



INTERIM REPORT 2026



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

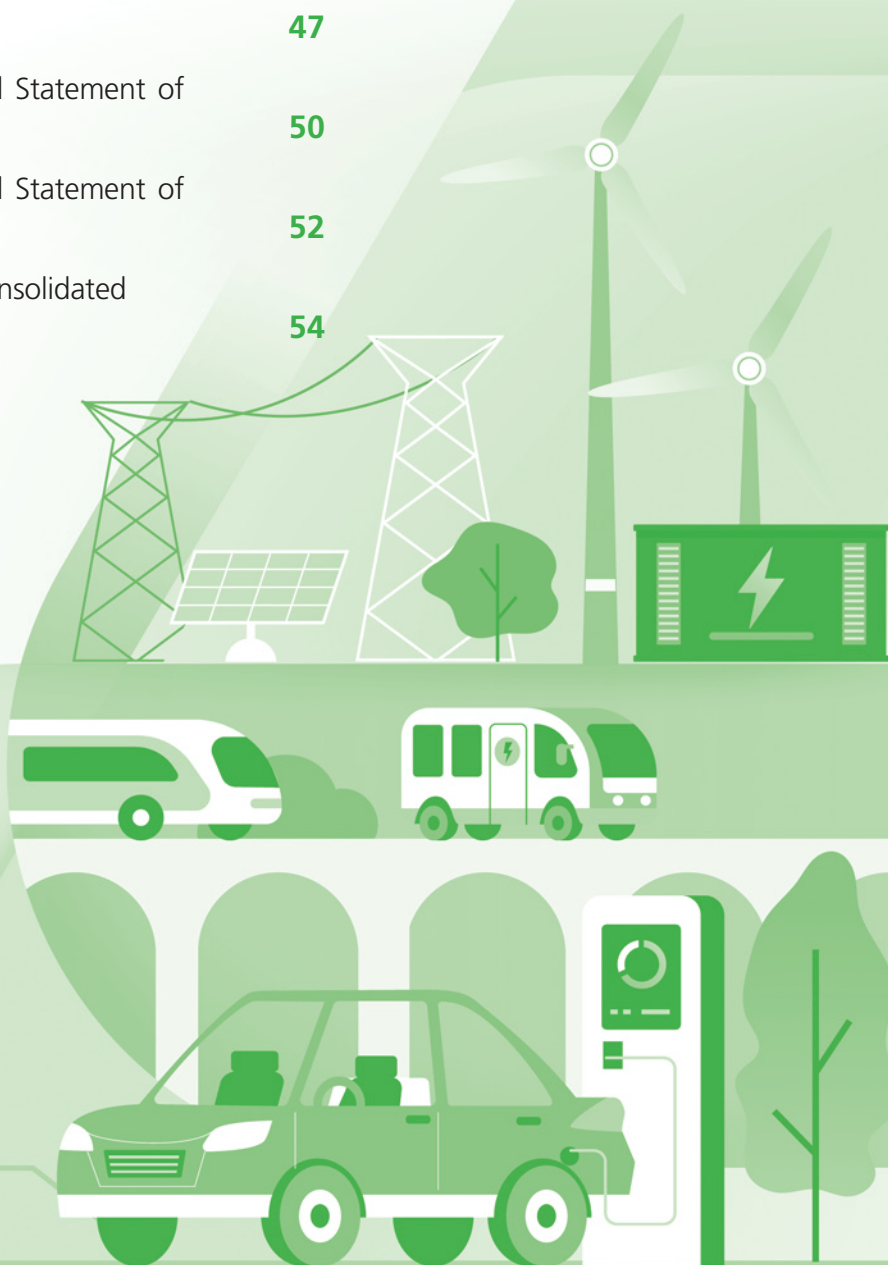
(Formerly known as JIANGSU LOPAL TECH. CO., LTD.)

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

Stock code: 2465

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CORPORATE INFORMATION

Registered Office and Headquarters in the PRC No. 6 Hengtong Avenue
Nanjing Economic and Technological Development Zone
PRC

Principal Place of Business in Hong Kong 46/F, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Company's Website www.lopal.com.cn

BOARD OF DIRECTORS

Executive directors Mr. Shi Junfeng (*Chairman*)
Mr. Lu Zhenya
Mr. Qin Jian
Mr. Shen Zhiyong
Mr. Zhang Yi

Non-executive director Ms. Zhu Xianglan

Independent non-executive directors Ms. Geng Chengxuan
Mr. Hong Kam Le
Mr. Zhang Jinlong (*appointed with effect from February 13, 2026*)
Mr. Lu Jian (*appointed with effect from February 13, 2026*)
Mr. Li Qingwen (*ceased to be an independent non-executive director with effect from February 13, 2026*)
Mr. Ye Xin (*ceased to be an independent non-executive director with effect from February 13, 2026*)

Joint Company Secretaries Mr. Zhang Yi
Ms. Leung Hoi Yan

Authorized Representatives Mr. Zhang Yi
Ms. Leung Hoi Yan

Audit Committee Mr. Zhang Jinlong (*Chairman*) (*appointed as chairman with effect from February 13, 2026*)
Ms. Geng Chengxuan (*chairlady and redesignated as a member of Audit Committee with effect from February 13, 2026*)
Mr. Lu Jian (*appointed with effect from February 13, 2026*)
Mr. Ye Xin (*ceased to be a member with effect from February 13, 2026*)
Mr. Hong Kam Le (*ceased to be a member with effect from February 13, 2026*)



Remuneration and Evaluation Committee	Ms. Geng Chengxuan (<i>Chairlady</i>) (<i>redesignated as chairlady with effect from February 13, 2026</i>) Mr. Zhang Jinlong (<i>appointed with effect from February 13, 2026</i>) Mr. Lu Zhenya Mr. Li Qingwen (<i>ceased to be chairman with effect from February 13, 2026</i>)
Nomination Committee	Mr. Lu Jian (<i>Chairman</i>) (<i>appointed as chairman with effect from February 13, 2026</i>) Mr. Ye Xin (<i>ceased to be chairman with effect from February 13, 2026</i>) Ms. Geng Chengxuan Mr. Shi Junfeng
Strategy Committee	Mr. Shi Junfeng (<i>Chairman</i>) Mr. Zhang Yi Ms. Zhu Xianglan (<i>appointed with effect from February 13, 2026</i>) Mr. Li Qingwen (<i>ceased to be a member with effect from February 13, 2026</i>)
Hong Kong Legal Adviser	Han Kun Law Offices LLP Rooms 4301–10, 43/F Gloucester Tower, The Landmark 15 Queen's Road Central Hong Kong
Auditor	Ernst & Young Hua Ming LLP 17/F, Ernst & Young Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing, PRC
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

DEFINITIONS

"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are listed on the Shanghai Stock Exchange and domestic share(s) traded in RMB;
"A Shareholder(s)"	holder(s) of the A Share(s);
"Aisis"	Aisis Alliance L.P., an exempted limited partnership established in the Cayman Islands;
"Articles of Association"	the articles of association of the Company, as amended from time to time;
"Audit Committee"	the audit committee of the Company;
"Board"	the board of Directors;
"CASBE"	China Accounting Standards for Business Enterprises;
"CATL"	Contemporary Amperex Technology Co., Limited (寧德時代新能源科技股份有限公司), a joint stock company established in the PRC on December 16, 2011, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300750) and the Hong Kong Stock Exchange (stock code: 3750), which was an indirect shareholder controlling (i) 30% equity interest in Lopal Times, through Yichun Times, and (ii) 4.22% equity interest in Changzhou Liyuan through its wholly-owned subsidiary Ningbo Meishan Baoshuigang District Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司) as of the Latest Practicable Date;
"CATL Group"	CATL and its subsidiaries;
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules;
"Changzhou Liyuan"	Changzhou Liyuan New Energy Technology Group Co., Ltd. (常州鋰源新能源科技集團有限公司) (formerly known as Changzhou Liyuan New Energy Technology Co., Ltd. (常州鋰源新能源科技有限公司)), a limited liability company established in the PRC and a direct non-wholly owned subsidiary of the Company;
"China" or "PRC"	the People's Republic of China;
"Company" or "the Company"	Jiangsu Lopal Tech. Group Co., Ltd. (江蘇龍蟠科技集團股份有限公司), a joint stock company incorporated in the PRC with limited liability whose A Shares are listed on the Shanghai Stock Exchange (stock code: 603906) and H Shares are listed on the HKEX (stock code: 2465);
"Controlling Shareholders"	has the meaning ascribed thereto in the Hong Kong Listing Rules, and unless the context otherwise requires, refers to Mr. Shi, Ms. Zhu, Lopal International and Nanjing Bailey;
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會);



"Director(s)"	director(s) of the Company;
"Global Offering"	the Hong Kong public offering and the international offering of the H Shares;
"Group", "the Group" or "Lopal"	the Company and its subsidiaries from time to time, or, where the context so requires, in respect of the period before the Company became the holding company of the present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time or the business operated by such subsidiaries or their predecessors (as the case may be);
"H Share(s)"	overseas listed foreign Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are traded in HK dollars and are listed on the HKEX;
"H Share Registrar"	Computershare Hong Kong Investor Services Limited;
"HKD", "HK\$" or "Hong Kong Dollars"	Hong Kong dollars and cents, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time;
"Hong Kong Stock Exchange" or "HKEX"	The Stock Exchange of Hong Kong Limited;
"Independent third party(ies)"	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/ which, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, is/are not the connected persons;
"Indonesia Phase 1 Plant"	the initial phase of the business of PT LBM, which shall consist of (i) the construction, operation and maintenance of a manufacturing facility for the process improvement and production of the cathode active materials (the "Products") for use in electric vehicle batteries, energy storage system, and other lithium battery products, (ii) the materials development and procurement, sale, distribution and otherwise commercialization of the Products, (iii) any other activities and businesses as mutually agreed to between the shareholders of PT LBM and (iv) other activities related and/or ancillary to the foregoing;
"Indonesia Phase 2 Plant"	the additional manufacturing facility to manufacture the Products in Indonesia with 90,000 tons of LFP cathode production capacity;
"Latest Practicable Date"	September 17, 2026, being the latest practicable date prior to the publication of this interim report;

Definitions

"LBM (AP)"	LBM New Energy (AP) Pte. Ltd. (formerly known as Lopal Tech Singapore Pte. Ltd.), a private company limited by shares incorporated in Singapore on September 28, 2018, an indirect non-wholly owned subsidiary of the Company which is wholly-owned by Changzhou Liyuan;
"LFP"	lithium iron phosphate (LiFePO_4);
"LG"	LG Energy Solution, Ltd., a company established in 2020 and listed on the Korea Exchange and mainly engaged in producing advanced automotive battery, mobility battery, and ESS battery;
"Listing"	the listing of the H Shares on the Main Board of the HKEX on October 30, 2024;
"Listing Date"	the date, being October 30, 2024, on which the H Shares were listed on the Hong Kong Stock Exchange and from which dealings in the H Shares are permitted to commence on the Hong Kong Stock Exchange;
"LMFP"	lithium-ion manganese iron phosphate ($\text{LiMn}_x\text{Fe}_{1-x}\text{PO}_4$);
"Lopal International"	Lopal International Holdings Co., Ltd. (龍蟠國際控股有限公司), previously known as Nanjing Meiduo Investment Management Co., Ltd. (南京美多投資管理有限公司), a limited company established in the PRC on October 17, 2013, the general partner of Nanjing Bailey and was owned as to 90% by Mr. Shi and as to 10% by Ms. Zhu as of the Latest Practicable Date. Lopal International is one of the Controlling Shareholders;
"Lopal Times"	Yichun Lopal Times Lithium Industry Technology Co., Ltd. (宜春龍蟠時代鋰業科技有限公司) (formerly known as Yifeng Times New Energy Materials Co., Ltd. (宜豐時代新能源材料有限公司) and Yifeng Times Yongxing New Energy Materials Co., Ltd. (宜豐時代永興新能源材料有限公司)), a limited liability company established in the PRC on March 2, 2022 and a direct non-wholly owned subsidiary of the Company which is owned as to 70% by the Company and 30% by Yichun Times as of the Latest Practicable Date;
"Lopal Perth"	Lopal Tech Perth Pty Ltd, a wholly-owned overseas subsidiary of the Company;
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers of the Hong Kong Listing Rules;
"Mr. Shi"	Mr. Shi Junfeng (石俊峰), the chairman of the Board, an executive Director, the general manager of the Company, one of the Controlling Shareholders and the spouse of Ms. Zhu;



"Ms. Zhu"	Ms. Zhu Xianglan (朱香蘭), a non-executive Director and one of the Controlling Shareholders and the spouse of Mr. Shi;
"NAFR"	National Administration of Financial Regulation in PRC;
"Nanjing Bailey"	Nanjing Bailey Venture Capital Center (Limited Partnership) (南京貝利創業投資中心(有限合夥)), a limited partnership established in the PRC on October 25, 2013 and one of the Controlling Shareholders;
"NEV(s)"	new energy vehicle(s), including battery electric vehicle, plug-in hybrid electric vehicle and extended range electric vehicle;
"PRC Law"	the laws and regulations of the mainland PRC, without reference to the laws and regulations of Hong Kong, the Macau Special Administrative Region and the relevant regulations of Taiwan region;
"Prospectus"	the prospectus of the Company dated October 22, 2024;
"PT LBM"	PT LBM Energi Baru Indonesia, a foreign investment company incorporated in Indonesia on February 22, 2023, an indirect non-wholly owned subsidiary of the Company which is indirectly wholly-owned by Changzhou Liyuan;
"Reporting Period"	for the six months ended June 30, 2026;
"RMB"	the lawful currency of the PRC;
"Sanjin Lithium"	Jiangsu Sanjin Lithium Technology Co., Ltd. (江蘇三金鋰電科技有限公司), a limited liability company established in the PRC on June 13, 2018, a wholly-owned subsidiary of our Company;
"SFC"	the Securities and Futures Commission of Hong Kong;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented or otherwise modified from time to time;
"Share(s)"	the shares of the Company, comprising A Share(s) and H Share(s);
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所);
"Shareholder(s)"	holder(s) of Share(s);
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
"USD" or "US\$"	United States dollars, the lawful currency of the United States;

Definitions

"Yichun Times"	Yichun Times New Energy Resources Co., Ltd. (宜春時代新能源資源有限公司), a limited liability company established in the PRC on November 23, 2021 and a wholly-owned subsidiary of CATL as of the Latest Practicable Date;
"%"	per cent.

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

FINANCIAL SUMMARY



For the six months ended
June 30,

	2026 In RMB millions (Unaudited)	2025 In RMB millions (Unaudited)
Revenue	7,198.4	3,621.9
Net Profit/(loss)	595.6	(110.1)
Net profit/(loss) attributable to the shareholders of the listed company	420.5	(85.2)
Total comprehensive income for the period	565.0	(108.7)

	As of June 30, 2026 In RMB millions (Unaudited)	As of December 31, 2025 In RMB millions (Audited)
Assets		
Non-current assets	10,109.3	9,069.4
Current assets	16,675.1	9,602.4
Total assets	26,784.4	18,671.8
Equity and liabilities		
Total owner's equity	6,375.9	3,777.3
Non-current liabilities	6,140.4	4,069.9
Current liabilities	14,268.1	10,824.7
Total liabilities	20,408.5	14,894.6
Total liabilities and owners' equity	26,784.4	18,671.8

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

During the Reporting Period, the Company adhered to its mission of “Powering a better life globally with core materials for green new energy” (以綠色新能源核心材料共建全球美好生活) and remained committed to a dual-track industrial layout encompassing both new energy and traditional businesses, thereby achieving synergistic development marked by the consolidation and quality enhancement of its traditional operations and the breakthrough advancement of its new energy business. In the traditional business sector, the Company continued to deepen its presence in the automotive environmental protection chemicals field, anchored by mature products such as lubricants, coolants, brake fluids and diesel exhaust fluids. Leveraging ongoing technological iteration and product innovation, the Company has steadily enriched its portfolio of premium and diversified product offerings to navigate industry structural adjustments and evolving market demands, while reinforcing its leading position within the sector. In the lithium battery materials segment, the Company focused on deepening its strategic layout in the lithium iron phosphate cathode material industrial chain. On the one hand, the Company actively promoted the large-scale construction of production capacity to build a solid capacity foundation for market expansion and sustained performance growth; on the other hand, the Company firmly practiced the “vertical integration” development strategy, constructing a complete integrated layout of the industrial chain from upstream lithium resource acquisition to lithium iron phosphate manufacturing to lithium battery recycling. For the first half of 2026, the Company recorded operating revenue of RMB7,198.4 million and net profit attributable to owners of the Company of RMB420.5 million, achieving a turnaround from losses to profits year-on-year, with a substantial improvement in operating performance. During the Reporting Period, the Company undertook the following key initiatives:

(I) Deepening industrial layout and actively advancing production capacity development

During the Reporting Period, in order to seize growth opportunities in the new energy industry, address the increasing downstream market demand for lithium iron phosphate products, further consolidate the Company’s production capacity foundation, and enhance its supply capabilities and core competitiveness, the Company actively pursued the development of its production capacity footprint. During the Reporting Period, the Company formally commenced the production capacity construction of the phase I 120,000-tonne production base for high compaction LFP in Jiangsu Jintan Hualuogeng High-Tech Industrial Development Zone and plans to advance the phase III 120,000-tonne LFP production capacity project in Indonesia. These new capacity initiatives represent a significant deployment made by the Company based on its market positioning and corporate development strategy. They are conducive to optimising the capacity structure of the Company and scaling up its production, thereby providing a solid capacity foundation for market expansion, customer demand fulfilment and sustained performance growth, and will further reinforce the Company’s market standing in the LFP industry.

(II) Consolidating the foundations for vertical integration of the industrial chain and strengthening the capacity to secure core raw materials

During the Reporting Period, the Company continued to expand its presence upstream into the lithium resources sector, steadily advanced the implementation of its overseas lithium resources strategy, and continued to refine its integrated layout across the entire lithium battery industrial chain, thereby enhancing its self-sufficiency in key raw materials. In terms of resource acquisition, the Company, through Lopal Perth, signed asset acquisition agreements with Global Lithium Resources Limited (“GL1”) and MB Lithium Pty Ltd (“MB Lithium”), thereby securing high-quality lithium exploration assets in Australia and adding to its lithium resource reserves. With regard to supply chain integration, the Company signed a legally binding term sheet of cooperation with GL1 and GLR Australia Pty Ltd (“GLR”) to finalise long-term supply arrangements for lithium spodumene concentrate. Following the completion of this upstream resource deployment, the Company will leverage the resource potential of the target mining rights and the advantages of long-term supply partnerships to further enhance the stability of lithium raw material supply, consolidate its competitive edge in the integrated lithium battery industrial chain, and improve the Company’s capacity for sustainable development, thereby laying a solid resource foundation for the Company’s production capacity expansion and sustained business growth.



(III) Prioritizing innovation and research and development (“R&D”) to enhance product competitiveness

During the Reporting Period, the Company concentrated its R&D efforts on innovation breakthroughs in automotive environmental-friendly specialty chemicals and LFP cathode materials, developing a synergistic multi-domain advancement landscape. Leveraging its three R&D centers in Shenzhen, Nanjing and Changzhou, along with a CNAS-accredited testing platform, the Company intensified R&D investments in LFP cathode materials, sodium-ion battery cathode materials, and solid-state battery technologies. As of the end of the Reporting Period, the Company held 538 valid authorized patents, including 163 invention patents.

As for cathode materials, the Company has developed a range of differentiated products tailored to specific applications, end-use scenarios and customer requirements. For the premium energy storage market, the Company has launched “Lithium Energy 1” (鋰能1號), optimised for energy density and cycling performance. For power-oriented applications, the Company has offered “Manganese Lithium 1” high-cycle version (錳鋰1號高循環版) and “Iron Lithium 1” fast-charge pro version (鐵鋰1號快充王), which combine high compaction density, robust safety and low-temperature fast-charging capability. “Range 1” (續航1號) addresses the three key user sore points of long range, low-temperature operation and fast charging. “Recycled 1” (再生1號) enables the circular utilization of scrap electrode materials. The Company has also developed a fourth-generation high-compaction LFP cathode material using a breakthrough “single-sintering” process, which, as compared with the secondary sintering process, simplifies the traditional multi-stage sintering process into a single precision temperature-controlled forming step, significantly reducing energy consumption and production cycle time while maintaining optimal particle gradation. In addition, the solid-state battery precursor D392 product, which offers excellent cycle life, long battery durability and stable performance output, is a high-nickel ternary precursor material developed specifically for solid-state batteries by Sanjin Lithium, a wholly-owned subsidiary of Lopal Tech. Through measures such as elemental doping and structural tuning, D392 delivers improved stability, safety and longevity, effectively addressing issues such as cathode material cracking and high-temperature decomposition in solid-state batteries. Furthermore, the Company has introduced a dedicated cathode material for dry-electrode applications, which achieves a combination of high compaction density, high capacity and high-rate capability, meeting the demanding process requirements of dry electrode manufacturing. On March 21, 2026, the Company held its second new technology launch event, at which Changzhou Liyuan unveiled its fifth-generation high-compaction LFP cathode material, and Lopal Times introduced its third-generation high-purity lithium carbonate. These new products demonstrate the Company’s robust capabilities in technological innovation and product development, further consolidating its leading position in the new energy materials sector.

In terms of automotive specialty chemicals, the Company continuously improves the product formula through R&D and tests to obtain competitive advantages in the dynamic market. During the Reporting Period, leveraging the technical advantages of the “New Energy Coolant Research Key Laboratory of Lopal” (龍蟠新能源冷卻液研究重點實驗室), the Company launched its fourth-generation low-conductivity coolant with more comprehensive anti-corrosion properties, which is fully aligned with the higher safety standards of batteries, motors and electric control systems of new energy vehicle. Apart from the automotive coolants applied in the automotive sector, the Company has also leveraged its R&D platform to launch coolant products for computing centers, expanding the application scenarios of its coolant offerings and creating a new growth driver for its specialty chemicals business. In response to the rapid development of AI technology, the Company has launched the second generation of coolant products for computing centers in 2026 supporting stable operation of AI computing.

In addition, the Company focuses on making key breakthroughs in fuel cell catalysts within hydrogen energy sector, resulting in an increase in sales. Currently, these catalysts have been widely applied into sectors including fuel cell vehicles, hydrogen-powered two-wheel vehicles, hydrogen-powered drone and fuel cell power generation system. The Company has also launched catalysts for hydrogen production via water electrolysis, reducing costs of green hydrogen production and, in turn, facilitating the large-scale implementation of renewable energy-based hydrogen production.

(IV) Multi-channel financing to provide sufficient funding support

During the Reporting Period, the Company continued to utilize diversified financing channels to optimize its financial structure. On May 11, 2026, the Company completed the issuance of A Shares to specific targets, with 93,115,403 Shares issued and net proceeds of approximately RMB1.858 billion. On June 22, 2026, the Company completed the placement of 15,000,000 new H Shares, with net proceeds of approximately HK\$194 million. At the same time, the Company actively introduced strategic investors at the subsidiary level. In May 2026, the Company successfully introduced investor Changzhou Jinsha Industrial Investment Partnership (Limited Partnership) (常州金沙產業投資合夥企業(有限合夥)) into its controlling subsidiary, Changzhou Liyuan, and completed the transaction, raising RMB440 million. The Company made full use of the capital market and diversified financing channels to alleviate funding pressure, optimize its asset-liability structure, and provide sufficient funding support for capacity expansion and business development, thereby facilitating high-quality and sustainable development.

(V) Reducing costs and enhancing efficiency to improve operational efficiency

In terms of the supply chain, the Company continued to strengthen management, promoting the transformation from traditional procurement to strategic procurement, and establishing long-term strategic cooperative relationships with key suppliers to jointly explore pathways for cost savings and technological innovation. Through forward-looking analysis of market dynamics, the Company formulated procurement strategies for key links in advance. The Company's Smart Operations Department implemented dynamic real-time management of inventory through systems such as Enterprise Resource Planning (ERP) and Warehouse Management System (WMS). While meeting production and daily shipping requirements, the Company flexibly adjusted inventory levels in response to fluctuations in raw material market prices and customer order volumes, thereby accelerating inventory turnover. At the same time, the Company vigorously promoted energy cost reduction efforts and actively deployed a green energy system. Through energy-saving renovation projects such as the addition of photovoltaic installations, energy storage facilities, and waste heat recovery and utilization, the Company optimized its energy consumption structure, effectively reducing the overall energy costs in the production process and enhancing the level of green manufacturing.

During the Reporting Period, in order to mitigate the impact of significant fluctuations in bulk raw material prices on the Company's operating results, the Company's management proactively responded by strengthening procurement price controls, exploring new procurement channels, and striving to achieve price control from multiple aspects, with comprehensive cost reduction and efficiency enhancement. The Company conducted futures and derivatives hedging activities using financial instruments including but not limited to futures and options, with trading varieties including urea, ethylene glycol, lithium carbonate, crude oil, etc., which to a certain extent reduced the impact of raw material price fluctuations on the Company's profits.



(VI) Introducing and training high-quality talents, and strengthening corporate culture construction

During the Reporting Period, the Company continued to deepen its talent strategy and systematically promoted talent development and cultural implementation with the goals of deepening cultural identity and enhancing organizational capabilities. In terms of talent development, the Company continued to advance the “Tenglong Program” (《騰龍計劃》), a large-scale management trainee project, which attracts and cultivates outstanding graduates through all-round empowerment covering corporate culture, business processes and management skills, so as to consolidate the foundation of the talent echelon. For the core management, the Company continuously launched the “Excellent Leadership Training Program” (《卓越領導力培養項目》), with senior management members personally involved in course design and delivery, covering modules such as strategic interpretation and performance management, which systematically trained core management cadres, and provided solid organizational guarantee for the implementation of the Company’s strategy. At the same time, the Company built a digital learning system through the cloud platform, which integrated high-quality course resources, promoted regular learning for all employees, and steadily advanced the construction of a learning-oriented organization. In addition, the Company actively promoted the construction of AI capabilities, and accelerated the penetration and implementation of AI technology in business scenarios through diversified forms such as regular AI application training and internal AI competitions, so as to strengthen the AI application capabilities of all employees and inject new momentum into the Company’s technological innovation and efficiency improvement. In terms of corporate culture construction, the Company organized corporate culture story collection and sharing activities for all employees to widely gather value consensus and spiritual strength, and released the “Big Dipper Seven Stars Culture Manual” (《北斗七星文化手冊》), which established a complete cultural scale system to further unify value concepts and standardize behavior orientation. Meanwhile, the Company continuously enhanced team cohesion and organizational centripetal force by carrying out various cultural and sports activities.

(VII) Industry recognition and honours

Due to its outstanding contributions in the fields of automotive environmental protection and green new energy core materials, as well as its exceptional product quality and service, the Company has received numerous industry honors. Its lubricant products have been recognized as one of the “Top Ten Lubricant Brands in China” (中國潤滑油十大品牌) for consecutive years, highlighting the Company’s market position and brand influence in the field of automotive environmental-friendly specialty chemicals sector. During the Reporting Period, Changzhou Liyuan obtained honors including the “Science and Technology Award of Jiangsu Association for the Promotion of Foreign Science and Technology” (江蘇省對外科學技術促進會學術獎), “CFBC 2025 Annual Outstanding Supplier” (時代一汽車2025年度優秀供應商), “LGES Best Partner” (LGES最佳合作夥伴), and “Golden Award at Jiyao Tongxing 2025 Annual Conference for Supplier Partners” (吉曜通行 2025年度供應商夥伴大會‘金曜獎’); Teec Chemical was selected into the enterprise pool for key cultivation under the “Building Industrial Peaks and Strengthening Supply Chains” (築峰強鏈) resilience strategy of Jiangsu Province; the battery-grade lithium carbonate of Shandong Meiduo Technology Company Limited passed the EU RoHS and REACH environmental protection certifications.

REVENUE

The Group recorded revenue of RMB7,198.4 million for the six months ended June 30, 2026, representing an increase of approximately 98.7% from RMB3,621.9 million for the same period in 2025, primarily due to an increased revenue of the Group's LFP cathode material business.

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

	For the six months ended June 30,			
	2026 (Unaudited)		2025 (Unaudited)	
	RMB'0,000	approximate %	RMB'0,000	approximate %
Business Segments				
LFP cathode materials business	575,622.19	80.0	235,917.54	65.1
Automotive specialty chemicals business ⁽¹⁾	110,069.46	15.3	95,605.09	26.4
Processing income from lithium carbonate business	24,985.97	3.5	28,280.68	7.8
Other businesses ⁽²⁾	9,165.97	1.2	2,384.70	0.7
Total	719,843.59	100.0	362,188.01	100.0

Notes:

- (1) Primarily includes revenue from the sale of products such as lubricants, coolants, diesel engine exhaust treatment fluids, and automotive maintenance products.
- (2) Primarily includes revenue from the sale of ternary cathode materials and revenue from emerging hydrogen energy business.

Revenue from LFP cathode materials business increased by approximately 144.0% from RMB2,359.2 million for the six months ended June 30, 2025 to RMB5,756.2 million for the same period in 2026, primarily due to i) the continued improvement in demand conditions in the downstream power battery and energy storage battery industries which led to higher demand from our customers for LFP cathode materials; and ii) the increase in price of major raw materials which led to higher selling price of our LFP cathode material.

Revenue from automotive specialty chemicals business increased by approximately 15.1% from RMB956.1 million for the six months ended June 30, 2025 to RMB1,100.7 million for the same period in 2026, primarily due to an increase in sales revenue from both coolants and automotive and industrial lubricants.

Revenue from processing income from lithium carbonate products business decreased by approximately 11.6% from RMB282.8 million for the six months ended June 30, 2025 to RMB249.9 million for the same period in 2026, primarily due to the increased sales weighting of the toll-processing business, which utilizes raw materials supplied by our customers during the Reporting Period. Revenue from this business is recognised on the basis of processing income, and such processing income is relatively low.

Revenue from other businesses increased by approximately 285.3% from RMB23.8 million for the six months ended June 30, 2025 to RMB91.7 million for the same period in 2026, primarily due to an increase in sales of ternary cathode materials.



COST OF SALES

Cost of sales of the Group increased by approximately 84.4% from RMB3,120.7 million for the six months ended June 30, 2025 to RMB5,754.7 million for the same period in 2026. The increase was primarily due to the growth in the LFP cathode material business.

DISTRIBUTION AND SELLING EXPENSES

Distribution and selling expenses increased by approximately 29.9% from RMB69.6 million for the six months ended June 30, 2025 to RMB90.4 million for the same period in 2026, primarily attributable to the increase in sales commissions expenses from businesses such as e-commerce operations.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses of the Group increased by approximately 28.1% from RMB183.2 million for the six months ended June 30, 2025 to RMB234.7 million for the same period in 2026, primarily attributable to the increase in share-based payment and consulting and service fees.

RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses of the Group increased by approximately 64.4% from RMB190.1 million for the six months ended June 30, 2025 to RMB312.5 million for the same period in 2026, primarily attributable to an increase in expenses such as in direct R&D investment.

FINANCE EXPENSES

Finance expenses of the Group increased by approximately 20.8% from RMB122.8 million for the six months ended June 30, 2025 to RMB148.4 million for the same period in 2026, primarily due to an increase in exchange losses.

NET PROFIT

Taking into account of the foregoing, the Group recorded a profit of RMB595.6 million for the six months ended June 30, 2026, as compared to a loss of RMB110.1 million for the same period in 2025.

FINANCIAL ASSETS HELD FOR TRADING

The financial assets held for trading by the Group mainly comprise of the investments in listed and unlisted equity, unlisted funds and wealth management products. The financial assets held for trading amounted to RMB502.2 million and RMB2,218.1 million as of December 31, 2025 and June 30, 2026, respectively. Such increase was primarily attributable to the increased purchases of wealth management products. The investment in wealth management products and invest in other types of financial assets is to maximize the capital utilization efficiency.

The exact returns on all of these wealth management products are not guaranteed, hence their contractual cash flow does not qualify for solely payments of principal and interests. Therefore, they are measured at fair value through profit or loss (FVTPL). As of June 30, 2026, the aggregated outstanding principal amount of the Group's wealth management products was RMB2,217.5 million, and the wealth management products measured at FVTPL was RMB2,217.5 million, constituting 8.3% to the Group's total asset.

Save for the subscription of the wealth management products from the Industrial and Commercial Bank of China Limited announced by the Company on June 22, 2026, the wealth management products subscribed by the Group during the Reporting Period did not constitute notifiable transactions under Chapter 14 of the Hong Kong Listing Rules.

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

ACCOUNTS AND OTHER RECEIVABLES

The Group's accounts receivables increased by 37.0% from RMB2,216.4 million as of December 31, 2025 to RMB3,036.5 million as of June 30, 2026, primarily due to the increase in accounts receivables balance corresponding to the increase in revenue from the LFP cathode material business during the Reporting Period. The Group's bills receivable decreased by 52.9% from RMB30.1 million as of December 31, 2025 to RMB14.2 million as of June 30, 2026, primarily due to the decrease in endorsements of bank acceptances that did not satisfy the criteria for derecognition. The Group's receivables financing decreased by 58.5% from RMB517.6 million as of December 31, 2025 to RMB214.6 million as of June 30, 2026, primarily due to the increase in the use of bank acceptance bills during the Reporting Period.

INVENTORIES

The inventories primarily consist of raw materials, such as lithium carbonate, iron phosphate, base oil, ethylene glycol, urea and lubricant additives, work in progress and finished goods. The inventories increased by approximately 182.7% from RMB1,597.5 million as of December 31, 2025 to RMB4,515.9 million as of June 30, 2026, primarily attributable to an increase in inventories such as cathode materials during the Reporting Period.

CONSTRUCTION IN PROGRESS

The Group's balance of construction in progress increased from RMB732.9 million as of December 31, 2025 to RMB1,593.5 million as of June 30, 2026, primarily attributable to increased investment in engineering projects, such as phase II of the 90,000-ton Indonesia project, phase II of the Shandong Liyuan 110,000-ton lithium iron phosphate cathode material project and the Hubei Liyuan LFP production lines during the Reporting Period.

LONG-TERM DEFERRED EXPENSES

The Group's long-term deferred expenses increased by 34.8% from RMB78.8 million as of December 31, 2025 to RMB106.2 million as of June 30, 2026. This was primarily attributable to the decrease in amortization of major materials during the Reporting Period.

OTHER NON-CURRENT ASSETS

The Group's other non-current assets significantly increased by 627.4% from RMB48.0 million as of December 31, 2025 to RMB349.0 million as of June 30, 2026. This was primarily attributable to the increase in prepayments for construction and equipment during the Reporting Period.

OTHER NON-CURRENT LIABILITIES

The Group's other non-current liabilities increased by 391.8% from RMB114.0 million as of December 31, 2025 to RMB560.9 million as of June 30, 2026, primarily attributable to the increase in financial liabilities for minority Shareholders' repurchase rights during the Reporting Period.



BORROWINGS

The Group's short-term borrowings increased by 39.6% from RMB4,091.5 million as of December 31, 2025 to RMB5,713.3 million as of June 30, 2026, primarily attributable to the increase in bank loan facilities volume during the Reporting Period, which was in line with the Group's revenue growth and was obtained to support our business development. The Group's long-term borrowings increased by 58.2% from RMB2,795.6 million as of December 31, 2025 to RMB4,423.8 million as of June 30, 2026, primarily attributable to the increase in bank loan facilities volume during the Reporting Period.

DERIVATIVE FINANCIAL LIABILITIES

The Group's derivative financial liabilities decreased by 92.8% from RMB84.6 million as of December 31, 2025 to RMB6.1 million as of June 30, 2026. This was primarily attributable to the decrease in procurement contracts under the point-pricing model as a result of settlement during the Reporting Period.

ACCOUNTS AND OTHER PAYABLES

The Group's accounts payables increased by 40.9% from RMB1,961.0 million as of December 31, 2025 to RMB2,762.9 million as of June 30, 2026, primarily attributable to the increase in accounts payables for material costs during the Reporting Period. The Group's bills payables increased by 190.5% from RMB555.3 million as of December 31, 2025 to RMB1,613.4 million as of June 30, 2026, primarily attributable to the increase in settlement via bills issued during the Reporting Period. The Group's taxes and surcharges payable increased by 82.3% from RMB54.1 million as of December 31, 2025 to RMB98.6 million as of June 30, 2026, primarily attributable to the increase in value-added tax and corporate income tax during the Reporting Period. The Group's long-term payables decreased by 39.0% from RMB64.1 million as of December 31, 2025 to RMB39.1 million as of June 30, 2026, primarily attributable to a decrease in the outstanding balance of finance lease payments during the Reporting Period.

DEFERRED TAX LIABILITIES

The Group's deferred tax liabilities decreased by 51.1% from RMB12.4 million as of December 31, 2025 to RMB6.1 million as of June 30, 2026, primarily attributable to the comprehensive income arising from the disposal of other equity instruments during the Reporting Period.

CAPITAL RESERVE

The Group's capital reserve increased by 67.1% from RMB2,684.7 million as of December 31, 2025 to RMB4,485.3 million as of June 30, 2026, primarily attributable to the increase in share premium from the issuance of A Shares and placing of H Shares during the Reporting Period.

OTHER COMPREHENSIVE INCOME

The Group's other comprehensive income recorded a loss of RMB27.7 million as of December 31, 2025 as compared to a loss of RMB55.3 million as of June 30, 2026, primarily attributable to the foreign currency translation adjustment during the Reporting Period.

RETAINED EARNINGS

The Group's retained earnings recorded a loss of RMB548.4 million as of December 31, 2025 as compared to a loss of RMB124.1 million as of June 30, 2026, the change was primarily attributable to the increase in net profit during the Reporting Period.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group adopts a prudent funding and treasury policy with a view to optimize its financial position. The Group regularly monitors its funding requirements to support its business operations and perform ongoing liquidity review. The primary uses of cash are to satisfy its working capital, capital expenditure and investment needs. For the Reporting Period, the Group financed its operations primarily through cash and cash equivalents, cash flows from operating activities, available bank loans and banking facilities, and net proceeds from the global offering of the H shares of the Company, details of which were disclosed in the Prospectus. The Group mainly used RMB and USD to make borrowings and loans and to hold cash and cash equivalents. Cash and cash equivalents of the Group increased by approximately 49.4% from RMB3,787.3 million as of December 31, 2025 to RMB5,659.5 million as of June 30, 2026, primarily attributable to the increase in proceeds received from the issuance of A Shares during the Reporting Period. For further details, please refer to the section "Use of Proceeds" below.

To mitigate the price fluctuations of lithium carbonate, the Group has leveraged the lithium carbonate futures contracts traded on the Guangzhou Futures Exchange through the future hedging risk management working group ("Working Group"). The Working Group is responsible for applying and reviewing the Futures and Derivatives Hedging Business Management System (期貨和衍生品套期保值業務管理制度) and the Internal Management Measures for Futures Hedging Operations (期貨套期保值業務內部控制管理辦法) issued by the Company and the relevant rules and guidelines of the Shanghai Stock Exchange on the disclosure of information managing and approving transactions accounts, monitoring risks, reporting to senior management of the Company and the Board of Directors for hedging activities. Save as disclosed above, the Group did not use any financial instrument for hedging purposes during the Reporting Period and did not have any outstanding hedging instruments to manage the liquidity and capital resources as of June 30, 2026.

Gearing ratio is calculated by total debt, comprising total bank and other borrowings and divided by total equity as of the same date and multiplied by 100%. The gearing ratio of the Group decreased from 394.3% as of December 31, 2025 to 320.1% as of June 30, 2026.

INDEBTEDNESS

Bank and other borrowings

As of June 30, 2026, the Group had total borrowings of RMB11,272.3 million, representing an increase of 41.6% as compared to RMB7,963.5 million as of December 31, 2025. Total borrowings do not include long-term payables arising from sale-and-repurchase. RMB11,272.3 million of the borrowings as of June 30, 2026 were of fixed interest rate. All of the borrowings of the Group are denominated in RMB and USD.

FOREIGN EXCHANGE RISK AND HEDGING

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

As of the Latest Practicable Date, the Group has hedged its foreign currency exchange risks through a small number of foreign exchange forward transactions, but has closely managed its foreign currency risk by performing regular reviews of its net foreign currency exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure.



EMPLOYEE AND REMUNERATION

As of June 30, 2026, the Group had 5,416 employees, as compared with 3,953 employees as of June 30, 2025. Total staff costs, including but not limited to wages, salaries and bonuses, retirement benefit expense, social security costs, housing benefits and other employee benefits, was RMB390.1 million for the six months ended June 30, 2026, representing an increase of approximately 21.0% from RMB322.5 million for the same period in 2025.

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

CONTINGENT LIABILITIES

As of June 30, 2026, Sanjin Lithium, one of the subsidiaries of the Group, was named defendant in a lawsuit as of June 30, 2026 with a maximum compensation amount of approximately RMB84.9 million. The management of the Company believed there were no additional liabilities required to be accrued as of June 30, 2026, considering the risk of losing the lawsuit is low. Save as disclosed above, the Group did not have any material contingent liabilities, guarantees, litigations or claims of material importance, pending or threatened against any member of the Group that is likely to have a material and adverse effect on the Group's business, financial condition or results of operations.

RESTRICTION ON ASSET RIGHTS

Item	As at the start of the Reporting Period Closing		As at the end of the Reporting Period Closing		Type of Restriction	Restriction Details
	Carrying Amount (RMB)	Book Value (RMB)	Carrying Amount (RMB)	Book Value (RMB)		
Cash and cash equivalents	519,530,521.62	519,530,521.62	1,628,501,304.59	1,628,501,304.59	Other	Frozen funds, margin deposits for letters of credit, bank acceptance bills, and guarantee deposits for pledged borrowings
Property, plant and equipment	417,669,204.90	319,584,658.01	360,847,134.95	265,600,427.16	Mortgage	Assets under sale and leaseback
Construction in progress	26,486,312.46	26,486,312.46	15,992,551.38	15,992,551.38	Mortgage	Assets under sale and leaseback
Property, plant and equipment	954,847,869.69	799,342,667.02	971,749,285.63	765,837,652.08	Mortgage	Secured borrowings
Intangible assets	63,427,192.80	56,978,768.33	63,427,192.80	56,978,768.33	Mortgage	Secured borrowings
Construction in progress	12,106,194.80	12,106,194.80	12,106,194.80	12,106,194.80	Mortgage	Secured borrowings
Long-term prepaid expenses	22,317,345.13	1,544,004.70	5,415,929.20	4,384,454.78	Mortgage	Secured borrowings
Trade receivables	940,487,079.26	897,245,573.33	1,112,475,020.64	1,063,748,614.72	Pledge	Pledged borrowings
Long-term equity investments	462,945,943.21	462,945,943.21	464,142,885.37	464,142,885.37	Pledge	Pledged borrowings
Notes receivable	58,869,616.90	58,869,616.90	22,171,489.00	22,171,489.00	Pledge	Bill pledge financing
Property, plant and equipment	349,656,317.37	130,866,818.52	346,506,275.72	114,149,919.38	Mortgage	Used for subsidiary loan mortgage/pledge
Construction in progress	1,027,522.93	1,027,522.93	1,027,522.93	1,027,522.93	Mortgage	Used for subsidiary loan mortgage/pledge
Long-term equity investments	844,431,000.00	844,431,000.00	844,431,000.00	844,431,000.00	Mortgage	Used for subsidiary loan mortgage/pledge
Total	4,673,802,121.07	4,130,959,601.83	5,848,793,787.01	5,259,072,784.52		

Save as disclosed above, the Group had no other pledged assets as of June 30, 2026.



SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On January 22, 2026, the Shareholders approved the signing of the High-performance Lithium Battery Cathode Material Project Cooperation Agreement and the Supplementary High-performance Lithium Battery Cathode Material Project Cooperation Agreement (the “Corporation Agreement”) between Changzhou Liyuan and Jiangsu Jintan Hualuogeng High-Tech Industrial Development Zone Administrative Committee (江蘇省金壇華羅庚高新技術產業開發區管理委員會), pursuant to which, it is intended to be invested by Liyuan (Jiangsu) Technology Co., Ltd., a wholly-owned subsidiary of Changzhou Liyuan in the construction of a research and development center and a production base (the “Production Base”) for high compaction LFP with annual capacity of 240,000 tonnes in Jiangsu Jintan Hualuogeng High-Tech Industrial Development Zone (the “Jintan Project”). The total planned investment for the project will not exceed RMB2.0 billion, the specific amount of which is subject to actual investment and it has been and will be funded by proceeds from the Global Offering and the Company’s own funds or self-raised funds. The Production Base will be implemented in two phases: phase I plans to build a capacity of 120,000 tonnes, while phase II will be launched by Changzhou Liyuan in due course based on market conditions. Further details are set out in the announcements of the Company dated January 4, 2026 and January 15, 2026, the respective circular dated January 4, 2026.

On April 20, 2026, the Company entered into a legally binding subscription, offtake and prepayment term sheet (the “Term Sheet”) with GL1 and GLR to support the Company’s growing raw material requirements. Under the Term Sheet, the Company shall subscribe for 13,840,111 fully paid ordinary shares of GL1 at a price of AUD0.52875 per share (representing 5% of the issued fully paid ordinary shares of GL1 upon completion of the share issuance). The total investment amount is AUD7,317,958.69. For a period of ten years from the date of first supply of the contracted products (which may be extended subject to the satisfaction of the relevant conditions), GLR shall supply to the Company each year an amount of spodumene concentrate equal to 40% of the actual annual production of the Manna Lithium Project, and shall use best efforts to guarantee a minimum annual supply of at least 70,000 tonnes per annum. Subject to the satisfaction of prepayments, the Company shall provide GLR with a prepayment in the aggregate amount not more than USD75 million, which shall be applied to offset the purchase price payable for the contracted products in installments upon acceptance of such products by the Company. Further details are set out in the announcement of the Company dated April 21, 2026.

Pursuant to the tenements and mineral rights sale agreement entered into between Lopal Perth and GL1 and MB Lithium (“Sale Agreement”), Lopal Perth will acquire lithium exploration lease and related assets in Australia held by GL1 and MB Lithium at a total consideration of AUD14.85 million. This lithium mining project will subsequently require exploration, mining permit application, mineral processing, and mining capacity construction. The estimated investment exceeds USD200 million, and the construction and commissioning period is expected to be 2–3 years. Further details are set out in the announcement of the Company dated April 21, 2026.

On May 11, 2026, the Company, together with each of the existing shareholders of Changzhou Liyuan, including the Company, Kunlun Gongrong Green (Beijing) New Industry Investment Fund Partnership (Limited Partnership) (昆侖工融綠色(北京)新興產業投資基金合夥企業(有限合夥)), Jianxin Financial Asset Investment Co., Ltd. (建信金融資產投資有限公司), Ningbo Meishan Baoshuigang District Wending Investment Co., Ltd. (寧波梅山保稅港區問鼎投資有限公司), Fujian Times Mindong New Energy Industry Equity Investment Partnership (Limited Partnership) (福建時代閩東新能源產業股權投資合夥企業(有限合夥)), BTR New Material Group Co., Ltd. (貝特瑞新材料集團股份有限公司), Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)), Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)), Changzhou Jintan Hongyuan Venture Capital Partnership (Limited Partnership) (常州金壇泓遠創業投資合夥企業(有限合夥)) and Nanjing Chaoli Venture Capital Center (Limited Partnership) (南京超利創業投資中心(有限合夥)), entered into the Capital Increase Agreement with Changzhou Liyuan (a non-wholly owned subsidiary of the Company) and Changzhou Jinsha Industrial Investment Partnership Enterprise (Limited Partnership) (常州金沙產業投資合夥企業(有限合夥)) (the "Series B Investor") in relation to, among others, the capital contribution by the Series B Investor in the sum of RMB440.00 million by cash to Changzhou Liyuan to subscribe for approximately RMB61.17 million of Changzhou Liyuan's registered capital, representing approximately 6.83% of the share capital of Changzhou Liyuan as enlarged by the increase in registered capital. Upon completion of the capital increase, the shareholding ratio of the Company in Changzhou Liyuan decreased from approximately 66.42% to 61.88%. Further details are set out in the announcements of the Company dated May 11, 2026 and May 12, 2026.

On June 9, 2026, the Board approved the proposed outbound investment by LBM (AP), a controlled grandchild subsidiary of the Company, to invest in and construct the "Massive Production Project for Cathode Materials for New Energy Vehicle Power and Energy Storage Batteries" ("Indonesia LBM Phase III Project") through its wholly-owned subsidiary, PT LBM. The Indonesia LBM Phase III Project has an overall planned construction of production lines with annual capacity of 120,000 tonnes of second-generation and third-generation LFP cathode materials, with a total investment of US\$160 million, equivalent to approximately RMB1,088 million. Further details are set out in the announcement and circular of the Company dated June 10, 2026 and July 28, 2026, respectively.

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

USE OF PROCEEDS

(A) Global Offering

The Company was listed on the Hong Kong Stock Exchange on October 30, 2024. The net proceeds from the Global Offering amounted to approximately HKD495.0 million and gross proceeds of approximately HKD550.0 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus.

However, as disclosed in the announcements of the Company dated January 15, 2026 and February 13, 2026 and the circular of the Company dated January 26, 2026, the Board and the relevant Shareholders approved the resolution regarding the change in the use of proceeds from the Global Offering to change the intended use of the allocated amount of HK\$198.0 million of net proceeds from the Global Offering from constructing new LMFP production lines at Xiangyang Plant in Hubei Province to the Jintan Project ("Proposed Change"), in view of enhancing the efficiency of the use of proceeds.



Details of (i) the net proceeds from the Global Offering as disclosed in the Prospectus prior to the Proposed Change, (ii) the net proceeds utilized and unutilized as of June 30, 2026, and (iii) the expected timeline for the use of the remaining unutilized net proceeds are set out in the following table:

Intended use of net proceeds	Percentage of intended use of net proceeds as disclosed in the Prospectus and prior to the Proposed Change (%)	Net proceeds from the Global Offering as disclosed in the Prospectus and prior to the Proposed Change (In HKD millions)	Amount utilized as of June 30, 2026 (In HKD millions)	Amount unutilized as of June 30, 2026 after the Proposed Change (In HKD millions)	Expected timeline of full utilization of the net proceeds after the Proposed Change
Payment for partial expenses for phase II of the Indonesia Plant	40.0	198.0	198.0	—	Fully utilized
Construction expenses of the Plant	20.0	99.0	99.0	—	Fully utilized
Purchase and installation of major production machineries and equipment	20.0	99.0	99.0	—	Fully utilized
New LMFP production lines at Xiangyang Plant in Hubei Province	40.0	198.0	—	—	Not applicable
High-performance lithium battery cathode material project in Jintan, Jiangsu Province	—	—	198.0	—	Fully utilized
Repay certain interest-bearing bank borrowings	10.0	49.5	49.5	—	Fully utilized
Repay borrowings from Bank of Nanjing (南京銀行)	6.6	32.7	32.7	—	Fully utilized
Repay borrowings from Agricultural Bank of China (中國農業銀行)	3.4	16.8	16.8	—	Fully Utilized
Working capital and other general corporate purposes	10.0	49.5	49.5	—	Fully Utilized
Total	100.0	495.0	495.0	—	

Notes:

The figures in the table are approximate figures.

(B) LBM (AP) Subscription

Reference is made to the announcements of the Company dated December 20, 2024 and February 10, 2025 and the circular of the Company dated January 8, 2025. On December 20, 2024, the Company, LBM (AP), Changzhou Liyuan, PT Akasya Investasi Indonesia and Aisis entered in a subscription agreement, pursuant to which PT Akasya Investasi Indonesia and Aisis conditionally agreed to subscribe for the shares of LBM (AP), representing approximately 34.01% and 11.34% of the enlarged share capital of LBM (AP) upon completion at the subscription price of USD150,000,000 and USD50,000,000 respectively. The subscription has been completed on February 10, 2025. LBM (AP) shall apply no less than 85% of the proceeds of the subscription for the capital and operational expenses for the development of the Indonesia Phase 2 Plant, with funds to be gradually utilized in accordance with the progress of its development. Provided that the funding required for the development of the Indonesia Phase 2 Plant remains unaffected, such proceeds may also be utilized for the operational expenses incurred in the ordinary course of business of the Indonesia Phase 1 Plant and/or the operational expenses incurred in the ordinary course of business of LBM (AP) but in any event such utilization of the proceeds shall not exceed 15% of the total proceeds from the subscription. As of the date of this report, part of the proceeds from the subscription has been utilized. Furthermore, as of the Latest Practicable Date, the Company has no intention of changing its intended use of the proceeds from the subscription. Details of the utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Percentage of intended use of net proceeds (%)	Utilized proceeds as at June 30, 2026 (approximate %)	Unutilized proceeds as at June 30, 2026 (approximate %)	Expected timeline of utilizing the remaining proceeds
Capital and operational expenses for the development of the Indonesia Phase 2 Plant (Provided that the funding required for the development of the Indonesia Phase 2 Plant remains unaffected)	No less than 85%, i.e. USD170,000,000	Approximately USD70,941,900 (35.47%)	Approximately USD99,058,100 (49.53%)	By the end of 2026
Operational expenses incurred in the ordinary course of business of the Indonesia Phase 1 Plant and/or the operational expenses incurred in the ordinary course of business of LBM (AP)	Not exceeding 15%, i.e. USD30,000,000	Approximately USD30,000,000 (15.00%)	—	Fully utilized



(C) LG Subscription

Reference is made to the announcements of the Company dated February 21, 2025, and March 31, 2026 and circular of the Company dated March 27, 2025. On February 21, 2025, LBM (AP), PT LBM and LG entered into a subscription agreement and the shareholders agreement; and the Company, Changzhou Liyuan, LBM (AP), PT LBM and LG entered into a side letter agreement. Under the subscription agreement, at closing, PT LBM shall issue to LG, and LG shall subscribe for a total of 255,930.64 newly issued shares of PT LBM for an aggregate subscription price of USD15,970,911.12, which upon issuance will collectively represent 20% of the issued and outstanding share capital of PT LBM on a fully diluted basis.

It was originally intended that PT LBM should apply approximately half of the proceeds from the subscription for the settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant, and the remaining half for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant. However, due to the timing of receipt of funds from LG, certain payments for construction and purchase facilities and equipment had been settled by the Group's own funds. As such, the proportion of proceeds from the subscription allocated for the respective intended purposes has been revised to apply the proceeds to align better with the Company's development strategy and actual operating conditions and is conducive to promoting the efficiency of utilizing the unutilized proceed for the subscription agreement.

Details of the allocation and utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Proceeds allocated for intended purpose (%)	Revised allocation of proceeds for intended purpose (approximate %)	Utilized proceeds as at June 30, 2026 (approximate %)	Unutilized proceeds as at June 30, 2026 (approximate %)	Expected timeline of utilizing the remaining proceeds
Settlement of the final payment to the contractors for the construction of the Indonesia Phase 1 Plant	Approximately USD3,070,000 (19.22%)	Approximately USD1,491,200 (9.34%)	Approximately USD1,491,200 (9.34%)	—	Fully utilized
Purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant	Approximately USD12,901,000 (80.78%)	Approximately USD11,019,200 (69.00%)	Approximately USD9,738,500 (60.98%)	Approximately USD1,280,700 (8.02%)	By the end of 2026 ^(note)
General working capital in relation to the Indonesia Phase 1 Plant	—	Approximately USD3,460,600 (21.66%)	Approximately USD3,460,600 (21.66%)	—	Fully utilized

Note:

PT LBM experienced delay in utilizing the remaining proceeds for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant and the expected timeline of utilizing the remaining proceeds was revised to by the end of 2026 from by the end of the second quarter of 2026. The final acceptance payment for the construction of the Indonesia Phase 1 Plant had not been fully settled, which led to the delay in the procurement schedule for the relevant facilities and equipment. Accordingly, PT LBM delayed the use of its approximately USD1.3 million remaining proceeds for the purchase of relevant facilities and equipment for the operation of the Indonesia Phase 1 Plant.

(D) H Shares Placing in June 2025

Reference is made to the announcements of the Company dated June 4, 2025 and June 12, 2025. On June 4, 2025, the Company entered into the placing agreement (the "2025 Placing Agreement") with the placing agent, namely Guotai Junan Securities (Hong Kong) Limited (the "2025 Placing Agent"), pursuant to which the Company has agreed to appoint the placing agent, and the 2025 Placing Agent has conditionally agreed, as the Company's placing agent, to procure, on a best effort basis, not less than six placees, who are and whose ultimate beneficial owners are third parties independent of and not connected (as defined under the Hong Kong Listing Rules) with the Company and its connected person(s), to purchase up to an aggregate of 20,000,000 new H Shares at the placing price of HK\$6.00 per H Shares (the "2025 H Shares Placing") representing a discount of approximately 8.95% to the closing price of HK\$6.59 per H Share as quoted on the Stock Exchange on June 4, 2025, being the date of the 2025 Placing Agreement, with an aggregate nominal value of RMB20,000,000 based on a nominal value of RMB1.00 per placing share.

Completion of the 2025 H Shares Placing took place on June 12, 2025 in accordance with the terms and conditions of the 2025 Placing Agreement. The net proceeds from the 2025 H Shares Placing were approximately HK\$116.89 million, and the net placing price, after deducting the fees, costs and expenses, was therefore approximately HK\$5.84 per placing share. The net proceeds from the 2025 H Shares Placing are intended to be used for (i) general working capital and repaying the Group's outstanding debts; and (ii) transformation of the low conductivity coolant production line ("Production Line Transformation"). Details of the utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Proceeds allocated for intended purpose	Utilized proceeds as at June 30, 2026 (approximate %)	Unutilized proceeds as at June 30, 2026 (approximate %)	Expected timeline of full utilization of the net proceeds
General working capital	HK\$56,890,000 (48.67%)	HK\$56,890,000 (48.67%)	—	Fully utilized
— Purchase of raw materials, including base oil, ethylene glycol and urea, etc.	HK\$40,000,000 (34.22%)	HK\$40,000,000 (34.22%)	—	Fully utilized
— Staff wages and compensation	HK\$15,000,000 (12.83%)	HK\$15,000,000 (12.83%)	—	Fully utilized
— Utilities and taxes	HK\$1,890,000 (1.62%)	HK\$1,890,000 (1.62%)	—	Fully utilized
Repaying the Group's outstanding debts	HK\$40,000,000 (34.22%)	HK\$40,000,000 (34.22%)	—	Fully utilized
Transformation of the low conductivity coolant production line	HK\$20,000,000 (17.11%)	HK\$2,186,600 (1.87%)	HK\$17,813,400 (15.24%)	By the end of 2026 ^(Note)

Note:

The Group experienced delay in utilizing the remaining proceeds for the Production Line Transformation and the expected timeline of utilizing the remaining proceeds was revised to by the end of 2026 from by the end of the second quarter of 2026. Due to extra time incurred for more cautious and prepared initial planning and equipment selection, the implementation of the Production Line Transformation was delayed, which affected the timing of utilization of such proportion of the proceeds.



The Directors consider that the 2025 H Shares Placing represents an opportunity to strengthen the financial position of the Group by reducing the Group's liabilities and providing additional working capital to the Group to meet any future development and obligations, and to broaden the Shareholder base of the Company. The 2025 H Shares Placing can also facilitate the transformation of the low conductivity coolant production line, enhancing production efficiency. The Directors have explored various options to raise capital and considered that the 2025 H Shares Placing represents the most suitable and efficient financing option for the Company to raise further funding to support the Group's continuous development and business growth, which is in the interest of the Company and its Shareholders as a whole.

(E) Issuance of A Shares to Specific Targets

Reference is made to the circular of the Company dated August 29, 2025 and the announcements of the Company dated August 20, 2025, January 23, 2026, February 26, 2026 and May 12, 2026. The Company proposed to issue not more than 205,523,670 A Shares to not more than 35 specific target subscribers under the specific mandate (the "Issuance"), which was approved by the Shareholders on September 17, 2025. The proceeds from such issuance of A Shares shall be no more than RMB1.88 billion, and will be entirely used for construction of high-performance phosphate iron-based positive electrode material (磷酸鹽型正極材料) projects and general working capital. As of the date of this report, the Company has completed the procedures for registration, custody and restrictions on sale in respect of 93,115,403 new A Shares to 18 specific target subscribers, with a nominal value of RMB93,115,403 based on a nominal value of RMB1.00 per A Share, under the issuance of A Shares to specific targets with the China Securities Depository and Clearing Corporation Limited Shanghai Branch on May 11, 2026. The 18 specific target subscribers include securities investment fund management companies, securities firms, trust companies, finance companies, insurance companies, qualified foreign institutional investors (QFII), as well as other legal persons, natural persons or other qualified investors which satisfy the requirements of laws and regulations. The issue price was RMB20.19 per A Share, and the net proceeds amounted to RMB1,857,900,828.30, with the net price of approximately RMB19.95 per A Share. The issue price was no less than 80% of the average trading price of the A Shares for the 20 trading days preceding but excluding the price determination date on April 16, 2026. The closing price of the A Shares on the price determination date was RMB25.05. As of the Latest Practicable Date, there are no other changes in the use of proceeds, and the Company has no intention to change its intended use of the proceeds from the issuance of A Shares. Details of the allocation and utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Proceeds allocated for intended purpose (%)	Utilized proceeds as at June 30, 2026 (approximate%)	Unutilized proceeds as at June 30, 2026 (approximate%)	Expected timeline of utilizing the remaining proceeds
110,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	RMB800,000,000 (43.06%)	—	RMB800,000,000 (43.06%)	By the end of February 2027
85,000-ton High-performance Phosphate Iron-Based Positive Electrode Material Project	RMB600,000,000 (32.29%)	—	RMB600,000,000 (32.29%)	By the end of February 2027
Supplemental Working Capital	RMB457,900,828.3 (24.65%)	RMB439,896,962.97 (23.68%) ^(Note)	RMB18,003,865.33 (0.97%) ^(Note)	By the end of June 2026 ^(Note)

Note:

The unutilized proceed of RMB18,003,865.33 allocated for supplemental working capital had been fully utilized by the end of July 2026.

The Company is a major LFP cathode material manufacturer in the world and a renowned automotive specialty chemical manufacturer in mainland China. With the rapid development of downstream industries, the demand for LFP batteries continues to grow and LFP cathode materials have become a strategic material in the new energy industry. The Group will continue to leverage its global presence and deep industry insights to differentiate the Group from other market players. The funds raised from the Issuance will be used for the construction of high-performance phosphate iron-based positive electrode material project, which is in line with national industry policies and will enable the Group to further enhance its production capacity and in turn allow the Group to increase its market share. In addition, by placing new A Shares to the target subscribers who are Independent Third Parties will enable the Company to optimize its capital structure and reduce its asset-liability ratio.

(F) Changzhou Liyuan Series B Capital Increase

Reference is made to the section headed “Significant Investment, Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures” in this report and the announcements of the Company dated May 11, 2026 and May 12, 2026. On May 11, 2026, the Company, together with each of the existing shareholders of Changzhou Liyuan, Changzhou Liyuan and the Series B Investor entered into a capital increase agreement (the “Capital Increase Agreement”) in relation to, among others, the capital contribution by the Series B Investor in the sum of RMB440.00 million by cash to Changzhou Liyuan to subscribe for approximately RMB61.17 million of Changzhou Liyuan’s registered capital, representing approximately 6.83% of the share capital of Changzhou Liyuan as enlarged by the increase in registered capital.

Pursuant to the Capital Increase Agreement, the proceeds from the Capital Increase of the amount RMB440.00 million shall only be strictly applied in their entirety for the purchase of machinery and assets and raw materials procurement in the construction of phase I of the Jintan Project. Details of the utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Proceeds allocated for intended purpose	Utilized proceeds as at June 30, 2026 (approximate %)	Unutilized proceeds as at June 30, 2026 (approximate %)	Expected timeline of full utilization of the net proceeds
Purchase of machinery and assets and raw materials procurement in the construction of Phase I of the Jintan Project	RMB440,000,000	RMB108,128,230 (24.6%)	RMB331,871,770 (75.4%)	By the end of 2026

(G) H Shares Placing in June 2026

Reference is made to the announcements of the Company dated June 16, 2026 and June 22, 2026. On June 17, 2026, the Company entered into the placing agreement (the “2026 Placing Agreement”) with the joint placing agents, namely Guotai Junan Securities (Hong Kong) Limited and China Securities (International) Corporate Finance Company Limited (the “2026 Joint Placing Agents”), pursuant to which the Company has agreed to appoint the 2026 Joint Placing Agents, and the 2026 Joint Placing Agents have conditionally agreed, as the Company’s placing agents, to procure, on a best effort basis, not less than six placees, who are and whose ultimate beneficial owners are third parties independent of and not connected (as defined under the Hong Kong Listing Rules) with the Company and its connected person(s), to purchase up to an aggregate of 15,000,000 new H Shares at the placing price of HK\$13.09 per H Share (the “2026 H Shares Placing”) representing a discount of approximately 8.91% to the closing price of HK\$14.37 per H Share as quoted on the Stock Exchange on June 16, 2026, being the date of the 2026 Placing Agreement, with an aggregate nominal value of RMB15,000,000 based on a nominal value of RMB1.00 per placing share.



Completion of the 2026 H Shares Placing took place on June 22, 2026 in accordance with the terms and conditions of the 2026 Placing Agreement. The net proceeds from the 2026 H Shares Placing are in the amount of approximately HK\$193.67 million, and the net placing price, after deducting the fees, costs and expenses, was therefore approximately HK\$12.91 per placing share. As of the Latest Practicable Date, there are no changes in the use of proceeds, and the Company has no intention to change its intended use of the proceeds from the 2026 H Shares Placing. Details of the utilization of the proceeds as at June 30, 2026 are as follows:

Intended use of net proceeds	Proceeds allocated for intended purpose	Utilized proceeds as at June 30, 2026 (approximate %)	Unutilized proceeds as at June 30, 2026 (approximate %)	Expected timeline of full utilization of the net proceeds
General working capital for the Jintan Project	HK\$113,670,000 (58.69%)	—	HK\$113,670,000 (58.69%)	By the end of 2026
— Procurement of raw materials (including lithium carbonate and iron phosphate)	HK\$72,670,000 (37.52%)	—	HK\$72,670,000 (37.52%)	By the end of 2026
— Utilities and taxes	HK\$35,000,000 (18.07%)	—	HK\$35,000,000 (18.07%)	By the end of 2026
— Employee salaries and compensation	HK\$6,000,000 (3.10%)	—	HK\$6,000,000 (3.10%)	By the end of 2026
Partial repayment of the Group's outstanding loan from China Minsheng Bank Nanjing Branch in the aggregate principal amount of RMB130 million due on August 27, 2026 (the "Loan")	HK\$80,000,000 (41.31%)	— ^{note}	HK\$80,000,000 (41.31%) ^{note}	By the end of August 2026 ^{note}

Note:

The unutilized proceed of RMB80,000,000 allocated for partial repayment of the Loan had been fully utilized as of July 2, 2026.

The Directors consider that the 2026 H Shares Placing represents an opportunity to strengthen the financial position of the Group by reducing the Group's liabilities, and to broaden the Shareholder base of the Company. It also provides additional working capital to the Group to meet the funding demands of the Jintan Project, by covering the procurement of raw materials (including lithium carbonate and iron phosphate), employee salaries and compensation and utilities and taxes. The Directors have explored various options to raise capital and considered that the 2026 H Shares Placing represents the most suitable and efficient financing option for the Company to raise further funding to support the Group's continuous development and business growth, without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising. Therefore, the Directors consider that the 2026 H Shares Placing is in the interest of the Company and its Shareholders as a whole.

As of the Latest Practicable Date, save as disclosed (i) in the tables above and (ii) in the announcement dated June 5, 2026 in relation to the extension of the expected timeline of the full utilization of proceeds from the Company's non-public offering of 82,987,551 A Shares in May 2022 for the large-scale production project of NEV power and energy storage cathode material, in which the expected timeline was revised from May 2026 to September 2026 and as of June 30, 2026, approximately RMB277.8 million of the proceeds remained unutilized, the Directors are not aware of any material change or delay to the planned use of the net proceeds. The current expected timeframe for utilizing the remaining unutilized net proceeds in full is based on the best estimation by the Directors barring any unforeseen circumstances, and may be subject to change based on the Group's operating conditions and prevailing and future development of market conditions. The Directors will assess the plans for the use of the unutilized net proceeds on an ongoing basis and may revise or modify such plans where necessary to respond to the changing market conditions with a view to promoting a better growth and development of the Group. The Group will continue to evaluate the use of the unutilized net proceeds cautiously and monitor the market conditions closely to adjust the use of the unutilized net proceeds from the fundraising activities by the Group where necessary for the long-term development of the Group. The Company will make appropriate announcement(s) in due course in accordance with and if required under the Hong Kong Listing Rules should there be any material change in the intended use of the unutilized net proceeds.

ROUNDING

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Changzhou Liyuan Capital Increase

On August 18, 2026, the Company, Changzhou Liyuan (a non-wholly owned subsidiary of the Company) and Changzhou Liyuan's Shareholders entered into a capital increase agreement (the "Capital Increase Agreement"). Pursuant to the Capital Increase Agreement, the Company has agreed to make a capital contribution in the sum of RMB1,400 million to Changzhou Liyuan to subscribe for approximately RMB194.63 million of Changzhou Liyuan's newly increased registered capital (the "Capital Increase"), which represents approximately 17.86% of Changzhou Liyuan's total registered capital as enlarged by the Capital Increase, and the remaining part will be booked in the capital reserve of Changzhou Liyuan, and Changzhou Liyuan's shareholders agreed to waive their pre-emptive rights in respect of the Capital Increase. Upon completion of the Capital Increase, after taking into account the dilution effect on the Company's existing shareholding in Changzhou Liyuan, the net change in the shareholding ratio of the Company in Changzhou Liyuan is approximately 6.81%, and such shareholding ratio will thus increase from approximately 61.88% to 68.69%. Accordingly, Changzhou Liyuan continues to be a subsidiary of the Company and its financial results continue to be consolidated into the financial statements of the Company. For details, please refer to the announcement and circular of the Company dated August 18, 2026 and the announcement of the Company dated September 3, 2026.



Proposed Adoption of the 2026 A Share Restricted Share Incentive Scheme

On July 8, 2026, the Board has resolved to propose the adoption of the 2026 A Share Restricted Incentive Scheme (the “2026 A Share Restricted Share Incentive Scheme”) subject to the approval of the Shareholders. The purposes of the 2026 A Share Restricted Share Incentive Scheme are to (i) to establish and improve the interest sharing mechanism between the management and the Shareholders to align the interests of the Company, Shareholders and employees, fostering a shared focus on the Company’s long-term development, thereby bringing more efficient and sustainable returns; (ii) to further improve the Company’s corporate governance structure and establish a long-term and effective incentive and constraint mechanism to ensure the Company’s long-term and stable development; and (iii) to effectively motivate the proactivity of management and employees, attract and retain quality management talent and key personnel, prevent loss of talent, and enhance the Company’s cohesion and competitiveness. An extraordinary general meeting will be convened to consider and approve the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme, and among other things. As of the Latest Practicable Date, the 2026 A Share Restricted Share Incentive Scheme has not been approved by the Shareholders and no options or awards or restricted shares have been granted. Further details are set out in the announcement of Company dated July 8, 2026 and a circular will be despatched to the Shareholders in due course.

Save as disclosed above, the Group has no material events subsequent to June 30, 2026 which could have a material impact on the operating and financial performance of the Group as of the Latest Practicable Date.

NO MATERIAL CHANGE

Since the publication of the Group’s annual report for the year ended December 31, 2025 on April 24, 2026 and up to the Latest Practicable Date, there has been no material change to the Group’s business.

INTERIM DIVIDEND

The Board did not recommend the payment of any interim dividend for the six months ended June 30, 2026 (for the six months ended June 30, 2025: nil).

OTHER INFORMATION

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

On May 20, 2026, the Company cancelled the unused 2,082,400 treasury A shares in the Company's repurchase securities account, details of which were disclosed in the announcement on the Company on May 20, 2026. During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sales of treasury Shares) of the Company in both the Hong Kong Stock Exchange and Shanghai Stock Exchange. As of June 30, 2026 and up to the Latest Practicable Date, the Company did not hold any Shares as treasury Shares (as defined in the Hong Kong Listing Rules).

2023 SHARE OPTION SCHEME

For the purposes of (i) aligning the interests of the Company, Shareholders and employees, facilitating the parties' mutual interests to focus on the long-term development of the Company; (ii) improving the corporate governance structure and the long-term and effective incentive mechanisms of the Company to ensure long-term and stable development of the Company; and (iii) incentivizing the management personnel and employees, attracting and retaining management talents and key personnel, preventing loss of talents, and enhancing cohesiveness and competitiveness of the Company, the Company adopted the A share option scheme approved and adopted by the Shareholders at the extraordinary general meeting held on September 22, 2023 under which an aggregate of 5,295,000 A Shares were granted as awards to granted to 162 Eligible Participants (as defined in the Prospectus) at the determination of the Board ("2023 Share Option Scheme") on September 22, 2023.

In May 2026, upon the cancellation of 2,375,000 A Shares under the 2023 Share Option Scheme, no Shares under the 2023 Share Option Scheme remained outstanding. As at June 30, 2026, no Shares were available for issue under the 2023 Share Option Scheme. During the six months ended June 30, 2026, the Company did not grant any options under the 2023 Share Option Scheme. Further details of the 2023 Share Option Scheme are set out in the sections headed "Statutory and General Information — A. Further Information About Our Group — 5. 2023 Share Option Scheme" in Appendix IV to the Prospectus.



Details of the movement of the options granted to the Directors, senior management members and other connected persons of the Company under the 2023 Share Option Scheme during the six months ended June 30, 2026 are set out below:

Name of the grantees	Position or connected relationship	Exercise price (RMB per Share)	Number of A Shares underlying the outstanding options as of January 1, 2026 ¹	Options granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of A Shares underlying the outstanding options granted as of June 30, 2026	Date of grant	Vesting period	Exercise period
Shi Yingfei (史莹飞)	Deputy general manager of technology of Changzhou Liyuan, Nephew of Mr. Shi Junfeng	11.920	395,000	—	—	395,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Shen Zhiyong (沈志勇)	Executive Director and chief financial officer of our Company	11.920	345,000	—	—	345,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Zhang Yi (张羿)	Executive Director, secretary of our Board and joint company secretary of our Company	11.920	95,000	—	—	95,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Lu Zhenya (吕振亚)	Executive Director	11.920	95,000	—	—	95,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Qin Jian (秦建)	Executive Director and deputy manager of our Company	11.920	90,000	—	—	90,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Chen Li (陈丽)	Head of the tendering department of our Company ⁽¹⁾	11.920	52,500	—	—	52,500	—	—	September 22, 2023	See Note (1)	See Note (2)
Gao Qilin (高启林)	Special assistant to the general manager of the Hubei Campus, Nephew of Mr. Shi	11.920	45,000	—	—	45,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Sun Liyuan (孙丽媛)	Supervisor of Changzhou Liyuan, Jiangsu Liyuan and Tianjin Liyuan ⁽⁴⁾	11.920	40,000	—	—	40,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Lu Congjiang (吕丛江)	Supervisor of Shandong Liyuan ⁽⁵⁾	11.920	—	—	—	—	—	—	September 22, 2023	See Note (1)	See Note (2)
Xie Yichao (解一超)	Deputy general manager of operations of Changzhou Liyuan	11.920	35,000	—	—	35,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Zhang Bingying (张炳英)	Supervisor of Shandong Kelas ⁽⁶⁾	11.920	25,000	—	—	25,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Shi Baoshan (石宝山)	Technical consultant of Jiangsu Kelas, Elder brother of Mr. Shi ⁽⁷⁾	11.920	20,000	—	—	20,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Zhu Lei (朱磊)	General manager of Jiangsu Rulifeng	11.920	20,000	—	—	20,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Chen Xiaomin (陈小民)	Supervisor of Changzhou Liyuan ⁽⁸⁾	11.920	—	—	—	—	—	—	September 22, 2023	See Note (1)	See Note (2)
Yu Xiang (于翔)	Supervisor and head of human resources and administration department of Changzhou Liyuan ⁽⁹⁾	11.920	10,000	—	—	10,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Wu Jiansheng (吴建生)	Chair of the trade union of Lopai Times, Brother-in-law of Ms. Zhu	11.920	7,500	—	—	7,500	—	—	September 22, 2023	See Note (1)	See Note (2)
Other 2023 Eligible Participants who are employees		11.920	1,100,000	—	—	1,100,000	—	—	September 22, 2023	See Note (1)	See Note (2)
Total			2,375,000	—	—	2,375,000	—	—			

Notes:

- (1) The vesting periods are 12 months and 24 months commencing from the grant date of the 2023 Share Option Scheme, i.e. September 22, 2023.
- (2) The exercise periods for the relevant options are as follows: 50% of the options shall be exercisable from September 22, 2024 to September 21, 2025, and 50% of the options shall be exercisable from September 22, 2025 to September 21, 2026.
- (3) Ms. Chen Li is a mid-level management member of our Group and is not an independent Director or supervisor. Ms. Chen Li is thus a 2023 Eligible Participant.
- (4) Ms. Sun Liyuan is a mid-level management member of our Company and is not an independent Director or supervisor. Ms. Sun Liyuan is thus a 2023 Eligible Participant.
- (5) Mr. Lu Congjiang is a mid-level management member of our Group and is not an independent Director or supervisor. Mr. Lu Congjiang is thus a 2023 Eligible Participant.
- (6) Mr. Zhang Bingying is a mid-level management member of our Group and is not an independent Director or supervisor. Mr. Zhang Bingying is thus a 2023 Eligible Participant.
- (7) Mr. Shi Baoshan was an employee of the Group and had retired as of June 30, 2026.
- (8) Mr. Chen Xiaomin is a mid-level management member of our Company and is not an independent Director or supervisor. Mr. Chen Xiaomin is thus a 2023 Eligible Participant. As of the date of this report, Mr. Chen Xiaomin is no longer an employee of the Company.
- (9) Mr. Yu Xiang is a mid-level management member of the Group and is not an independent Director or supervisor. Mr. Yu Xiang is thus a 2023 Eligible Participant.

Pursuant to the rules of the 2023 Share Option Scheme, no further share options would be granted. Hence, the number of options available for grant under the scheme mandate at the beginning and the end of the Reporting Period are both zero. As no options and awards were granted during the Reporting Period, thus, the number of Shares that may be issued in respect of options and awards granted under the 2023 Share Option Scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares) for the Reporting Period is not available.

2025 SHARE OPTION SCHEME

On December 31, 2025, the A share option scheme was approved and adopted by the Shareholders at the extraordinary general meeting held on December 31, 2025 ("**2025 Share Option Scheme**"). The 2025 Share Option Scheme was adopted for the purposes of: (i) to establish and improve the interest sharing mechanism between the management and the Shareholders to align the interests of the Company, Shareholders and employees, fostering a shared focus on the Company's long-term development, thereby bringing more efficient and sustainable returns to the Shareholders; (ii) to further improve the Company's corporate governance structure and establish a long-term and effective incentive and constraint mechanism to ensure the Company's long-term and stable development; and (iii) to effectively motivate the proactivity of management and employees, attract and retain quality management talent and key personnel, prevent loss of talent, and enhance the Company's cohesion and competitiveness.



For the details of the 2025 Scheme, please refer to (i) the announcement of the Company dated October 22, 2025; (ii) the circular of the Company dated December 9, 2025; (iii) the poll results announcement of the Company dated December 31, 2025; (iv) the announcement of the Company dated January 6, 2026, in relation to, among others, the adjustment of the number of grantees under the 2025 Scheme and the grant of share options under the 2025 Scheme; and (v) the announcement of the Company dated February 12, 2026.

On January 5, 2026, 6,850,000 share options were granted to 285 grantees under the 2025 Share Option Scheme. The 2025 Share Option Scheme shall be valid and effective for the period of time commencing from the date of grant of options, i.e. January 5, 2026 (the “**Date of Grant**”), and expiring on the day when all share options granted under the 2025 Share Option Scheme are exercised or cancelled, which shall in any event be no later than 48 months after January 5, 2026.

Details of the options granted to the eligible participants under 2025 Share Option Scheme as of June 30, 2026 regarding the fair value, accounting standard and policy adopted are disclosed in note 10 to the interim condensed consolidated financial information in this report. Details of the movement in the share options granted under the 2025 Share Option Scheme during the Reporting Period are set out in the table below:

Name of the grantees	Position or connected relationship	Exercise price (RMB per Share) (Note (1))	Number of A Shares underlying the outstanding options as of January 1, 2026	Options granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Number of A Shares underlying the outstanding options granted as of June 30, 2026	Date of grant	Vesting period	Exercise period
Zhang Yi (張羿)	Executive Director, secretary of the Board and joint company secretary of the Company	15.35	—	130,000	—	—	—	130,000	January 5, 2026	See Note (2)	See Note (3)
Lu Zhenya (呂振亞)	Executive Director	15.35	—	120,000	—	—	—	120,000	January 5, 2026	See Note (2)	See Note (3)
Qin Jian (秦建)	Executive Director and deputy manager of the Company	15.35	—	90,000	—	—	—	90,000	January 5, 2026	See Note (2)	See Note (3)
Shi Yingfei (史瑩飛)	Deputy General Manager of Technology, Changzhou Liyuan, Nephew of Mr. Shi Junfeng	15.35	—	75,000	—	—	—	75,000	January 5, 2026	See Note (2)	See Note (3)
Wu Jiansheng (吳建生)	Chairman of Longpan Times Labor Union, Brother-in-law of Ms. Zhu Xianglan	15.35	—	30,000	—	—	—	30,000	January 5, 2026	See Note (2)	See Note (3)
The five highest-paid individuals in 2025		15.35	—	175,000 See Note (4)	—	—	—	175,000	January 5, 2026	See Note (2)	See Note (3)
Other 2025 Eligible Participants who are employees of the Group		15.35	—	6,230,000	—	40,000 See Note (5)	—	6,190,000	January 5, 2026	See Note (2)	See Note (3)
Total			—	6,850,000	—	40,000 See Note (5)	—	6,810,000			

Notes:

- (1) The closing price of the Company's A Shares immediately before the Date of Grant was RMB20.01 per A Share.
- (2) The vesting period of 50% of the granted share options is 16 months and that of the remaining 50% is 28 months commencing from the Date of Grant. During the vesting period, the participants shall not exercise the share options granted under the 2025 Share Option Scheme.
- (3) The exercise periods for the relevant options are as follows: 50% of the options shall be exercisable from the first trading day after expiry of 16 months from the Date of Grant and ending on the last trading day of 28 months from the Date of Grant ("First Exercise Period"), and 50% of the options shall be exercisable from the first trading day after expiry of 28 months from the Date of Grant and ending on the last trading day of 40 months from the Date of Grant ("Second Exercise Period").
- (4) Including the share options held by one of the five highest-paid individuals in 2025 who was no longer an employee of the Company and pending for cancellation as of June 30, 2026.
- (5) Since three eligible participants were no longer employees of the Company, the 40,000 options of the relevant eligible participants were not registered as granted.
- (6) The participants shall satisfy the following performance targets to exercise the share options granted:

(i) performance targets on company level:

- a. a participant granted with share options under the 2025 Share Option Scheme will be assessed annually and the exercising of share options shall be conducted annually for two accounting years during the exercise period, subject to the achievement of the performance target by the participant which is one of the conditions of exercise of the share options. The annual company-level performance appraisal targets for share options granted under the 2025 Share Option Scheme are as follows:

Exercise Period	Performance Appraisal Target
First Exercise Period	Based on the revenue in 2025, the revenue growth rate for 2026 shall not be less than 10%
Second Exercise Period	Based on the revenue in 2025, the revenue growth rate for 2027 shall not be less than 20%

- b. in the event the Company fails to meet the performance appraisal targets above, all share options granted to the participants in the respective appraisal year shall not be exercised and shall be cancelled by the Company;

(ii) performance targets on the business line level:

- a. during the implementation of the 2025 Share Option Scheme, the Company will, each year, in accordance with the Administrative Measures for the Implementation and Appraisal of the 2025 Share Option Incentive Scheme of Jiangsu Lopal Tech. Group Co., Ltd. and other relevant internal assessment rules, set annual assessment targets for the business line to which each participant belongs, taking into account the Company's annual performance assessment objectives;
- b. achieving the annual performance assessment targets on the business line level will constitute one of the conditions of exercise for the participants for that year; and
- c. the specific annual performance assessment targets on the business line level and the exercisable proportion shall be implemented in accordance with the relevant agreements for grant entered into between the Company and the participants; and



(iii) performance targets on the individual level:

- a. each participant will undergo an annual individual performance assessment, which will be organised and implemented in accordance with the Company's prevailing remuneration and assessment policies;
- b. the proportion of exercisable options will be determined based on the assessment results;

Assessment Result	Qualified	Unqualified
Exercise Ratio	1	0

- c. if the Company's performance target at the company level is met in a given year, the number of share options that an individual participant may exercise for that year = share options corresponding to that exercise period for the individual x business line exercise ratio x individual exercise ratio; and
- d. any share options that cannot be exercised by a participant in a given year due to the assessment results shall be cancelled by the Company and shall not be carried forward to the subsequent year.

The number of options available for grant under the scheme mandate at the beginning of the Reporting Period was 6,850,000. On January 5, 2026, all 6,850,000 share options were granted pursuant to the 2025 Share Option Scheme. Pursuant to the rules of the 2025 Share Option Scheme, no further share options would be granted. Therefore, the number of options available for grant under the scheme mandate at the end of the Reporting Period was 0.

The number of A Shares that may be issued in respect of options granted under all schemes of the Company during the Reporting Period was 6,810,000. The weighted average number of the A Shares was 590,832,630 shares. The number of A Shares that may be issued in respect of options granted under the 2025 Share Option Scheme divided by the weighted average number of A Shares in issue for the Reporting Period was 1.15%.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As of June 30, 2026, the interests and/or short positions (as applicable) of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which had been notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be separately notified to the Company and the HKEX pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were set out as follows:

(a) Interest in the Company

Name of Director or chief executive	Nature of interest	Class	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the relevant class of shares of the Company ⁽²⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽³⁾
Mr. Shi ⁽⁴⁾ ⁽⁶⁾	Beneficial owner	A Shares	212,662,195	32.41%	26.88%
	Interest held by controlled corporation	A Shares	1,901,208	0.29%	0.24%
	Interest of spouse	A Shares	23,618,649	3.60%	2.99%
Ms. Zhu ⁽⁵⁾	Beneficial owner	A Shares	23,618,649	3.60%	2.99%
	Interest of spouse	A Shares	214,563,403	32.70%	27.12%
Mr. Lu Zhenya ⁽⁷⁾	Beneficial owner	A Shares	361,988	0.06%	0.05%
Mr. Qin Jian ⁽⁸⁾⁽⁹⁾	Beneficial owner	A Shares	320,832	0.05%	0.04%
	Interest of spouse	A Shares	33,056	0.01%	0.00%
Mr. Shen Zhiyong	Beneficial owner	A Shares	218,112	0.03%	0.03%
Mr. Zhang Yi ⁽¹⁰⁾	Beneficial owner	A Shares	325,792	0.05%	0.04%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 656,111,906 A Shares or 135,000,000 H Shares in issue as of June 30, 2026.
- (3) The calculation is based on the total number of 791,111,906 Shares as of June 30, 2026.
- (4) Mr. Shi is the spouse of Ms. Zhu. By virtue of the SFO, Mr. Shi is deemed to be interested in the Shares in which Ms. Zhu is deemed to be interested. As of June 30, 2026, Mr. Shi has pledged 30,000,000 A Shares as security in favor of certain PRC financial institutions regulated by the NAFR or the CSRC.
- (5) Ms. Zhu is the spouse of Mr. Shi. By virtue of the SFO, Ms. Zhu is deemed to be interested in the Shares in which Mr. Shi is deemed to be interested.
- (6) Nanjing Bailey is a limited partnership established in the PRC, which is managed by Lopal International as its general partner. Lopal International is a limited company established in the PRC, which is owned as to 90% by Mr. Shi and 10% by Ms. Zhu. Accordingly, Mr. Shi is deemed to be interested in the Shares held by Nanjing Bailey.
- (7) Mr. Lu Zhenya has been granted 120,000 share options under the 2025 Share Option Scheme and is deemed to be interested in the 120,000 underlying A Shares.
- (8) Ms. Xu Suxia (徐素娥) is the spouse of Mr. Qin Jian. As of June 30, 2026, Ms. Xu Suxia held 33,056 A Shares. By virtue of the SFO, Mr. Qin Jian is deemed to be interested in the Shares in which Ms. Xu Suxia is deemed to be interested.
- (9) Mr. Qin Jian has been granted 90,000 share options under the 2025 Share Option Scheme and is deemed to be interested in the 90,000 underlying A Shares.



- (10) Mr. Zhang Yi has been granted 130,000 share options under the 2025 Share Option Scheme and is deemed to be interested in the 130,000 underlying A Shares.

Save as disclosed above, as of June 30, 2026, none of the Directors and chief executive of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the HKEX pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be otherwise notified to the Company and the HKEX pursuant to the Model Code.

(b) Interest in Associated Corporations

Name of Director or chief executive	Nature of interests ⁽¹⁾	Associated corporations	Approximate percentage of holding in associated corporations
Mr. Shi	Interest held by controlled corporation	Changzhou Liyuan	65.79% ⁽²⁾
Mr. Shen Zhiyong	Interest held by controlled corporation	Changzhou Liyuan	1.95% ⁽³⁾

Notes:

- (1) All the interests stated are long positions.
- (2) As of June 30, 2026, Changzhou Liyuan was owned as to approximately 61.88% by the Company in which Mr. Shi controlled more than one-third of voting power and approximately 3.91% by Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)), in which Mr. Shi served as the general partner and owned 99.9% interest, respectively. Therefore Mr. Shi is deemed to be interested in the shares in Changzhou Liyuan held by Changzhou Youbeili Venture Capital Center (Limited Partnership) (常州優貝利創業投資中心(有限合夥)) and the shares in Changzhou Liyuan held by the Company under the SFO.
- (3) As of June 30, 2026, Changzhou Liyuan was owned as to approximately 1.95% by Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)) in which Mr. Shen served as the general partner and owned 99% interest. Therefore Mr. Shen is deemed to be interested in the shares in Changzhou Liyuan held by Nanjing Jinbeili Venture Capital Center (Limited Partnership) (南京金貝利創業投資中心(有限合夥)) under the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

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

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

As of June 30, 2026, to the knowledge of the Directors, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Shareholder	Nature of interest	Class	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the relevant class of shares of the Company ⁽²⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽³⁾
Harvest International Capital Management Limited ⁽⁴⁾	Interest of controlled corporation	H Shares	9,008,000	6.67%	1.14%
UBS AG	Person having a security interest in shares	H Shares	6,653,500	4.93%	0.84%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 656,111,906 A Shares or 135,000,000 H Shares in issue as of June 30, 2026.
- (3) The calculation is based on the total number of 791,111,906 Shares as of June 30, 2026.
- (4) Harvest International Premium Value (Secondary Market) Fund SPC on behalf of Harvest Oriental SP, who held 9,008,000 H Shares, is wholly owned by Harvest International Capital Management Limited.

Save as disclosed above, as of June 30, 2026, so far as the Directors are aware and based on publicly available information, no person had any interests and short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.



EMOLUMENT POLICY

The Company recognizes the employees are prominent assets for the long-term development and place great emphasis on attracting and recruiting qualified employees. The Company adopts a fair treatment for the employees to ensure that they enjoy fair opportunities and conditions. For emolument policy, the Company provides the employees with remuneration packages covering matters including wages, employee benefits, safety and sanitary conditions in the workplace. The Company also enters into standard confidentiality agreements with all of the employees. The Board will review and determine the remuneration and compensation packages of the Directors and senior management. The remuneration of the Directors and Senior management of the Company is determined after taking into account salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management and performance of the Group. As required by PRC Law, the Group participate in various social security plans for the employees including housing provident fund, pension insurance, medical insurance, work-related injury insurance, maternity insurance, and unemployment insurance. Additionally, the Company also adopted 2023 Share Option Scheme and 2025 Share Option Scheme to incentivise and motivate the employees, under which qualified employees are granted with share awards or share options.

A remuneration and evaluation committee has also been established by the Group to review the policy and structure of the remuneration for the Directors and senior management and make recommendations on the remuneration packages of individual Directors and senior management.

CHANGES IN DIRECTORS' INFORMATION

With effect from May 2026, Mr. Hong Kam Le, our independent non-executive Director, has been an independent non-executive director of SHENZHEN LDROBOT CO., LTD (深圳樂動機器人股份有限公司), a company whose shares are listed on the Main Board of the Hong Kong Stock Exchange on May 11, 2026 (stock code: 1236). Save as disclosed above, there has been no change in the information of Directors which is required to be disclosed pursuant to Rule 13.51B (1) of the Hong Kong Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles as set out in the CG Code contained in Appendix C1 of the Hong Kong Listing Rules and has also adopted certain recommended best practices as set out in the CG Code.

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

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the Model Code throughout the Reporting Period.

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

CHANGE OF ACCOUNTING STANDARDS AND CESSATION TO RE-APPOINT THE OVERSEAS AUDITOR

In view of the fact that the financial statements prepared under the CASBE and International Financial Reporting Standards have largely converged, commencing from the 2026 interim report, the Company shall uniformly adopt and apply the CASBE for the preparation of financial reports and the disclosure of related financial information as approved by the Shareholders at the annual general meeting of the Company held on June 26, 2026.

The Company has resolved to cease the re-appointment of Ernst & Young as the overseas auditor of the Company for the Company's H shares for the year ending December 31, 2026. Ernst & Young Hua Ming LLP ("Ernst & Young Hua Ming") has become the sole auditor auditing the financial statements of the Company in accordance with the China Accounting Standards for Business Enterprises, and also assumed the duties of overseas auditor as required under the Hong Kong Listing Rules. For details, please refer to the announcement of the Company dated May 29, 2026 and the circular of the Company dated June 5, 2026.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

As of the Latest Practicable Date, the Audit Committee comprises three independent non-executive Directors, namely Mr. Zhang Jinlong, Ms. Geng Chengxuan and Mr. Lu Jian. Ms. Geng Chengxuan was the chairlady of the Audit Committee prior to her redesignation as a member with effect from February 13, 2026. Mr. Zhang Jinlong was appointed as the chairman of the Audit Committee with effect from February 13, 2026. Both Mr. Zhang Jinlong and Ms. Geng Chengxuan possess appropriate professional qualifications as required by Rules 3.10(2) and 3.21 of the Hong Kong Listing Rules.

The Audit Committee and the Company's management have also reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to risk management, internal control and financial reporting, including a review of the interim results of the Group for the six months ended June 30, 2026. The Audit Committee has confirmed that the unaudited results give a true and fair view of the state of affairs of the Company and are in compliance with applicable accounting standards and the relevant regulatory and legal requirements and that sufficient disclosures have been made.

The interim results of the Group for the six months ended June 30, 2026 had not been audited or reviewed by the external auditor of the Company and have been prepared using the CASBE.



CLARIFICATION REGARDING DISCLOSURE OF CONTINUING CONNECTED TRANSACTIONS IN THE 2025 ANNUAL REPORT

Reference is made to the 2025 annual report of the Company published on April 24, 2026 ("2025 Annual Report") in relation to the information on the sales framework agreement ("CATL Sales Framework Agreement") and purchase framework agreement ("CATL Purchase Framework Agreement") entered into by the Company and CATL on January 17, 2025.

The Company would like to clarify that there was an inadvertent typographical error on page 81 of the 2025 Annual Report and the paragraph headed "Historical Amount during the Reporting Period" should instead read as below:

"For the year ended December 31, 2025, the transaction amount with respect to the continuing connected transactions under the CATL Sales Framework Agreement and CATL Purchase Framework Agreement were RMB447.57 million and RMB3,050.80 million, respectively."

The Company confirms that the annual caps for the year ended December 31, 2025 for the transactions under the CATL Sales Framework Agreement and CATL Purchase Framework Agreement were not exceeded. Save for the clarification made above, all the other information contained in the 2025 Annual Report in relation to the CATL Sales Framework Agreement and CATL Purchase Framework Agreement is correct and remains unchanged.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

At June 30, 2026 — unaudited

Unit: Yuan Currency: RMB

Item	Note	30 June 2026	31 December 2025
CURRENT ASSETS:			
Cash and cash equivalents		5,659,543,162.51	3,787,270,679.85
Settlement reserve			
Placements with banks and non-bank financial institutions			
Financial assets held for trading		2,218,068,608.12	502,198,240.21
Derivative financial assets		1,227,348.99	1,286,133.53
Bills receivable		14,159,829.59	30,060,403.65
Accounts receivable	1	3,036,468,732.58	2,216,415,423.60
Receivables financing		214,635,771.02	517,618,399.29
Prepayments		424,889,481.94	399,914,610.39
Premiums receivable			
Reinsurance receivable			
Reinsurance contract reserve receivable			
Other receivables		102,853,737.04	121,304,358.75
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories		4,515,890,738.74	1,597,497,993.45
Including: Data resources			
Contract assets			
Assets held for sale		—	
Non-current assets due within one year			
Other current assets		487,378,392.39	428,832,728.71
Total current assets		16,675,115,802.92	9,602,398,971.43
NON-CURRENT ASSETS:			
Loans and advances to customers and other parties			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments		45,802,373.60	36,555,444.94
Other equity instruments investments		132,800,570.50	126,845,000.00
Other non-current financial assets			
Investment properties			
Fixed assets		5,781,011,664.77	5,957,584,159.50
Construction in progress		1,593,522,985.38	732,860,820.81
Productive biological assets			
Oil and gas assets			
Right-of-use assets		979,344,542.57	1,021,871,182.48
Intangible assets		379,970,582.40	386,408,969.68
Including: Data resources			
Development costs			
Including: Data resources			
Goodwill		214,173,149.14	214,173,149.14
Long-term deferred expenses		106,176,127.71	78,754,925.73
Deferred tax assets		527,506,044.80	466,416,939.83
Other non-current assets		348,972,958.48	47,977,237.88
Total non-current assets		10,109,280,999.35	9,069,447,829.99
Total assets		26,784,396,802.27	18,671,846,801.42

Unaudited Condensed Consolidated Balance Sheet
At June 30, 2026 — unaudited



Item	Note	30 June 2026	31 December 2025
CURRENT LIABILITIES:			
Short-term borrowings		5,713,313,835.24	4,091,462,974.11
Loans from the central bank			
Placements from banks and non-bank financial institutions			
Financial liabilities held for trading	3	1,364,188,064.46	1,405,760,000.00
Derivative financial liabilities		6,078,220.95	84,610,236.90
Bills payable		1,613,356,422.77	555,318,286.94
Accounts payable	2	2,762,862,311.63	1,961,007,652.82
Advances from customers		—	
Contract liabilities		67,353,885.34	90,431,403.30
Financial assets sold under repurchase agreements			
Deposits from banks and non-bank financial institutions and customers			
Customer brokerage deposits			
Funds payable to securities issuers			
Employee benefits payable		62,789,561.09	71,873,118.76
Taxes and surcharges payable		98,605,399.48	54,084,731.58
Other payables		154,795,976.10	123,760,318.00
Including: Interest payable			
Dividends payable			
Commission charge and commission payable			
Reinsurance payable			
Liabilities held for sale			
Non-current liabilities due within one year	4	2,415,230,186.17	2,375,907,412.03
Other current liabilities		9,501,147.77	10,527,294.22
Total current liabilities		14,268,075,011.00	10,824,743,428.66
NON-CURRENT LIABILITIES:			
Insurance contract reserves			
Long-term borrowings		4,423,798,000.00	2,795,583,212.83
Bonds payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		823,880,520.67	827,869,310.79
Long-term payables		39,065,315.77	64,071,707.46
Long-term employee benefits payable			
Provisions		49,827,285.46	49,219,635.64
Deferred income		236,949,356.38	206,676,311.23
Deferred tax liabilities		6,054,459.54	12,390,903.79
Other non-current liabilities		560,861,537.18	114,040,290.85
Total non-current liabilities		6,140,436,475.00	4,069,851,372.59
Total liabilities		20,408,511,486.00	14,894,594,801.25

Unaudited Condensed Consolidated Balance Sheet
At June 30, 2026 — unaudited

Item	Note	30 June 2026	31 December 2025
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):			
Paid-in capital (or share capital)	5	791,111,906.00	685,078,903.00
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve		4,485,283,970.18	2,684,654,226.80
Less: Treasury shares		—	50,271,636.84
Other comprehensive income		-55,303,172.52	-27,674,341.05
Special reserves		4,657,987.64	4,691,822.66
Surplus reserve		79,751,116.00	79,751,116.00
General risk reserve			—
Retained earnings		-124,098,471.08	-548,375,879.66
Total equity attributable to owners of the parent (or shareholders' equity)		5,181,403,336.22	2,827,854,210.91
Non-controlling interests		1,194,481,980.05	949,397,789.26
Total owners' equity (or shareholders' equity)		6,375,885,316.27	3,777,252,000.17
Total liabilities and owners' equity (or shareholders' equity)		26,784,396,802.27	18,671,846,801.42

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended June 30, 2026 — unaudited

Unit: Yuan Currency: RMB

Item	Notes	First half of 2026	First half of 2025
1. Total revenue	6	7,198,435,910.75	3,621,880,146.21
Including: Operating revenue	6	7,198,435,910.75	3,621,880,146.21
Interest income			
Premium income earned			
Handling fees and commission income			
2. Total cost of sales		6,576,221,692.12	3,710,168,940.22
Including: Cost of sales	6	5,754,692,128.84	3,120,686,187.20
Interest expenses			
Handling fees and commission expenses			
Payments on surrenders			
Claim expenses, net			
Provision for insurance liability reserve, net			
Policyholder dividends			
Expenses for reinsurance			
Taxes and surcharges		35,487,318.09	23,770,654.83
Distribution and selling expenses		90,432,835.12	69,607,577.46
General and administrative expenses		234,707,146.85	183,177,962.11
Research & development expenses		312,485,283.42	190,094,240.27
Finance expenses		148,416,979.80	122,832,318.35
Including: Interest expenses		129,629,303.06	129,701,678.11
Interest income		16,057,473.30	16,732,100.80
Add: Other income		83,336,822.22	80,881,167.74
Investment income (losses are indicated with “-”)		-87,903,451.08	19,840,118.14
Including: Investment income from associates and joint ventures		8,655,101.52	-8,905,365.76
Income from derecognition of financial assets at amortised cost (losses are indicated with “-”)			
Foreign exchange gains (losses are indicated with “-”)			
Gains on net exposure hedging (losses are indicated with “-”)			
Gains on fair value changes (losses are indicated with “-”)		30,069,353.78	-36,324,320.36
Credit impairment losses (losses are indicated with “-”)		-33,365,448.72	-11,080,929.68
Asset impairment losses (losses are indicated with “-”)		-30,037,474.03	-66,778,326.05
Gains on disposal of assets (losses are indicated with “-”)		-481,922.72	-238,944.20

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended June 30, 2026 — unaudited

Item	Notes	First half of 2026	First half of 2025
3. Operating profit (losses are indicated with “-”)		583,832,098.08	-101,990,028.42
Add: Non-operating income		5,678,354.12	5,764,662.55
Less: Non-operating expenses		8,583,089.00	2,089,529.43
4. Total profits (total losses are indicated with “-”)		580,927,363.20	-98,314,895.30
Less: Income tax expenses	7	-14,623,557.85	11,754,276.84
5. Net profits (net losses are indicated with “-”)		595,550,921.05	-110,069,172.14
(I) Breakdown by continuity of operations			
1. Net profit from continuing operations (net losses are indicated with “-”)		595,550,921.05	-110,069,172.14
2. Net profit from discontinued operations (net losses are indicated with “-”)			
(II) Breakdown by attributable interests			
1. Net profit attributable to shareholders of the parent (net losses are indicated with “-”)		420,500,326.38	-85,153,407.09
2. Profit or loss of minority shareholders (net losses are indicated with “-”)		175,050,594.67	-24,915,765.05
6. Net other comprehensive income after tax		-39,409,555.09	1,328,334.66
(I) Net other comprehensive income attributable to shareholders of the parent after tax		-27,628,831.47	1,223,673.50
1. Those other comprehensive income not to be reclassified into profit or loss		-8,897,239.80	
(1) Changes arising from remeasurement of defined benefit plan			
(2) Other comprehensive income not to be reclassified into profit or loss using the equity method			
(3) Change in fair value of investment in other equity instruments		-8,897,239.80	
(4) Change in fair value of credit risk of enterprise			

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended June 30, 2026 — unaudited



Item	Notes	First half of 2026	First half of 2025
2. Those other comprehensive income to be reclassified into profit or loss		-18,731,591.67	1,223,673.50
(1) Other comprehensive income to be reclassified into profit or loss using the equity method			
(2) Change in fair value of other debt investments			
(3) Amount of financial assets to be reclassified and taken to other comprehensive income			
(4) Provision for impairment of credit in respect of other debt investments			
(5) Cashflow hedging reserve		-711,875.00	361,830.00
(6) Exchange differences on translation of foreign currency financial statements		-18,019,716.67	861,843.50
(7) Others			
(II) Net other comprehensive income attributable to minority interests after tax		-11,780,723.62	104,661.16
7. Total comprehensive income		565,038,605.76	-108,740,837.48
(I) Total comprehensive income attributable to the owners of the parent		392,871,494.91	-83,929,733.59
(II) Total comprehensive income attributable to minority interests		172,167,110.85	-24,811,103.89
8. Earnings per share:			
(I) Basic earnings per share (RMB/share)	8	0.59	-0.13
(II) Diluted earnings per share (RMB/share)		0.54	-0.13

Amongst business combination under common control in the current period, the net profit realized by the merger prior to the combination is nil (previous period: nil).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended June 30, 2026

First half of 2026

(Amounts in Yuan, currency: RMB)

Item	Equity attributable to owners of the parent											Non-controlling interests	Total owners' equity			
	Paid-in capital (or Share capital)	Other equity instruments	Preferred shares	Perpetual bonds	Others	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve			Retained earnings	Other	Subtotal
I. Balance at the end of the previous year	685,078,903.00					2,684,654,226.80	50,271,636.84	-27,674,341.05	4,691,822.66	79,751,116.00		-548,375,879.66		2,827,854,210.91	949,397,789.26	3,777,252,000.17
Add: Changes in accounting policies																
Correction of accounting errors in prior periods																
Others																
II. Balance at the beginning of the current period	685,078,903.00					2,684,654,226.80	50,271,636.84	-27,674,341.05	4,691,822.66	79,751,116.00		-548,375,879.66		2,827,854,210.91	949,397,789.26	3,777,252,000.17
III. Changes in the current period (decrease indicated by "-")	106,033,003.00					1,800,629,743.38	-50,271,636.84	-27,628,831.47	-33,835.02			424,277,408.58		2,353,549,125.31	245,084,190.79	2,598,633,316.10
(1) Total comprehensive income														392,871,494.91	175,050,594.67	567,922,089.58
(2) Capital contributions and reduction of capital by owners														1,601,394,498.38	425,573,480.96	2,026,967,979.34
1 Ordinary shares contributed by owners	106,033,003.00					1,445,089,858.54	-50,271,636.84							2,024,194,667.58	440,000,000.00	2,464,194,667.58
2 Capital contributed by holders of other equity instruments						1,918,161,664.58										
3 Share-based payments recognised in owners' equity						13,020,641.14								13,020,641.14	2,760,084.08	15,780,725.22
4 Others						-486,092,447.18	-50,271,636.84							-485,820,810.34	-17,186,603.12	-453,007,413.46
(3) Profit distribution																
1 Appropriations to surplus reserve																
2 Appropriations to general risk reserve																
3 Distribution to owners (or shareholders)																
4 Others																
(4) Internal transfers within owners' equity																
1 Capital reserve transferred to capital (or share capital)						355,539,884.84								355,539,884.84	-355,539,884.84	-
2 Surplus reserve transferred to capital (or share capital)																
3 Surplus reserve offset against losses																
4 Changes in defined benefit plans carried forward to retained earnings																
5 Other comprehensive income carried forward to retained earnings																
6 Others						355,539,884.84								355,539,884.84		355,539,884.84
(5) Special reserve														-33,835.02		-33,835.02
1 Amount withdrawn during the period														4,090,873.08		4,090,873.08
2 Amount utilized during the period														4,124,708.10		4,124,708.10
(6) Others														3,777,082.20		3,777,082.20
IV. Balance at the end of the current period	791,111,906.00					- 4,465,283,970.18	-	-55,303,172.52	4,657,987.64	79,751,116.00		3,777,082.20		5,181,403,336.22	1,194,481,980.05	6,375,885,316.27

First half of 2025

Unaudited Condensed Consolidated Statement of Changes In Equity For the six months ended June 30, 2026



Item	Equity attributable to owners of the parent											Non-controlling interests	Total owners' equity			
	Paid-in capital (or share capital)	Preferred shares	Other equity instruments	Perpetual bonds	Others	Capital reserve	Treasury shares	Less:	Other comprehensive income	Special reserve	Surplus reserve			General risk reserve	Retained earnings	Other
I. Balance at the end of the previous year	665,078,903.00					2,851,995,011.04	50,271,636.84	-3,699,698.20	2,740,234.81	79,751,116.00		-375,845,782.32		3,169,748,147.49	853,225,484.79	4,022,973,632.28
Add: Changes in accounting policies																
Correction of accounting errors in prior periods																
Others																
II. Balance at the beginning of the current period	665,078,903.00					2,851,995,011.04	50,271,636.84	-3,699,698.20	2,740,234.81	79,751,116.00		-375,845,782.32		3,169,748,147.49	853,225,484.79	4,022,973,632.28
III. Changes in the current period (decrease indicated by "-")	20,000,000.00					-6,345,100.52		1,223,673.50	959,515.81			-85,153,407.09		-69,315,318.30	-100,538,857.67	-169,874,175.97
(1) Total comprehensive income								1,223,673.50	959,515.81			-85,153,407.09		-83,929,733.59	-24,915,765.05	-108,845,498.64
(2) Capital contributions and reduction of capital by owners	20,000,000.00					-6,345,100.52		1,223,673.50						13,654,899.48	-75,643,092.62	-61,988,193.14
1 Ordinary shares contributed by owners	20,000,000.00					86,950,533.32								106,950,533.32	—	106,950,533.32
2 Capital contributed by holders of other equity instruments																
3 Share-based payments recognised in owners' equity						959,156.14								959,156.14	188,553.29	1,147,709.43
4 Others						-94,254,789.98								-94,254,789.98	-75,831,645.91	-170,086,435.89
(3) Profit distribution																
1 Transfer to surplus reserve																
2 Transfer to general risk reserve																
3 Distribution to owners (or shareholders)																
4 Others																
(4) Internal transfers within owners' equity																
1 Capital reserve transferred to capital (or share capital)																
2 Surplus reserve transferred to capital (or share capital)																
3 Surplus reserve offset against losses																
4 Changes in defined benefit plans carried forward to retained earnings																
5 Other comprehensive income carried forward to retained earnings																
6 Others																
(5) Special reserve																
1 Amount withdrawn during the period																
2 Amount utilized during the period																
(6) Others																
IV. Balance at the end of the current period	685,078,903.00					2,845,649,910.52	50,271,636.84	-2,476,024.70	3,699,750.62	79,751,116.00		-460,999,189.41		3,100,432,829.19	752,666,627.12	3,853,099,456.31

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2026

Unit: Yuan Currency: RMB

Item	Note	First half of 2026	First half of 2025
1. Cash flows from operating activities:			
Cash received from sale of goods and provision of services		4,067,078,268.99	1,972,183,265.39
Net increase in customers' deposit and interbank deposit			
Net increase in borrowings from central bank			
Net increase in capital borrowed from other financial institutions			
Cash received from premiums of original insurance contract			
Net cash received from reinsurance			
Net increase in policyholder deposit and investment			
Cash received from interests, handling fees and commission			
Net increase in capital borrowed			
Net increase in cash received under repurchasing			
Net cash received from entrusted sale and purchase of securities			
Refunds of taxes		112,374,078.83	2,544,625.61
Other cash received relating to operating activities	15	624,200,085.77	197,226,768.37
Subtotal of cash inflows from operating activities		4,803,652,433.59	2,171,954,659.37
Cash paid for purchase of goods and receiving of services		4,803,734,068.57	1,516,983,053.57
Net increase in customers' loans and advances			
Net increase in fund deposited in central bank and interbank			
Cash paid for claims under original insurance contract			
Net increase in capital lent to other financial institutions			
Cash paid for interests, handling fees and commission			
Cash paid for dividends to policyholders			
Cash paid to and for staff		381,349,640.10	295,134,473.77
Cash paid for all types of taxes		174,368,525.15	99,161,833.67
Other cash paid relating to operating activities	15	1,945,136,211.72	254,607,176.37
Subtotal of cash outflows from operating activities		7,304,588,445.54	2,165,886,537.38
Net cash flows from operating activities		-2,500,936,011.95	6,068,121.99

Unaudited Condensed Consolidated Statement of Cash Flows
For the six months ended June 30, 2026



Item	Note	First half of 2026	First half of 2025
2. Cash flows from investing activities:			
Cash received from disposal of investments		16,227,082.20	
Cash received from return on investments		10,526,035.70	21,661,454.46
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		243,900.00	
Net cash received from disposal of subsidiaries and other business units			
Other cash received relating to investing activities	16	128,923,212.16	4,435,306.23
Subtotal of cash inflows from investing activities		155,920,230.06	26,096,760.69
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets		611,544,561.54	335,988,279.92
Cash paid for investment		1,807,535,322.19	
Net increase in pledged loans			
Net cash paid for acquisition of subsidiaries and other business units			
Other cash paid relating to investing activities	16	36,977,757.80	1,385,506,542.02
Subtotal of cash outflows from investing activities		2,456,057,641.53	1,721,494,821.94
Net cash flows from investing activities		-2,300,137,411.47	-1,695,398,061.25
3. Cash flows from financing activities:			
Cash received from capital contributions		2,474,918,601.01	1,540,931,608.80
Including: Cash received by subsidiaries from capital contributions of minority shareholders		440,000,000.00	1,433,981,075.48
Cash received from borrowings		5,797,684,353.46	3,298,383,959.36
Other cash received relating to financing activities	17		
Subtotal of cash inflows from financing activities		8,272,602,954.47	4,839,315,568.16
Cash paid for repayment of borrowings		2,496,367,193.82	2,620,741,659.24
Cash paid for distribution of dividends, profit or for interest		104,914,886.08	98,729,700.51
Including: Dividends and profit distributed to minority shareholders by subsidiaries			
Other cash paid relating to financing activities	17	82,883,422.20	274,161,840.30
Subtotal of cash outflows from financing activities		2,684,165,502.10	2,993,633,200.05
Net cash flows from financing activities		5,588,437,452.37	1,845,682,368.11
4. Effects of changes in exchange rates on cash and cash equivalents		-24,062,329.25	-2,085,574.71
5. Net increase in cash and cash equivalents		763,301,699.70	154,266,854.14
Add: balances of cash and cash equivalents as at the beginning of the period		3,267,740,158.23	2,509,603,461.02
6. Balances of cash and cash equivalents as at the end of the period		4,031,041,857.93	2,663,870,315.16

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company's financial statements have been prepared on a going concern basis, recognized and measured based on the actual transactions and matters incurred, and in accordance with the "Accounting Standards for Business Enterprises — Basic Standards" issued by the Ministry of Finance and the relevant specific accounting standards, Application Guidance for Accounting Standards for Business Enterprises, Interpretation of Accounting Standards for Business Enterprises and other relevant requirements (collectively, the "Accounting Standards for Business Enterprises"), and taking into account the disclosure requirements under Information Disclosure and Presentation Rules for Companies Offering Securities to the Public No. 15 — General Provisions on Financial Reporting (Revised in 2014) issued by the China Securities Regulatory Commission, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

1. ACCOUNTS RECEIVABLE

Aging analysis of accounts receivable

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Within 1 year	3,113,944,080.43	2,280,762,963.64
1 to 2 years	32,935,782.08	25,596,843.49
2 to 3 years	29,010,556.54	25,300,326.26
3 to 4 years	7,657,839.83	1,493,935.71
4 to 5 years	1,974,708.13	1,046,911.46
Over 5 years	4,894,940.79	4,638,231.70
Subtotal	3,190,417,907.80	2,338,839,212.26
Less: Provision for bad debts	153,949,175.22	122,423,788.66
Total	3,036,468,732.58	2,216,415,423.60



2. ACCOUNTS PAYABLE

(1) Accounts payable

Unit: Yuan (in RMB)

Item	Closing balance	Opening balance
Payables for material costs	2,107,863,340.60	1,352,417,480.47
Payables for construction and equipment	654,998,971.03	608,590,172.35
Total	2,762,862,311.63	1,961,007,652.82

(2) Significant Accounts Payable with Ageing Over 1 Year or Overdue

Unit: Yuan (in RMB)

Item	Closing balance	Reason for outstanding or non-settlement
Payables for equipment	38,911,731.48	Construction not yet completed and settled
Total	38,911,731.48	/

3. FINANCIAL LIABILITIES HELD FOR TRADING

Item	Opening balance	Closing balance	Reason and basis for designation
Financial liabilities held for trading			/
Of which:			
Designated as financial liabilities at fair value through profit or loss	1,405,760,000.00	1,364,188,064.46	
Of which:			
Convertible redeemable preferred shares	1,405,760,000.00	1,364,188,064.46	
Total	1,405,760,000.00	1,364,188,064.46	/

Other explanations:

In February 2025, the subsidiary LBM NEW ENERGY (AP) PTE. LTD. received investment proceeds of US\$200 million in aggregate from PT AKASYA INVESTASI INDONESIA ("INA") and co-investor AISIS ALLIANCE L.P. ("Aisis") through the issuance of preferred shares. Pursuant to the terms of the agreement, the preferred shares held by the investors are redeemable convertible preferred shares, and the holders of the preferred shares have the right, at any time, to convert all or part of their shares into ordinary shares. The Company did not bifurcate the embedded derivative instruments from the hybrid contract, but instead designated the preferred shares in their entirety as financial liabilities at fair value through profit or loss, classified as current liabilities.

4. NON-CURRENT LIABILITIES DUE WITHIN ONE YEAR

Item	Closing balance	Opening balance
Long-term borrowings due within one year	1,135,202,568.66	1,076,448,333.87
Bonds payable due within one year		
Long-term payables due within one year	75,259,022.29	118,754,088.21
Lease liabilities due within one year	126,331,789.45	124,593,184.18
Other non-current liabilities due within one year	1,078,436,805.77	1,056,111,805.77
Total	2,415,230,186.17	2,375,907,412.03



5. SHARE CAPITAL

	Opening balance	New issue	Increase/decrease during the period (+/-)			Others	Subtotal	Closing balance
			Bonus issue	Shares converted from reserves				
Total number of shares	685,078,903.00	108,115,403.00				-2,082,400.00	106,033,003.00	791,111,906.00

Other notes:

1. The actual number of shares issued to specific targets in May 2026 was 93,115,403 shares;
2. The cancellation of repurchased shares in May 2026 amounted to 2,082,400 shares;
3. The placing of H Shares in June 2026 totalled 15,000,000 shares.

6. REVENUE AND COST OF SALES

Item	As of 30 June 2026		As of 30 June 2025	
	Revenue	Cost of sales	Revenue	Cost of sales
Principal operations	7,172,892,700.00	5,744,450,852.92	3,591,615,928.45	3,099,752,446.21
Other operations	25,543,210.75	10,241,275.92	30,264,217.76	20,933,740.99
Total	7,198,435,910.75	5,754,692,128.84	3,621,880,146.21	3,120,686,187.20

7. INCOME TAX EXPENSE

(1) Income tax expense table

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Current income tax expense	48,527,133.25	22,278,811.11
Deferred income tax expense	-63,150,691.10	-10,524,534.27
Total	-14,623,557.85	11,754,276.84

(2) Reconciliation between accounting profit and income tax expenses

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period
Total profit	580,927,363.20
Income tax expenses calculated at statutory/applicable tax rates	87,139,104.48
Impact of different tax rates applicable to subsidiaries	-17,830,764.65
Adjustment to impact of income tax of past periods	6,562,109.19
Impact of non-deductible costs, expenses and losses	6,057,177.21
Impact of deductible temporary differences of the deferred income tax assets unrecognized in the previous period	-7,600,094.77
Impact of deductible loss of the deferred income tax assets unrecognized in the previous period	-2,453,294.34
Impact of deductible losses as deferred income tax assets not recognized in the current period	23,405,291.33
Impact of recognition of previously unrecognized deferred tax assets in respect of deductible losses or deductible temporary differences	-102,706,380.94
Income tax effect of additional deduction for research and development expenditure and additional amortisation of intangible assets	-7,196,705.36
Income tax expenses	-14,623,557.85



8. EARNINGS PER SHARE

	For the six months ended 30 June 2026 Basic Earnings Per Share	For the six months ended 30 June 2025 Basic Earnings Per Share
Net profit attributable to ordinary shareholders of the Company	0.59	-0.13
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	0.59	-0.20

9. SEGMENT REPORTING

2026 interim segment reporting

Unit: RMB' 0,000

Items	Sale of LFP cathode materials business	Sale of automotive specialty chemicals business	Processing of lithium carbonate and raw materials	Other businesses	Inter- segment elimination	Total
External revenue	575,622.19	110,069.46	24,985.97	9,165.97		719,843.59
Inter-segment revenue	657.97	16,703.19	161,024.34	11,529.32	189,914.82	
Total segment revenue	576,280.16	126,772.65	186,010.31	20,695.29	189,914.82	719,843.59
Segment profit	34,401.28	13,706.65	18,108.23	-3,961.50		62,254.66
Profit/(loss)						58,092.74
Income tax expense						-1,462.36
Net profit						59,555.09

2025 interim segment reporting

Unit: RMB' 0,000

Items	Sale of LFP cathode materials business	Sale of automotive specialty chemicals business	Processing of lithium carbonate and raw materials	Other businesses	Inter- segment elimination	Total
External revenue	235,917.54	95,605.09	28,280.68	2,384.70		362,188.01
Inter-segment revenue	15,122.00	14,535.11	61,402.84	8,425.33	99,485.28	
Total segment revenue	251,039.54	110,140.20	89,683.52	10,810.03	99,485.28	362,188.01
Segment profit/(loss)	-18,582.00	12,405.64	2,034.09	-287.11		-4,429.38
Loss before income tax						-9,831.49
Income tax expense						1,175.43
Net profit						-11,006.92

10. SHARE-BASED PAYMENT

1. Various Equity Instruments

(1) Share-based payment policy

√ Applicable ☐ Not Applicable

Share-based payments are classified into equity-settled share-based payments and cash-settled share-based payments. Equity-settled share-based payments refer to transactions in which the Company settles for services received by using shares or other equity instruments as consideration.

For equity-settled share-based payments in exchange for services rendered by employees, the measurement is based on the fair value of the equity instruments granted to the employees. If the grants are vested immediately upon grant, the fair value on the grant date is recognised in the relevant costs or expenses, with a corresponding increase in capital reserves. If the grants are vested only upon completion of a service period during the vesting period or upon satisfaction of specified performance conditions, on each balance sheet date during the vesting period, based on the best estimate of the number of equity instruments expected to become vested, and using the fair value on the grant date, the services received during the current period are recognised in the relevant costs or expenses, with a corresponding increase in capital reserves.

Cash-settled share-based payments are measured at the fair value of the liability determined by the Company based on shares or other equity instruments as the underlying basis. If the grants are vested immediately upon grant, the fair value of the liability assumed on the grant date is recognised in the relevant costs or expenses, with a corresponding increase in liabilities. If the grants are vested only upon completion of a service period during the vesting period or upon satisfaction of specified performance conditions, on each balance sheet date during the vesting period, based on the best estimate of the vesting conditions expected to be satisfied, and using the fair value of the liability assumed, the services received during the current period are recognised in the relevant costs or expenses and the corresponding liabilities. On each balance sheet date prior to the settlement of the relevant liabilities and on the settlement date, the fair value of the liabilities is re-measured, and the changes therein are recognised in profit or loss for the current period.



10. SHARE-BASED PAYMENT (CONTINUED)

1. Various Equity Instruments (Continued)

(2) Breakdown

✓ Applicable ☐ Not Applicable

Number unit: 0,000 shares Amount unit: RMB0,000 Currency: RMB

Category of Grantees	Granted during the period		Exercised during the period		Vested during the period		Lapsed during the period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Directors, senior managements and core employees	681	10,453.35						
Total	681	10,453.35						

(3) Share options or other equity instruments outstanding at the end of the period

✓ Applicable ☐ Not Applicable

Category of Grantees	Share option outstanding at the end of the period		Other equity instruments outstanding at the end of the period	
	Range of exercise prices	Remaining contract term	Range of exercise prices	Remaining contract term
Directors, senior managements and core employees	15.35	22 months		

Other explanations

Nil

10. SHARE-BASED PAYMENT (CONTINUED)**2. Equity-settled Share-based Payment**

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Equity-settled share-based payment objects	Directors, senior management, core personnel
Method for Determining the Fair Value of Equity Instruments on the grant date	Adopt a valuation model for share options to calculate the fair value
Key parameters of fair value of equity instruments on the grant date	Historical volatility, risk-free rate of return and dividend yield
Basis for determining the number of exercisable equity instruments	Determine based on the estimated number held by participants who are expected to achieve the performance appraisal targets
Reasons for the significant difference between the current estimate and the previous estimate	No material difference
Cumulative amount of equity-settled share-based payments recognized in capital reserves	15,780,725.24

Other explanation

- On January 5, 2026, the Company convened the 48th meeting of the fourth session of the Board, at which the Board considered and approved the resolution on adjusting matters in connection with the 2025 share option incentive scheme and the resolution on the grant of share options to participants under the 2025 share option incentive scheme. The date of grant of the share options was determined as January 5, 2026, and a total of 6,850,000 Share Options were granted to 285 eligible participants at a grant price of RMB15.35 per share. The Company adopts the Binomial Model to calculate the fair value of the share options as at the date of grant and ultimately confirm the share-based payment expenses. Such expenses shall be amortised in proportion to the exercise ratio during the implementation of the 2025 share option incentive scheme.
- Between the convening of the Board meeting for the grant under the incentive scheme and the application for registration of share options, 3 participants ceased to be eligible participants due to their resignation, involving an aggregate of 40,000 share options. Pursuant to the authorisation granted by the Company at the 6th extraordinary general meeting in 2025, the Board of the Company adjusted the list of participants and the number of share options to be granted under this incentive scheme. Following this adjustment, the actual number of participants to whom share options are granted under this incentive scheme was revised from 285 to 282, and the actual number of share options granted was revised from 6,850,000 to 6,810,000.



10. SHARE-BASED PAYMENT (CONTINUED)

3. Cash-settled Share-based Payment

☐ Applicable ☒ Not Applicable

4. Share-based payment expenses for the Period

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Class of Grantees	Equity-settled share-based payment expenses	Cash-settled share-based payment expenses
Directors, Senior Management, and core employees	15,780,725.24	
Total	15,780,725.24	

5. Modifications and Termination of Share-based Payment

☐ Applicable ☒ Not Applicable

6. Others

☐ Applicable ☒ Not Applicable

11. COMMITMENTS AND CONTINGENCIES**1. Significant Commitments**√ Applicable ☐ Not Applicable**Significant external commitments, nature, and amount as at the balance sheet date**

Units: RMB0,000

Item	End of period	Beginning of period
Capital commitments	165,277.83	151,948.70

2. Contingencies**(1) Significant contingencies as at the balance sheet date**√ Applicable ☐ Not Applicable

As at June 30, 2026, the Company's subsidiary, Sanjin Lithium, was a defendant in a dispute over a construction project contract, in which Sanjin Lithium was claimed for unpaid project costs and interest amounting to RMB84,874,319.03. The Company's management is of the view that the Company has sufficient grounds to defend the claim and the likelihood of an adverse outcome is low, and therefore, apart from the amounts already recognised in the financial statements as project payables, no additional provision is required. As at the date of this announcement, the case has not yet been adjudicated.

(2) Please explain if no significant contingencies are required to be disclosed by the Company:☐ Applicable √ Not Applicable**3. Others**☐ Applicable √ Not Applicable



12. RELATED PARTY TRANSACTIONS

Information on Related Party Transactions

(1) Related Party Transactions in relation to the purchase and sale of goods, provision and receipt of services

Table on purchase of goods/receipt of services

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Related party	Content of related party transactions	Amount for the current period	Approved transaction limit (if applicable)	Whether the transaction limit is exceeded (if applicable)	Amount for the previous period
Hubei Fengli New Energy Technology Co., Ltd. (湖北豐鋰新能源科技有限公司)	Purchase of goods	131,283,145.72	550,000,000.00	No	134,939,908.71
Anhui Mingtian Qingneng Technology Co., Ltd. (安徽明天氩能科技股份有限公司)	Purchase of goods	217,772.38	1,000,000.00	No	84,696.37

Table on sale of goods/provision of services

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Related party	Content of related party transactions	Amount for the current period	Amount for the previous period
Anhui Mingtian Qingneng Technology Co., Ltd. (安徽明天氩能科技股份有限公司)	Sale of goods	55,000.00	3,300.00
Nanjing Weilejia Lubricants Co., Ltd. (南京威樂佳潤滑油有限公司)	Sale of goods	3,689,852.43	3,665,108.92
Nantong Jutu Trading Co., Ltd. (南通聚途商貿有限公司)	Sale of goods	1,087,406.62	700,157.42
Taizhou Changnengrui Commerce Co., Ltd. (泰州市暢能瑞商貿有限公司)	Sale of goods	5,277,516.43	4,240,877.60
Taizhou Hengan Commerce Co., Ltd. (泰州市恒安商貿有限公司)	Sale of goods	822,112.65	1,100,430.77

Explanations on related party transactions on purchase or sale of goods and provision or acceptance of services

□ Applicable √ Not applicable

12. RELATED PARTY TRANSACTIONS (CONTINUED)

Information on Related Party Transactions (Continued)

(2) Connected entrusted management/contracting and entrusted management/outsourcing

Description of entrusted management/contracting of the Company:

☐ Applicable ☒ Not Applicable

Description of connected management/outsourcing

☐ Applicable ☒ Not Applicable

Description of entrusted management/contracting of the Company:

☐ Applicable ☒ Not Applicable

Description of connected management/outsourcing

☐ Applicable ☒ Not Applicable



13. FAIR VALUE DISCLOSURE

1. Fair value of assets and liabilities measured at fair value as at the end of the period

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Item	Level-1 fair value measurement	Fair value at the end of the period Level-2 fair value measurement	Level-3 fair value measurement	Total
I. Measurement of fair value on an ongoing basis				
(I) Financial assets held for trading	1,838,869.89	2,432,092,858.24	132,800,570.50	2,566,732,298.63
1. Financial assets measured at fair value through profit or loss	1,838,869.89	2,432,092,858.24	132,800,570.50	2,566,732,298.63
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(3) Derivative financial assets	1,227,348.99			1,227,348.99
Financial assets held for trading	611,520.90	2,217,457,087.22		2,218,068,608.12
Accounts receivable financing		214,635,771.02		214,635,771.02
Other equity instrument investments			132,800,570.50	132,800,570.50
2. Financial assets designated at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(II) Other debt investment				
(III) Investment in equity instruments				
(IV) Investment properties				
1. Leased land use rights				
2. Leased buildings				
3. Land use rights held for sale after appreciation				
(V) Biological assets				
1. Consumable biological assets				
2. Productive biological assets				
Total assets measured at fair value on an ongoing basis	1,838,869.89	2,432,092,858.24	132,800,570.50	2,566,732,298.63
(VI) Financial liabilities held for trading	6,078,220.95		2,994,819,272.29	3,000,897,493.24
1. Financial liabilities measured at fair value through profit or loss				
Including: Issued tradable bonds				
Derivative financial liabilities				
Others				
Price-setting settlement mechanism under procurement contract				
Commodity futures contracts	6,078,220.95			6,078,220.95
Commodity option contracts				
Commodity forward contracts				
Financial liabilities held for trading			1,364,188,064.46	1,364,188,064.46
Other non-current liabilities			552,194,402.06	552,194,402.06
Other non-current liabilities due within one year			1,078,436,805.77	1,078,436,805.77
2. Financial liabilities designated at fair value through profit or loss	6,078,220.95		2,994,819,272.29	3,000,897,493.24
Total liabilities measured at fair value on an ongoing basis				
II. Non-continuous measurement of fair value				
(I) Assets held for trading				
Total assets measured at fair value not on an ongoing basis				
Total liabilities measured at fair value not on an ongoing basis				

13. FAIR VALUE DISCLOSURE (CONTINUED)

1. Fair value of assets and liabilities measured at fair value as at the end of the period (Continued)

1. Basis for determining the market value of continuous and non-continuous Level-1 fair value measurement items

☒ Applicable ☐ Not Applicable

The fair value of the Company's Level-1 fair value measurement items is all derived from quoted prices in active markets

2. Qualitative and quantitative information of valuation techniques and important parameters used in continuous and non-continuous Level-2 fair value measurement items

☒ Applicable ☐ Not Applicable

The fair value of the Company's Level-2 fair value measurement items is all derived from significant observable inputs

3. Qualitative and quantitative information of valuation techniques and important parameters used in continuous and non-continuous Level-3 fair value measurement items

☒ Applicable ☐ Not Applicable

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

Fair value of non-listed equity instrument investment is estimated using the market-based method. The assumptions on which it is based are unobservable market prices or interest rate assumptions. The Company is required to determine comparable listed companies based on industry, scale, gearing and strategy and compute appropriate market multiples in respect of each identified comparable listed company, such as enterprise value multiple and price to earnings multiple, which are adjusted based on specific facts and conditions of the company, taking into account differences in liquidity and scale between the Company and such comparable listed companies. The Company believes that the fair value estimated by the valuation technique and its changes are reasonable, and is also the most appropriate value at the balance sheet date. For the fair value of investment in other unlisted equity instrument, the Company estimated the potential impact of using other reasonable and probable assumptions as inputs to the valuation model.

4. Information on adjustment between opening and closing book values and sensitivity analysis of unobservable parameters for continuous Level-3 fair value measurement items

☐ Applicable ☒ Not Applicable



13. FAIR VALUE DISCLOSURE (CONTINUED)

1. Fair value of assets and liabilities measured at fair value as at the end of the period (Continued)

5. Reason for conversion for transfer between levels during the current period for continuous fair value measurement items, and policies for determination of time point of the conversion

☐ Applicable ☒ Not Applicable

6. Changes in valuation techniques during the current period and reason for such change

☐ Applicable ☒ Not Applicable

7. Fair value of financial assets and financial liabilities not measured at fair value

☐ Applicable ☒ Not Applicable

8. Others

☐ Applicable ☒ Not Applicable

14. DIVIDEND

(A) Profit distribution plan and plan for conversion of capital reserve into share capital

Proposed plan for profit distribution or conversion of capital reserve into share capital for the half year

Profit distribution or conversion into share capital	No
Number of bonus shares for every 10 shares (share)	/
Dividend for every 10 shares (RMB) (tax included)	/
Capital conversion for every 10 shares (share)	/

Explanation of plan for profit distribution or conversion of capital reserve into share capital

☐ Applicable ☒ Not Applicable

15. CASH RELATING TO OPERATING ACTIVITIES**Other cash received relating to operating activities**√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the previous period
Inter-company transactions and petty cash	38,365,408.59	23,005,358.55
Special subsidies, grants and other incentives	68,934,000.21	76,141,109.36
Guarantee deposits and deposits	431,082,917.43	50,478,723.84
Interest income	16,919,093.10	8,095,528.28
Others	68,898,666.44	39,506,048.34
Total	624,200,085.77	197,226,768.37

Explanation of other cash received relating to operating activities:

Nil

Other cash paid relating to operating activities√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the previous period
Inter-company transactions and petty cash	127,478,273.74	82,946,463.65
Letter of credit deposits	20,048,752.21	56,431,033.81
Expenditure-related expenses	68,779,629.39	94,593,134.87
Non-operating expenses and others	8,090,600.85	3,079,270.20
Guarantee deposits and deposits	1,720,738,955.53	17,557,273.84
Total	1,945,136,211.72	254,607,176.37

Explanation of other cash paid relating to operating activities:

Nil

**16. CASH RELATING TO INVESTING ACTIVITIES****Significant cash received relating to investing activities**
☐ Applicable ☒ Not Applicable
Significant cash paid relating to investing activities
☐ Applicable ☒ Not Applicable
Other cash received relating to investing activities
☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the previous period
Redemption of wealth management products	50,009,998.31	
Futures margin	66,993,144.38	4,435,306.23
Other payments from investing activities	11,920,069.47	
Total	128,923,212.16	4,435,306.23

Explanation of other cash received relating to investing activities:

Nil

Other cash paid relating to investing activities
☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the previous period
Investment in wealth management products		1,032,360,435.20
Futures margin	6,292,336.33	6,976,921.67
Time deposits		346,169,185.15
Other payments from investing activities	30,685,421.47	
Total	36,977,757.80	1,385,506,542.02

Explanation of other cash paid relating to investing activities:

Nil

17. CASH RELATING TO FINANCING ACTIVITIES**Cash received relating to other financing activities**

☐ Applicable ☒ Not Applicable

Cash paid relating to other financing activities

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the period	Amount for the prior period
Consideration for the merge of Shandong Meiduo under common control		100,539,200.00
Acquisition of minority interests in subsidiaries		70,533,150.72
Finance lease deposits		19,733,952.18
Lease payments	70,830,093.69	83,355,537.40
Proceeds from other financing activities	12,053,328.51	
Total	82,883,422.20	274,161,840.30

Explanation on other cash payments relating to financing activities:

Nil

Changes in liabilities arising from financing activities

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	4,091,462,974.11	4,158,135,865.67	54,149,793.51	2,090,129,242.49		6,213,619,390.80
Long-term borrowings (including long-term borrowings due within one year)	3,872,031,546.70	1,639,548,487.79	69,494,249.10	511,149,989.03	1,250,000.00	5,068,674,294.56
Lease liabilities (including lease liabilities due within one year)	952,462,494.97		20,755,440.33	10,379,425.31	12,626,199.87	950,212,310.12
Long-term payables (including long-term payables due within one year)	182,825,795.67		3,328,636.08	70,830,093.69	1,000,000.00	114,324,338.06
Total	9,098,782,811.45	5,797,684,353.46	147,728,119.02	2,682,488,750.52	14,876,199.87	12,346,830,333.54

**18. EXPLANATION OF CASH FLOWS REPORTED ON A NET BASIS**

☐ Applicable ☒ Not Applicable

19. SIGNIFICANT ACTIVITIES THAT DO NOT INVOLVE CASH RECEIPTS AND PAYMENTS IN THE CURRENT PERIOD BUT AFFECT THE FINANCIAL POSITION OF THE ENTERPRISE OR MAY AFFECT THE CASH FLOWS OF THE ENTERPRISE IN THE FUTURE, AND THEIR FINANCIAL IMPACT

☒ Applicable ☐ Not Applicable

In the first half of 2026, the Company endorsed bank acceptance bills received from the sale of goods and provision of services to settle payments for the purchase of goods and receiving of services or the acquisition and construction of fixed assets, intangible assets and other long-term assets, amounting to RMB5,039,814,404.50.

Item	First half of 2026
Cash paid for purchase of goods and receiving of services	4,359,288,237.89
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	680,526,166.61
Cash received from sale of goods and provision of services	5,039,814,404.50

20. SHARE CAPITAL

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

	Increase/decrease during the period (+/-)					Closing balance
	Opening balance	New issue	Bonus issue	Shares converted from reserves	Others	
Total number of shares	685,078,903.00	108,115,403.00			-2,082,400.00	791,111,906.00

Other explanations:

1. The actual number of shares issued to specific targets in May 2026 was 93,115,403 shares;
2. The cancellation of repurchased shares in May 2026 amounted to 2,082,400 shares;
3. The placing of H Shares in June 2026 totalled 15,000,000 shares.

21. OTHER EQUITY INSTRUMENTS**(1) Basic information of other financial instruments such as preferred shares and perpetual bonds outstanding at the end of the period**

☐ Applicable ☒ Not Applicable

(2) Statement of changes in financial instruments such as preferred shares and perpetual bonds outstanding at the end of the period

☐ Applicable ☒ Not Applicable

Details of changes in other equity instruments during the current period, explanations for the changes, and the basis for the relevant accounting treatments:

☐ Applicable ☒ Not Applicable

Other explanations:

☐ Applicable ☒ Not Applicable

22. CAPITAL RESERVE

☒ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Capital premium (share capital premium)	2,819,548,539.23	1,918,161,664.58	48,189,236.84	4,689,520,966.97
Other capital reserve	-134,894,312.43	15,117,430.80	84,460,115.16	-204,236,996.79
Total	2,684,654,226.80	1,933,279,095.38	132,649,352.00	4,485,283,970.18

Other explanations, including changes during the period and reasons for such changes:

1. In May 2026, the Company completed the issue of 93,115,403 A shares to specific targets, increasing capital reserve by RMB1,764,785,425.30;
2. In May 2026, the Company completed the cancellation of repurchased shares, reducing capital reserve by RMB48,189,236.84;
3. In May 2026, a minority shareholder of Changzhou Liyuan, a controlled subsidiary, made a capital contribution, resulting in a decrease in capital reserve at the consolidated level of RMB84,460,115.16;
4. In June 2026, the Company completed the placing of 15,000,000 H shares, increasing capital reserve (share premium) by RMB153,376,239.28;



22. CAPITAL RESERVE (CONTINUED)

5. During the Reporting Period, the Company recognised its share of changes in other owners' equity of associates in proportion to its shareholding percentage, increasing capital reserve (other capital reserve) by RMB413,213.71; changes in other matters increased capital reserve (other capital reserve) by RMB1,683,575.95;
6. During the Reporting Period, the Company recognised equity-settled share-based payments, increasing capital reserve (other capital reserve) by RMB13,020,641.14.

23. TREASURY SHARES

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase during the period	Decrease during the period	Closing balance
Treasury shares	50,271,636.84		50,271,636.84	
Total	50,271,636.84		50,271,636.84	

Other explanations, including changes during the period and reasons for such changes:

In May 2026, the Company completed the cancellation of 2,082,400 repurchased shares.

24. OTHER COMPREHENSIVE INCOME

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	The pre-tax amount occurred in the period	Amount occurred in the period		Less: income tax expense	After-tax amount attributable to the parent company	After-tax amount attributable to minority shareholders	Closing balance
			Less: amount previously recorded in other comprehensive income that was subsequently transferred to profit or loss in the period	Less: Amount previously recorded in other comprehensive income that was subsequently transferred to retained earnings in the period				
I. Those other comprehensive income not to be reclassified into profit or loss	-17,356,260.74	-12,861,000.00				-8,897,239.80	-3,963,760.20	-26,253,500.54
Among which: Changes arising from remeasurement of defined benefit plan								
Other comprehensive income not to be reclassified into profit or loss using the equity method								
Change in fair value of investment in other equity instruments	-17,356,260.74	-12,861,000.00				-8,897,239.80	-3,963,760.20	-26,253,500.54
Change in fair value of credit risk of enterprise								
II. Those other comprehensive income to be reclassified into profit or loss	-10,318,080.31	-24,731,900.34	1,816,654.75			-18,731,591.67	-7,816,963.42	-29,049,671.98
Among which: Other comprehensive income to be reclassified into profit or loss using the equity method								
Change in fair value of other debt investments								
Amount of financial assets to be reclassified and taken to other comprehensive income								
Provision for impairment of credit in respect of other debt investments								
Cashflow hedging reserve	1,816,654.75	357,394.75	1,816,654.75			-711,875.00	-747,385.00	1,104,779.75
Exchange differences on translation of foreign currency financial statements	-12,134,735.06	-25,089,295.09				-18,019,716.67	-7,069,578.42	-30,154,451.73
Other comprehensive income in total	-27,674,341.05	-37,592,900.34	1,816,654.75			-27,628,831.47	-11,780,723.62	-55,303,172.52

Other explanations, including the adjustments to the initial recognition amount of the hedged item for the effective portion of cash flow hedge gains and losses:

Nil

**25. SPECIAL RESERVE**√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Work safety fund	4,691,822.66	4,090,873.08	4,124,708.10	4,657,987.64
Total	4,691,822.66	4,090,873.08	4,124,708.10	4,657,987.64

Other explanations, including movements and reasons for changes during the period:

Nil

26. SURPLUS RESERVE√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Increase for the period	Decrease for the period	Closing balance
Statutory surplus reserve	79,751,116.00			79,751,116.00
Discretionary surplus reserve				
Reserve fund				
Enterprise development fund				
Others				
Total	79,751,116.00			79,751,116.00

Explanations for surplus reserve, including movements and reasons for changes during the period:

Nil

27. RETAINED EARNINGS√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Current Period	Prior Year
Retained earnings at the end of the previous period before adjustments	-548,375,879.66	-365,344,485.08
Adjustment to retained earnings at the beginning of the period (increase +, decrease -)		-10,501,297.24
Retained earnings at the beginning of the period after adjustments	-548,375,879.66	-375,845,782.32
Add: Net profit attributable to owners of the parent company for the period	420,500,326.38	-172,530,097.34
Other comprehensive income transferred to retained earnings	3,777,082.20	
Less: Appropriation to statutory surplus reserve		
Appropriation to discretionary surplus reserve		
Appropriation to general risk reserve		
Dividends payable on ordinary shares		
Ordinary shares converted from retained earnings		
Retained earnings at the end of the period	-124,098,471.08	-548,375,879.66

Details of adjustments to retained earnings at the beginning of the period:

1. Adjustments due to retrospective application under the Accounting Standards for Business Enterprises and relevant new regulations, affecting retained earnings at the beginning of the period: RMB0;
2. Adjustments due to changes in accounting policies, affecting retained earnings at the beginning of the period: RMB0;
3. Adjustments due to correction of material accounting errors, affecting retained earnings at the beginning of the period: RMB0;
4. Adjustments due to changes in the scope of consolidation arising from common control, affecting retained earnings at the beginning of the period: RMB0;
5. Total impact of other adjustments on retained earnings at the beginning of the period: RMB0.