group. We acquired the coke granule coal gas facilities from the Jinma Group in August 2023 in order to better delineate our business with the Jinma Group, to diversify our sources of raw material for the production of LNG and to reduce our long-term dependence on the Jinma Group. The coke granule coal gas facilities produce coke granule coal gas as its primary product by heating small coke granules in an oxygen atmosphere. The coke granule coal gas does not require further purification and can be stored and subsequently transported and sold to third parties and be used by the Group for further processing into LNG.

Production Capacity and Sales Volume

The Group's results of operations were mainly driven by the changes in the average selling price and average purchase price of products, while the product sales volume was mainly determined by production capacity. The Group's business remained stable during the first half of 2026 with the capacity utilization rate of each of its principal products generally maintained and the sales of the Group's products were basically at full capacity. During the first half of 2026, the production capacity of the Group's hydrogenated benzene-based chemicals was approximately 400,000 tonnes per annum, the production capacity of the LNG production facilities was approximately 72,000 tonnes per annum and the production capacity of the hydrogen was approximately 317.0 million cubic meters per annum (including the production capacity of the joint venture company, Jinjiang Refinery).

Access to and Cost of Financing

In addition to cash generated from the Group's operations, the Group financed the Group's operations and capital expenditures primarily through bank and financial institution borrowings during the period. The Group's interest-bearing borrowings as at 30 June 2026 and 31 December 2025 were approximately RMB279.2 million and RMB286.6 million, respectively. The Group's finance costs for the half year ended 30 June 2026 and 2025 were approximately RMB5.8 million and RMB7.9 million, respectively, accounting for approximately 0.37% and 0.55% of the Group's total revenue for the respective periods. The Group's ability to pay the interest incurred with respect to the borrowings, or repay or refinance the Group's borrowings could have an impact on the financial position and operation results of the Group.

KEY DEVELOPMENT

During the first half of 2026, we continued to invest in production efficiency and safety and environmental protection, to consolidate our market position and create value for our shareholders.

In terms of the LNG business, RMB2.20 million has been invested in the project to upgrade and expand the capacity of LNG production facilities, and RMB2.26 million has been invested in the circulating water system renovation and upgrade project.

In terms of the business development of hydrogen gas stations:

The Group operated the following five hydrogen refuelling stations during the period, including sales volume of 477 tonnes of hydrogen (810 tonnes in the corresponding period):

Jiyuan South Second Ring Hydrogen Refuelling Station

Zhengzhou Chemical Road Hydrogen Refuelling Station

Gongyi Heluo Hydrogen Refuelling Station

Jiyuan Huling Hydrogen Refuelling Station

Dengfeng Guojiawa Hydrogen Refuelling Station

The above-mentioned investments in hydrogen refuelling stations are funded by the Group's internal financial resources and/or proceeds from the listing and bank borrowings.

RESULTS OF OPERATIONS

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The following is the condensed consolidated statement of profit or loss and other comprehensive income of the Group, which should be read in conjunction with its condensed consolidated financial information.

	Six months ended 30 June		
	2026	2025	Changes
	(Unaudited)	(Unaudited)	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Continuing Operations			
Revenue	1,543,503	1,442,220	101,283
Cost of sales	(1,430,749)	(1,419,722)	(11,027)
Gross profit	112,754	22,498	90,256
Other income	3,260	5,183	(1,923)
Other gains and losses	(756)	(2,384)	1,628
Impairment loss under the expected credit loss model (net of reversal)	(23,411)	–	(23,411)
Selling and distribution expenses	(6,691)	(6,920)	229
Administrative expenses	(19,031)	(20,829)	1,798
Finance costs	(5,766)	(7,938)	2,172
Share of result of a joint venture	(1,562)	(351)	(1,211)
Profit (Loss) before tax	58,797	(10,741)	69,538
Income tax (expense) credit	(17,225)	1,439	(18,664)
Profit (Loss) for the period	41,572	(9,302)	50,874

	Six months ended 30 June		
	2026	2025	Changes
	(Unaudited)	(Unaudited)	
	RMB'000	RMB'000	RMB'000
Other comprehensive expense:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Fair value loss on:			
Bills receivables at fair value through other comprehensive income (“FVTOCI”), net of income tax	(125)	(30)	(95)
Total comprehensive income (expense) for the period	41,447	(9,332)	50,779
Profit (Loss) for the period attributable to:			
– Owners of the Company	36,399	(20,231)	56,630
– Non-controlling interests	5,173	10,929	(5,756)
	41,572	(9,302)	50,874
Total comprehensive income (expense) for the period attributable to:			
– Owners of the Company	36,274	(20,261)	56,535
– Non-controlling interests	5,173	10,929	(5,756)
	41,447	(9,332)	50,779
Earnings (loss) per share (RMB)			
– Basic	0.04	(0.02)	0.06

Consolidated Financial Information

- **Revenue and gross profit margin**

The Group's revenue increased by approximately RMB101.3 million or 7.0% from RMB1,442.2 million in the first half of 2025 to approximately RMB1,543.5 million in the same period of 2026. The increase was mainly due to the increase in average price (tax-inclusive) of hydrogenated benzene-based chemicals by approximately 3.7%, and the 6.3% increase in sales volume. The Group's gross profit margin increased from 1.6% in the first half of 2025 to 7.3% in the same period of 2026, which was mainly attributable to the increase in the average consumption purchase price of raw materials for hydrogenated benzene-based chemicals and LNG at a lower rate than their average selling price. For details, please refer to the paragraphs headed "Business Segment Results" in this chapter.

- **Other income**

Other income decreased from approximately RMB5.2 million in the first half of 2025 to approximately RMB3.3 million in the same period of 2026, mainly due to the decrease of RMB0.6 million in interest income, the decrease of RMB0.5 million in government grant income, the decrease of RMB0.44 million in insurance compensation income, and the decrease of RMB0.4 million in gains from changes in the fair value of notes.

- **Other gains and losses**

Other gains and losses turned from a loss of approximately RMB2.4 million in the first half of 2025 to a loss of approximately RMB0.8 million in the same period of 2026, mainly due to an asset disposal loss of RMB1.6 million in the same period last year.

- **Impairment loss under the expected credit loss model (net of reversal)**

The impairment loss under the expected credit loss model represents trade receivables due from Xinyang Steel Jingang Energy Co., Ltd. 信陽鋼鐵金港能源有限公司 ("Xinyang Jingang"), a fellow subsidiary of Jinma Energy, in the amount of approximately RMB23.4 million, arising due to Xinyang Jingang currently undergoing winding-up proceedings. The management of the Company believes that the amount of impairment loss is appropriate.

- **Selling and distribution expenses**

Selling and distribution expenses amounted to approximately RMB6.7 million in the first half of 2026, representing a decrease of approximately 3.3% from RMB6.9 million in the same period of 2025, which reflected the control of relevant costs.

- **Administrative expenses**

Administrative expenses amounted to approximately RMB19.0 million in the first half of 2026, representing a slight decrease of approximately 8.6% from RMB20.8 million in the same period of 2025.

- **Finance costs**

Finance costs decreased from RMB7.9 million in the first half of 2025 to RMB5.8 million in the same period of 2026, which was mainly due to the decrease in average balances of bank borrowings of RMB67 million (RMB282.94 million – RMB349.94 million) compared to the same period last year.

- **Share of result of joint ventures**

Share of result of joint ventures increased from loss of RMB0.4 million in the first half of 2025 to loss of RMB1.6 million in the same period of 2026, which was mainly due to the decline in the result of Jinjiang Refinery, a joint venture in which the Company held 49% of its equity interests, as a result of the decrease in its sales volume and unit selling prices.

As a result of the above, the Group's profit before tax recorded a significant improvement of 647.4%, from a loss of RMB10.7 million in the first half of 2025 to a profit of RMB58.8 million.

- **Income tax (expense) credit**

Income tax expense increased by RMB18.7 million from a credit of RMB1.4 million in the first half of 2025 to an expense of RMB17.2 million in the same period of 2026. The increase reflected an increase in profit before tax.

- **Total comprehensive income (expense) for the period**

As a result of the above, the Group's total comprehensive (expense) income for the period increased by RMB50.7 million, significantly improved from an expense of RMB9.3 million in the first half of 2025 to an income of RMB41.4 million.

Business Segments Results

The following table sets forth the segment revenue and results (after the elimination of inter-segment sales) for each of the Group's principal business segments:

	As at 30 June							
	Segment revenue		Segment results		Segment gross profit margin		As a percentage of total segment results	
	2026	2025	2026	2025	2026	2025	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	%	%	%	%
Hydrogenated Benzene-based Chemicals	1,223,361	1,110,256	64,480	(17,993)	5.3	(1.6)	56.5	(77.7)
Energy Products	289,578	282,881	44,129	36,083	15.2	12.8	38.7	155.9
Trading	27,266	46,773	2,837	3,141	10.4	6.7	2.5	13.6

In the first half of 2026, the sales volume of hydrogenated benzene-based chemicals increased by 6.3% from the same period of 2025 to 208,000 tonnes, while the average selling price (tax-inclusive) recorded an increase of approximately 3.7% in the same period, resulting in an increase of approximately 10.19% in revenue. However, as the average consumption purchase price of raw materials (mainly crude benzene) for the product recorded a decrease of 1.4%, the gross profit margin of the product increased from approximately -1.6% to 5.3%.

The energy products segment mainly consists of sales of LNG and coal gas. As compared to the first half of 2025, the sales volume of LNG increased by 8.4%, and the sales volume of coal gas decreased by approximately 17.3%, resulting in an increase in revenue of approximately 2.4%. The increase in gross profit margin was mainly due to the increase in average selling price (tax-inclusive) for LNG of approximately 13.4%, while the increase in production cost per tonne was only approximately 3.8%.

In the trading segment, revenue in the first half of 2026 decreased by approximately RMB19.5 million or 41.7% as compared with that in the same period of 2025, mainly due to the significant decrease in sales volume of diesel fuel and hydrogen gas at the gas stations, and the gross profit margin increased from 6.7% to 10.4% due to increase in average selling price of diesel fuel.

FINANCIAL POSITION

Liquidity and Financial Resources

In the first half of 2026, the Group's major financial resources were funded by the proceeds from the sales of the Group's products, shareholders' equity (including proceeds from listing on the Main Board of the Hong Kong Stock Exchange in December 2023) and borrowings from bank and financial institutions. The Directors have confirmed that the Group did not experience any liquidity problems in the first half of 2026.

The Group's finance department prepares cash flow projections, which are reviewed regularly by the Group's senior management. Specific considerations in determining the Group's appropriate cash position include the Group's forecast working capital, capital expenditure needs and the Group's liquidity ratios, and the Group also aims to maintain a certain level of excess cash to meet unexpected needs.

Cash Flow

The following table presents selected cash flow data from the Group's consolidated statement of cash flows for the periods:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Net cash from operating activities	31,782	42,950
Net cash used in investing activities	(14,591)	(21,132)
Net cash (used in) from financing activities	(13,378)	461
Net increase in cash and cash equivalents	3,813	22,279
Cash and cash equivalents at the beginning of the period	142,249	136,772
Effect of foreign exchange rate changes	(309)	(146)
Cash and cash equivalents at the end of the period, represented by bank balances and cash	<u>145,753</u>	<u>158,905</u>

- ***Cash Flow from Operating Activities***

The Group's net cash flow from operating activities of approximately RMB31.8 million for the first half of 2026 was primarily attributable to operating cash flows before movements in working capital of approximately RMB127.5 million. Yet the net cash inflow from operating activities was partially offset by (i) an increase in trade and other receivables of approximately RMB13.3 million; (ii) an increase in amounts due from a shareholder of approximately RMB35.5 million; and (iii) an increase in bills receivables at FVTOCI of RMB36.7 million.

- ***Cash Flow from Investing Activities***

The Group's net cash used in investing activities of approximately RMB14.6 million for the first half of 2026 was primarily due to (i) the acquisition of property, plant and equipment of approximately RMB25.6 million; and (ii) the placement of time deposits of approximately RMB100.0 million. Yet the net cash outflow was partially offset by the withdrawal of time deposit of approximately RMB113.9 million.

- ***Cash Flow from Financing Activities***

The Group's net cash used in financing activities of approximately RMB13.4 million for the first half of 2026 was primarily due to repayment of bank borrowings of approximately RMB113.2 million, yet partially offset by the raising of bank loans of approximately RMB105.8 million.

Liabilities

The table below sets forth the Group's bank borrowings as at the end of the dates indicated below.

	As at 30 June 2026 <i>RMB'000</i> (Unaudited)	As at 31 December 2025 <i>RMB'000</i> (Audited)
Bank borrowings:		
Secured	79,639	102,645
Unsecured	<u>199,600</u>	<u>184,000</u>
	<u>279,239</u>	<u>286,645</u>
Fixed-rate borrowings	19,800	34,800
Floating-rate borrowings	<u>259,439</u>	<u>251,845</u>
	<u>279,239</u>	<u>286,645</u>
Less: Amount due for settlement within one year shown under current liabilities	<u>(241,323)</u>	<u>(220,313)</u>
Amount due for settlement after one year shown under non-current liabilities	<u>37,916</u>	<u>66,332</u>

The Group's bank borrowings in the first half of 2025 and 2026 were all borrowings denominated in Renminbi. As at 31 December 2025, RMB102.6 million of the Group's general banking facilities (including bank borrowings and bills payables) were secured by the Group's property, plant and equipment and right-of-use assets. All remaining borrowings were credit borrowings. As at 30 June 2026, RMB79.6 million of the Group's general banking facilities (including bank borrowings and bills payables) were secured by the Group's property, plant and equipment and right-of-use assets. All remaining borrowings were credit borrowings.

The table below sets forth the range of effective interest rates of the Group's bank borrowings as of the end of the dates indicated below.

	For the six months ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Effective interest rate:		
– Fixed-rate borrowings	3.30%-4.45%	3.40% – 4.10%
– Floating-rate borrowings	3.10%-5.40%	3.25% – 5.60%

As at 30 June 2026, the Group had obtained banking facilities in an aggregate amount of approximately RMB359.4 million (31 December 2025: RMB412.4 million), of which a total amount of approximately RMB70.0 million (31 December 2025: RMB0.0 million) was still available for use. As at 30 June 2026, the Group had total outstanding bank borrowings of approximately RMB279.2 million (31 December 2025: RMB286.6 million). The Group intends to refinance the Group's bank borrowings or repay the Group's bank borrowings as and when they fall due with the Group's internally generated funds (refinancing has been achieved for bank borrowings of RMB65.1 million falling due in the first half of 2026 according to needs).

As at 30 June 2026, the Group did not have any material contingent liabilities, guarantees or any litigations or claims of material importance, pending or threatened against any member of the Group. Save as disclosed in the "Financial Position" section, the Directors confirm that there has been no material change in the Group's indebtedness and contingent liabilities since 30 June 2026 and up to the date of this report. As at 30 June 2026, save as disclosed in the "Financial Position" section and apart from normal trade payables, intra-group liabilities and amounts due to connected parties and related parties, the Group did not have any outstanding mortgages, charges or pledges, debentures or other debt securities, term loans, loan capital, other borrowings or other similar indebtedness (including bank loans and overdrafts, hire purchase commitments, liabilities under acceptances or acceptance credits), finance leases or any guarantees or other material contingent liabilities.

The Directors confirm that, for the six months ended 30 June 2026, the Group was not subject to any material covenant on any of the Group's outstanding debt and, during the first half of 2026, the Group did not experience any difficulty in obtaining bank loans and other borrowings, or any default in payment of bank and other borrowings or breach of covenants. The Directors believe that the Group maintains good relationships with the Group's lenders generally and they expect that, based on the current prevailing market conditions, the Group will be able to obtain replacement financing commitments when the Group's short-term bank borrowings become due.

CHARGE ON ASSETS

As at 30 June 2026, the Group had pledged certain of its assets with a total carrying amount of approximately RMB130.6 million (31 December 2025: approximately RMB134.7 million) for the purpose of providing security to banks against general banking facilities, including bank borrowings and bills payables granted to the Group.

FINANCIAL RATIOS

	For the six months ended 30 June 2026	For the year ended 31 December 2025
Gearing ratio	25.6%	27.3%
Return on equity (annualized ratio)	7.5%	-3.5%
Return on assets (annualized ratio)	5.5%	-1.1%

Gearing Ratio

Gearing ratio was calculated by the total interest-bearing bank borrowings of the Group divided by the total equity of the Group as at the end of the period.

The decrease in the gearing ratio in the first half of 2026 was mainly due to the decrease in total interest-bearing bank borrowings of the Group for the period.

Return on Equity

Return on equity was calculated based on the profit attributable to the owners of the Company for the period divided by the average equity attributable to owners of the Company for the same period.

The Group's return on equity increased from -3.5% to 7.5%, mainly due to the increase in profit attributable to the owners of the Company during the period.

Return on Assets

Return on assets was calculated based on the total comprehensive income for the period divided by the average total assets of the Group for the same period.

The Group's return on assets increased from -1.1% to 5.5%, mainly due to the Group's total comprehensive income turning from a loss to a profit during the period.

OFF-BALANCE SHEET ARRANGEMENT

The Group did not have any material off-balance sheet arrangements as at 30 June 2026. Specifically, the Group has not entered into any derivative contracts that are indexed to the Group's shares and classified as shareholders' equity, or that are not reflected in the Group's condensed consolidated financial statements. Furthermore, the Group does not have any retained or contingent interests in assets transferred to an unconsolidated entity to serve as credit, liquidity or market risk support for such entity. Moreover, the Group does not have any variable interests in any unconsolidated entity that provides financing, liquidity, market risk or credit support to the Group or engages in leasing, hedging or research and development services with the Group.

TRANSFER OF FINANCIAL ASSETS

During the first half of 2026, the Group (i) endorsed certain bills receivables for the settlement of trade and other payables; and (ii) discounted certain bills receivables to banks for raising of cash. In the opinion of the directors of the Company, the Group has transferred the significant risks and rewards relating to these bills receivables, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed and discounted bills receivable is low because the endorsed and discounted bills receivables are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were derecognized in the condensed consolidated financial statements. The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivables at the end of the reporting period is as follows:

	As at 30 June 2026 <i>RMB'000</i> (Unaudited)	As at 31 December 2025 <i>RMB'000</i> (Audited)
Endorsed bills for settlement of payables	86,912	56,683
Discounted bills for raising cash	<u>248,618</u>	<u>97,684</u>
Outstanding endorsed and discounted bills receivables with recourse	<u><u>335,530</u></u>	<u><u>154,367</u></u>

The outstanding endorsed and discounted bills receivables are due within six months.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the reporting period and up to the date of this interim report, there were no material acquisitions and disposals of subsidiaries, associates and joint ventures.

SUBSEQUENT IMPORTANT EVENTS AND OTHER COMMITMENTS

The Group had no other subsequent important events or other commitments that may materially affect the Group's financial condition and operation since the end of the reporting period and up to the date of this report.

MARKET RISKS

Market risk is the risk of loss related to adverse changes in market prices. The Group is exposed to various types of market risks, including commodity price and liquidity risks, in the normal course of its business. The Group aims to minimize its risk through disciplined operating and financial activities. During the six months ended 30 June 2026, the Group has not entered into any foreign exchange or interest rate hedging contract or forward purchase or sale contract for commodities.

Other than the Hong Kong dollar proceeds of listing pending remittance back to China, the Group has no exposure to significant exchange risks as all its operations are within China where there are no foreign currencies transactions, assets or liabilities.

Commodity Price Risk

The Group is exposed to fluctuations in the prices of raw materials, mainly crude benzene and crude coking coal gas, as well as fluctuations in the prevailing market prices of the Group's products. In respect of crude benzene, the Group generally purchases it based on prevailing market prices while almost all crude coking coal gas is purchased from its parent company, Jinma Energy, and the price is negotiated every year. The Group's products are generally sold based on the prevailing market prices in the regions where the Group sells its products, and by making reference to various other factors applicable to individual customers. Market prices may fluctuate and are beyond the Group's control and may have a significant effect on the Group's results of operations.

Interest Rate Risk

The Group is subject to fair value interest rate risk in relation to the Group's interest-bearing restricted bank balances, bills receivables at FVTOCI, borrowings and lease liabilities. The Group is also exposed to cash flow interest rate risk in relation to the Group's floating-rate borrowings.

As at 30 June 2026, the Group had fixed-rate borrowings in the amount of approximately RMB19.8 million (31 December 2025: RMB34.8 million). The Group currently does not have an interest rate hedging policy, but the Group's management will consider hedging significant interest rate risk should the need arise.

Credit Risk

In the event that the Group's counterparties fail to perform their obligations, the Group's exposure to credit risk in relation to each class of recognized financial assets as at 30 June 2026 is the carrying amount of those assets stated in the consolidated statements of financial position, and the maximum outstanding amount of contingent liabilities is disclosed in the consolidated financial statement.

The Group mainly conducts transactions with high-quality customers that the Group has established long-term relationships with. When transacting with new customers, the Group generally requests advanced payment before the Group's goods are delivered. In order to minimize the credit risk, the Group's management continues to monitor the level of risk exposure to ensure that the Group can recover any overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are provided for irrecoverable amounts. In this regard, the Directors of the Group are of the view that the Group's credit risk is significantly reduced.

The Group has a concentration of credit risk in trade receivables and amounts due from Shareholders and trading amounts due from related parties, with over 98% and 96% of exposure concentrated in the five largest outstanding balances as at 30 June 2026 and 31 December 2025, respectively. The Group believes the Group's credit risks on bank balances and deposits or bills receivables are limited and there is no significant concentration of credit risk as the Group's bank deposits or bills are deposited in or contracted with reputable state-owned banks with high credit ratings assigned by international credit-rating agencies.

Liquidity Risk

The Group's creditors are exposed to heightened default risk when the Group's multiple liabilities mature in rapid succession, which may impose higher-than-normal stress onto the working capital. As a result, it may cause short-term liquidity problems if the Group fails to refinance in time or manage the Group's liquidity effectively. In the management of the Group's liquidity risk, the Group's management monitors and maintains an adequate, but not excessive level of cash and cash equivalents to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

NO MATERIAL ADVERSE CHANGE

The Directors have confirmed that there has been no material adverse change in the financial or trading position of the Group since 30 June 2026 and up to the date of this report.

DIVIDEND

In deciding whether to propose a dividend and determining the amount of the dividend, the Directors of the Company need to consider the distributable reserves, the level of liquidity and future commitments. The payment of dividends is also required to comply with relevant laws and regulations of the PRC and Hong Kong. The PRC laws require that dividends shall be paid only out of the net profit calculated according to the PRC accounting principles, which may differ in many aspects from the generally accepted accounting principles in other jurisdictions, including the IFRS.

Based on the interim results and the financial position for the six months ended 30 June 2026, the Board has resolved not to declare an interim dividend.

PENSION SCHEMES

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated at a certain percentage of the employees' salaries. Under these schemes, no forfeited contributions can be used by the employers to reduce the existing level of contributions.

The Hong Kong based employees of the Group participate in the Mandatory Provident Fund Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and the employers' existing level of contributions can be reduced by contributions forfeited by the employers on behalf of those employees who quit the scheme prior to fully vesting of the contributions. During the year ended 31 December 2025 and the six months ended 30 June 2026, there were no such forfeited contributions. There were no forfeited contributions available for reducing future contributions as at 31 December 2025 and 30 June 2026, respectively. The Group contributes the lower of HK\$1,500 per month or 5% of the relevant monthly payroll costs to the Mandatory Provident Fund Scheme.

USE OF PROCEEDS FROM THE LISTING

The net proceeds from the listing of the Company (after deducting underwriting fees and other estimated expenses in connection with the global offering of the Company's shares) was approximately HK\$251.6 million (equivalent to approximately RMB228.9 million). The Company will utilise the proceeds raised from the listing in accordance with the use of proceeds as stated in the prospectus of the Company issued on 12 December 2023.

As the implementation of projects of the Company is slower than planned due to market conditions, the estimated timeline for the use of proceeds as disclosed in the annual report of the Company for the year ended 31 December 2025 has been further delayed as shown below. Analysis of the intended use of the net proceeds from the listing as disclosed in the prospectus compared with the actual use of such net proceeds from the Listing Date up to 30 June 2026 is set out below:

Business purpose as disclosed in the prospectus	Intended use of net proceeds <i>RMB'000</i>		Actual use of net proceeds as at 30 June 2026 <i>RMB'000</i>	Unutilised net proceeds	Estimated timetable for utilisation
				as at 30 June 2026 <i>RMB'000</i>	
Gas stations with hydrogen refuelling facility	194,574	85	6,620	187,954	2026–2028
Investment in and/or acquisition of upstream and downstream players	11,445	5	0	11,445	2026–2028
Working capital and other general corporate purposes	22,891	10	11,679	11,212	2026–2028
	<u>228,910</u>	<u>100</u>	<u>18,299</u>	<u>210,611</u>	

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company persists in becoming an enterprise with a strong sense of social responsibility, consistently adhering to the principle of harmonious development combining economic benefit and social benefit, promoting technological advancement in the industry and assuming social responsibility proactively.

The Company upholds a sound and efficient corporate governance philosophy while also focusing on shareholders' interests and is determined to achieve a high standard of corporate governance. In addition to following internationally accepted rules, the Company also continuously improves its internal control system through internal and third-party audits.

Corporate Governance Code and the Articles of Association

The Company has formulated the Articles of Association of the Company (the “**Articles**”) in accordance with the PRC Company Law, and other relevant laws and regulations of the PRC. The Articles are the code of conduct for the Company, regulating the organization and behaviour of the Company, the rights and obligations shared between the Company and its shareholders, and between and among the Company's shareholders.

Meanwhile, the Company has also adopted the Corporate Governance Code (the “**Code**”) in Appendix C1 of the Listing Rules, and formulated a series of rules as well as the Terms of Reference of the Nomination Committee, the Remuneration and Appraisal Committee and the Audit Committee, to achieve the objective of good corporate governance. This report will further clarify how the Company applies the principles of good corporate governance as set out in the Code, so as to enable shareholders' evaluation of such application.

During the six months ended 30 June 2026, the Company has complied with all code provisions of the Code.

Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules and the company secretary has also issued to all Directors and supervisors of the Company (the “**Supervisors**”) a compliance notice of suspending trading during the black-out period in accordance with the Model Code. Having made specific enquiries with the Directors and Supervisors, the Company hereby confirms that all the Directors and Supervisors have complied with the standards as set out in the Model Code for the trading of securities by Directors during the six months ended 30 June 2026.

Board of Directors

The second session of the Board consists of eight Directors, comprising two executive Directors, three non-executive Directors and three independent non-executive Directors. The Directors are appointed by our shareholders for a term of three years from 29 July 2026 until 28 July 2029 and may be appointed for consecutive terms. The list of members of the second session of the Board is set out below:

Executive Directors

Mr. Wang Zengguang (*General manager*)

Mr. Qiao Erwei (*Deputy general manager and Board secretary*)

Non-executive Directors

Mr. Yiu Chiu Fai (*Chairman of the Board*)

Mr. Xu Fenglei (*Vice chairman of the Board*)

Mr. Wang Lijie

Independent Non-executive Directors

Ms. Wong Yan Ki Angel

Mr. Di Zhigang

Ms. Leung Sin Yeng Winnie

Supervisory Committee

The Supervisors of the second session of the Supervisory Committee were appointed at the general meeting held on 24 July 2026 for a term of three years, from 29 July 2026 until 28 July 2029. The second session of the Supervisory Committee consists of three Supervisors. The members of the second session of the Supervisory Committee are listed as follows:

Supervisors

Mr. Wong Tsz Leung

Mr. Zhou Feng

Mr. Li Hebao

Disclosure of Information on Directors, Supervisors and Chief Executive Officer

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of Directors, Supervisors and chief executive of the Company for the six months ended 30 June 2026 and up to the date of this interim results announcement are as follows:

Directors

Details of change

Ms. Wong Yan Ki Angel	has resigned as an independent non-executive director of Guohong Hydrogen Technology (Jiaxing) Co., Ltd. (a company listed on the Stock Exchange, stock code: 9663) with effect from 15 May 2026.
-----------------------	---

Interests of Directors, Supervisors and Chief Executive in Securities

As at 30 June 2026, the interests and short positions (if any) of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

Interest in the Company

As at 30 June 2026, none of the Directors, Supervisors nor the chief executive had an interest or short position in the shares, underlying shares or debentures of the Company that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

Long position in associated corporation

Henan Jinma Energy Company Limited (“Jinma Energy”)

Name	Nature of interest	Class of shares	Number of shares held (Note 1)	Approximate percentage of shareholding in the total share capital of Jinma Energy (Note 2)
Mr. Yiu Chiu Fai	Interests in controlled corporation (Note 3)	H shares	162,000,000 (L)	30.26%
	Beneficial owner	H shares	2,681,000 (L)	0.50%
Mr. Wang Lijie	Interest in controlled corporation (Note 4)	H shares	42,900,000 (L)	8.01%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. The calculation is based on the total number of 535,421,000 shares in issue of Jinma Energy, all of which are H shares.
3. Mr. Yiu Chiu Fai (a non-executive Director) is the legal and beneficial owner of the entire issued share capital of Golden Star Chemicals (Holdings) Limited (“**Golden Star**”). Golden Star, in turn, holds 100% of the issued share capital of Jinma Coking (BVI) Limited (“**Jinma Coking**”) and Jinma Energy (Hong Kong) Limited (“**Jinma HK**”)* (formerly known as Jinma Coking (Hong Kong) Limited) is wholly-owned by Jinma Coking. Jinma HK holds approximately 30.26% of the issued share capital of Jinma Energy. Accordingly, Mr. Yiu is deemed to be interested in Jinma Energy’s interest held by Jinma HK by virtue of the SFO.
4. Mr. Wang Lijie (a non-executive Director) is the legal and beneficial owner of 33.44% of the equity interest in Jiyuan Jinma Xingye Investment Co., Ltd.* (濟源市金馬興業投資有限公司, “**Jinma Xingye**”). Jinma Xingye holds 8.01% of the issued share capital of Jinma Energy. Accordingly, Mr. Wang is deemed to be interested in Jinma Xingye’s interest in Jinma Energy by virtue of the SFO.

Save as disclosed above, as at 30 June 2026, none of the Directors, Supervisors nor the chief executive had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

Interests of Directors and Supervisors in Transactions, Arrangements or Contracts

During this reporting period or as of 30 June 2026, none of the Directors or Supervisors, or the entities connected with the Directors or Supervisors, has participated or is or was materially interested, directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party.

Arrangement to Purchase Shares or Debentures

At no time during this reporting period was the Company, its holding company or any of its subsidiaries nor fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Interests of Substantial Shareholders in Securities

As at 30 June 2026, so far as is known to the Directors, the following parties (other than a Director, Supervisor or chief executive) were directly or indirectly interested or deemed to be interested in 5% or more of the relevant class of issued share capital of the Company:

Name	Nature of Interest	Class of Shares	Number of Shares Held (Note 1)	Approximate percentage of shareholding in the total Share Capital of the Company (Note 2)
Jinma Energy	Beneficial owner	H Shares	713,380,000 (L)	74.65%
	Interests in controlled corporation ^(Note 3)	H Shares	3,350,000 (L)	0.35%

Notes:

1. The letter “L” denotes the entity/person’s long position in such Shares.
2. The percentage is calculated based on the total share capital of the Company of 955,640,000 H Shares.
3. Shanghai Jinma Energy Sources Co., Ltd.* (上海金馬能源有限公司) (“**Shanghai Jinma**”) is wholly-owned by Jinma Energy. Accordingly, Jinma Energy is deemed to be interested in Shanghai Jinma’s interest in the Company by virtue of the SFO.

Save as disclosed above, there was no other interest recorded in the register that was required to be kept under Section 336 of the SFO as at 30 June 2026.

Sufficiency of Public Float

Based on the information that is available to the Group and to the best knowledge of the Directors, the Company has maintained a sufficient public float as required under the Listing Rules since its listing date and up to the date of this announcement.

Purchase, Sale or Redemption of Securities of the Company

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

Employees and Remuneration Policy

Employees are the Group's important asset. As at 30 June 2026, the Group had a total of 392 employees, including 2 senior management (excluding the Directors), 17 middle management and 371 ordinary employees. For the six months ended 30 June 2026, the staff cost of the Group amounted to approximately RMB20.49 million as compared to approximately RMB21.58 million for the same period last year.

The Company has established a Remuneration and Appraisal Committee which is responsible for making recommendation to the Board on the remuneration packages for Directors and senior management of the Company (including non-pecuniary benefits, pension rights and compensation). The Remuneration and Appraisal Committee reviews the remuneration policy for all Directors and the management of the Group based on the Group's overall operating results, individual performance and comparison of market practices.

Remuneration of mid-level management personnel of the Company is based on annual salary and year-end bonus. Annual remuneration mainly consists of basic salary, assessment bonus and performance bonus, and bonuses are given according to the performance of the Company. Remuneration of ordinary employees consists of basic salary, bonuses and various subsidies.

The Group has made full contributions to social insurance (including pension scheme, medical insurance, work injury insurance, unemployment insurance and maternity insurance) and housing provident funds for all employees in accordance with the relevant PRC labour laws and regulations.

According to the development plan and operating requirements of the Company, the management formulates annual training plans and the human resources department organizes annual external and internal trainings covering all employees. The training programs include, among others, comprehensive and long-term courses in management and finance and also include special short term training courses in management, production and organization. In addition, the Company is also committed to providing employees with all kinds of special trainings such as safety, environmental protection, use of equipment, technical skills, etc., and strives to offer employees with various targeted trainings from job entry to achieve personal development.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee of the Company was set up by the Board with specific terms of reference for the purpose of reviewing the Company's financial information, overseeing the Company's financial reporting system, risk management and internal control systems. The Audit Committee comprises three Directors, including Ms. Wong Yan Ki Angel (independent non-executive Director), Mr. Xu Fenglei (non-executive Director) and Mr. Di Zhigang (independent non-executive Director), and is chaired by Ms. Wong Yan Ki Angel.

The Audit Committee has reviewed with the management and the external auditor, Deloitte Touche Tohmatsu, the accounting methods adopted by the Company and the unaudited condensed consolidated interim financial statements of the Company for this reporting period. The Audit Committee also has reviewed this interim results announcement. The Company's unaudited consolidated interim results for this reporting period have been reviewed by the Company's external auditor in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board.

PUBLICATION OF THE INTERIM REPORT

The Company's interim report for the six months ended 30 June 2026 will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.jyqhghg.com) in due course.

The Company makes every effort to ensure consistency between the Chinese and English versions of the Company communication. In the event of any inconsistency, however, the English version shall prevail.

APPRECIATION

I would like to take this opportunity to thank all the Group's employees, shareholders and business partners for their continuous support to the Group.

By order of the Board
Henan Jinyuan Hydrogenated Chemicals Co., Ltd.*
Wang Zengguang
Executive Director

Hong Kong, 26 August 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Zengguang and Mr. Qiao Erwei; the non-executive Directors of the Company are Mr. Yiu Chiu Fai, Mr. Xu Fenglei and Mr. Wang Lijie; and the independent non-executive Directors of the Company are Ms. Wong Yan Ki Angel, Mr. Di Zhigang and Ms. Leung Sin Yeng Winnie.

* *For identification purposes only*