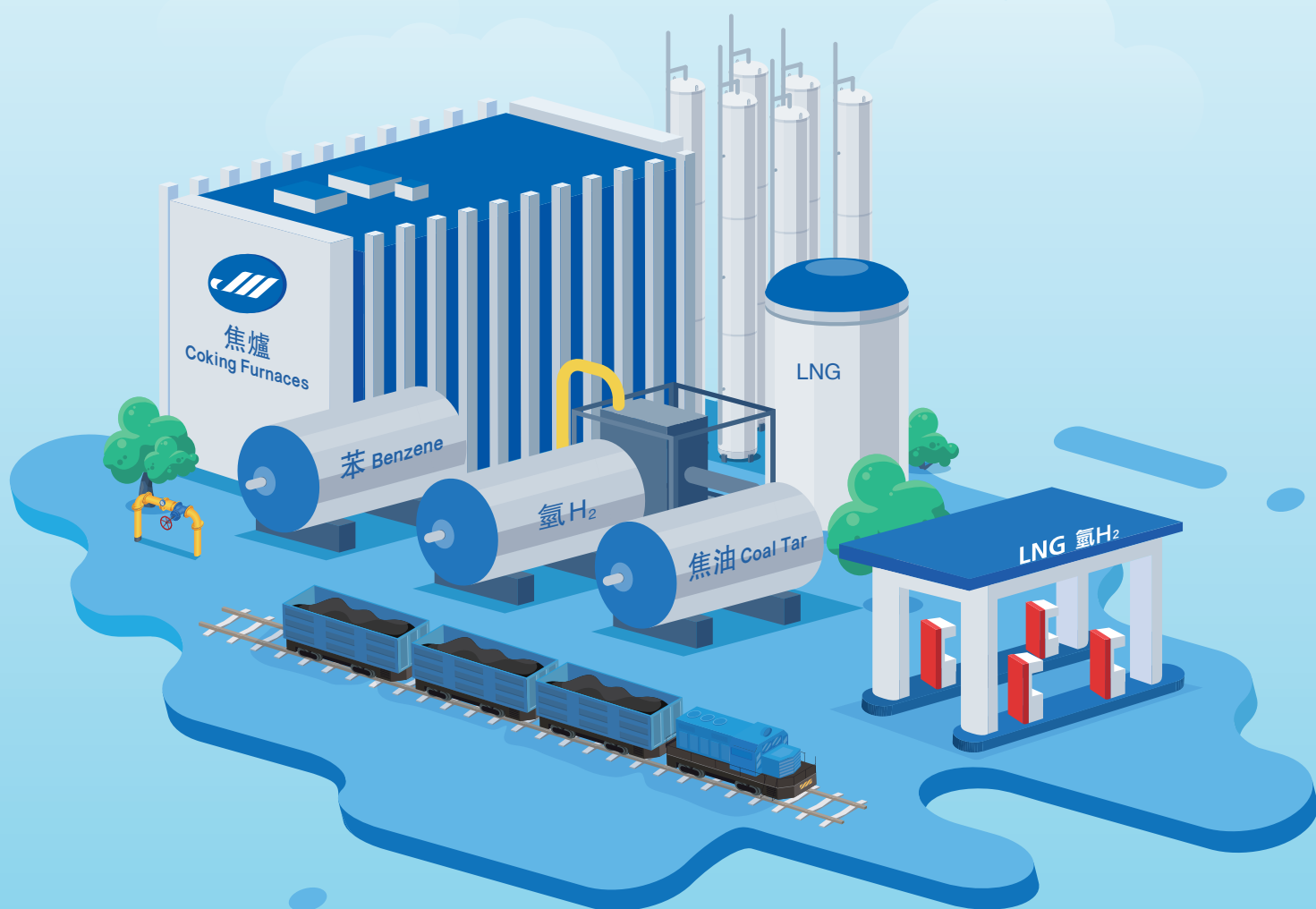




河南金馬能源股份有限公司
HENAN JINMA ENERGY COMPANY LIMITED

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

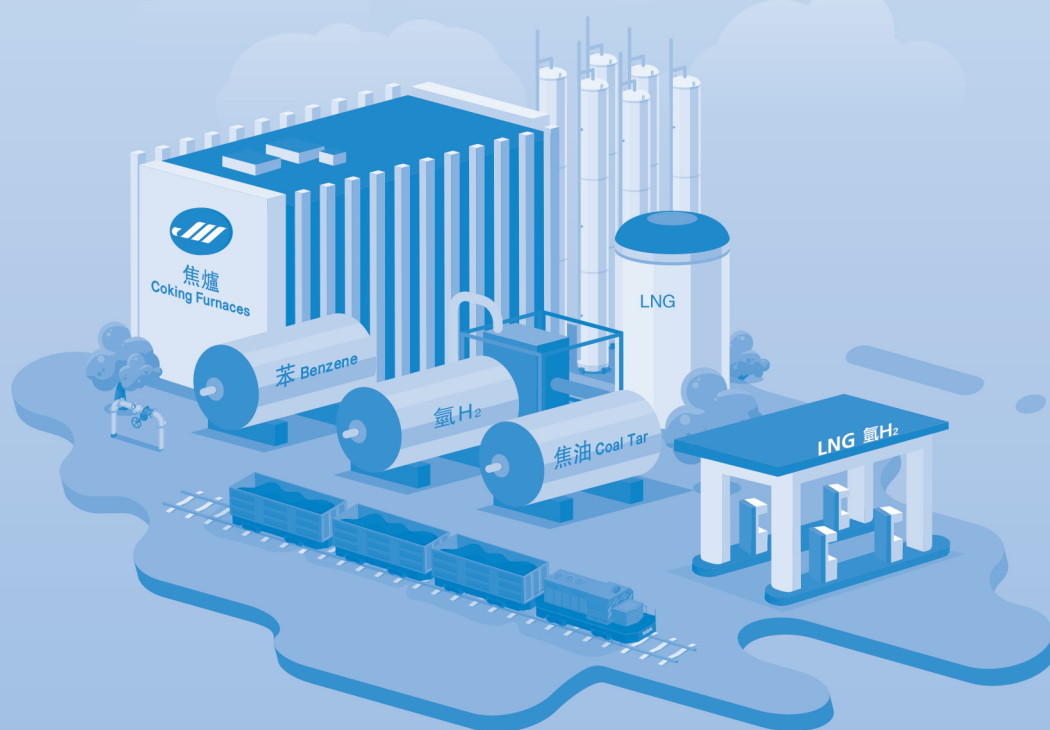
Stock Code: 6885



2025
INTERIM REPORT

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2 MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a leading coke producer and processor of coking by-products in the coking chemical industry in Henan province. The Group operates a vertically integrated business model along the coking chemical value chain from coke production to the processing of coking by-products into refined chemicals and energy products. The Group's vertically integrated business model enables the Group to maximize the value of the Group's coking by-products, thereby allowing the Group to achieve a high recovery and re-utilization business model.

Capitalizing on the Group's years of operations in the coking chemical industry and the Group's long-term relationships with coal suppliers, the Group also engages in the trading of coal, coke, liquefied natural gas ("LNG") and nonferrous materials mainly through the Group's trading company. As a continuing effort in extending the Group's vertical integration business model and expanding the Group's product portfolio along the coking chemical value chain, the Group has actively engaged in and developed the business of the production and sale of LNG and hydrogen in recent years. The Group's production value chain has expanded to higher-end new energy product following the research and development as well as investment in hydrogen.

In the first half of 2025, the Group's revenue was mainly generated from the following major business segments:

- **Coke:** which involves the production and sale of coke;
- **Refined chemicals:** which involves the processing of coking by-products into a series of benzene based and coal tar based refined chemicals and sale of these chemicals;
- **Energy products:** which involves the processing of coking furnace crude gas into coal gas, extraction of LNG from coal gas and sale of coal gas and LNG; in addition, hydrogen is also extracted from coal gas for sale, and heat generated from the coking furnaces is utilized to produce electricity for sale; and
- **Trading:** which mainly involves the trading of coal, coke, hydrogen and LNG.

The Board believes that as China aims to hit peak emissions of carbon dioxide and for carbon neutrality which bring changes to the economic and social development mode, the coking coal industry in China will continue with its supply-side reform and speed up its industry consolidation as well as structural improvement and reform. In addition, the refined chemicals and energy products segment of business will strengthen its competitiveness by means of product line extension and technological development. All of these will bring new opportunities to the Group's long-term business development and growth. The Company will continue to seize the market opportunity to achieve a stable improvement in the Group's results through continuous investment in production process and environmental protection facilities, constantly improve the standard of serving the iron and steel and chemical industry in the PRC.

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2025	2024	Change
	RMB million	RMB million	RMB million
	(unaudited)	(unaudited)	
Revenue	3,829.2	6,299.5	(2,470.3)
Gross profit	189.3	70.1	119.2
(Loss) for the period	(176.5)	(209.3)	32.8
Basic (loss) earnings per share (in RMB)	(0.24)	(0.29)	0.05
Gross profit margin	4.9%	1.1%	3.8%
Net (loss) profit margin	(4.6%)	(3.3%)	(1.3%)
	As at 30 June	As at 31 December	Change
	2025	2024	
	RMB million	RMB million	RMB million
	(unaudited)	(audited)	
Total assets	10,530.3	11,215.7	(685.4)
Total equity	4,138.1	4,337.3	(199.2)

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION OF THE GROUP

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

General Economic Conditions and the Demand in Downstream Industries

The Group sells all its products in the PRC. General economic conditions of the PRC affect the market prices and demands for the Group's products, as well as the prices of coal, the primary raw material for the production of the Group's coke, refined chemicals and energy products. During economic downturns, the average selling prices of the Group's products may decrease and the Group may need to adjust the Group's purchase and sale strategies to adapt to such condition, such as reducing the Group's purchase of raw materials or engaging in more financing activities to increase the Group's working capital. The Group's trading activities may also decrease during economic downturns. When economic conditions recover, the Group may increase the selling prices of the Group's products along with the increase in market demands and raw material prices. In addition, the Group may increase the Group's prepayments for raw materials in order to secure raw material supplies. The Group's trading activities may also increase as the demands for coke, coal, hydrogen and LNG trading increase when economic conditions recover. The Group's results of operations, working capital position, as well as operating cash flow changed correspondingly as a result.

Sale of the Group's products of coke, LNG and refined chemicals depend primarily on the domestic consumption of such products by the iron and steel industry and the chemical industry. Coke is a key raw material used in the production of iron and steel, while refined chemicals are mainly used as raw materials in various downstream industries such as rubber, textiles and pharmaceutical industries and LNG is mainly provided for the use in production in surrounding industrial parks and for supplying gas to logistics customers, heavy trucks and buses at gas stations. Coking refined chemicals are often taken as cost-competitive substitutes for petroleum-based refined chemicals in China as it has rich coal resources, the price of which is relatively cheaper than petroleum resources. Therefore, the demand and pricing for the Group's refined chemicals are also affected by the petroleum price and the development in the petrochemical industry.

Prices of the Group's Raw Materials and Products

The Group is exposed to movements in the market prices of the Group's products and coal, as well as changes in the spread between those prices. The Group generally sells the Group's products based on the prevailing market prices in the regions where the Group sells its products, by reference to various factors applicable to individual customers. Market forces of supply and demand generally determine the pricing of the Group's products. Historically, market prices of coke and its refined chemicals have fluctuated as a result of alternating periods of increase and decrease in demand. The prices of the Group's products are affected by a number of factors including:

- supply of and demand for the Group's products, which is mainly affected by (i) the PRC laws, regulations and policies affecting the coal, coking and iron and steel industries, (ii) the demands in the iron, steel and chemical industries and (iii) the PRC domestic as well as global economic cycles;
- price of coal, the Group's principal raw material, which is affected by the supply of and demand for coal and subject to the PRC domestic as well as global economic cycles;

- the Group's product characteristics and quality (as different types of coke command different prices in the market);
- prices of chemicals in the international market; and
- the Group's transportation costs, the availability of transportation capacity and means of transportation.

In addition, as most of the Group's refined chemicals, such as pure benzene, toluene, coal asphalt and industrial naphthalene, can be produced from both coking by-products and petroleum, prices of the Group's products are also affected by the fluctuations in petroleum prices. Historically, when petroleum price went down, the prices of the Group's products usually decreased.

The following table sets forth the average selling price (net of VAT) of each of the Group's principal products during the first six months of 2025 and the year of 2024 according to the Group's internal records.

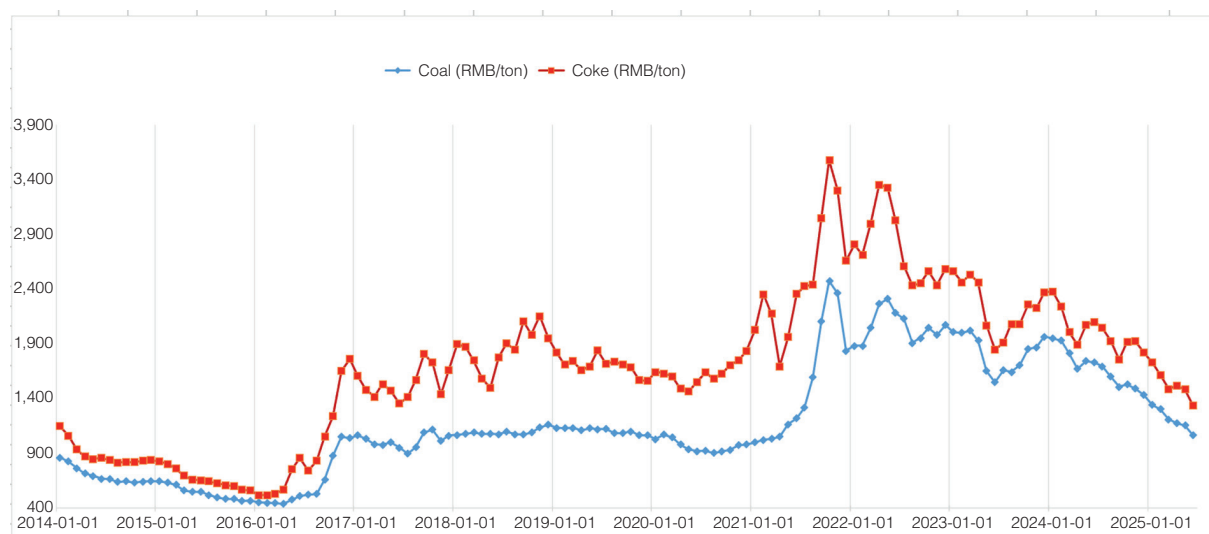
	For the first six months of 2025 Average selling price ⁽¹⁾ RMB/ton (except coal gas, in RMB/m ³)	2024 Average selling price ⁽¹⁾ RMB/ton (except coal gas, in RMB/m ³)
Coke	1,518.27	2,012.50
Coke	1,599.01	2,134.30
Coke breeze	810.75	967.27
Refined Chemicals		
Benzene based chemicals	5,695.69	6,791.54
Pure benzene	6,013.05	7,270.64
Toluene	—	6,395.48
Coal tar based chemicals	4,091.60	4,086.59
Coal asphalt	3,606.52	4,162.09
Anthracene oil	3,263.03	3,748.28
Industrial naphthalene	4,439.61	5,044.71
Energy Products		
Coal gas	0.84	0.83
LNG	3,993.29	4,197.43

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

Coal is the primary raw material for the Group's products. Coal prices affect the Group's raw material costs and are also one of the factors which affect the prices of the Group's products. The Group does not normally enter into long-term fixed-price purchase contracts with the Group's suppliers. The Group purchases coal based on the Group's production schedule. The purchase price is agreed between the Group and the suppliers based on arm's-length negotiation with reference to prevailing market prices at the time the Group places the orders. The supply of coal is also another factor affecting the results of the Group's operations. Tightened environmental protection regulations or an increase in industry consolidation driven by the government in the coal industry could reduce the supply or increase the price of coal. A fluctuation in coal supply may push the price of coal, which in turn will increase the costs of operating the Group's business.

Increases or decreases in the prices of coking coal may not immediately result in changes in the prices of the Group's products or vice versa. In a rising market for the Group's products, the Group may benefit from the widening spread between the prices of raw materials and the Group's products. While in a falling market for the Group's products, the Group may suffer from the narrowing spread.

The following chart shows the average purchase price of coking coal and the average selling price of coke (net of VAT) from 2014 to June 2025 according to the Group's internal records:



The Group believes that the prevailing market prices of coking coal and the Group's products are generally driven by market forces of supply and demand. Since the Group sells the Group's products and procure the Group's coking coal based on prevailing market prices and the prices of coking coal typically move in tandem, though at different speed and magnitude, with the prices of coke and iron and steel, considering of market price fluctuations, the Group believes that it is generally able to negotiate the prices of the Group's products and raw materials.

Production and Sales Volume

The fluctuations of the Group's results of operations were mainly driven by the changes in the average selling price of the Group's products and the average purchase price of coal, while the sales volume of the Group's products was mainly determined by the Group's production. The business of the Group in the first half of 2025 remained stable, with production capacity utilization rate of each of the principal products substantially maintained. Full sales of the Group has been consistently achieved with revenue of the Group. In the first half of 2025, the Group's production for coke was approximately 1.58 million tons. Processing capacity for crude benzene and coal tar was approximately 206,201 tons and 102,127 tons, respectively, while production for LNG was approximately 33,932 tons.

MAJOR DEVELOPMENTS

The Group's strength in coking operations has in the past enabled the Group to extend the Group's engagement in the coking chemical value chain of the coal chemical industry through the acquisition of companies engaging in the production of upstream and downstream products in coking operations. As such, the Group actively expanded its business of coking chemical, refined chemicals as well as coal gas and LNG, and continued to invest in environmental protection facilities. The Group will further expand and deepen its involvement in the coking chemical value chain (including hydrogen energy industry chain) in 2025.

- **5.5-meter Coke Oven Upgrade Project**

Construction of the 5.5 meter to 7.0 meter coke oven upgrade project began in October 2022. The project involved an investment of approximately RMB500 million with a production capacity of about 650,000 tons, and was completed and put into normal operation in April 2024. The production volume in the first half of 2025 was 418,000 tons.

- **Coal Tar Processing Capacity Expansion and Technical Upgrade Project**

The project, with an investment of approximately RMB80.0 million, involved expanding the existing 180,000 tons coal tar processing facility to achieve an annual processing capacity of 360,000 tons. Construction started in October 2023, and by the end of December 2024, individual and integrated trial runs were completed, making it ready for operation, with an additional production capacity of 180,000 tons.

- **Hydrogen Energy Industry Chain**

During the first half of 2025, two hydrogen refuelling stations were added:

The Jiyuan Huling Hydrogen Refuelling Station sold 133 tons of hydrogen during the period, with the same number of vehicles served and primary customers as the Jiyuan South Second Ring Hydrogen Refuelling Station.

The Dengfeng Guojiawa Hydrogen Refuelling Station sold 73 tons of hydrogen during the period, serving approximately 80 vehicles, mainly the coal haulage tractors of Datang Gongyi Power Generation Co., Ltd. and Pingdingshan Power Generation Branch of China National Electric Power Corporation.

The Group currently operates five hydrogen refuelling stations and sold a total of 810 tons of hydrogen during the period (sales for the same period: 250 tons).

Funding for these investments have been and/or will be from the Group's own financial resources, proceeds from listing, and bank borrowings.

RESULTS OF OPERATIONS

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

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

	For the six months ended 30 June		Change
	2025 (unaudited) RMB'000	2024 (unaudited) RMB'000	
Continuing operations			
Revenue	3,829,243	6,299,480	(2,470,237)
Cost of sales	(3,639,994)	(6,229,414)	2,589,420
Gross profit	189,249	70,066	119,183
Other income	19,746	38,199	(18,453)
Other gains and losses	(6,469)	(15,075)	8,606
Selling and distribution expenses	(165,388)	(197,617)	32,229
Administrative expenses	(87,823)	(89,974)	2,151
Finance costs	(77,569)	(68,809)	(8,760)
Share of result of a joint venture	713	2,253	(1,540)
Share of results of associates	49	277	(228)
Loss before tax	(127,492)	(260,680)	133,188
Income tax (expense) credit	(48,991)	51,360	(100,351)
(Loss) for the period	(176,483)	(209,320)	32,837

	For the six months ended 30 June		
	2025	2024	Change
	(unaudited)	(unaudited)	
	RMB'000	RMB'000	RMB'000
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Fair value gain on:			
Bills receivables measured at fair value through other comprehensive income ("FVTOCI"), net of income tax	198	5,541	(5,343)
Total comprehensive (expense) for the period	(176,285)	(203,779)	27,494
(Loss) profit for the period attributable to:			
— Owners of the Company	(125,878)	(156,978)	31,100
— Non-controlling interests	(50,605)	(52,342)	1,737
	(176,483)	(209,320)	32,837
Total comprehensive (expense) for the period attributable to:			
— Owners of the Company	(125,704)	(153,904)	28,200
— Non-controlling interests	(50,581)	(49,875)	(706)
	(176,285)	(203,779)	27,494
(Loss) earnings per share (RMB)			
— Basic	(0.24)	(0.29)	0.05

Consolidated Financial Information

- Revenue and gross profit** recorded decrease in revenue by approximately RMB2,470.2 million or approximately 39.2% as compared to the same period of the preceding year. This was mainly due to a decline in the average selling prices of major products. However, as the average purchase price of coking coal, the raw material for production, recorded a greater decline, the Group's gross profit and gross profit margin improved by approximately RMB119.2 million and 3.8%, respectively. For details, please refer to the section "Business Segment Result" in this report.
- Other income** decreased by approximately RMB19.7 million as compared to the same period of the preceding year. The decrease was mainly due to a decrease of approximately RMB7.1 million in interest income from bills receivables at FVTOCI, a decrease of approximately RMB6.9 million in interest income on time deposits, and a decrease of approximately RMB6.4 million in government subsidies as compared to the same period of the preceding year.

- **Other gains and losses** recorded decrease in loss by approximately RMB8.6 million as compared to the same period of the preceding year. This was mainly due to a decrease in the balances of bills receivables at FVTOCI as compared to the same period of the preceding year which resulted in a decrease in its fair value losses.
- **Selling and distribution expenses** decreased by approximately RMB32.2 million as compared to the same period of the preceding year. This decrease was mainly due to a reduction in shipping costs because of lower sales volume.
- **Administrative expenses** improved by approximately RMB2.2 million or approximately 2.4% as compared to the same period of the preceding year.
- **Finance costs** compared to the same period last year, the average balance of the bank borrowings decreased, resulting in a reduction of interest expense by RMB11.6 million. However, due to a decrease in loan interest capitalised to construction-in-progress, the overall finance costs increased by approximately RMB8.8 million, or about 12.7% year-on-year.
- **Share of result of a joint venture** decreased by approximately RMB1.5 million as compared to the same period of the preceding year. This decrease was mainly due to a decline in both sales volume and prices of hydrogen by the joint venture.
- **Share of results of associates** decreased by approximately RMB0.2 million as compared to the same period of the preceding year, mainly due to the operation suspension of a 49% owned associate of the Company during the period.
- **Loss before tax** recorded decrease by approximately RMB133.2 million as compared to the same period of the preceding year to a loss of approximately RMB127.5 million, after considering the above factors.
- **Income tax (expense) credit** recorded increase in expense by approximately RMB100.4 million as compared to the same period of the preceding year. This increase was mainly due to deferred tax assets adjustment that was prudently made in view of the unpredictability in the outlook of the business operation.
- **Loss for the period** decreased by approximately RMB32.8 million as compared to the same period of the preceding year to a loss of approximately RMB176.5 million.

Business Segment Result

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

	For the six months ended 30 June							
	Segment revenue		Segment result		Segment gross profit margin		Percentage in total revenue of the Group	
	2025	2024	2025	2024	2025	2024	2025	2024
	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	RMB'000 (unaudited)	%	%	%	%
Coke	1,880,927	3,916,167	111,856	66,588	5.9	1.7	49.1	62.2
Trading	57,262	316,129	1,019	10,364	1.8	3.3	1.5	5.0
Refined Chemicals	1,473,852	1,586,863	(31,228)	(35,170)	(2.1)	(2.2)	38.5	25.2
Energy Products	315,762	432,309	112,104	18,889	35.5	4.4	8.2	6.9

- Coke** segment revenue decreased by approximately RMB2,035.2 million or 52% as compared to the same period of the preceding year. The decrease was mainly due to the fact that the average selling price of coke of the Group fell by approximately 28.3% in the first half of 2025 as compared to the same period of the preceding year. However, the average purchase price of coking coal decreased by approximately 33.7%, which resulted in a rebound in gross profit margin from 1.7% to 5.9%.
- Trading** segment revenue decreased by approximately RMB258.9 million or 81.9% as compared to the same period of the preceding year; and the gross profit margin declined from 3.3% to 1.8%, mainly due to a decrease in trade volume and a sharp drop of more than 30% in diesel and petrol sales at gas stations.
- Refined Chemicals** segment revenue decreased by approximately RMB113.0 million or approximately 7.1% as compared to the same period of the preceding year, mainly due to a decrease of approximately 18.3% in the average selling price (tax inclusive) of hydrogenated benzene-based chemicals. However, the average purchase price of coking coal, the raw material for the production of refined chemicals, recorded a larger decrease, resulting in an improvement of 0.1% in the overall segment gross margin.
- Energy Products** segment revenue decreased by approximately RMB116.5 million or approximately 27.0% as compared to the same period of the preceding year, mainly due to a decline in sales of LNG and gas, as well as the fact that Xinyang Jingang, due to a change in its business model during the period, reclassified the sales of electricity it produced from the Energy Products segment to the Other Products segment. This change also resulted in the gross margin of the Energy segment increasing from 4.4% to 35.5%.

FINANCIAL POSITION

Financial Resources

In the first half of 2025, the Group's major financial resources were funded by the proceeds from the sales of the Group's products, shareholders' equity and bank borrowings. The directors of the Company have confirmed that the Group did not experience any liquidity problems in the first half of 2025.

The Group's finance department prepares cash flow projections, which are reviewed regularly by the Group's senior management.

Specific considerations in determining the Group's appropriate cash position include the Group's forecast working capital and capital expenditure needs and the Group's liquidity ratios, and the Group also aims to maintain a certain level of excess cash to meet unexpected needs.

Cash Flow

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

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash from operating activities	94,296	530,423
Net cash from (used in) investing activities	39,020	(106,770)
Net cash (used in) financing activities	(211,993)	(306,365)
Net (decrease) increase in cash and cash equivalents	(78,677)	117,288
Cash and cash equivalents at the beginning of the period	509,560	917,869
Effect of foreign exchange rate changes	(146)	4,729
Cash and cash equivalents at the end of the period, represented by: bank balances and cash	430,737	1,039,886

- **Cash Flow from Operating Activities**

In the first half of 2025, the Group's cash from operating activities of approximately RMB94.3 million was primarily attributable to (i) the net operating cash flows before movements in working capital of approximately RMB191.6 million; (ii) decrease in inventories of approximately RMB198.8 million; (iii) decrease in bills receivables at FVTOCI of approximately RMB29.1 million; (iv) decrease in amount due from a shareholder of approximately RMB31.5 million; and (v) increase in contract liabilities of approximately RMB10.9 million. Yet the cash from operating activities is partially offset by (vi) increase in amounts due from related parties of approximately RMB74.9 million; (vii) decrease in trade and other payables of approximately RMB277.8 million; and (viii) decrease in amounts due to related parties of approximately RMB12.8 million.

- **Cash Flow from Investing Activities**

In the first half of 2025, the Group's net cash from investing activities of approximately RMB39.0 million was primarily due to (i) net recovery of approximately RMB499.8 million to restricted bank balances; (ii) interest received of approximately RMB7.1 million; and (iii) assets-related government subsidy received of approximately RMB15.9 million; yet was partially offset by (iv) acquisition of or payment for deposit of acquisition for property, plant and equipment and right-of-use assets of approximately RMB196.0 million; (v) increase in placement of restricted bank balances of approximately RMB288.5 million.

- **Cash Flow used in Financing Activities**

In the first half of 2025, the Group's net cash used in financing activities of approximately RMB12.0 million was primarily due to: (i) the repayment of borrowings of approximately RMB1,556.7 million; (ii) interest payments of approximately RMB77.3 million; (iii) repayment of sale-leaseback payments of approximately RMB78.6 million; (iv) dividends paid to non-controlling interests of subsidiaries of approximately RMB22.9 million; and (v) repayment of amounts due to a related party of approximately RMB70.0 million; yet was partially offset by (vi) new related party borrowings of approximately RMB115.0 million; and (vii) new borrowings raised of approximately RMB1,479.5 million.

Liabilities

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

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)	Increase/ (decrease) RMB'000
Bank borrowings	3,181,501	3,258,740	(77,239)
Other borrowings (Note)	50,000	90,000	(40,000)
	<u>3,231,501</u>	<u>3,348,740</u>	<u>(117,239)</u>
Secured	980,795	1,374,077	(393,282)
Unsecured	2,250,706	1,974,663	276,043
	<u>3,231,501</u>	<u>3,348,740</u>	<u>(117,239)</u>
Fixed-rate borrowings	1,635,942	1,604,137	31,805
Floating-rate borrowings	1,595,559	1,744,603	(149,044)
	<u>3,231,501</u>	<u>3,348,740</u>	<u>(117,239)</u>
Less: Amount due within one year shown under current liabilities	<u>(2,754,274)</u>	<u>(2,668,118)</u>	<u>(86,156)</u>
Amount due after one year shown under non-current liabilities	<u>477,227</u>	<u>680,622</u>	<u>(203,395)</u>

Note: During the year ended 31 December 2024, the Group raised borrowings of RMB40,000,000 and RMB50,000,000 from Yugang Coking and a third party for a period of 6 months, carrying an interest rate of 5.30% and 11.45% per annum, respectively. During the current interim period, the Group entered into a renewal agreement with the respective lender to fix the interest rate to 4.50% and 11.51% per annum and to extend the period for another 6 months, respectively. The borrowing from Yugang Coking as at 30 June 2025 is presented in amounts due to related parties as the lender became a related party of the Group on 16 June 2025.

The Group's bank borrowings in 2024 and the first half of 2025 were all borrowings denominated in Renminbi. As at 31 December 2024, approximately RMB1,374.1 million of the Group's borrowings were secured by the Group's property, plant and equipment, right-of-use assets, restricted bank balances and bills receivables. All remaining secured borrowings were credit borrowings. As at 30 June 2025, the Group's borrowings of approximately RMB980.8 million were secured by right-of-use assets, restricted bank balances, and property, plant and equipment.

The table below sets forth the ranges of effective interest rate of the Group's bank borrowings as at the dates indicated.

	Six months ended 30 June 2025 (unaudited)	Year ended 31 December 2024 (audited)
Effective interest rate:		
— Fixed-rate borrowings	3.10%-5.40%	3.35%-5.70%
— Floating-rate borrowings	2.95%-5.40%	2.80%-5.60%

As at 30 June 2025, the Group had obtained banking facilities in an aggregate amount of approximately RMB13,820.19 million (31 December 2024: RMB13,923.70 million), of which total amount of approximately RMB934.55 million (31 December 2024: RMB984.2 million) is still available for use. As at 30 June 2025, the Group had total outstanding bank borrowings of approximately RMB3,181.5 million (31 December 2024: RMB3,258.7 million). The Group intends to refinance the Group's bank borrowings or repay the Group's bank borrowings as and when they fall due with the Group's internally generated funds (refinancing has been achieved for bank borrowings of RMB651.32 million falling due in the first half of 2025 according to needs).

As at 30 June 2025, the Group did not have any material contingent liabilities and guarantees, and the lawsuits filed against the companies under the Group included those mainly involving Xinyang Jingang (a 70% owned subsidiary of the Group) with some of its raw material suppliers, coke oven construction contractors and facility suppliers. These lawsuits primarily relate to payment, payment terms, and quality and quantity issues, with the amount claimed at approximately RMB174.5 million. However, it is estimated that no material contingent liabilities will arise. Save as disclosed in this "Financial Position" section, the Directors confirm that there has been no material change in the Group's indebtedness and contingent liabilities since 30 June 2025 and up to the date of this report. As at 30 June 2025, save as disclosed in this "Financial Position" section and apart from normal trade payables, intra-group liabilities and amounts due to connected parties and related parties, the Group did not have any outstanding mortgages, charges or pledges, debentures or other debt securities, term loans, loan capital, other borrowings or other similar indebtedness (including bank loans and overdrafts, hire purchase commitments, acceptance liabilities or acceptance credits), finance leases or any guarantees or other material contingent liabilities.

The Directors confirm that, for the six months ended 30 June 2025, the Group was not subject to any material covenant on any of the Group's outstanding debt and, during the first half of 2025, the Group did not experience any difficulty in obtaining bank loans and other borrowings, or any default in payment of bank loans and other borrowings or breach of covenants. The Directors believe that the Group maintains good relationships with the Group's lenders generally and they expect that, based on the current prevailing market conditions, the Group will be able to obtain replacement financing commitments when the Group's short-term bank borrowings become due.

CHARGE ON ASSETS

As at 30 June 2025, the Group had pledged certain of its assets with a total book value of approximately RMB2,693.82 million (31 December 2024: approximately RMB3,167.6 million) for the purpose of providing securities to banks against general banking facilities, including banks borrowings and bills payables granted to the Group.

FINANCIAL RATIOS

The following table sets forth the Group's financial ratios as at the dates and for the years indicated:

	For the six months ended 30 June 2025	Year ended 31 December 2024
Gearing ratio	0.77x	0.75x
Return on equity (annualized ratio)	-8.2%	-10.5%
Return on assets (annualized ratio)	-3.2%	-4.0%

Gearing ratio

Gearing ratio is calculated by dividing the Group's total interest-bearing bank borrowings by the Group's total equity as at the end of each period.

The Group's gearing ratio increased for the first half of 2025, mainly because the reduction in the Group's total interest-bearing borrowings was less than the decrease in total equity.

Return on Equity

Return on equity is calculated by dividing the profit or loss attributable to owners of the Company for the period by the average equity attributable to owners of the Company for the same period.

The increase in the Group's return on equity from -10.5% to -8.2% was mainly due to a reduction in loss.

Return on Assets

Return on assets is calculated by dividing the total comprehensive income or expense for the period by the total average assets of the Group for the same period.

The increase in the Group's return on assets from -4.0% to -3.2% was mainly due to the improvement in the Group's loss.

CONTRACTUAL OBLIGATIONS AND CAPITAL EXPENDITURE

The table below sets forth the Group's capital commitments as at the dates indicated.

	As at 30 June 2025	As at 31 December 2024
	RMB'000 (unaudited)	RMB'000 (audited)
Capital expenditure contracted for but not provided in the Group's condensed consolidated financial statements in respect of acquisition of property, plant and equipment	15,167	18,215

Other than the transactions described in the above table, as at 30 June 2025, the Group had no other material contractual commitments.

Off-Balance Sheet Arrangements

The Group did not have any material off-balance sheet arrangements as at 30 June 2025. Specifically, the Group has not entered into any derivative contracts that are indexed to the Group's shares and classified as shareholders' equity, or that are not reflected in the Group's condensed consolidated financial statements. Furthermore, the Group does not have any retained or contingent interests in assets transferred to an unconsolidated entity to serve as credit, liquidity or market risk support for such entity. Moreover, the Group does not have any variable interests in any unconsolidated entity that provides financing, liquidity, market risk or credit support to the Group or engages in leasing, hedging or research and development services with the Group.

TRANSFER OF FINANCIAL ASSETS

During the first half of 2025, the Group (i) endorsed certain bills receivables for the settlement of trade and other payables; and (ii) discounted certain bills receivables to banks for raising of cash. In the opinion of the Directors, the Group has transferred the significant risks and rewards relating to these bills receivables, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed and discounted bills receivable is low because the endorsed and discounted bills receivables are issued and guaranteed by reputable PRC banks. As a result, the relevant assets and liabilities were derecognized on the condensed consolidated financial statements. The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivables at the end of the reporting period are as follows:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Endorsed bills for settlement of payables	1,243,757	1,667,344
Discounted bills for raising cash	857,826	1,087,806
Outstanding endorsed and discounted bills receivables with recourse	<u>2,101,583</u>	<u>2,755,150</u>

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

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

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

SUBSEQUENT IMPORTANT EVENTS AND OTHER COMMITMENTS

From 30 June 2025 and up to the date of this report, the Group had no other subsequent important events or other commitments that may materially affect the Group's financial condition and operation.

MARKET RISKS

Market risk is the risk of loss related to adverse changes in market prices. The Group is exposed to various types of market risks, including commodity price and liquidity risks, in the normal course of the Group's business. The Group aims to minimize risk through disciplined operating and financial activities. During the first half of 2025, the Group has not entered into any foreign exchange or interest rate hedging contract or forward purchase or sale contract for commodities.

Other than the HK dollar proceeds from listing by the Company's subsidiary Jinyuan HChem (HK\$10.0 million and HK\$10.1 million as at 30 June 2025 and 31 December 2024 respectively) pending remittance back to China, the Group has no exposure to significant exchange risks as all its operations are within China where there are no foreign currencies transactions, assets or liabilities.

Commodity Price Risk

The Group is exposed to fluctuations in the prices of raw materials, and in particular, coal, as well as fluctuations in the prevailing market prices of the Group's products. The Group generally purchases coal and other raw materials based on prevailing market prices. The Group's products are also generally sold based on the prevailing market prices in the regions where the Group sells the Group's products, and by making reference to various other factors applicable to individual customers. Market prices may fluctuate and are beyond the Group's control and may have a significant effect on the Group's results of operations.

Interest Rate Risk

The Group is subject to fair value interest rate risk in relation to the Group's interest-bearing bank loans, bank borrowings and other borrowings at fixed interest rates. The Group is also exposed to cash flow interest rate risk in relation to the Group's floating rate borrowings.

As at 30 June 2025, the Group had fixed-rate borrowings in the amount of approximately RMB1,635.9 million (31 December 2024: approximately RMB1,604.1 million).

The Group currently does not have an interest rate hedging policy, but the Group's management will consider hedging significant interest rate risk should the need arise.

Credit Risk

In the event that the Group's counterparties fail to perform their obligations, the Group's exposure to credit risk in relation to each class of recognized financial assets as at 30 June 2025 is the carrying amount of those assets stated in the condensed consolidated statements of financial position, and the maximum outstanding amount of contingent liabilities is as disclosed in the condensed consolidated financial statement.

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

The Group has significant concentration of credit risk in trade receivables and amounts due from shareholders and trading amounts due from related parties, with over 70.36% and 84% of exposure concentrated in the five largest outstanding balances for the six months ended 30 June 2025 and the year ended 31 December 2024, respectively. The Group believes the Group's credit risks on bank balances and deposits or bill receivables are limited and there is no significant concentration of credit risk because the Group's bank deposits or bills are deposited in or contracted with reputable state-owned banks with high credit ratings assigned by international credit-rating agencies.

Liquidity Risk

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

NO MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 30 June 2025 and up to the date of this report.

DIVIDEND AND DIVIDEND POLICY

To show appreciation to its shareholders, and having considered the financial and business conditions of the Group, the Group has established a dividend policy, subject to the relevant laws and regulations in the PRC and Hong Kong, the dividend to be distributed by the Company each year will not be less than 25% of the profit and total comprehensive income attributable to the Company's shareholders for the year. The PRC laws require that dividends shall be paid only out of the net profit calculated according to the PRC accounting principles, which may differ in many aspects from the generally accepted accounting principles in other jurisdictions, including the IFRS.

Based on the interim results and financial position as of 30 June 2025, the Board of Directors has resolved not to declare an interim dividend.

PENSION SCHEMES

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

The Hong Kong-based employees of the Group participate in the Mandatory Provident Fund Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and the employers' existing level of contributions can be reduced by contributions forfeited by the employers on behalf of those employees who leave the scheme prior to vesting fully in the contributions. During the year ended 31 December 2024 and the six months ended 30 June 2025, there were no such forfeited contributions. There were no forfeited contributions available for reducing future contributions as at 31 December 2024 and 30 June 2025, respectively. The Group contributes the lower of HK\$1,500 per month or 5% of the relevant monthly payroll costs to the Mandatory Provident Fund Scheme.

The Company persists in becoming an enterprise with a strong sense of social responsibility. Consistently adhering to the principle of harmonious development of economic benefit and social benefit, it promotes technological advancement in the industry and assumes its social responsibility proactively. The Company upholds a sound and efficient corporate governance philosophy while also focusing on shareholders' interests and is determined to achieve a high standard of corporate governance. In addition to following internationally accepted rules, the Company also continuously improves its internal control system through internal and third-party audits.

CORPORATE GOVERNANCE CODE AND THE ARTICLES OF ASSOCIATION

The Company has formulated the Articles of Association of the Company (the "Articles") in accordance with the PRC Company Law, and other relevant laws and regulations of the PRC. The Articles are the code of conduct for the Company, regulating the organization and behaviour of the Company, the rights and obligations shared between the Company and its shareholders, and between and among the Company's shareholders. Meanwhile, the Company has also adopted the Corporate Governance Code (the "Code") in Appendix C1 of the Listing Rules, and formulated a series of rules (such as Internal Audit Rules, Internal Control Evaluation Rules, Compliance Management Rules, Authorization Management Rules and External Investment Management Rules, etc.) as well as the terms of reference of the Nomination Committee, the Remuneration Committee and the Audit Committee, to achieve the objective of good corporate governance. During the six months ended 30 June 2025, the Company has complied with all the code provisions under the Corporate Governance Code.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules and the Company Secretary has also issued to all Directors and supervisors of the Company (the "Supervisors") a compliance notice of suspending trading during the black-out period in accordance with the Model Code. Having made specific enquiries with the Directors and Supervisors, the Company hereby confirms that all the Directors and Supervisors have complied with the standards as set out in the Model Code for the trading of securities by Directors during the six months ended 30 June 2025.

On 8 September 2025 and 10 September 2025, the Company received letters from Jiangxi PXSteel, a shareholder of the Company, and HK Goland Investment Limited ("Goland Investment"), a company controlled by Mr. Wang Lijie, an executive director of the Company, respectively. The letters stated that Jiangxi PXSteel and Goland Investment had entered into a share sale and purchase agreement on 8 September 2025, pursuant to which Jiangxi PXSteel proposes to transfer all of its directly held shareholdings in the Company (52,945,000 H Shares) to Goland Investment (the "Share Transfer Transaction"). The Company also noted the relevant disclosure of interests forms submitted by the parties related to the aforementioned transaction on 11 September 2025, including that of Mr. Wang Lijie's. However, prior to 8 September 2025, Mr. Wang Lijie, being a director of the Company, had not served a prior written notice to the chairman of the Company (the duties of which were at the time taken up by the vice chairman of the Company) regarding the Share Transfer Transaction and had not obtained a dated written acknowledgement. On 15 September 2025, Mr. Wang Lijie has sent a written notice to the Company via Goland Investment, requesting an acknowledgement of the Share Transfer Transaction. The Company's chairman has not yet issued a written acknowledgement.

The Board has convened a meeting with Mr. Wang Lijie regarding this matter to understand the content and the status of performance of the transaction. The Company is currently seeking legal advice on compliance matters pertaining to the Share Transfer Transaction under the Model Code. In light of this Share Transfer Transaction, the Company has issued an internal circular to all Directors outlining the regulatory requirements under the Model Code. Furthermore, during the bi-annual training for Directors and senior management to be held in October 2025, the Company will reinforce training on the provisions of the Model Code and emphasize the importance of compliance of the Model Code, to minimize the chance of breach of the Model Code by the relevant parties in the future.

BOARD OF DIRECTORS

The Directors of the fourth session of the Board of Directors were appointed at the annual general meeting held on 16 June 2025 for a term of three years until the conclusion of the annual general meeting for the year ending 31 December 2027. Currently, the fourth session of the Board of Directors consists of nine directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors. The members of the fourth session of the Board of Directors are listed as follows:

Executive Directors

Mr. Liu Liangyu (Chairman) (resigned on 25 July 2025)
Mr. Xu Huaping
Mr. Wang Lijie

Non-executive Directors

Mr. Xu Fenglei (Deputy Chairman)
Ms. Wan Tingting
Ms. Ye Ting
Mr. Yiu Chiu Fai (Chairman) (appointed on 5 September 2025 as Director, appointed on 17 September 2025 as Chairman)

Independent Non-executive Directors

Mr. Su Jiangang
Mr. Zhang Xicheng
Mr. Man Kwok Leung

SUPERVISORY COMMITTEE

The Supervisors of the fourth session of the Supervisory Committee were appointed at the annual general meeting held on 16 June 2025 for a term of three years until the conclusion of the annual general meeting for the year ending 31 December 2027. The fourth session of the Supervisory Committee consists of six Supervisors, including two shareholder representative Supervisors, two employee Supervisors and two independent Supervisors. The members of the fourth session of the Supervisory Committee are listed as follows:

Supervisors

Mr. Zhou Tao David
Ms. Tian Fangyuan
Ms. Lyu Hong
Ms. Zhu Ziyao
Ms. Hao Yali
Mr. Fan Xiaozhu

DISCLOSURE OF INFORMATION ON DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information on Directors, Supervisors and Chief Executive Officer of the Company for the six months ended 30 June 2025 and up to the date of this interim report are as follows:

Supervisors	Details of change
Ms. Tian Fangyuan	has been appointed as a director of Yuguang (Australia) Pty Ltd. with effect from 31 July 2025.
Ms. Hao Yali	has been appointed as the chairman of the labour union of the Company with effect from January 2025.

INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN SECURITIES

As at 30 June 2025, the interests and short positions (if any) of the Directors, Supervisors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

Name	Nature of interest	Description of shares	Number of shares held (Note 1)	Approximate percentage of shareholding in the total share capital of the Company (Note 2)
Mr. Liu Liangyu	Interests in controlled corporation (Note 3)	H shares	156,665,000 (L)	29.26%
Mr. Xu Huaping	Interests in controlled corporation (Note 3)	H shares	156,665,000 (L)	29.26%
Mr. Wang Lijie	Interests in controlled corporation (Note 4)	H shares	42,900,000 (L)	8.01%
Mr. Zhou Tao David	Beneficial owner	H shares	8,000 (L)	0.001%

Notes:

1. The letter “L” denotes the person’s long position in such shares.
2. The calculation is based on the total number of 535,421,000 Shares in issue, all of which are H shares.
3. On 3 April 2025, Beijing Weigang entered into an agreement with Jinma Coking, pursuant to which, subject to certain conditions precedent, Beijing Weigang shall purchase all issued share capital of Jinma HK (the “Target Shares”). Upon completion, Jinma HK will reduce its H share shareholdings in Jinma Energy to 156,665,000 H shares (representing approximately 29.26% of the issued share capital of Jinma Energy). So far as the Directors are aware, Beijing Weigang is held as to 66.67% by Shandong Weijiao and 33.3% by Shandong Hengkun. Shandong Weijiao is held as to 64% by Weifang Zhenxing, which in turn is held as to 42.73% by Mr. Liu Liangyu. Shandong Hengkun is held as to 46.09% by Mr. Xu Huaping and 53.13% by Hainan Hengkun, which in turn is held as to 100% by Mr. Li Zhengchao. Accordingly, each of Mr. Liu Liangyu and Mr. Xu Huaping is deemed to be interested in Beijing Weigang’s interest in the Company by virtue of the SFO as at 30 June 2025. On 5 August 2025, Jinma Coking served a termination notice to Beijing Weigang and the sale of the Target Shares by Jinma Coking to Beijing Weigang will not be proceeded with. Accordingly, as at the date of this report, Mr. Liu Liangyu and Mr. Xu Huaping are no longer deemed interested in any shares of the Company.
4. Mr. Wang Lijie (王利杰) (an executive director) is the holder of approximately 33.44% of the equity interest of Jinma Xingye. Accordingly, Mr. Wang is deemed to be interested in Jinma Xingye’s interest in the Company by virtue of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors, Supervisors nor the chief executive had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

INTERESTS OF DIRECTORS AND SUPERVISORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During this reporting period or as at 30 June 2025, none of the Directors or Supervisors, or the entities connected with the Directors or Supervisors, has participated or is or was materially interested, directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, its holding Company, or any of its subsidiaries or fellow subsidiaries was a party.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

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

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SECURITIES

As at 30 June 2025, so far as is known to the Directors, the following parties (other than a Director, Supervisor or Chief Executive Officer) were directly or indirectly interested or deemed to be interested in 5% or more of any class of the issued share capital of the Company:

Name	Nature of Interest	Description of Shares	Number of Shares Held (Note 1)	Approximate percentage of shareholding in the total share capital of the Company (Note 2)
Jinma HK	Beneficial owner	H shares	162,000,000 (L)	30.26%
Jinma Coking	Interests in controlled corporation (Note 3) (Note 5)	H shares	162,000,000 (L)	30.26%
Golden Star	Interests in controlled corporation (Note 4) (Note 5)	H shares	162,000,000 (L)	30.26%
Mr. Yiu Chiu Fai	Interests in controlled corporation (Note 5)	H shares	162,000,000 (L)	30.26%
	Beneficial owner	H shares	2,681,000 (L)	0.50%
Ms. Lam Yuk Wai	Interest of spouse (Note 5) (Note 6)	H shares	164,681,000 (L)	30.76%
Beijing Weigang New Energy Co., Ltd. ("Beijing Weigang")	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Shandong Hengkun Coal Tar. Co., Ltd.* ("Shandong Hengkun")	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Shandong Weijiao Holding Group Co., Ltd. ("Shandong Weijiao")	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Li Zhengchao* (李正超)	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Hainan Hengkun Construction Development Co., Ltd. ("Hainan Hengkun")	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Weifang Zhenxing Investment Co.* ("Weifang Zhenxing")	Interests in controlled corporation (Note 5)	H shares	156,665,000 (L)	29.26%
Maanshan Steel	Beneficial owner (Note 7)	H shares	144,000,000 (L)	26.89%
Magang (Group) Holdings Co., Ltd.	Interests in controlled corporation (Note 7)	H shares	144,000,000 (L)	26.89%
Jiangxi PXSteel Industrial Co. Ltd.* ("Jiangxi PXSteel")	Beneficial owner	H shares	52,945,000 (L)	9.89%
Jiangxi Fangda Steel Group Co., Ltd.	Interests in controlled corporation (Note 8)	H shares	52,945,000 (L)	9.89%
Liaoning Fangda Group Industrial Co., Ltd.	Interests in controlled corporation (Note 8)	H shares	52,945,000 (L)	9.89%
Beijing Fangda International Enterprise Investment Co., Ltd.	Interests in controlled corporation (Note 9)	H shares	52,945,000 (L)	9.89%
Mr. Fang Wei	Interests in controlled corporation (Note 10)	H shares	52,945,000 (L)	9.89%
Jiyuan Jinma Xingye Investment Co., Ltd.* ("Jinma Xingye")	Beneficial owner	H shares	42,900,000 (L)	8.01%
Ms. Zheng Jing	Interest of spouse (Note 11)	H shares	42,900,000 (L)	8.01%

Notes:

1. The letter “L” denotes the entity/person’s long position in such shares.
2. The percentage is based on the total number of 535,421,000 shares in issue of which all are H shares.
3. Jinma HK is wholly-owned by Jinma Coking. Accordingly, Jinma Coking is deemed to be interested in Jinma HK’s interest in the Company by virtue of the SFO.
4. Jinma Coking is held as to 96.3% by Golden Star. Accordingly, Golden Star is deemed to be interested in Jinma Coking’s, and in turn, Jinma HK’s interest in the Company by virtue of the SFO.
5. Mr. Yiu Chiu Fai is the legal and beneficial owner of the entire issued share capital of Golden Star Chemicals (Holdings) Limited* (“Golden Star”). As at the date of this report, Golden Star, in turn, holds 100% of the issued share capital of Jinma Coking (BVI) Limited* (“Jinma Coking”), while as at 30 June 2025, Jinma Energy (Hong Kong) Limited* (formerly known as Jinma Coking (Hong Kong) Limited) (“Jinma HK”) is wholly-owned by Jinma Coking. Accordingly, Mr. Yiu is deemed to be interested in Jinma HK’s interest in the Company by virtue of the SFO. On 3 April 2025, 北京濰港新能源有限公司(Beijing Weigang New Energy Co., Ltd.*, “Beijing Weigang”) entered into an agreement with Jinma Coking, pursuant to which, subject to certain conditions precedent, Beijing Weigang shall purchase all issued share capital of Jinma HK (the “Target Shares”). Upon completion, Jinma HK will reduce its H share shareholdings in Jinma Energy to 156,665,000 H shares (representing approximately 29.26% of the issued share capital of Jinma Energy). So far as the Directors are aware, Beijing Weigang is held as to 66.67% by Shandong Weijiao and 33.3% by Shandong Hengkun. Shandong Weijiao is held as to 64% by Weifang Zhenxing, which in turn is held as to 42.73% by Mr. Liu Liangyu. Shandong Hengkun is held as to 46.09% by Mr. Xu Huaping and 53.13% by Hainan Hengkun, which in turn is held as to 100% by Mr. Li Zhengchao. Accordingly, each of Shandong Weijiao, Shandong Hengkun, Weifang Zhenxing, Hainan Hengkun and Mr. Li Zhengchao is deemed to be interested in Beijing Weigang’s interest in the Company by virtue of the SFO as at 30 June 2025. On 5 August 2025, Jinma Coking served termination notice to Beijing Weigang and the sale of the Target Shares by Jinma Coking to Beijing Weigang will not be proceeded with. Accordingly, as at the date of this report, Mr. Yiu continues to be indirectly interested in 100% in Jinma Coking, which holds 100% of Jinma HK, which in turn is the holder of 162,000,000 shares of Jinma Energy, representing approximately 30.26% of the capital of Jinma Energy, and Beijing Weigang, Shandong Weijiao, Shandong Hengkun, Weifang Zhenxing, Hainan Hengkun and Mr. Li Zhengchao are no longer deemed interested in any shares of the Company.
6. Ms. Lam Yuk Wai is the wife of Mr. Yiu Chiu Fai, and thus, she is deemed to be interested in the same amount of shares as Mr. Yiu.
7. Magang (Group) Holdings Co., Ltd., whose actual controller was the State-owned Assets Supervision and Administration Commission of the State Council (being the holder of 51% of the interest in Magang (Group) Holdings Co., Ltd. through its 100% controlled China Baowu Steel Group Corporation Limited), is the holding company of Maanshan Steel and holds approximately 48.35% of the shares of Maanshan Steel. Accordingly, Magang (Group) Holdings Co., Ltd. is deemed to be interested in Maanshan Steel’s interest in the Company by virtue of the SFO.
8. As per their confirmations, Jiangxi Fangda Steel Group Co., Ltd. (“Fangda Group”) directly holds approximately 52.248% of Jiangxi PXSteel, thus, Fangda Group is the holding company of Jiangxi PXSteel. Accordingly, Fangda Group is deemed to be interested in Jiangxi PXSteel’s interest in the Company by virtue of the SFO. On the other hand, Liaoning Fangda Group Industrial Co., Ltd. (“Liaoning Fangda”) is directly and indirectly interested in approximately 61.829% of Jiangxi PXSteel, and hence Liaoning Fangda is the controlling company of Jiangxi PXSteel. Accordingly, Liaoning Fangda is deemed to be interested in Jiangxi PXSteel’s interest in the Company by virtue of the SFO.
9. Beijing Fangda International Enterprise Investment Co., Ltd. (“Beijing Fangda”) is the holding company of Liaoning Fangda and holds approximately 99.2% of the shares of Liaoning Fangda. Accordingly, Beijing Fangda is deemed to be interested in Liaoning Fangda’s, and in turn, Jiangxi PXSteel’s interest in the Company by virtue of the SFO.
10. Mr. Fang Wei (方威) is the sole equity holder of Beijing Fangda. Accordingly, Mr. Fang is deemed to be interested in Beijing Fangda’s interest in the Company by virtue of the SFO.
11. Ms. Zheng Jing (鄭菁) is the wife of Mr. Wang Lijie, and thus, she is deemed to be interested in the same number of shares as Mr. Wang.

Save as disclosed above, there was no other interest recorded in the register that was required to be kept under Section 336 of the SFO as at 30 June 2025.

SUFFICIENCY OF PUBLIC FLOAT

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

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

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

PROVISION OF FINANCIAL SUBSIDIES AND GUARANTEES TO ASSOCIATES

As at 30 June 2025, the Company has not provided financial subsidies and guarantees to the associates of the Company.

EMPLOYEES AND REMUNERATION POLICY

Employees are the Group's important asset. As at 30 June 2025, the Group had a total of 2,638 employees, including 8 senior management, 110 mid-level management and 2,520 ordinary employees. For the six months ended 30 June 2025, the staff cost of the Group amounted to approximately RMB127.6 million as compared to approximately RMB146.8 million for the same period last year.

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

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

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

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

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee of the Company was set up by the Board with specific terms of reference for the purpose of reviewing the Company's financial information, overseeing the Company's financial reporting system, risk management and internal control systems. The Audit Committee comprises three Directors, including Mr. Su Jiangang (independent non-executive Director), Mr. Zhang Xicheng (independent non-executive Director) and Mr. Man Kwok Leung (independent non-executive Director), and is chaired by Mr. Man Kwok Leung.

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

APPRECIATION

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

By order of the Board
Henan Jinma Energy Company Limited
Deputy Chairman
Xu Fenglei

Hong Kong, 28 August 2025

* *For identification purposes only*

TO THE BOARD OF DIRECTORS OF HENAN JINMA ENERGY COMPANY LIMITED

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

Introduction

We have reviewed the condensed consolidated financial statements of Henan Jinma Energy Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 28 to 54, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

28 August 2025

	NOTES	Six months ended	
		30/06/2025	30/06/2024
		RMB'000 (unaudited)	RMB'000 (unaudited)
Revenue	3	3,829,243	6,299,480
Cost of sales		(3,639,994)	(6,229,414)
Gross profit		189,249	70,066
Other income	4	19,746	38,199
Other gains and losses	5	(6,469)	(15,075)
Selling and distribution expenses		(165,388)	(197,617)
Administrative expenses		(87,823)	(89,974)
Finance costs	6	(77,569)	(68,809)
Share of result of a joint venture		713	2,253
Share of results of associates		49	277
Loss before tax	7	(127,492)	(260,680)
Income tax (expense) credit	8	(48,991)	51,360
Loss for the period		(176,483)	(209,320)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Fair value gain on bills receivables measured at fair value through other comprehensive income ("FVTOCI"), net of income tax		198	5,541
Total comprehensive expense for the period		(176,285)	(203,779)
Loss for the period attributable to:			
– Owners of the Company		(125,878)	(156,978)
– Non-controlling interests		(50,605)	(52,342)
		(176,483)	(209,320)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		(125,704)	(153,904)
– Non-controlling interests		(50,581)	(49,875)
		(176,285)	(203,779)
Loss per share (RMB)			
– Basic	10	(0.24)	(0.29)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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At 30 June 2025

	NOTES	30/06/2025 RMB'000 (unaudited)	31/12/2024 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	11	7,239,115	7,409,017
Right-of-use assets	11	411,520	417,375
Intangible assets		392,799	403,240
Goodwill		10,669	10,669
Interest in a joint venture		63,604	67,791
Interests in associates		97,070	97,021
Deferred tax assets	12	167,421	173,994
Deposit for acquisition of property, plant and equipment and right-of-use assets		3,079	1,907
		<u>8,385,277</u>	<u>8,581,014</u>
CURRENT ASSETS			
Inventories		315,528	525,940
Trade and other receivables	13	367,139	362,920
Tax recoverable		401	5,667
Amount due from a shareholder		—	31,456
Amounts due from related parties	14	75,017	130
Bills receivables at FVTOCI		284,483	316,852
Restricted bank balances		455,101	666,362
Time deposits		216,649	215,843
Bank balances and cash		430,737	509,560
		<u>2,145,055</u>	<u>2,634,730</u>
CURRENT LIABILITIES			
Borrowings	15	2,754,274	2,668,118
Trade and other payables	16	2,200,098	2,674,306
Amounts due to related parties	17	157,439	87,130
Amount due to a shareholder	18	53,000	—
Sale and leaseback payables		148,139	156,438
Contract liabilities		64,573	53,689
Lease liabilities		1,858	2,107
Tax payable		9,340	8,422
		<u>5,388,721</u>	<u>5,650,210</u>
NET CURRENT LIABILITIES		<u>(3,243,666)</u>	<u>(3,015,480)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,141,611</u>	<u>5,565,534</u>

	NOTES	30/06/2025 RMB'000 (unaudited)	31/12/2024 RMB'000 (audited)
CAPITAL AND RESERVES			
Share capital		535,421	535,421
Reserves		2,457,177	2,582,881
Equity attributable to owners of the Company		2,992,598	3,118,302
Non-controlling interests		1,145,530	1,218,961
TOTAL EQUITY		4,138,128	4,337,263
NON-CURRENT LIABILITIES			
Borrowings	15	477,227	680,622
Retention payables		141,235	144,092
Refundable deposit payable		104,625	111,375
Sale and leaseback payables		159,361	221,062
Lease liabilities		2,695	2,480
Deferred revenue		39,020	25,041
Deferred tax liabilities	12	63,690	27,969
Perpetual loan		15,630	15,630
		1,003,483	1,228,271
		5,141,611	5,565,534

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

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	Attributable to owners of the Company							
	Share	Capital	FVTOCI	Statutory	Retained	Special	Non-	Total equity
	capital	reserve	reserve	surplus	profits	reserve	controlling	
	RMB'000	RMB'000 (Note i)	RMB'000	reserve fund (Note ii)	RMB'000	RMB'000 (Note iii)	interests	
At 1 January 2025 (audited)	535,421	600,333	(1,287)	267,710	1,675,395	40,730	3,118,302	4,337,263
Loss for the period	-	-	-	-	(125,878)	-	(125,878)	(176,483)
Other comprehensive income for the period	-	-	174	-	-	-	174	198
Total comprehensive income (expense) for the period	-	-	174	-	(125,878)	-	(125,704)	(176,285)
Dividend declared (Note 9)	-	-	-	-	-	-	(22,850)	(22,850)
Transfer	-	-	-	-	(7,762)	7,762	-	-
At 30 June 2025 (unaudited)	535,421	600,333	(1,113)	267,710	1,541,755	48,492	2,992,598	4,138,128
At 1 January 2024 (audited)	535,421	601,851	(6,563)	267,710	2,025,599	36,416	3,460,434	4,840,215
Loss for the period	-	-	-	-	(156,978)	-	(156,978)	(209,320)
Other comprehensive income for the period	-	-	3,074	-	-	-	3,074	5,541
Total comprehensive income (expense) for the period	-	-	3,074	-	(156,978)	-	(153,904)	(203,779)
Dividend declared (Note 9)	-	-	-	-	-	-	(31,978)	(31,978)
Transfer	-	-	-	-	112	(112)	-	-
At 30 June 2024 (unaudited)	535,421	601,851	(3,489)	267,710	1,868,733	36,304	3,306,530	4,604,458

Notes:

- The balance mainly comprises (i) reserves arose from shareholding reform of the Company prior to the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited in 2016 and (ii) the difference between the carrying amount of consideration paid and 25% of the net assets value of Shanghai Jinma Energy Co., Ltd. ("Shanghai Jinma") 上海金馬能源有限公司, a non-wholly owned subsidiary, when acquiring the non-controlling interest of Shanghai Jinma in year 2019.
- Pursuant to the relevant laws in the People's Republic of China (the "PRC"), each of the entities established in the PRC is required to transfer 10% of its profit after tax as per statutory financial statements (as determined by the management of the group entities) to the reserve fund (including the general reserve fund and enterprise development fund where appropriate). The general reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the respective company and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the entity.
- The Company and its subsidiaries (collectively referred to as the "Group") is required to make appropriations based on its revenue in accordance with CaiZi [2022] No. 136 "Administrative measures for the accrual and use of expenses for work safety by enterprises" that is issued by the Ministry of Finance and the Ministry of Emergency Management. The reserve is for future enhancement of safety production environment and improvement of facilities and is not available for distribution to shareholders.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
OPERATING ACTIVITIES		
Loss before tax	(127,492)	(260,680)
Adjustments for:		
Interest income	(12,041)	(25,934)
Fair value loss on bills receivables at FVTOCI	6,554	20,686
Loss on disposal/retirement of property, plant and equipment	318	1,268
Depreciation of property, plant and equipment	220,475	206,955
Depreciation of right-of-use assets	6,695	6,494
Amortisation of intangible assets	10,441	10,441
Write-down of inventories	11,587	24,166
Share of results of associates	(49)	(277)
Share of result of a joint venture	(713)	(2,253)
Finance costs	77,569	68,809
Release of assets-related government subsidies	(1,920)	(1,118)
Net foreign exchange loss (gain)	146	(4,845)
Operating cash flows before movements in working capital	191,570	43,712
Decrease in inventories	198,825	214,596
Decrease in bills receivables at FVTOCI	29,114	483,061
(Increase) decrease in trade and other receivables	(1,559)	82,885
Decrease (increase) in amount due from a shareholder	31,456	(12,775)
Increase in amounts due from related parties	(74,887)	(1,805)
Decrease in trade and other payables	(277,767)	(266,389)
Decrease in amounts due to related parties	(12,761)	(2,407)
Increase (decrease) in contract liabilities	10,884	(3,820)
Cash generated from operations	94,875	537,058
Income tax paid	(579)	(6,635)
NET CASH FROM OPERATING ACTIVITIES	94,296	530,423

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
INVESTING ACTIVITIES		
Interest on bank deposits received	7,140	15,817
Assets-related government subsidy received	15,899	1,000
Dividend received from a joint venture	4,900	9,800
Purchase of property, plant and equipment	(195,992)	(225,457)
Deposit for acquisition of property, plant and equipment	(1,229)	(7,530)
Refundable deposit received from constructors	2,072	10,562
Refundable deposit returned to constructors	(3,353)	(2,818)
Proceeds from disposal of interest in an associate	–	5,560
Proceeds from disposal of property, plant and equipment	1,935	515
Loan to a third party	(1,600)	–
Deposit received from disposal of right-of-use assets	–	520
Acquisition of right-of-use assets	(83)	(274)
Placement of restricted bank balances	(288,522)	(785,537)
Withdrawal from restricted bank balances	499,783	871,072
Investment in an associate	(1,930)	–
Placement of time deposits	(100,000)	–
Withdrawal from time deposits	100,000	–
NET CASH FROM (USED IN) INVESTING ACTIVITIES	39,020	(106,770)
FINANCING ACTIVITIES		
Interest paid	(77,347)	(82,146)
Other borrowing raised	–	30,000
Bank borrowings raised	1,479,504	1,286,516
Sale and leaseback payable raised	–	300,000
Repayment of bank borrowings	(1,556,743)	(1,745,236)
Repayment of lease liabilities	(912)	(858)
Repayment of sale and leaseback payables	(78,645)	(68,495)
Transaction costs attributable to issue of shares of a subsidiary	–	(6,546)
Dividends paid to non-controlling interests of subsidiaries	(22,850)	(19,600)
Borrowings from a related party	115,000	–
Repayments to a related party	(70,000)	–
NET CASH USED IN FINANCING ACTIVITIES	(211,993)	(306,365)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(78,677)	117,288
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	509,560	917,869
Effect of foreign exchange rate changes	(146)	4,729
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by:		
Bank balances and cash	430,737	1,039,886

1. BASIS OF PREPARATION

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

As at 30 June 2025, the Group had net current liabilities of approximately RMB3,243,666,000. In addition, there were outstanding capital commitments amounting to RMB15,167,000 (Note 19). The following plans and measures are formulated to manage the Group's liquidity risk and improve the Group's financial position:

- The Group has obtained undrawn banking facilities amounted to RMB934,545,000 (Note 15) as at 30 June 2025, which remain available for utilisation of any additional bank borrowings without any restrictions;
- The Group could optimise its debt structure in view of its long-term relationship with the financial institutions. The Group has considered that the likelihood of not being able to refinance or renew certain of the existing unsecured bank borrowings, with carrying amount of RMB1,290,500,000 as at 30 June 2025, and maturing within the coming twelve months from the end of the reporting period, is low; and
- The Group has considered the net cash flows generated from its operating activities in the coming twelve months from the end of the reporting period are expected to exceed twice those of six months ended 30 June 2025. This expectation is based on the projected increase in the profit margins of its primary products, taking into account the actual improvements in performance and market prices for relevant future contracts entered into subsequent to the end of the reporting period.

After reviewing the cash flow forecast for the coming twelve months based on historical performance and management expectations prepared by the management of the Group, the directors are of the opinion that, taking into account the plans and measures as described above, the Group has sufficient working capital to enable it to meet in full its financial obligations as and when they fall due in the coming twelve months from the end of the reporting period. The directors are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

2. ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's consolidated financial statements for the year ended 31 December 2024.

Application of amendments to an IFRS Accounting Standard

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

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

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

Segments*	For the six months ended 30 June 2025 (unaudited)						
	Coke	Coking by-products	Refined chemicals	Energy products	Trading	Other services	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or service							
<i>Sales of goods</i>							
Coke	2,124,718	–	–	–	89,088	–	2,213,806
Ammonium sulphate	–	12,726	–	–	–	–	12,726
Benzene based chemicals	–	83,146	1,110,256	–	–	–	1,193,402
Coal tar based chemicals	–	146,430	374,409	–	–	–	520,839
Coal gas	–	–	–	395,056	–	–	395,056
Liquefied natural gas ("LNG")	–	–	–	133,487	27,965	–	161,452
Coal	–	–	–	–	2,289	–	2,289
Refined oil	–	–	–	–	33,943	–	33,943
Hydrogen	–	–	–	2,369	21,956	–	24,325
Others	–	18,255	–	40,660	7	4,322	63,244
	<u>2,124,718</u>	<u>260,557</u>	<u>1,484,665</u>	<u>571,572</u>	<u>175,248</u>	<u>4,322</u>	<u>4,621,082</u>
<i>Providing services</i>							
Trading agency	–	–	–	–	1,369	–	1,369
Energy supply	–	–	–	118,212	182	30,186	148,580
Consignment processing	–	–	–	–	–	52,908	52,908
Others	–	–	–	–	–	23,994	23,994
	<u>–</u>	<u>–</u>	<u>–</u>	<u>118,212</u>	<u>1,551</u>	<u>107,088</u>	<u>226,851</u>
Total	<u>2,124,718</u>	<u>260,557</u>	<u>1,484,665</u>	<u>689,784</u>	<u>176,799</u>	<u>111,410</u>	<u>4,847,933</u>

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

3. REVENUE AND SEGMENT INFORMATION (continued)

Disaggregation of revenue from contracts with customers (continued)

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

	For the six months ended 30 June 2025 (unaudited)		
	Segment revenue	Eliminations	Consolidated
	RMB'000	RMB'000	RMB'000
Coke	2,124,718	(243,791)	1,880,927
Coking by-products	260,557	(230,659)	29,898
Refined chemicals	1,484,665	(10,813)	1,473,852
Energy products	689,784	(374,022)	315,762
Trading	176,799	(119,537)	57,262
Other services	111,410	(39,868)	71,542
Revenue from contracts with customers	4,847,933	(1,018,690)	3,829,243

For the six months ended 30 June 2024 (unaudited)							
Segments*	Coke	Coking by-products	Refined chemicals	Energy products	Trading	Other services	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Types of goods or service							
<i>Sales of goods</i>							
Coke	4,003,452	—	—	—	396,723	—	4,400,175
Ammonium sulphate	—	13,210	—	—	—	—	13,210
Benzene based chemicals	—	122,077	1,229,506	—	—	—	1,351,583
Coal tar based chemicals	—	205,575	379,277	—	—	—	584,852
Coal gas	—	—	—	408,604	—	—	408,604
Liquefied natural gas ("LNG")	—	—	—	142,935	28,463	—	171,398
Coal	—	—	—	—	874	—	874
Refined oil	—	—	—	—	58,320	—	58,320
Hydrogen	—	—	—	1,339	6,219	—	7,558
Others	—	13,472	—	39,057	4,301	4,131	60,961
	<u>4,003,452</u>	<u>354,334</u>	<u>1,608,783</u>	<u>591,935</u>	<u>494,900</u>	<u>4,131</u>	<u>7,057,535</u>
<i>Providing services</i>							
Trading agency	—	—	—	—	2,728	—	2,728
Energy supply	—	—	—	195,991	68	40,276	236,335
Others	—	—	—	—	—	23,996	23,996
	<u>—</u>	<u>—</u>	<u>—</u>	<u>195,991</u>	<u>2,796</u>	<u>64,272</u>	<u>263,059</u>
Total	<u>4,003,452</u>	<u>354,334</u>	<u>1,608,783</u>	<u>787,926</u>	<u>497,696</u>	<u>68,403</u>	<u>7,320,594</u>

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

3. REVENUE AND SEGMENT INFORMATION (continued)

Disaggregation of revenue from contracts with customers (continued)

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

	For the six months ended 30 June 2024 (unaudited)		
	Segment revenue	Eliminations	Consolidated
	RMB'000	RMB'000	RMB'000
Coke	4,003,452	(87,285)	3,916,167
Coking by-products	354,334	(329,109)	25,225
Refined chemicals	1,608,783	(21,920)	1,586,863
Energy products	787,926	(355,617)	432,309
Trading	497,696	(181,567)	316,129
Other services	68,403	(45,616)	22,787
Revenue from contracts with customers	7,320,594	(1,021,114)	6,299,480

Performance obligations for contracts with customers

The Group is mainly engaged in the production and sales of coke, coking by-products and derivative chemical products, coal gas, LNG, hydrogen, trading of coke, coal, refined oil and hydrogen and provision of entrusted manufacturing services and other services ("Other services" as defined below), for which revenue is recognised at point in time.

For sales of and trading as a principal of coke, coal, coking by-products, refined chemicals and energy products, revenue is recognised when control of the products has transferred, being when the products have been delivered to the location specified in the sales contract. Following the delivery, the customer has the ability to direct the use of the products and bears the risks of obsolescence and loss in relation to the products.

For trading of coke and coal as an agent, revenue is recognised at a point in time when the agent service has been completed, being when the goods have been delivered from the suppliers to the customers, and collectability of the related receivables is reasonably assured.

For provision of consignment processing services, revenue is recognised at a point in time when the specific services are fulfilled, being when the consigned processed products have been delivered to the location specified in the service contracts.

In general, for some customers with long-term relationships, the normal credit term is 30 to 60 days upon delivery. For other general customers, non-refundable prepayment from these customers is required in advance according to the contracts entered and recognised as contract liabilities until the products have been delivered to the customer.

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

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

3. REVENUE AND SEGMENT INFORMATION (continued)

Segment information

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

The Group's operating segments under IFRS 8 "Operating Segments" are (i) sales of coke ("Coke"), (ii) sale of coking by-products, mainly ammonium sulphate and oxygen ("Coking by-products"), (iii) sales of refined chemicals, mainly hydrogenated benzene-based chemicals and coal-tar-based chemicals ("Refined chemicals"), (iv) sales of energy products, mainly coal gas, LNG and hydrogen, and provision of electricity supply service ("Energy products"), (v) trading of coke, coal, refined oil and hydrogen ("Trading"), and (vi) provision of other business including but not limited to provision of steam, water, catering, consignment processing, fire prevention and management services ("Other Services").

Segment revenue and results

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

For the six months ended 30 June 2025 (unaudited)

	Sales of goods						Total
	Coke	Coking by-products	Refined chemicals	Energy products	Trading	Other Services	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
SEGMENT REVENUE							
External sales	1,880,927	29,898	1,473,852	315,762	57,262	71,542	3,829,243
Inter-segment sales	243,791	230,659	10,813	374,022	119,537	39,868	1,018,690
	<u>2,124,718</u>	<u>260,557</u>	<u>1,484,665</u>	<u>689,784</u>	<u>176,799</u>	<u>111,410</u>	<u>4,847,933</u>
Segment results	<u>111,856</u>	<u>(2,455)</u>	<u>(31,228)</u>	<u>112,104</u>	<u>1,019</u>	<u>(909)</u>	<u>190,387</u>
Other income							19,746
Other gains and losses							(6,469)
Selling and distribution expenses							(165,388)
Administrative expenses							(87,823)
Finance costs							(77,569)
Share of result of a joint venture							713
Share of results of associates							49
Unallocated expenses							(1,138)
Loss before tax							<u>(127,492)</u>

3. REVENUE AND SEGMENT INFORMATION (continued)**Segment revenue and results (continued)**

For the six months ended 30 June 2024 (unaudited)

	Sales of goods					Other Services	Total
	Coke	Coking by-products	Refined chemicals	Energy products	Trading		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
SEGMENT REVENUE							
External sales	3,916,167	25,225	1,586,863	432,309	316,129	22,787	6,299,480
Inter-segment sales	87,285	329,109	21,920	355,617	181,567	45,616	1,021,114
	<u>4,003,452</u>	<u>354,334</u>	<u>1,608,783</u>	<u>787,926</u>	<u>497,696</u>	<u>68,403</u>	<u>7,320,594</u>
Segment results	<u>66,588</u>	<u>(4,013)</u>	<u>(35,170)</u>	<u>18,889</u>	<u>10,364</u>	<u>13,815</u>	<u>70,473</u>
Other income							38,199
Other gains and losses							(15,075)
Selling and distribution expenses							(197,617)
Administrative expenses							(89,974)
Finance costs							(68,809)
Share of result of a joint venture							2,253
Share of result of an associate							277
Unallocated expenses							<u>(407)</u>
Loss before tax							<u>(260,680)</u>

Entity-wide disclosures**Geographical information**

During the six months ended 30 June 2025 and 2024, all of the Group's revenue from external customers were generated from the PRC whereas all non-current assets are located in the PRC as at 30 June 2025 and 31 December 2024.

4. OTHER INCOME

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income on:		
– bank deposits	5,774	6,509
– time deposits	1,700	8,613
– loan receivables	472	695
– a prepayment to supplier (Note i)	1,060	–
– bills receivables at FVTOCI	3,035	10,117
Total interest income	12,041	25,934
Release of asset-related government subsidies	1,920	1,118
Government grants (Note ii)	3,810	10,211
Insurance compensation income	575	–
Rental income	532	555
Others	868	381
	19,746	38,199

Notes:

- (i) The amount represents interest income on a prepayment to supplier which was overdue for over 1 year. According to the relevant agreement, a surcharge with an interest rate of 8% per annum was imposed to the supplier.
- (ii) The amount represents the subsidies received from the local governments for the Group's local business development, and there were no unfulfilled conditions in the periods in which the amounts were recognised.

5. OTHER GAINS AND LOSSES

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Fair value loss on bills receivables at FVTOCI	(6,554)	(20,686)
Loss on disposal/retirement of property, plant and equipment	(318)	(1,268)
Gain on disposal of scrap materials	21	2,595
Net foreign exchange (loss) gain	(146)	4,845
Others	528	(561)
	(6,469)	(15,075)

6. FINANCE COSTS

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest expense on:		
– bank borrowings	68,227	79,870
– sale and leaseback payables	8,645	9,995
– other borrowings	3,778	4,165
– borrowings from related parties and a shareholder	1,618	–
– lease liabilities	122	120
– perpetual loan	800	800
– others	9,353	–
	92,543	94,950
Less: amounts capitalised in property, plant and equipment	(14,974)	(26,141)
	77,569	68,809
Capitalisation rate – per annum	4.43%	5.66%

7. LOSS BEFORE TAX

Loss before tax for the period has been arrived at after charging the following items:

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Staff costs		
Directors' and supervisors' remuneration	1,573	987
Other staff costs	114,883	133,918
Other staff benefits	11,101	11,927
Total staff costs	127,557	146,832
Capitalised in inventories	(97,693)	(115,341)
	<u>29,864</u>	<u>31,491</u>
Depreciation of property, plant and equipment	220,475	206,955
Depreciation of right-of-use assets	6,695	6,494
Amortisation of intangible assets	10,441	10,441
Total depreciation and amortisation	237,611	223,890
Capitalised in inventories	(211,713)	(197,902)
	<u>25,898</u>	<u>25,988</u>
Cost of inventories recognised as expenses (Note)	<u>3,638,856</u>	<u>6,229,007</u>

Note: The amount includes write-down of inventories amounted to RMB11,587,000 (six months ended 30 June 2024: RMB24,166,000).

8. INCOME TAX EXPENSE (CREDIT)

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
PRC Enterprise Income Tax		
– current tax	6,435	11,924
– under-provision in prior year	328	1,761
Deferred tax (Note 12)	42,228	(65,045)
	48,991	(51,360)

9. DIVIDENDS

During the current interim period, the Company did not declare any dividend in respect of the year ended 31 December 2024 to owners of the Company (2023: nil).

During the current interim period, certain subsidiaries of the Company declared and paid dividends of RMB22,850,000 in respect of the year ended 31 December 2024 to non-controlling shareholders (2023: RMB31,978,000).

Subsequent to the end of the current interim period, no dividend has been proposed by the directors of the Company (2024: nil).

10. LOSS PER SHARE

The calculation of basic loss per share attributable to the owner of the Company is based on the following data:

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to owners of the		
Company for the purpose of basic loss per share	(125,878)	(156,978)
	'000	'000
	(unaudited)	(unaudited)
Number of shares		
Number of ordinary shares for the		
purpose of basic loss per share	535,421	535,421

No diluted loss or earnings per share is presented as there was no potential ordinary share in issue during both periods.

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group incurred construction costs of RMB25,387,000 (six months ended 30 June 2024: RMB186,057,000), mainly including coking equipment upgrading project amounting to RMB12,433,000 (six months ended 30 June 2024: RMB158,817,000). The Group also purchased other property, plant and equipment of RMB27,439,000 during the current interim period (six months ended 30 June 2024: RMB23,569,000) in order to be compliant with recent development of environmental protection regulations (six months ended 30 June 2024: to update coking manufacturing capabilities).

During the current interim period, the Group retired or disposed of certain supporting equipment with an aggregate carrying amount of RMB2,253,000 (six months ended 30 June 2024: RMB1,783,000), resulting in a loss on retirement or disposal of RMB318,000 (six months ended 30 June 2024: RMB1,268,000).

During the current interim period, the Group entered into several new lease agreements for building and office with a lease term ranged from 5 to 10 years (months ended 30 June 2024: from 2 to 3 years). The Group is required to make fixed monthly payments for usage of the building and office. On the date of commencement of such leases, the Group recognised right-of-use assets and lease liabilities of RMB757,000, respectively (six months ended 30 June 2024: RMB651,000, respectively).

Impact of variable lease payments is immaterial to the Group.

12. DEFERRED TAX ASSETS/LIABILITIES

The followings are the major deferred tax assets (liabilities) recognised and movements thereon during the current and prior periods:

	Write-down of inventories	Expected credit loss ("ECL") provision	Accelerated tax depreciation and temporary difference on deductible expenses	Fair value change of bills receivables at FVTOCI	Unrealised profits	Fair value adjustments upon acquisition of business	Deferred revenue	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024 (audited)	3,644	39	(185,797)	2,514	77,909	(4,318)	4,610	170,204	68,805
Credit (charge) to profit or loss	2,396	-	56,834	241	1,873	125	(30)	3,606	65,045
Charge to the comprehensive income	-	-	-	(1,847)	-	-	-	-	(1,847)
At 30 June 2024 (unaudited)	6,040	39	(128,963)	908	79,782	(4,193)	4,580	173,810	132,003
At 31 December 2024 (audited)	6,210	39	(122,537)	354	82,586	(4,068)	6,260	177,181	146,025
(Charge) credit to profit or loss	(3,313)	-	(7,733)	13	2,464	125	3,495	(37,279)	(42,228)
Charge to the comprehensive income	-	-	-	(66)	-	-	-	-	(66)
At 30 June 2025 (unaudited)	2,897	39	(130,270)	301	85,050	(3,943)	9,755	139,902	103,731

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

	30/06/2025	31/12/2024
	RMB'000 (unaudited)	RMB'000 (audited)
Deferred tax assets	167,421	173,994
Deferred tax liabilities	(63,690)	(27,969)
	103,731	146,025

As at 30 June 2025, the Group had unused tax losses of RMB1,206,038,000 (31 December 2024: RMB1,021,228,000) available to offset against future profits. Deferred tax assets of RMB139,902,000 (31 December 2024: RMB177,181,000) have been recognised in respect of tax losses of RMB559,608,000 (31 December 2024: RMB708,724,000). All tax losses will expire within 5 years (31 December 2024: 5 years) from the year of origination.

At 30 June 2025 and 31 December 2024, the Group had no other material unrecognised deductible temporary differences.

13. TRADE AND OTHER RECEIVABLES

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Trade receivables – contract with customers	179,948	173,543
Other receivables	3,306	2,784
Less: Allowance for ECL	(155)	(155)
	3,151	2,629
Loan receivables (Note)	11,600	10,000
Prepayments to suppliers	121,375	97,558
Prepaid other taxes and charges	49,132	78,477
Refundable deposits to suppliers	1,933	713
Total trade and other receivables	367,139	362,920

Note: During the year ended 31 December 2024, the Group provided a loan of RMB10,000,000 to a third party at an interest rate of 13% per annum for a period of 1 year. During the current interim period, the Group entered into a renewal agreement upon termination of the original one to fix the interest rate to 10% per annum and to extend the period up to 31 July 2025. The Group holds the 100% equity interest of the borrower as collateral over the balance.

During the current interim period, the Group provided a loan of RMB1,600,000 to a third party. The balance carries an interest rate of 2.6% per annum and is repayable on demand. The Group does not hold any collateral over the balance.

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

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Within 90 days	171,734	173,000
91 – 180 days	7,732	–
181 – 365 days	–	543
Over 365 days	482	–
	179,948	173,543

The normal credit term to the customers is ranged between 30 to 60 days. As at 30 June 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB482,000 (31 December 2024: RMB543,000) which has been past due over 90 days or more and is not considered as in default.

The Group does not hold any collateral over these balances.

14. AMOUNTS DUE FROM RELATED PARTIES

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Trade nature		
Maanshan Iron & Steel Company Limited ("Maanshan Steel")		
馬鞍山鋼鐵股份有限公司 and its subsidiary (Notes i and ii)	60,207	–
Jiangxi PXSteel Industrial Co., Ltd.'s ("Jiangxi PXSteel") subsidiaries		
(Notes i and ii)	14,798	40
Jiyuan Fangsheng Chemicals Co., Ltd. ("Fangsheng Chemicals")		
濟源市方升化學有限公司(Note iii)	–	90
Henan Hongkong (Jiyuan) Coking Group Co., Ltd. ("Yugang Coking")		
豫港(濟源)焦化集團有限公司(Notes i and iv)	12	N/A
	75,017	130

Notes:

- (i) The balance is receivables from contracts with customers.
- (ii) Maanshan Steel and Jiangxi PXSteel are shareholders of the Company.
- (iii) The entity is controlled by a shareholder of the Company. The balance is prepayment for purchase of materials.
- (iv) Yugang Coking became a related party of the Group on 16 June 2025 as its ultimate controlling party was appointed as an executive director of the Company on the same day.

The normal credit term is 30 to 60 days. The amounts due from related parties (excluding prepayment for purchase of goods) are aged within 90 days based on invoice date, and none of the balance is past due at 30 June 2025 and 31 December 2024.

The Group does not hold any collateral over these balances and these balances are unsecured and interest-free.

15. BORROWINGS

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Bank borrowings	3,181,501	3,258,740
Other borrowings (Note)	50,000	90,000
	3,231,501	3,348,740
Secured	980,795	1,374,077
Unsecured	2,250,706	1,974,663
	3,231,501	3,348,740
Fixed-rate borrowings	1,635,942	1,604,137
Floating-rate borrowings	1,595,559	1,744,603
	3,231,501	3,348,740
Total borrowings	3,231,501	3,348,740
Less: Amount due for settlement within one year shown under current liabilities	(2,754,274)	(2,668,118)
Amount due for settlement after one year shown under non-current liabilities	477,227	680,622

Note: During the year ended 31 December 2024, the Group raised borrowings of RMB40,000,000 and RMB50,000,000 from Yugang Coking and a third party for a period of 6 months, carrying an interest rate of 5.30% and 11.45% per annum, respectively. During the current interim period, the Group entered into a renewal agreement with the respective lender to fix the interest rate to 4.50% and 11.51% per annum and to extend the period for another 6 months, respectively.

The borrowing from Yugang Coking as at 30 June 2025 is presented in "amounts due to related parties" as set out in Note 17 as the lender became a related party of the Group on 16 June 2025.

The ranges of effective interest rate of the Group's bank borrowings are:

	30/06/2025	31/12/2024
	(unaudited)	(audited)
Effective interest rate:		
– Fixed-rate borrowings	3.10%-5.40%	3.35%-5.70%
– Floating-rate borrowings	2.95%-5.40%	2.80%-5.60%

As at 30 June 2025, the Group had unutilised bank facilities of approximately RMB934,545,000 (31 December 2024: RMB984,237,000).

16. TRADE AND OTHER PAYABLES

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Trade payables	426,853	386,195
Bills payables	440,620	718,222
	867,473	1,104,417
Salaries and wages payables	17,948	23,154
Other tax payables	28,272	58,744
Consideration payable for purchase of property, plant and equipment	1,215,051	1,423,391
Interest payable	11,945	14,868
Accruals	7,526	9,717
Consideration payable for acquisition of a business	3,222	3,222
Refundable deposit from constructors	6,711	7,992
Refundable deposit from a service provider	21,375	14,625
Other payables	20,575	14,176
	1,332,625	1,569,889
	2,200,098	2,674,306

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

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Within 90 days	334,770	535,970
91 – 180 days	380,677	378,895
181 – 365 days	75,949	166,008
Over 1 year	76,077	23,544
	867,473	1,104,417

At the end of each of the reporting period, the Group's bills payables were issued by banks with maturities within 1 year and were secured by the Group's restricted bank balances and bills receivables at FVTOCI.

17. AMOUNTS DUE TO RELATED PARTIES

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Trade nature		
Fangsheng Chemicals	—	38
Xiamen Jinma ITG Co., Ltd. ("Xiamen Jinma")		
廈門金馬國貿有限公司(Note i)	71,399	83,826
Henan Jinjiang Refinery Co., Ltd. ("Jinjiang Refinery")		
河南金江煉化有限公司(Note ii)	—	296
	71,399	84,160
Non-trade nature		
Jiyuan City Investments Jincheng Heat Energy Co., Ltd ("Jincheng Heat")		
濟源市城投金程熱能有限公司(Note iii)	1,040	2,970
Shandong Weijiao Holdings Group Co., Ltd ("Shandong Weijiao")		
山東濰焦控股集團有限公司(Note iv)	45,000	N/A
Yugang Coking	40,000	N/A
	86,040	2,970
Total	157,439	87,130

Notes:

- (i) Xiamen Jinma is an associate of the Company. The amount is payables for purchase of raw materials.
- (ii) Jinjiang Refinery is a joint venture of the Company's subsidiary. The amount is payables for purchase of raw materials.
- (iii) Jincheng Heat is an associate of the Company's subsidiary. The amount is outstanding subscribed capitals due to the associate.
- (iv) Shandong Weijiao is controlled by the chairman of the Company, who resigned on 25 July 2025. The amount represents a borrowing from Shandong Weijiao carrying an interest rate of 5% per annum for a period of 1 month. As at the end of the reporting period, the balance had been past due within 30 days.

17. AMOUNTS DUE TO RELATED PARTIES (continued)

The normal credit term to the Group is ranged between 30 to 60 days in respect of payables for purchase of raw materials.

The following is an aging analysis of amounts due to related parties in trade nature presented based on the invoice date at the end of the reporting period:

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Within 90 days	10,177	84,160
91 – 180 days	61,222	–
	<u>71,399</u>	<u>84,160</u>

18. AMOUNT DUE TO A SHAREHOLDER

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Non-trade nature		
Jiyuan Jinma Xingye Investment Co., Ltd		
濟源市金馬興業投資有限公司("Jinma Xingye")	<u>53,000</u>	<u>–</u>

Jinma Xingye is the shareholder of the Group. The amount represents a payment by Jinma Xingye on behalf of the Group to a constructor to settle the consideration payables for purchase of property, plant and equipment. The amount carries an interest rate of 5% per annum and is repayable on 30 April 2025. The amount had been past due over 60 days as at 30 June 2025.

19. CAPITAL COMMITMENTS

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Capital expenditure contracted for but not provided in the Group's condensed consolidated financial statements in respect of acquisition of property, plant and equipment	<u>15,167</u>	<u>18,215</u>

20. TRANSFER OF FINANCIAL ASSETS

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

	30/06/2025	31/12/2024
	RMB'000	RMB'000
	(unaudited)	(audited)
Endorsed bills for settlement of payables	1,243,757	1,667,344
Discounted bills for raising cash	<u>857,826</u>	<u>1,087,806</u>
Outstanding endorsed and discounted bills receivables with recourse	<u>2,101,583</u>	<u>2,755,150</u>

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

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

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

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30/06/2025 (unaudited)	31/12/2024 (audited)		
Bills receivables at FVTOCI	Assets- RMB284,483,000	Assets- RMB316,852,000	Level 2	Discounted cash flow. Future cash flows are estimated based on discount rate observed in the available market.

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

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

22. RELATED PARTY TRANSACTIONS

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

(a) Transactions with related parties

Other than the transactions and balances with related parties disclosed elsewhere in the condensed consolidated financial statements, the Group also entered into the following transactions with its related parties during the periods:

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of products and provision of services to:		
Maanshan Steel and its subsidiary	788,524	509,719
Jiangxi PXSteel's subsidiaries	126,169	457,299
Jinjiang Refinery	63,235	76,110
Shandong Weijiao	420	N/A
Yugang Coking	32	N/A
Purchase of raw materials and acceptance of services from:		
Jinjiang Refinery	5,098	10,773
Xiamen Jinma	36,911	26,946
Fangsheng Chemicals	444	4,674

(b) Compensation of key management personnel

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

	Six months ended	
	30/06/2025	30/06/2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Salaries and allowance	3,286	2,449
Performance related bonuses	200	270
Retirement benefit scheme contributions	210	203
	3,696	2,922

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

Company name

河南金馬能源股份有限公司
Henan Jinma Energy Company Limited

Share listing

Stock abbreviation: Jinma Energy
H Share: The Stock Exchange of Hong Kong Limited
Stock Code: 6885

Registered office and principal place of business in the PRC

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Principal place of business in Hong Kong

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Board of Directors

Executive Directors

Mr. Yiu Chiu Fai (Chairman) (resigned on 16 June 2025)
Mr. Wang Mingzhong (Chief Executive Officer) (resigned on 16 June 2025)
Mr. Li Tianxi (Executive Deputy General Manager) (resigned on 16 June 2025)
Mr. Liu Liangyu (Chairman) (appointed on 16 June 2025, resigned on 25 July 2025)
Mr. Xu Huaping (appointed on 16 June 2025)
Mr. Wang Lijie (appointed on 16 June 2025)

Non-executive Directors

Mr. Xu Baochun (Deputy Chairman) (resigned on 16 June 2025)
Mr. Wang Kaibao (resigned on 16 June 2025)
Mr. Xu Fenglei (Deputy Chairman) (appointed on 16 June 2025)
Ms. Wan Tingting (appointed on 16 June 2025)
Ms. Ye Ting
Mr. Yiu Chiu Fai (Chairman) (appointed on 5 September 2025 as Director, appointed on 17 September 2025 as Chairman)

Independent Non-executive Directors

Mr. Wu Tak Lung (resigned on 16 June 2025)
Mr. Meng Zhihe (resigned on 16 June 2025)
Mr. Cao Hongbin (resigned on 16 June 2025)
Mr. Su Jiangang (appointed on 16 June 2025)
Mr. Zhang Xicheng (appointed on 16 June 2025)
Mr. Man Kwok Leung (appointed on 16 June 2025)

Supervisors

Mr. Wong Tsz Leung (Chairman) (resigned on 16 June 2025)
Mr. Wu Jiacun (resigned on 16 June 2025)
Mr. Zhou Tao David
Ms. Tian Fangyuan
Ms. Lyu Hong (appointed on 16 June 2025)
Ms. Zhu Ziyao (appointed on 16 June 2025)
Ms. Hao Yali
Mr. Fan Xiaozhu

Audit Committee

Mr. Wu Tak Lung (Chairman) (resigned on 16 June 2025)
Mr. Xu Baochun (resigned on 16 June 2025)
Mr. Meng Zhihe (resigned on 16 June 2025)
Mr. Man Kwok Leung (Chairman) (appointed on 16 June 2025)
Mr. Su Jiangang (appointed on 16 June 2025)
Mr. Zhang Xicheng (appointed on 16 June 2025)

Remuneration Committee

Mr. Cao Hongbin (Chairman) (resigned on 16 June 2025)
 Mr. Wu Tak Lung (resigned on 16 June 2025)
 Mr. Wang Mingzhong (resigned on 16 June 2025)
 Mr. Zhang Xicheng (Chairman) (appointed on 16 June 2025)
 Mr. Xu Huaping (appointed on 16 June 2025)
 Mr. Su Jiangang (appointed on 16 June 2025)

Nomination Committee

Mr. Meng Zhihe (resigned on 16 June 2025)
 Mr. Cao Hongbin (resigned on 16 June 2025)
 Mr. Liu Liangyu (Chairman) (appointed on 16 June 2025,
 resigned on 25 July 2025)
 Ms. Wan Tingting (appointed on 16 June 2025)
 Mr. Su Jiangang (appointed on 16 June 2025)
 Mr. Zhang Xicheng (appointed on 16 June 2025)
 Mr. Man Kwok Leung (appointed on 16 June 2025)

Strategic Development Committee

Mr. Xu Baochun (Chairman) (resigned on 16 June 2025)
 Mr. Li Tianxi (resigned on 16 June 2025)
 Mr. Cao Hongbin (resigned on 16 June 2025)
 Mr. Xu Fenglei (Chairman) (appointed on 16 June 2025)
 Mr. Liu Liangyu (appointed on 16 June 2025,
 resigned on 25 July 2025)
 Mr. Wang Lijie (appointed on 16 June 2025)

Company secretary

Mr. Wong Hok Leung

Authorized representatives

Mr. Yiu Chiu Fai (resigned on 16 June 2025,
 appointed on 17 September 2025)
 Mr. Wong Hok Leung
 Mr. Liu Liangyu (appointed on 16 June 2025,
 resigned on 25 July 2025)
 Mr. Xu Fenglei (appointed on 25 July 2025,
 resigned on 17 September 2025)

Auditor

Deloitte Touche Tohmatsu
 Registered Public Interest Entity Auditors
 35/F, One Pacific Place
 88 Queensway
 Admiralty
 Hong Kong

Legal advisers

PRC Law

Brightstone lawyers
 Suite T61, 15/F
 World Financial Center,
 No.100 Century Avenue,
 Pudong New District,
 Shanghai,
 PRC

Hong Kong Law

Reed Smith Richards Butler LLP
 17/F One Island East
 Taikoo Place
 18 Westlands Road
 Quarry Bay
 Hong Kong

H share registrar

Computershare Hong Kong Investor Services Limited
 Shops 1712-1716, 17th Floor, Hopewell Centre
 183 Queen's Road East
 Wanchai
 Hong Kong

Principal bankers

Agricultural Bank of China Limited Jiyuan Branch
No. 5 Central Road, Xin Garden
Jiyuan, Henan Province
PRC

Industrial and Commercial Bank of China Limited Jiyuan Branch
No. 131 Xuanhua East Street
Jiyuan, Henan Province
PRC

Bank of China Limited Jiyuan Branch
No. 98 Central Road, Xin Garden
Jiyuan, Henan Province
PRC

Shanghai Pudong Development Bank Zhengzhou Branch
Zijingshan Road Operations Department
1F, Pufa Square
No. 299 Jinshui Road, Jinshui District
Zhengzhou, Henan Province
PRC

China Zheshang Bank Co., Ltd. Zhengzhou Branch
No. 8 Longhu Financial Island, Jinshui District
Zhengzhou, Henan Province
PRC

China Citic Bank Zhengzhou Branch
No. 1 Shangwu Inner Ring Road
Zhengdong New Area
Zhengzhou, Henan Province
PRC

China Guangfa Bank Zhengzhou Shangdu Road Sub-branch
No. 31 Shangdu Road
Zhengzhou, Henan Province
PRC

Zhongyuan Bank Co., Ltd. Jiyuan Branch
No. 481 Huang He Central Road
Jiyuan, Henan Province
PRC

China Everbright Bank Co., Ltd. Zhengzhou Branch
No. 22 Zhonghuan Lu, Longhu Financial Island,
Jinshui District
Zhengzhou, Henan Province
PRC

Bank of China (Hong Kong) Limited Metroplaza Branch
Shop 260-265, Metroplaza
223 Hing Fong Road
Kwai Chung, New Territories
Hong Kong

Hua Xia Bank Co., Limited
Zhengzhou Branch
No. 29, Business Outer Ring Road,
Jinshui District,
Zhengzhou City,
Henan Province, PRC

China Merchants Bank Co., Ltd.
Zhengzhou Zhenghongcheng Branch No. 127,
Hua yuan Road,
Jingshui District,
Zhengzhou City,
Henan Province, PRC



In this report, unless the context otherwise requires, the following expressions have the following meanings.

GENERAL TERMS

“Board”	the board of Directors of our Company
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this report, Taiwan, the Macau Special Administrative Region of the PRC and the Hong Kong Special Administrative Region of the PRC
“Code”	Appendix C1 (formerly known as Corporate Governance Code as set out in Appendix 14) to the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as the same may be amended, supplemented or otherwise modified from time to time
“Company” or “our Company”	Henan Jinma Energy Company Limited (河南金馬能源股份有限公司)
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	Director(s) of our Company
“Group” or “our Group”	our Company and its subsidiaries
“HK” or “Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRS”	International Financial Reporting Standards issued by the International Accounting Standards Board
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LNG”	liquefied natural gas
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	shareholder(s) of the Company
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	the member of the Supervisory committee of our Company established pursuant to the PRC Company Law
“Supervisory Committee”	the Supervisory committee of our Company established pursuant to the PRC Company Law

TECHNICAL TERMS

"basic loss per share"	$\frac{\text{Loss attributable to owners of the Company}}{\text{Weighted average number of shares in issue during the year}}$
"current ratio"	$\frac{\text{Total current assets}}{\text{Total current liabilities}}$
"gearing ratio"	$\frac{\text{Total interest-bearing bank borrowings}}{\text{Total equity}}$
"return on assets"	$\frac{\text{Profit and total comprehensive income}}{\text{Average total assets}}$
"return on equity"	$\frac{\text{Profit attributable to owners of our Company}}{\text{Average equity attributable to owners of our Company}}$

ABBREVIATED NAMES OF COMPANIES

"China Baowu"	中國寶武鋼鐵集團有限公司 (China Baowu Steel Group Corporation Limited)
"Fangsheng Chemicals"	濟源市方升化學有限公司 (Jiyuan Fangsheng Chemicals Co., Ltd.*)
"Golden Star"	金星化工(控股)有限公司 (Golden Star Chemicals (Holdings) Limited)
"Jiangxi PXSteel"	江西萍鋼實業股份有限公司 (Jiangxi PXSteel Industrial Co. Ltd.*) (formerly known as 萍鄉鋼鐵有限責任公司 (Ping Xiang Steel Co., Ltd. *))
"Jiangxi PXSteel Group"	Jiangxi PXSteel and its subsidiaries
"Jinjiang Refinery"	河南金江煉化有限責任公司 (Henan Jinjiang Refinery Co., Ltd.*)
"Jinma Coking"	金馬焦化(英屬維爾京群島)有限公司 (Jinma Coking (BVI) Limited)
"Jinma HK"	金馬能源(香港)有限公司 (Jinma Energy (Hong Kong) Limited), formerly known as 金馬焦化(香港)有限公司 (Jinma Coking (Hong Kong) Limited)
"Jinma Xingye"	濟源市金馬興業投資有限公司 (Jiyuan Jinma Xingye Investment Co., Ltd.*)



"Jinyuan HChem"	河南金源氫化化工股份有限公司 (Henan Jinyuan Hydrogenated Chemicals Co., Ltd.*) (formerly known as 濟源市金源化工有限公司 (Jiyuan Jinyuan Chemicals Co., Ltd.* ("Jinyuan Chemicals"))
"Maanshan Steel"	馬鞍山鋼鐵股份有限公司 (Maanshan Iron & Steel Company Limited)
"Shanghai Jinma"	上海金馬能源有限公司 (Shanghai Jinma Energy Sources Co., Ltd.*)
"Xiamen Jinma"	廈門金馬國貿有限公司 (Xiamen Jinma ITG Co., Ltd.*)
"Xinyang Jingang"	信陽鋼鐵金港能源有限公司 (Xinyang Steel Jingang Energy Co., Ltd.*)
"Yugang Coking"	豫港(濟源)焦化集團有限公司 (Henan Hongkong (Jiyuan) Coking Group Co., Ltd.)

In this report, there is any inconsistency between the Chinese names of entities or enterprises established in the PRC and their English translations, the Chinese names shall prevail. The English translation of company names in Chinese which are marked with "*" is for identification purpose only.



河南金馬能源股份有限公司
HENAN JINMA ENERGY COMPANY LIMITED