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## **XIMEI RESOURCES HOLDING LIMITED**

**稀美資源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 9936)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **RESULTS HIGHLIGHTS**

- Revenue increased by 23.0% to approximately RMB2,241.9 million (2024: RMB1,822.0 million).
- Gross profit increased by 18.1% to approximately RMB468.5 million (2024: RMB396.8 million).
- Gross profit margin decreased by 0.9% to 20.9% (2024: 21.8%).
- Profit before tax increased by 32.5% to approximately RMB216.0 million (2024: RMB163.0 million).
- Profit for the year increased by 36.6% to approximately RMB183.3 million (2024: RMB134.2 million).
- Profit for the year attributable to shareholders of the Company increased by 38.2% to approximately RMB171.6 million (2024: RMB124.2 million).
- Basic earnings per share increased by 37.1% to approximately RMB0.48 (2024: RMB0.35).
- The Board proposed the payment of a final dividend of HK6.58 cents per share for the year ended 31 December 2025 (2024: HK5.56 cents).

The board (the “**Board**”) of directors (the “**Directors**”) of Ximei Resources Holding Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Year Under Review**”) and selected explanatory notes, together with the comparative figures of the corresponding year in 2024 as follows:

### Consolidated Statement of Profit or Loss

Year ended 31 December 2025

		2025	2024
	<i>Notes</i>	<b>RMB’000</b>	<b>RMB’000</b>
<b>REVENUE</b>	4	<b>2,241,855</b>	1,822,049
Cost of sales		<u>(1,773,327)</u>	<u>(1,425,277)</u>
<b>Gross profit</b>		<b>468,528</b>	396,772
Other income and gains, net	5	<b>23,293</b>	24,088
Selling and distribution expenses		<b>(16,672)</b>	(15,845)
Administrative expenses		<b>(198,214)</b>	(183,801)
Other operating expenses		<b>(28,377)</b>	(29,261)
Finance costs	6	<b>(26,700)</b>	(24,421)
Share of loss of an associate		<u>(5,870)</u>	<u>(4,489)</u>
<b>PROFIT BEFORE TAX</b>	7	<b>215,988</b>	163,043
Income tax expense	8	<u>(32,646)</u>	<u>(28,867)</u>
<b>PROFIT FOR THE YEAR</b>		<u><b>183,342</b></u>	<u>134,176</u>
Attributable to:			
Shareholders of the Company		<b>171,597</b>	124,195
Non-controlling interests		<u><b>11,745</b></u>	<u>9,981</u>
		<u><b>183,342</b></u>	<u>134,176</u>
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO SHAREHOLDERS</b>			
<b>OF THE COMPANY</b>	10		
Basic ( <i>in RMB</i> )		<u><b>0.48</b></u>	<u>0.35</u>
Diluted ( <i>in RMB</i> )		<u><b>0.48</b></u>	<u>0.35</u>

**Consolidated Statement of Comprehensive Income**  
*Year ended 31 December 2025*

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>PROFIT FOR THE YEAR</b>	<b><u>183,342</u></b>	<u>134,176</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<u>(1,326)</u>	<u>135</u>
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements	<u>(8,340)</u>	<u>6,226</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<b><u>(9,666)</u></b>	<u>6,361</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b><u>173,676</u></b>	<u>140,537</u>
Attributable to:		
Shareholders of the Company	<b>161,931</b>	130,556
Non-controlling interests	<b><u>11,745</u></b>	<u>9,981</u>
	<b><u>173,676</u></b>	<u>140,537</u>

## Consolidated Statement of Financial Position

31 December 2025

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>469,037</b>	386,974
Right-of-use assets		<b>332,303</b>	68,081
Investment in an associate		<b>29,589</b>	35,459
Prepayments, deposits and other receivables		<b>60,692</b>	50,277
Deferred tax assets		<b>9,515</b>	10,199
		<hr/>	<hr/>
Total non-current assets		<b>901,136</b>	550,990
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Inventories		<b>1,047,070</b>	744,508
Trade and bills receivables	<i>11</i>	<b>586,237</b>	406,222
Prepayments, deposits and other receivables		<b>153,928</b>	250,460
Due from an associate		–	9,140
Income tax recoverable		<b>3,979</b>	84
Cash and bank balances		<b>431,492</b>	182,039
		<hr/>	<hr/>
Total current assets		<b>2,222,706</b>	1,592,453
		<hr/>	<hr/>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	<i>12</i>	<b>135,218</b>	62,266
Provision, other payables and accruals		<b>118,800</b>	113,122
Due to an associate		<b>49,895</b>	43,974
Income tax payables		<b>5,351</b>	10,194
Derivative financial instruments		<b>2,815</b>	–
Bank borrowings		<b>806,125</b>	470,249
Lease liabilities		<b>12,722</b>	5,312
		<hr/>	<hr/>
Total current liabilities		<b>1,130,926</b>	705,117
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<b>1,091,780</b>	887,336
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,992,916</b>	1,438,326
		<hr/>	<hr/>

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	<b>196,833</b>	129,100
Lease liabilities	<b>252,583</b>	2,601
Deferred tax liability	<u>–</u>	<u>6,000</u>
Total non-current liabilities	<u><b>449,416</b></u>	<u>137,701</u>
Net assets	<u><b>1,543,500</b></u>	<u>1,300,625</u>
<b>EQUITY</b>		
<b>Equity attributable to shareholders of the Company</b>		
Issued capital	<b>3,410</b>	3,228
Reserves	<u><b>1,409,604</b></u>	<u>1,175,056</u>
	<b>1,413,014</b>	1,178,284
Non-controlling interests	<u><b>130,486</b></u>	<u>122,341</u>
Total equity	<u><b>1,543,500</b></u>	<u>1,300,625</u>

# Notes to the Consolidated Financial Statements

31 December 2025

## 1. CORPORATE INFORMATION

Ximei Resources Holding Limited (the “**Company**”) is a limited liability company incorporated in the Cayman Islands under the Companies Law (2010 Revision) of the Cayman Islands and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is Unit 02, 15th Floor Office Tower, Convention Plaza, No.1 Harbour Road, Wan Chai, Hong Kong.

During the year, the Company and its subsidiaries (collectively the “**Group**”) were principally engaged in the manufacture, sale and trading of non-ferrous metal products and the provision of related processing services to customers.

In the opinion of the Directors, the immediate holding company and the ultimate holding company of the Company is Jiawei Resources Holding Limited, which is incorporated in the Republic of Seychelles (“**Seychelles**”).

## 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

## **2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

### 3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture, sale and trading of non-ferrous metal products and provision of related processing services to customers. For the purpose of resource allocation and performance assessment, the Group's management focuses on the operating results of the Group. As such, the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

#### Geographical information

(a) *Revenue from external customers*

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Chinese mainland (including Hong Kong and Taiwan)	<b>1,783,273</b>	1,452,627
North America	<b>222,441</b>	246,456
South America	<b>1,456</b>	3,318
Asia	<b>96,597</b>	18,024
Europe	<b>123,004</b>	97,636
Oceania	<b>15,084</b>	3,988
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Total revenue	<b>2,241,855</b>	1,822,049
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The revenue information above is based on the locations of the customers.

(b) *Non-current assets*

No geographical information about the Group's non-current assets is presented as more than 90% of the Group's non-current assets as at 31 December 2025 and 2024 were located in Chinese mainland.

#### Information about a major customer

During each of the years ended 31 December 2025 and 2024, revenue from a customer accounted for 10% or more of the Group's revenue for the reporting period and the amounts of revenue from this customer for each of these years are set out below:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Customer A	<b>658,315</b>	244,048
	<hr/> <hr/>	<hr/> <hr/>

#### 4. REVENUE

Revenue of the Group for each of the years ended 31 December 2025 and 2024 wholly represented revenue from contracts with customers.

Notes:

##### (a) Disaggregated revenue information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Types of goods or services</b>		
Tantalum and niobium hydrometallurgical compounds	584,423	584,240
Tantalum and niobium metal and its products	1,209,666	841,055
Trading goods, processing services and others	447,766	396,754
	<u>2,241,855</u>	<u>1,822,049</u>
Total	<u>2,241,855</u>	<u>1,822,049</u>
<b>Timing of revenue recognition</b>		
Goods transferred and services transferred at a point in time	<u>2,241,855</u>	<u>1,822,049</u>

(b) The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Sale of non-ferrous metal products	<u>50,290</u>	<u>23,617</u>

##### (c) Performance obligations

###### ***Sale and trading of non-ferrous metal products***

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

###### ***Provision of non-ferrous metal processing services***

The performance obligation is satisfied when the services are rendered and payment is generally due within 30 to 90 days from the completion of services, except for new customers, where payment in advance is normally required.

The Group has applied the practical expedient in HKFRS 15 to all of its revenue for not disclosing the remaining performance obligations under the Group's existing contracts as the performance obligations are expected to be recognised as revenue with an original expected duration of one year or less.

## 5. OTHER INCOME AND GAINS, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Other income</b>		
Bank interest income	1,247	1,834
Government grants*	<u>17,019</u>	<u>18,287</u>
	<u>18,266</u>	<u>20,121</u>
<b>Gains, net</b>		
Fair value gains of derivative financial instruments, net	1,881	687
Foreign exchange differences, net	629	–
Gain from disposal of scrap materials, net	1,597	2,492
Others	<u>920</u>	<u>788</u>
	<u>5,027</u>	<u>3,967</u>
<b>Total</b>	<u><u>23,293</u></u>	<u><u>24,088</u></u>

\* Government grants mainly represented (i) additional input value-added tax credit provided by relevant local government authorities of the People's Republic of China (the "PRC") to two subsidiaries of the Group which are qualified as high and new technology enterprises; and (ii) subsidies received from the PRC local government authorities to support certain subsidiaries' research and development activities. There are no unfulfilled conditions or contingencies relating to these gains.

## 6. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank loans	19,517	16,004
Discount on bill discounting	5,760	6,914
Interest on lease liabilities	<u>1,894</u>	<u>1,503</u>
	<u>27,171</u>	<u>24,421</u>
Less: Interest capitalised in respect of construction in progress	<u>(471)</u>	<u>–</u>
<b>Total finance costs</b>	<u><u>26,700</u></u>	<u><u>24,421</u></u>

## 7. PROFIT BEFORE TAX

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Cost of inventories sold:		
Self-produced goods	<b>1,378,138</b>	1,073,182
Trading goods	<b>342,792</b>	308,579
	<b>1,720,930</b>	1,381,761
Cost of services provided	<b>52,397</b>	43,516
Depreciation of property, plant and equipment	<b>30,472</b>	39,120
Depreciation of right-of-use assets	<b>8,209</b>	8,052
Research and development costs	<b>92,808</b>	73,927
Lease payments not included in the measurement of lease liabilities	<b>2,308</b>	141
Auditor's remuneration	<b>2,141</b>	1,911
Employee benefit expense (including Directors' remuneration):		
Wages and salaries	<b>103,865</b>	93,606
Pension scheme contributions*	<b>14,166</b>	13,096
Equity-settled share award arrangement	<b>2,962</b>	4,177
	<b>120,993</b>	110,879
Loss on disposal of items of property, plant and equipment <sup>#</sup>	<b>151</b>	3,251
Impairment of trade receivables, net <sup>#</sup>	<b>7,746</b>	4,952
Impairment of a non-refundable deposit <sup>#</sup>	–	11,000
Write-down of inventories to net realisable value <sup>^</sup>	<b>7,496</b>	1,778
Impairment of items of property, plant and equipment <sup>#</sup>	<b>2,502</b>	–
Provision for contribution to a suspended factory <sup>#</sup>	<b>16,500</b>	–
Foreign exchange differences, net <sup>#</sup>	<b>(629)</b>	6,008

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

# These items are included in "Other operating expenses, net" in the face of the consolidated statement of profit or loss.

^ This item is included in "Cost of sales" in the face of the consolidated statement of profit or loss.

## 8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime in Hong Kong. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Tax on profits assessable in the Chinese mainland has been calculated at the applicable PRC corporate income tax (“CIT”) rate of 25% during the year (2024: 25%), except that two subsidiaries, namely Ximei Resources (Guangdong) Limited and Ximei Resources (Guizhou) Limited, which were qualified as high and new technology enterprises, enjoyed the preferential CIT rate of 15% (2024: 15%).

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Current – Hong Kong		
Charge for the year	<b>1,297</b>	849
Under/(over) provision in prior year	<b>(968)</b>	(805)
Current – The PRC		
Charge for the year	<b>38,312</b>	19,846
Under/(over) provision in prior year	<b>(679)</b>	3,135
	<b>37,962</b>	23,025
Deferred	<b>(5,316)</b>	5,842
Total tax charge for the year	<b>32,646</b>	28,867

## 9. DIVIDEND

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Proposed final – HK6.58 cents (2024: HK5.56 cents) per ordinary share	<b>22,581</b>	18,521

The proposed final dividend for the year is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting (2024: HK5.56 cents).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts presented is based on the profit for the year attributable to shareholders of the Company, and the weighted average number of ordinary shares used in the calculation is (i) the weighted average number of ordinary shares outstanding during the year; less (ii) the weighted average number of ordinary shares held under the share award scheme of the Company during the year.

The calculation of the diluted earnings per share amounts presented is based on the profit for the year attributable to shareholders of the Company, and the weighted average number of ordinary shares used in the calculation is the total of (i) the weighted average number of ordinary shares used in the basic earnings per share calculation; and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration during the year in respect of the unvested share awards granted under the share award scheme of the Company.

The calculations of the basic and diluted earnings per share amounts are based on the following data:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Earnings		
Profit attributable to shareholders of the Company, used in the basic and diluted earnings per share calculation	<b><u>171,597</u></b>	<u>124,195</u>
	<b>2025</b>	2024
Number of ordinary shares		
Weighted average number of ordinary shares outstanding less weighted average number of shares held by trustee under the share award scheme of the Company during the year, used in the basic earnings per share calculation	<b>358,406,322</b>	358,590,219
Effect of dilution – weighted average number of ordinary shares:		
Share awards	<b><u>1,236,579</u></b>	<u>3,741</u>
Weighted average number of ordinary shares, used in the diluted earnings per share calculation	<b><u>359,642,901</u></b>	<u>358,593,960</u>

## 11. TRADE AND BILLS RECEIVABLES

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Trade receivables	<b>470,645</b>	287,210
Less: Impairment	<b>(12,649)</b>	(4,903)
	<b>457,996</b>	282,307
Bills receivable	<b>128,241</b>	123,915
Net carrying amount	<b>586,237</b>	406,222

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month, extending up to three months. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Within 1 month	<b>313,596</b>	211,100
1 to 2 months	<b>182,016</b>	80,694
2 to 3 months	<b>38,254</b>	62,617
Over 3 months	<b>52,371</b>	51,811
Total	<b>586,237</b>	406,222

In respect of trade receivables, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
At beginning of year	<b>4,903</b>	2,145
Impairment recognised during the year	<b>7,746</b>	4,952
Amounts written-off	<u>–</u>	<u>(2,194)</u>
At end of year	<b><u>12,649</u></b>	<b><u>4,903</u></b>

In respect of bills receivable, they are mostly banker's acceptance bills and, in the opinion of the directors, the expected credit losses of these receivables are minimal.

## 12. TRADE AND BILLS PAYABLES

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

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Within 1 month	<b>108,604</b>	27,323
1 to 2 months	<b>14,951</b>	24,011
2 to 3 months	<b>411</b>	764
Over 3 months	<u><b>11,252</b></u>	<u>10,168</u>
Total	<b><u>135,218</u></b>	<b><u>62,266</u></b>

Trade and bills payables are non-interest-bearing and are normally settled on 40-day terms.

## 13. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified and re-presented to conform to the current year's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### **Steadily advancing strategies to achieve high-quality growth**

In 2025, the Group closely followed its strategic development goals and coordinated the advancement of various core tasks, including capacity construction, technological innovation, talent reserves, capital market communication, and long-term planning. Throughout the year, the Group maintained a steady and positive operating performance, continued to refine its industrial chain layout, and further consolidated its core competitive advantages. Breakthrough progress was achieved in both the hydrometallurgy and pyrometallurgy core process fields, further strengthening its leading position in the industry and laying a solid foundation for the Group's high-quality and sustainable development.

In terms of capacity construction and process upgrades, the Group advanced the optimization of its production base layout and the improvement of quality and expansion of capacity at full speed, and made every effort to tackle the construction of key projects. During the year, the construction of the Leizhou hydrometallurgical plant was efficiently advanced, steadily achieving the completion of the plant area, equipment commissioning, and preparatory work prior to the commencement of production and operation. Simultaneously, the CNNC base was promoted to achieve full production capacity and meet all standards. The hydrometallurgical production capacity of the two major bases was steadily released, and production efficiency continued to improve, further consolidating the Group's industry leadership position in the field of tantalum and niobium hydrometallurgical smelting. At the same time, the Group accelerated breakthroughs in the capacity layout of its pyrometallurgical processes, successfully established a high-standard specialized production line for capacitor-grade tantalum wire, and completed the large-scale and industrialized expansion of the capacitor-grade tantalum powder production line, fully opening up the large-scale production channels for the two core high-end products, and providing a solid capacity guarantee for achieving stable mass production and meeting the downstream high-end market demands for capacitor-grade tantalum powder and tantalum wire, while addressing the capacity shortfall in high-end products and promoting a more complete process layout for the Group.

In terms of technological innovation and industry-university-research collaboration, the Group has always regarded technological innovation as its core development engine and made every effort to build a platform to empower technological innovation. During the year, the first Technological Innovation Conference of Ximei Resources was successfully held, which comprehensively summarized the Group's technological research and development achievements and commended the professional and technical personnel who made outstanding contributions to the Group's technical breakthroughs and process optimization, further stimulating the innovative vitality of all employees and creating a favorable atmosphere that values technology and focuses on research and development. Meanwhile, the Group continued to increase its investment in research and development. Throughout the year, research and development investment was concentrated on core products and key technologies in the tantalum and niobium fields, with full commitment to advancing the research and development of new products and the iterative upgrading of processes. Relying on continuous research and development investment to overcome technical bottlenecks, the Group promoted the transformation of its product structure towards high-end and refined products, effectively driving industrial quality and efficiency enhancement through technological innovation.

In terms of industry-university-research collaborative innovation, the Group has deepened its university-enterprise cooperation and actively collaborated with top domestic universities to establish technical cooperation platforms. The Group has successively reached in-depth cooperation with renowned universities including Central South University and signed special cooperation agreements in fields such as core technologies in key fields of the industry and cutting-edge process research and development. This has bridged the gap between scientific research achievements of university and industrial applications, providing solid technical support and talent guarantee for the Group to overcome technical challenges and achieve independent control over core technologies.

In terms of talent team construction, the Group adheres to the strategy of talents to make enterprise strong. The Group persists in high-standard talent recruitment, having newly recruited 141 talents of various types throughout the year, of which nearly 60% held bachelor's degrees or above, continuously consolidating the foundation of its core technical and management talent. The talent development system has been fully implemented, with the "Stellar Program" systematically cultivating high-potential young cadres, supported by internal and external mentors, specialized training, and presidential guidance, ensuring the solid advancement of talent echelon construction. The "Mentorship Program" project strengthens the inheritance of skills. The management trainee program attracts outstanding fresh college students, with postgraduates accounting for over a quarter, enabling young talent to rapidly grow into the backbone of the business. The Group will continuously optimize the structure of the talent echelon, improve talent cultivation and incentive mechanisms, comprehensively cultivate and attract high-quality industry talents, thereby reserving sufficient backup forces for the long-term development of the Group and building a professional, young, and high-quality core talent team.

Investor relations management has steadily improved in quality. The Group has consistently adhered to the principles of openness, transparency, sincerity, and pragmatism, actively building efficient communication bridges with various types of investors. Throughout the year, the Group received over 200 person-times of visits and research from professional investors, institutional investors, and private equity investors, accompanying investors on on-site inspections of production plants to intuitively demonstrate the Group's production and operations, capacity layout, product quality, and industrial chain construction. The Group patiently answered questions of concern to investors, effectively enhancing the capital market's understanding and recognition of the Group and consolidating its good image in the capital market.

In addition, based on its long-term development layout, the Group has comprehensively and systematically summarized its development achievements, experiences, and insights during the "14th Five-Year Plan" period and objectively reviewed its development advantages and areas for improvement. At the same time, taking into account industry development trends and the Group's strategic positioning, the Group has scientifically formulated and finalized a detailed development plan for the "15th Five-Year Plan" period, clarifying the development goals, core tasks, and strategic paths for the next five years. This draws a clear blueprint for the Group's subsequent deep cultivation of the tantalum and niobium industry, promotion of its global layout, and achievement of sustainable development.

## **Upgrading capacity to improve quality and efficiency, fortifying a solid foundation for development**

In 2025, the Group focused on the core objective of “enhancing quality and efficiency”, continuously advancing capacity optimization and upgrades, achieving remarkable results in process standardization and technological transformation. Through a series of technological renovation projects such as the “automation upgrade for high-niobium drying and calcination”, “ultra-high-pressure membrane concentration”, and “key technology research on tantalum preparation in smelting”, the direct recovery rate of tantalum-niobium hydrometallurgy increased year-on-year. Unit consumption of products such as superconducting niobium ingots significantly decreased, and the comprehensive recovery rate of by-products reached a new high.

In terms of capacity expansion, production bases steadily progressed: the Company now operates five major production bases, clearly divided into three hydrometallurgical production bases and two pyrometallurgical production bases. Each base has well-defined capacity and a reasonable layout, as detailed below:

1. **Guangdong Leizhou Tantalum-Niobium Hydrometallurgical Product Production Base:** This base has a hydrometallurgical production capacity of 3,000 tons, with an expected output of 1,500 tons by the end of 2026 and a projected ramp-up to full capacity of 3,000 tons in 2027. Once fully operational, it will further consolidate the Group’s advantage in hydrometallurgical production capacity;
2. **Guangdong Yingde Tantalum-Niobium Hydrometallurgical Product Production Base:** This base has a hydrometallurgical production capacity of 2,000 tons. It achieved full-capacity operation in 2025, consistently and stably supplying hydrometallurgical tantalum-niobium products;
3. **Hunan Leiyang Tantalum-Niobium Hydrometallurgical Product Production Base:** This base has a hydrometallurgical production capacity of 1,000 tons. It also reached full production capacity in 2025, providing strong support to the Group’s overall hydrometallurgical output;
4. **Guangdong Yingde Tantalum Metal Pyrometallurgical Product Production Base:** This base has a pyrometallurgical production capacity of approximately 300 tons. It specializes in the deep processing of tantalum products, primarily producing tantalum powder and tantalum wire tailored to meet high-end downstream application requirements;

5. **Guizhou Xingyi Tantalum-Niobium Metal Pyrometallurgical Product Production Base:** This base has a pyrometallurgical production capacity of approximately 1,500 tons. It boasts a diverse product portfolio, primarily manufacturing various tantalum, niobium, and alloy ingots, melted tantalum/niobium, and niobium-based alloy blocks, thereby enriching the Group's pyrometallurgical product matrix.

Alongside capacity expansion, the Group consistently adhered to the principle of green and sustainable development. By obtaining multiple system certifications and undergoing clean production audits, we continuously optimized our environmental management processes, striving for a synergistic development of both economic and social benefits.

### **Continued expansion in tantalum and niobium application scenarios, empowering development across multiple fields**

As rare metals with exceptional physical and chemical properties, tantalum and niobium have seen their application scenarios deeply penetrate both general civilian sectors and high-tech fields, becoming key materials underpinning the real economy and technological innovation. The tantalum and niobium products manufactured by the Company are also widely used in the following areas:

#### ***(I) General civilian fields: underpinned by essential demand and stable market***

In the general civilian sector, tantalum and niobium have become important basic materials for industries related to people's livelihood by virtue of their corrosion resistance, high temperature resistance and high strength, with stable and essential demand.

- **Consumer electronics:** Tantalum capacitors, offering advantages such as small size, high capacitance and high reliability, are widely used in power management modules of various electronic products like smartphones, laptops, and tablets. They are core components ensuring the stable operation of electronic devices. Niobium alloys, due to their strong toughness and good workability, are often used to manufacture electronic device casings and heat dissipation components, enhancing product durability and thermal efficiency. In 2025, with the iterative upgrades in the consumer electronics industry and the recovery of global market demand, the Group's shipments of related products have grown steadily.

- **Chemical industry and machinery manufacturing:** Tantalum's corrosion resistance rivals that of platinum. It is extensively used as a lining material for critical equipment such as chemical reactors, heat exchangers, and valves, adapting to harsh environments involving strong acids and alkalis. It finds wide application in industries like fertilizer production, pharmaceuticals, and petrochemicals. Niobium steel alloys can significantly enhance the strength, toughness and corrosion resistance of steel, commonly used in manufacturing bridges, building steel structures, and automotive parts, with strong demand in infrastructure projects and the automotive industry. Leveraging its consistent product quality, the Group has established long-term cooperative relationships with numerous domestic and international chemical enterprises and machinery manufacturers.
- **Medical devices:** Tantalum possesses excellent biocompatibility and does not trigger rejection reactions in the human body. It is used to manufacture artificial joints, orthopedic implants, dental restoration materials, etc., providing reliable material support for the healthcare sector. Niobium alloys also play a role in manufacturing precision components for medical equipment, ensuring the stability and safety of equipment operation.

***(II) High-tech sector: technology-driven with explosive demand***

In the high-tech sector, the unique properties of tantalum and niobium have become key to overcoming technological bottlenecks. With the rapid development of industries such as new energy, semiconductors, and aerospace, market demand of tantalum and niobium has experienced explosive growth, making this sector a core growth driver for the Group.

- **Semiconductors and integrated circuits:** Ultra-high purity tantalum metal is a core raw material for manufacturing sputtering targets used in semiconductor chips. It is employed in the metallization process during chip production, directly influencing the chip's conductivity and stability. Niobium-based compounds are also used in semiconductor packaging materials and photoresist additives. In 2025, as the global semiconductor industry accelerates the localization of supply chains, the Group achieved volume supply of ultra-high purity tantalum metal, helping domestic chip companies overcome supply chain constraints.

- **New energy industry:** In the new energy vehicle sector, tantalum capacitors are used in vehicle electronic control systems and battery management systems (BMS), ensuring stable power output and battery safety. Lithium niobate crystals are key materials for manufacturing high-frequency filters in equipment such as new energy vehicle charging piles and photovoltaic inverters, improving energy conversion efficiency. In the energy storage field, tantalum-niobium alloys, known for their excellent high-temperature resistance and fatigue resistance, are used as electrode materials and structural components in energy storage batteries, extending equipment service life.
- **Aerospace and defense:** Tantalum-niobium alloys possess extremely high melting points (tantalum melts at 2,996°C, niobium at 2,468°C) and excellent high-temperature mechanical properties. They are core materials for manufacturing critical components such as aircraft engine turbine blades, combustion chambers and rocket thrusters, capable of withstanding extreme high-temperature and high-pressure environments. In spacecraft, tantalum-niobium materials are also used to produce key components for attitude control systems and communication equipment, ensuring stable operation in the space environment. The Group's high-purity tantalum and niobium metal materials have been successfully applied in multiple domestic aerospace projects.
- **Superconductivity and cutting-edge scientific research:** Niobium is a core element in the manufacture of superconducting materials. Superconducting materials such as niobium-titanium alloys and niobium-tin compounds are widely used in cutting-edge technological fields including magnetic resonance imaging (MRI) equipment, particle accelerators and controlled nuclear fusion devices. The Group's high RRR (Residual Resistivity Ratio) superconducting niobium ingots are continuously supplied to major national scientific projects, providing critical material support for our country's frontier scientific research endeavors.

## **Strengthening industrial chain integration to promote high-quality development**

In 2025, the Group firmly implemented the “integration and scale” strategy, focusing on strengthening, supplementing and extending the tantalum-niobium industrial chain, thereby establishing a comprehensive industrial layout covering raw material procurement, smelting, deep processing and product sales. Upstream, the Group optimized its procurement structure and stabilized raw material supply by establishing cooperation with over 100 suppliers. In the midstream, through technological transformation and capacity upgrades, it enhanced product quality and production efficiency to meet application demands across various fields. Downstream, the Group deepened collaborations with key customers in sectors such as new energy, semiconductors, aerospace, chemicals and consumer electronics, expanding the application scenarios of its products.

The integration of the industrial chain not only strengthened the Group’s ability to withstand market risks but also improved overall operational efficiency and profitability. During the Year Under Review, the Group’s gross profit increased by 18.1% year-on-year to approximately RMB469 million. Although the gross profit margin slightly decreased by 0.9 percentage point to 20.9% due to product structure adjustments and market price fluctuations, it remained at a relatively high level within the industry. Looking ahead, the Group will continue to focus on the integration and upgrading of the industrial chain, accelerate the construction of key projects, expand industrial scale, and persistently innovate in tantalum-niobium application scenarios to further enhance its influence and competitiveness in the global tantalum-niobium industry.

## FINANCIAL REVIEW

### Revenue

The Group's revenue comprised revenue generated from sales of goods and the provision of processing services. The following table sets forth our revenue by source for the years indicated:

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Tantalum and niobium hydrometallurgical compounds	<b>584,423</b>	<b>26.0%</b>	584,240	32.0%
Tantalum and niobium metal and its products	<b>1,209,666</b>	<b>54.0%</b>	841,055	46.2%
Trading goods, processing services and others	<b>447,766</b>	<b>20.0%</b>	396,754	21.8%
Total revenue	<b><u>2,241,855</u></b>	<b><u>100.0%</u></b>	<b><u>1,822,049</u></b>	<b><u>100.0%</u></b>

During the years ended 31 December 2025 and 2024, our products sold included: (i) tantalum and niobium hydrometallurgical compounds; (ii) tantalum and niobium metal and its products; and (iii) trading goods, processing services and others. The Group's revenue increased by approximately RMB419.8 million or 23.0% from approximately RMB1,822.0 million for the year ended 31 December 2024 to approximately RMB2,241.9 million for the Year Under Review. The increase was mainly due to the Group's active expansion of market space, adjustment of product structure, and the full release of production capacity for metal, which led to a significant year-on-year increase in the sales volume of tantalum and niobium metal, particularly tantalum metal.

### **Tantalum and niobium hydrometallurgical compounds**

For the Year Under Review, our revenue generated from the sale of compounds amounted to approximately RMB584.4 million, representing an increase of approximately RMB0.2 million from approximately RMB584.2 million for the year ended 31 December 2024.

### **Tantalum and niobium metal and its products**

For the Year Under Review, our revenue from the sale of tantalum and niobium metal and its products increased by approximately RMB368.6 million or 43.8% from approximately RMB841.1 million for the year ended 31 December 2024 to approximately RMB1,209.7 million. The increase was mainly due to the significant increase in the output of pyrometallurgical projects and the surge in market demand for tantalum and niobium metal products, particularly tantalum metal products in downstream applications, which led to the increase in sales revenue during the Year Under Review.

### **Trading goods, processing services and others**

The Group's trading goods, processing services and other businesses include selling trading goods, providing processing services and selling by-products. For the Year Under Review, our revenue from trading goods, processing services and others was approximately RMB447.8 million, an increase of approximately RMB51.0 million or 12.9% compared with approximately RMB396.8 million for the year ended 31 December 2024. The increase was mainly due to the increase in sales of trading goods of approximately RMB23.2 million in the Year Under Review.

## Cost of Sales

Cost of sales represented the direct costs of production, which comprised raw materials costs, factory overheads, electricity and fuels costs, labour costs and processing fees in respect of our processed products. For the years ended 31 December 2025 and 2024, our cost of sales amounted to approximately RMB1,773.3 million and RMB1,425.3 million, respectively. The following table sets forth the breakdown of our cost of sales for the years indicated:

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Raw materials	<b>1,280,490</b>	<b>72.2%</b>	959,068	67.3%
Cost of trading goods	<b>342,792</b>	<b>19.3%</b>	308,579	21.6%
Factory overheads	<b>59,603</b>	<b>3.4%</b>	66,284	4.7%
Electricity and fuels	<b>37,829</b>	<b>2.1%</b>	43,484	3.1%
Labour ( <i>Note</i> )	<b>26,622</b>	<b>1.5%</b>	23,296	1.6%
Processing fees	<b>25,991</b>	<b>1.5%</b>	24,566	1.7%
Total cost of sales	<b><u>1,773,327</u></b>	<b><u>100.0%</u></b>	<b><u>1,425,277</u></b>	<b><u>100.0%</u></b>

*Note:* Labour costs mainly included salaries and benefits for our production personnel.

Our raw materials costs mainly represented the cost for purchasing tantalum and niobium raw materials, and accounted for approximately 72.2% and 67.3% of our total cost of sales for the Year Under Review and the year ended 31 December 2024, respectively. Our cost of sales increased by approximately RMB348.1 million or 24.4% from approximately RMB1,425.3 million for the year ended 31 December 2024 to approximately RMB1,773.3 million for the Year Under Review. Such increase was mainly attributable to the increase in sales volume and increase in production scale of the Group during the Year Under Review, leading to an increase in manufacturing overhead.

## Gross Profit and Gross Profit Margin

The Group's gross profit increased from approximately RMB396.8 million for the year ended 31 December 2024 to approximately RMB468.5 million for the Year Under Review, mainly driven by the increase in our revenue.

Our gross profit margin decreased from approximately 21.8% for the year ended 31 December 2024 to approximately 20.9% for the Year Under Review. Such decrease was mainly due to the changes in the product sales and customer structure of the Group and fluctuations in margins during the Year Under Review.

## Other Income and Gains, Net

The following table sets forth the breakdown of our other income and gains, net, for the years indicated:

	For the year ended	
	31 December	
	2025	2024
	RMB'000	RMB'000
<b>Other income</b>		
Bank interest income	1,247	1,834
Government grants ( <i>Note</i> )	17,019	18,287
	<u>18,266</u>	<u>20,121</u>
<b>Gains, net</b>		
Fair value gains on derivative financial instruments, net	1,881	687
Exchange gain	629	–
Gain from disposal of scrap materials, net	1,597	2,492
Others	920	788
	<u>5,027</u>	<u>3,967</u>
Total	<u><u>23,293</u></u>	<u><u>24,088</u></u>

*Note:* Government grants mainly represented (i) additional input value-added tax credit provided by relevant PRC local government authorities to two subsidiaries of the Group which are qualified as high and new technology enterprises; and (ii) subsidies received from the PRC local government authorities to support certain subsidiaries' research and development activities. There are no unfulfilled conditions or contingencies relating to such grants.

Our other income and gains, net, primarily comprised government subsidies, bank interest income and others. We received government grants from local government authorities for engaging in research and development activities, which vary from year to year.

Our other income and gains, net, was a gain amounting to approximately RMB23.3 million for the Year Under Review (2024: a gain of approximately RMB24.1 million).

### **Selling and Distribution Expenses**

The Group's selling and distribution expenses primarily comprised distribution costs for transportation and packaging for delivery of products, salaries and benefits for personnel of our sales and procurement department, consultation fees, and travelling and entertainment expenses. The table below sets forth the breakdown of our selling and distribution expenses for the years indicated:

	<b>For the year ended 31 December</b>			
	<b>2025</b>		<b>2024</b>	
	<b><i>RMB'000</i></b>	<b><i>%</i></b>	<b><i>RMB'000</i></b>	<b><i>%</i></b>
Distribution costs	<b>5,428</b>	<b>32.6%</b>	4,112	26.0%
Staff costs	<b>8,065</b>	<b>48.4%</b>	6,933	43.8%
Consultation fees	<b>665</b>	<b>4.0%</b>	766	4.8%
Travelling and entertainment expenses	<b>1,205</b>	<b>7.2%</b>	1,060	6.7%
Office expenses	<b>205</b>	<b>1.2%</b>	371	2.3%
Others	<b>1,104</b>	<b>6.6%</b>	2,603	16.4%
	<b><u>16,672</u></b>	<b><u>100.0%</u></b>	<b><u>15,845</u></b>	<b><u>100.0%</u></b>
Total selling and distribution expenses	<b><u>16,672</u></b>	<b><u>100.0%</u></b>	<b><u>15,845</u></b>	<b><u>100.0%</u></b>

The Group's selling and distribution expenses increased from approximately RMB15.8 million for the year ended 31 December 2024 to approximately RMB16.7 million for the Year Under Review. Such increase was mainly attributable to the increase in the sales scale of the Group, which led to an increase in distribution costs and staff costs of approximately RMB2.4 million.

## Administrative Expenses

The Group's administrative expenses primarily comprised research and development expenses, staff costs of our administrative and management staff and legal advisory and professional fees. The table below sets forth the breakdown of our administrative expenses for the years indicated:

	For the year ended 31 December			
	2025		2024	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Research and development expenses	<b>92,808</b>	<b>46.8%</b>	73,927	40.2%
Staff costs	<b>52,395</b>	<b>26.4%</b>	58,252	31.7%
Other tax expenses	<b>4,591</b>	<b>2.3%</b>	3,735	2.0%
Legal advisory and professional fees	<b>5,178</b>	<b>2.6%</b>	6,568	3.6%
Depreciation and amortisation	<b>11,669</b>	<b>5.9%</b>	8,101	4.4%
Travelling and entertainment expenses	<b>3,417</b>	<b>1.7%</b>	3,570	1.9%
Bank charges	<b>801</b>	<b>0.4%</b>	693	0.4%
Others ( <i>Note</i> )	<b>27,355</b>	<b>13.9%</b>	28,955	15.8%
Total administrative expenses	<b><u>198,214</u></b>	<b><u>100.0%</u></b>	<b><u>183,801</u></b>	<b><u>100.0%</u></b>

*Note:* Others primarily comprised audit fees, insurance, office expenses, motor vehicle expenses, maintenance fee and handling charges.

The Group's administrative expenses increased from approximately RMB183.8 million for the year ended 31 December 2024 to approximately RMB198.2 million for the Year Under Review. Such increase was mainly attributable to the increase in research and development expenses of approximately RMB18.9 million from approximately RMB73.9 million for the year ended 31 December 2024 to approximately RMB92.8 million for the Year Under Review. The increase in research and development expenses was mainly due to the Group's adaptation to market demand, active development of new tantalum and niobium products, and improvement of production technique and process, which led to an increase in expenses for research and development activities.

## Finance Costs

Our finance costs mainly represented interest on interest-bearing bank borrowings. The following table sets forth the breakdown of our finance costs for the years indicated:

	For the year ended	
	31 December	
	2025	2024
	RMB'000	RMB'000
Interest on bank loans	19,517	16,004
Discount on bill discounting	5,760	6,914
Interest on lease liabilities	1,894	1,503
	<u>27,171</u>	<u>24,421</u>
Less: Interest capitalised in respect of construction in progress	<u>(471)</u>	<u>–</u>
Total net finance costs	<u><u>26,700</u></u>	<u><u>24,421</u></u>

Our finance costs for the Year Under Review and the year ended 31 December 2024 amounted to approximately RMB26.7 million and RMB24.4 million, respectively. Such increase was mainly due to the increase in bank borrowings during the Year Under Review, leading to an increase in finance costs on interest-bearing bank borrowings.

## Income Tax Expense

Two subsidiaries in the Group was accredited as high and new technology enterprises (高新技術企業), which allows us to enjoy a lower applicable tax rate of 15%, as compared to 25% pursuant to the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法). In addition, we enjoyed value-added tax refund at the rate of 13% for our export sales of eligible tantalum metal products.

Our income tax expense for the Year Under Review and the year ended 31 December 2024 amounted to approximately RMB32.6 million and RMB28.9 million, respectively. Our effective tax rate for the years ended 31 December 2025 and 31 December 2024 was 15.1% and 17.7%, respectively. The details are set out in Note 8 to the announcement.

## **Profit for the Year**

As a result of the foregoing, we recorded profit for the year of approximately RMB183.3 million and RMB134.2 million for the Year Under Review and the year ended 31 December 2024, respectively, representing an increase of approximately RMB49.1 million or 36.6%. Our net profit margin was approximately 8.2% and 7.4% for the Year Under Review and the year ended 31 December 2024, respectively.

## **Profit for the Year Attributable to Owners of the Company**

Profit for the year attributable to owners of the Company for the Year Under Review and the year ended 31 December 2024 amounted to approximately RMB171.6 million and RMB124.2 million, respectively, representing an increase of approximately RMB47.4 million or 38.2%.

## **DIVIDEND**

The Board resolved to recommend the payment of a final dividend of HK6.58 cents per share (the “**Final Dividend**”) for the Year Under Review (2024: HK5.56 cents).

## **ANALYSIS OF MAJOR BALANCE SHEET ITEMS**

### **Property, Plant and Equipment**

Our property, plant and equipment comprised (i) buildings; (ii) plant and machinery; (iii) furniture and office equipment; (iv) motor vehicles; and (v) construction in progress.

The carrying amount of our property, plant and equipment increased by approximately RMB82.0 million from approximately RMB387.0 million as at 31 December 2024 to approximately RMB469.0 million as at 31 December 2025. Such increase was mainly driven by the commencement of equipment installation and commissioning at Leizhou base of the Group, and the increase in procurement of production facilities such as equipment, resulting in a significant increase in construction in progress.

## Right-of-use Assets

As at 31 December 2025, the Group's total right-of-use assets amounted to approximately RMB332.3 million (31 December 2024: approximately RMB68.1 million), including (i) leasehold land; (ii) leased factory building; (iii) leased plant and machinery; and (iv) leased offices. Our leasehold land, and leased plant and machinery are recognised pursuant to HKFRS 16. Our leasehold land represented the prepaid land lease payments in respect of our production facilities in Yingde, Guangdong Province, the PRC. Prepaid land lease payments increased from approximately RMB57.2 million as at 31 December 2024 to approximately RMB84.7 million as at 31 December 2025, and the leased factory building and machinery increased from RMB8.6 million as at 31 December 2024 to approximately RMB246.1 million as at 31 December 2025, mainly due to a new leasehold factory in Leizhou for starting up a new production line, which led to an increase in right-of-use assets of RMB238.4 million. Our leased offices decreased from approximately RMB2.3 million as at 31 December 2024 to approximately RMB1.5 million as at 31 December 2025, mainly due to the end of lease of our Guangdong office.

## Inventories

Our inventories comprised raw materials, work in progress and finished goods. The following table sets forth the breakdown of our inventories as at balance sheet dates indicated:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Raw materials	<b>441,588</b>	251,302
Work in progress	<b>340,492</b>	268,051
Finished goods	<b>264,990</b>	225,155
Total inventories	<b><u>1,047,070</u></b>	<u>744,508</u>
Average inventories ( <i>Note 1</i> )	<b>895,789</b>	713,260
Average inventories to revenue from sale of products ( <i>Note 2</i> )	<b>40.0%</b>	40.2%

### Notes:

- (1) Represents the average of inventories as at 31 December of the previous year and 31 December of the current year.
- (2) Represents the average of inventories divided by the revenue generated from sale of products for the relevant year.

The Group's inventories amounted to approximately RMB1,047.1 million and RMB744.5 million as at 31 December 2025 and 2024, respectively. Our average inventories increased from approximately RMB713.3 million as at 31 December 2024 to approximately RMB895.8 million as at 31 December 2025. Such increase was mainly due to the expansion of the Group's production scale, particularly the commencement of commissioning and installation of the Leizhou project, which resulted in an increase in the Group's raw material reserves. Our average inventories to revenue from sale of products were approximately 40.0% and 40.2% for the years ended 31 December 2025 and 2024, respectively.

The following table sets forth the average inventory turnover days for the years indicated:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
	<b>(Days)</b>	(Days)
Average inventory turnover days ( <i>Note</i> )	<b><u>184.4</u></b>	<u>182.7</u>

*Note:* Average inventory turnover days equal to average inventories divided by cost of sales for the year and multiplied by 365. Average inventories are calculated as inventories at the beginning of the year plus inventories at the end of the year, divided by two.

Our average inventory turnover days increased from 182.7 days for the year ended 31 December 2024 to 184.4 days for the Year Under Review. Such change was mainly due to a moderate increase in strategic inventory of stocks as the Group integrated its production capacity planning with market conditions.

## Trade and Bills Receivables

Our trade and bills receivables primarily represented the credit sales of our products to be paid by customers and bank acceptance bills received from our customers during the Year Under Review. The following table sets forth the breakdown of our trade and bills receivables as at balance sheet dates indicated:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	<b>470,645</b>	287,210
Less: Impairment	<b>(12,649)</b>	(4,903)
	<b>457,996</b>	282,307
Bills receivable	<b>128,241</b>	123,915
Net carrying amount	<b>586,237</b>	406,222
Average trade and bills receivables ( <i>Note 1</i> )	<b>496,230</b>	402,050
Average trade and bills receivables to total revenue ( <i>Note 2</i> )	<b>22.1%</b>	22.1%

*Notes:*

- (1) Represents the average of trade and bills receivables as at 31 December of the previous year and 31 December of the current year.
- (2) Represents trade and bills receivables divided by total revenue for the relevant year.

Our trade and bills receivables increased from approximately RMB406.2 million as at 31 December 2024 to approximately RMB586.2 million as at 31 December 2025. Such increase was mainly due to the increase in revenue and changes in the structure of downstream customers resulting from the extension of the industrial chain of the Group.

We generally grant a credit term of one month, extending up to three months, to our customers. We seek to maintain strict control over our outstanding receivables and to minimise credit risk. Overdue balances are reviewed regularly by our senior management.

The following is an ageing analysis of trade and bills receivables as at balance sheet dates indicated, based on the invoice dates:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 30 days	<b>313,596</b>	211,100
31 days to 60 days	<b>182,016</b>	80,694
61 days to 90 days	<b>38,254</b>	62,617
Over 90 days	<b>52,371</b>	51,811
	<u><b>586,237</b></u>	<u>406,222</u>
Total trade and bills receivables	<u><b>586,237</b></u>	<u>406,222</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The expected credit loss for trade receivables as at 31 December 2025 and 2024 was approximately RMB12.6 million and RMB4.9 million, respectively. The following table sets forth the average turnover days of our trade and bills receivables for the years indicated:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2025</b>	2024
	<b><i>(Days)</i></b>	<i>(Days)</i>
Average turnover days of trade and bills receivables ( <i>Note</i> )	<u><b>80.8</b></u>	<u>80.5</u>

*Note:* Average turnover days of trade and bills receivables equal to average trade and bills receivables divided by revenue for the year and multiplied by 365. Average trade and bills receivables are calculated as trade and bills receivables at the beginning of the year plus trade and bills receivables at the end of the year, divided by two.

Our average turnover days of trade and bills receivables increased from 80.5 days for the year ended 31 December 2024 to 80.8 days for the Year Under Review. The increase was mainly due to changes in the downstream customer structure, which led to a significant increase in the receivables during the Year Under Review.

## Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables mainly represented advance prepayments to our suppliers for purchasing raw materials, advance prepayments for purchasing our equipment and machinery and prepaid land lease payments for acquiring land use rights. We prepaid land lease payments prior to obtaining the relevant land use rights certificates and classified such prepayments to “right-of-use assets” when the land use rights certificate is granted. The following table sets forth a breakdown of our prepayments, deposits and other receivables as at balance sheet dates indicated:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Prepayments – Non-current	<b>49,692</b>	29,277
Deposits – Non-current	<b>22,000</b>	32,000
	<b>71,692</b>	61,277
Less: Impairment allowance	<b>(11,000)</b>	(11,000)
	<b>60,692</b>	50,277
Prepayments – Current	<b>117,805</b>	227,680
Other tax recoverable	<b>22,937</b>	14,250
Deposits and other receivables – Current	<b>13,186</b>	8,531
	<b>153,928</b>	250,460
Total prepayments, deposits and other receivables	<b>214,620</b>	300,737

Our prepayments, deposits and other receivables decreased from approximately RMB300.7 million as at 31 December 2024 to approximately RMB214.6 million as at 31 December 2025, mainly driven by the decrease in prepaid purchase amount.

## Trade and Bills Payables

Our trade and bills payables increased from approximately RMB62.3 million as at 31 December 2024 to approximately RMB135.2 million as at 31 December 2025, mainly due to the increase in the purchase of raw materials from the suppliers during the year. The following is an ageing analysis of trade and bills payables, based on the invoice dates, as at balance sheet dates indicated:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 30 days	108,604	27,323
31 days to 60 days	14,951	24,011
61 days to 90 days	411	764
Over 90 days	11,252	10,168
Total trade and bills payables	<u>135,218</u>	<u>62,266</u>

Our trade and bills payables were non-interest-bearing and normally settled with terms of 40 days. The following table sets forth the average turnover days of our trade and bills payables for the years indicated:

	For the year ended	
	31 December	
	2025	2024
	(Days)	(Days)
Average turnover days of trade and bills payables ( <i>Note</i> )	<u>20.3</u>	<u>14.9</u>

*Note:* Average turnover days of trade and bills payables equal to average trade and bills payables divided by cost of sales for the year and multiplied by 365. Average trade and bills payables are calculated as trade and bills payables at the beginning of the year plus trade and bills payables at the end of the year, divided by two.

Our average turnover days of trade and bills payables increased from approximately 14.9 days for the year ended 31 December 2024 to 20.3 days for the Year Under Review, mainly due to the increase in purchase volume for the year ended 31 December 2025.

## Provision, Other payables and Accruals

Our provision, other payables and accruals comprised accruals, deferred income, contract liabilities, provision and other payables. Our accruals mainly represented accrued staff costs and accrued listing expenses. Our contract liabilities mainly represented short-term advances received to deliver goods. Our deferred income mainly represented government grants received from the PRC local government authorities in relation to our research and development activities and acquisition of property, plant and equipment. Our provision represented the provision for contribution to a suspended factory as the original agreement is no longer executed in 2025. The following table sets forth a breakdown of our provision, other payables and accruals as at balance sheet dates indicated:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Accruals	<b>46,956</b>	40,973
Deferred income	<b>12,280</b>	8,886
Contract liabilities	<b>22,619</b>	50,290
Provision	<b>16,500</b>	–
Other tax payables	<b>688</b>	1,247
Other payables	<b>19,757</b>	11,726
	<hr/>	<hr/>
Total provision, other payables and accruals	<b><u>118,800</u></b>	<b><u>113,122</u></b>

Our provision, other payables and accruals increased from approximately RMB113.1 million as at 31 December 2024 to approximately RMB118.8 million as at 31 December 2025. Such increase was mainly driven by the increase in accruals in salary paid to staff.

## Bank Borrowings

Bank borrowings were the principal component of our total liabilities, accounting for approximately 63.5% and 71.2% of our total liabilities as at 31 December 2025 and 31 December 2024, respectively. The following table sets forth the breakdown of our bank borrowings by current and non-current classification as at balance sheet dates indicated:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current	<b>196,833</b>	129,100
Current	<b>806,125</b>	470,249
	<hr/>	<hr/>
Total bank borrowings	<b><u>1,002,958</u></b>	<b><u>599,349</u></b>

During the Year Under Review, our bank borrowings comprised secured and unsecured bank borrowings. The following table sets forth the breakdown of our bank borrowings by secured and unsecured classification as at balance sheet dates indicated:

	<b>As at 31 December</b>	
	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Secured	<b>151,730</b>	80,095
Unsecured	<b>851,228</b>	519,254
Total bank borrowings	<b><u>1,002,958</u></b>	<u>599,349</u>

As at 31 December 2025, our bank borrowings were secured by the pledge of certain of the Group's leasehold land, and property, plant and equipment with net carrying amounts of approximately RMB57.2 million (31 December 2024: approximately RMB48.4 million) and RMB85.2 million (31 December 2024: approximately RMB91.8 million), respectively.

Our total bank borrowings increased from approximately RMB599.3 million as at 31 December 2024 to approximately RMB1,003.0 million as at 31 December 2025. Such increase was mainly due to the increase in raw material inventories driven by the release of production capacity, the expansion of liquidity requirements, and the significant increase in special equipment loans for the Leizhou base.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Working Capital**

During the Year Under Review, we financed our operations by cash generated from operating activities and bank borrowings. As at 31 December 2025, we had cash and cash equivalents of approximately RMB431.5 million (31 December 2024: approximately RMB182.0 million). In the future, we intend to finance our operations by cash generated from operating activities and bank borrowings.

We monitor our cash flows and cash balance on a regular basis and strive to maintain an optimum liquidity that can meet our working capital needs while supporting a viable business scale and future plans.

Taking into account the financial resources available to us, including our existing cash and cash equivalents, availability of bank facilities and cash flows from our operations, our Directors are of the view that, after due and careful inquiry, we have sufficient working capital for at least the next 12 months commencing from the date of this announcement.

## **CAPITAL STRUCTURE**

### **Indebtedness**

The total indebtedness of the Group as at 31 December 2025 was approximately RMB1,268.3 million, representing certain movements from approximately RMB607.3 million as at 31 December 2024. During the Year Under Review, the Group did not experience any difficulties in renewing its banking facilities with its lenders.

### **Gearing Ratio**

As at 31 December 2025, the Group's gearing ratio was approximately 24.4% (31 December 2024: approximately 26.7%), calculated as the total bank borrowings excluding discounted bills, less cash and bank balances, divided by total equity as at the end of the relevant year and multiplied by 100%. The change was mainly due to movements in the Group's financing scale and closing balance of cash on hand during the Year Under Review.

### **Pledge of Assets**

As at 31 December 2025, our bank borrowings were secured by the pledge of certain of the Group's leasehold land, and property, plant and equipment with net carrying amounts of approximately RMB57.2 million (31 December 2024: approximately RMB48.4 million) and RMB85.2 million (31 December 2024: approximately RMB91.8 million), respectively.

### **Capital Expenditures**

Our capital expenditures comprised expenditures for purchases of property, plant and equipment. Our capital expenditures amounted to approximately RMB129.6 million and RMB21.3 million for the Year Under Review and the year ended 31 December 2024, respectively.

Our current plan with respect to future capital expenditures is subject to changes based on the evolution of our business plan, market conditions and our outlook of future business conditions. As we continue to expand, we may incur additional capital expenditures.

## **CONTINGENT LIABILITIES, LEGAL AND POTENTIAL PROCEEDINGS**

As at 31 December 2025, the Group did not have any material contingent liabilities, legal proceedings or potential proceedings (31 December 2024: Nil).

## **CAPITAL COMMITMENTS**

As at 31 December 2025, the Group had capital commitments of approximately RMB160.4 million in respect of plant and equipment and additional investment in an associate, representing certain movements from approximately RMB37.7 million as at 31 December 2024.

## **SEGMENT INFORMATION**

The Group is principally engaged in the manufacture and sale of metallurgical products and provision of processing services to customers. For the purpose of resource allocation and performance assessment, the Group's management focuses on the operating results of the Group. As such, the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

## **MATERIAL ACQUISITION AND DISPOSAL BY THE GROUP**

During the Year Under Review, the Group had not made any material acquisition or disposal.

## **SIGNIFICANT INVESTMENTS**

The Company had not held any significant investments during the Year Under Review.

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

The Company completed placing of new ordinary shares under general mandate on 30 September 2025 (“**Placing**”). An aggregate of 20,000,000 placing shares, representing (i) approximately 5.56% of the total number of issued shares immediately before completion; and (ii) approximately 5.26% of the total number of issued shares as enlarged by the allotment and issue of the placing shares, have been successfully placed to not less than six placees (individuals, corporates, institutional investors or other investors procured and selected by the placing agent to subscribe for any placing shares pursuant to its obligations under the placing agreement) at the placing price of HK\$5.0 per placing share pursuant to the terms of the placing agreement. The aggregate nominal value of the placing shares is HK\$200,000. The closing price of the shares of the Company on the date on which the terms of the placing agreement were fixed was HK\$5.90 per share.

## Use of proceeds from placing of new shares under general mandate

The gross proceeds from the Placing are approximately HK\$100 million and the net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, professional fees and other related expenses), are approximately HK\$98.5 million, representing a net issue price of approximately HK\$4.93 per Placing Share. As at 31 December 2025, the Group had used net proceeds of approximately HK\$43.9 million. The following table illustrates the status of the use of net proceeds according to the intentions previously disclosed by the Company in the announcement and supplemental announcement dated 19 September 2025 and 25 September 2025 respectively as at 31 December 2025:

		Planned use of proceeds	Unutilised amount as at 1 January 2025	Actual utilised amount during the Year	Actual utilised amount as at 31 December 2025	Unutilised amount as at 31 December 2025	Expected time to completely utilise the proceeds
	%	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
(i) Procurement of raw materials	60.0%	59.1	N/A	43.2	43.2	15.9	On or before 31 December 2026
(ii) Daily operational expenses (Note)	40.0%	39.4	N/A	0.7	0.7	38.7	On or before 31 December 2026
	<u>100.0%</u>	<u>98.5</u>	<u>-</u>	<u>43.9</u>	<u>43.9</u>	<u>54.6</u>	

*Note:* Daily operational expenses mainly included Directors' remuneration, secretarial fees and other consultation fees.

The Directors consider that the net proceeds from the Placing will raise additional funds for the Group's operation and future development and strengthen its financial position, and also broaden the shareholders and capital base of the Company, providing working capital to the Group to meet any financial needs of the Group without any interest burden.

## USE OF PROCEEDS FROM THE LISTING

The shares of the Company were listed on the Main Board of the Stock Exchange on 12 March 2020. Net proceeds from the placing of the shares were approximately RMB92.7 million (equivalent to approximately HK\$105.5 million), after deduction of the underwriting commission and relevant expenses. As at 31 December 2025, the Group had used all net proceeds as planned of approximately RMB92.7 million. The following table illustrates the status of the use of net proceeds according to the intentions previously disclosed by the Company as stated in the section headed “Future Plans and Use of Proceeds” in the Prospectus as at 31 December 2025, the annual report of the Company for the year ended 31 December 2024 and the interim results announcement of the Company for the six months ended 30 June 2025 respectively:

		Planned use of proceeds as disclosed in the Prospectus (RMB million)	Amount of net proceeds brought forward as at 1 January 2025 (RMB million)	Actual utilised amount during the Year Under Review (RMB million)	Actual utilised amount as at 31 December 2025 (RMB million)	Unutilised amount as at 31 December 2025 (RMB million)
Construction of new production facilities to produce tantalum powder and bars	28.9%	26.8	-	-	26.8	-
Acquisition and installing of machinery and equipment to produce tantalum powder and bars	36.0%	33.4	-	-	33.4	-
Other expense for setting up the new production facilities	3.9%	3.6	-	-	3.6	-
Financing five research and development projects	17.9%	16.6	-	-	16.6	-
Strengthening the sales network in Europe and sourcing channels in Brazil	3.5%	3.2	1.8	1.8	3.2	-
General working capital	9.8%	9.1	-	-	9.1	-
<b>Total</b>	<b>100.0%</b>	<b>92.7</b>	<b>1.8</b>	<b>1.8</b>	<b>92.7</b>	<b>-</b>

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

There was no specific plan for material investments or capital assets as at 31 December 2025. In the event that the Group is engaged in any plan for material investments or capital assets, the Company will make announcement(s) and comply with relevant rules under the Listing Rules as and when appropriate.

## **FUTURE OUTLOOK**

In 2026, the Group will launch a number of core reforms and development initiatives to align with industry trends and its own strategic plans. It will comprehensively optimize its management structure, unleash its production capacity potential, seize market opportunities, and make every effort to improve the quality and efficiency of its operating results, thereby further consolidating and enhancing its core position in the global tantalum and niobium industry.

The Group will take the lead in optimizing its management team structure to comprehensively strengthen the decision-making and execution capabilities of its senior management. Three new vice presidents will be appointed to lead and coordinate key areas, including breakthroughs in scientific research and innovation, construction of major projects, operation of production bases, and procurement of core raw materials. This will further refine management powers and responsibilities, enhance cross-departmental collaboration, and provide a solid management foundation for the efficient implementation of the Group's various key tasks, steering overall operations towards greater sophistication and specialization.

In terms of production capacity layout, the Group closely follows the demand of the downstream high-end market and firmly advances its expansion plan for high-end application products. For capacitor-grade tantalum powder, which is widely used in various downstream industries, the Group is steadily expanding its production capacity based on growing customer orders and a consensus on long-term cooperation to fully secure the supply for core customers. Meanwhile, for its full range of high-end products, including tantalum powder, tantalum wire, high-purity tantalum ingots, superconducting niobium ingots, and 5N niobium oxide, the Group will increase its promotion in domestic and overseas markets once the new production capacity is fully released, and precisely align with downstream demand to maximize the market sales and market share of these high-end products.

From an industry market perspective, the global tantalum and niobium industry is experiencing continued optimization in 2026. Driven by tight supply from core global mineral sources and robust demand from downstream emerging industries, tantalum ore prices have hit a record high, and the industry continues to gain momentum. Meanwhile, the continued expansion of downstream high-end application areas such as the AI industry and new energy is further unlocking market demand for key strategic materials like tantalum and niobium, bringing rare market development opportunities to the Group.

In light of the favorable industry trends, the Group will accurately seize market opportunities, focus its full efforts on core downstream markets, strive to expand its high-quality customer base, accelerate its entry into the supply chain systems of mainstream customers in fields such as AI and new energy, and deeply align with high-end market demand. At the same time, the Group will fully leverage the advantage of its raw material “reservoir” built through long-term planning to steadily navigate raw material price fluctuations and supply tightness. By efficiently coordinating the entire chain of raw material reserves, production and processing, and market sales, the Group will make every effort to capture industry dividends, effectively translating market opportunities into tangible operating benefits and driving the Group’s leapfrog development.

## **HUMAN RESOURCES AND TRAINING**

We believe that our long-term growth depends on the expertise and experience of our employees. We primarily recruit our personnel through campus recruiting, career fairs, recruitment websites and internal recommendation to maintain the talent pool underpinning our sustainability. We provide regular training programs to our employees, including, among others, introductory training, safety training, professional skills training and management training, to enhance their professional attainments and career development capacity. As at 31 December 2025, the Group had a total of 714 employees (2024: 632 employees). Total staff cost for the Year Under Review amounted to approximately RMB121.0 million (2024: approximately RMB110.9 million).

The salaries of our employees depend mainly on their positions, nature of work, results of their annual performance evaluation and market competitiveness. The Group makes constant efforts to improve the remuneration and benefit system, so as to enhance employee satisfaction and the incentive mechanism. For employees of our PRC subsidiaries, we made contributions to social insurance funds, including pension, medical, unemployment, maternity and occupational injury insurance, and housing provident funds for our employees in strict compliance with applicable PRC laws and regulations. We have also established a labour union to proactively protect our employees’ rights and interests, promote the balance of labour relations, and encourage employees to participate in corporate management and decision-making processes, thereby facilitating the sustainable development of the Group.

## **CLOSURE OF THE REGISTER OF MEMBERS OF SHARES**

### **To be eligible to attend and vote in the forthcoming annual general meeting**

Shareholders of the Company (the “Shareholders”) whose names appear on the register of members on Wednesday, 27 May 2026 will be eligible to attend and vote at the forthcoming annual general meeting. The register of members of the Company will be closed from Thursday, 21 May 2026 to Wednesday, 27 May 2026 (both dates inclusive) during which period no transfer of Shares will be registered. To be qualified for attending and voting at the forthcoming annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company’s share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 20 May 2026.

### **To determine the entitlement to the Final Dividend**

The Final Dividend will be payable to the Shareholders whose names appear on the register of members on Friday, 5 June 2026 and the register of members will be closed from Wednesday, 3 June 2026 to Friday, 5 June 2026 (both dates inclusive). In order to qualify for the Final Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 2 June 2026. Accordingly, the last day for dealings in the Shares with entitlement to the Final Dividend will be Friday, 29 May 2026. The Shares will be traded ex-dividend as from Monday, 1 June 2026. The Final Dividend is expected to be paid on or about Wednesday, 8 July 2026.

## **GOING CONCERN**

Based on the current financial position and the available financing facilities, the Group has sufficient financial resources for ongoing operation in the foreseeable future. As such, the financial statements were prepared on a “going concern” basis.

## **PUBLIC FLOAT**

According to the information disclosed publicly and as far as the Directors are aware, during the Year Under Review and up to the date of this announcement, at least 25% of the issued Shares was held by public Shareholders as required under the Listing Rules.

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

During the Year Under Review and up to the date of this announcement, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities. The Company did not hold any treasury shares during the Year Under Review.

## **CORPORATE GOVERNANCE FUNCTIONS**

The Board strives to uphold the principles of corporate governance set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and adopted various measures to enhance the internal control system, the Directors' continuous professional training and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create value and achieve maximum return for the Shareholders. The Board will continue to conduct review and improve the quality of corporate governance practices with reference to local and international standards.

During the Year Under Review, the Company has complied with the code provisions, other than code provision C.2.1 of the CG Code as set out in Appendix C1 to the Listing Rules.

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Wu Lijue is our chairman and also the chief executive officer of our Company and he has been managing our Group's business and supervising the overall operations of our Group since its establishment. Having considered (i) the nature and extent of our Group's operations; (ii) Mr. Wu's in-depth knowledge and experience in the tantalum and niobium metallurgy industry and familiarity with the operations of our Group which is beneficial to the management and business development of our Group; and (iii) all major decisions are made in consultation with members of our Board and relevant Board committees, which consist of three independent non-executive Directors offering independent perspectives, our Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authorities between our Board and the management of our Company and that it is in the best interest of our Group to have Mr. Wu taking up both roles. Our Board will continue to review and consider splitting the roles of the chairman of our Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code governing securities transactions of the Directors. Specific enquiries have been made to all Directors regarding Directors’ securities transactions during the Year Under Review and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Year Under Review.

## **AUDIT COMMITTEE**

We established an audit committee on 19 February 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules.

Our audit committee comprised three members, namely Mr. Lau Kwok Fai Patrick, Mr. Zhong Hui and Ms. Shi Ying, all of whom are our independent non-executive Directors. Mr. Lau Kwok Fai Patrick, who has appropriate professional qualifications and experience in accounting matters, has been appointed as the chairman of the audit committee.

The primary responsibilities of our audit committee include, among others, (i) providing an independent view of the effectiveness of the financial reporting process, internal control, compliance and risk management systems of our Group; (ii) overseeing the audit process and performing other duties and responsibilities as assigned by our Board; (iii) developing and reviewing our policies and practices on corporate governance, compliance with legal and regulatory requirements and requirements under the Listing Rules; and (iv) developing, reviewing and monitoring the code of conduct applicable to our employees and Directors.

During the Year Under Review, the audit committee had held two meetings and all the members attended the meetings. The audit committee has, together with the management of the Company and external independent auditor, reviewed the consolidated financial statements for the year ended 31 December 2025 and accounting principles and practices adopted for the Group, as well as the risk management and internal control systems of the Group and the effectiveness of the Group’s internal audit functions for the Year Under Review, and agreed with the accounting treatments adopted by the Group, and was of the opinion that the preparation of the financial statements in this results announcement complies with the applicable accounting standards and the requirements under the Listing Rules and adequate disclosures have been made.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no material events affecting the Group after the reporting period and as at the date of this announcement.

## **SCOPE OF WORK OF THE COMPANY'S AUDITOR**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

## **DISCLOSURE OF INFORMATION**

The annual results announcement for the year ended 31 December 2025 is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) under "Listed Company Information" and the website of the Company (<http://www.ximeigroup.com>). The annual report for 2025 containing all necessary information as required by the Listing Rules will be sent to shareholders of the Company in due course as required, and will be published on the website of the Stock Exchange (<http://www.hkexnews.hk>) under "Listed Company Information" and the website of the Company (<http://www.ximeigroup.com>) under "Investor Relations".

By order of the Board  
**Ximei Resources Holding Limited**  
**Wu Lijue**  
*Chairman and executive Director*

Hong Kong, 26 March 2026

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wu Lijue, Mr. Mao Zili and Ms. Huang Jieli; and three independent non-executive Directors, namely Mr. Lau Kwok Fai Patrick, Mr. Zhong Hui and Ms. Shi Ying.*

\* *for identification purpose only*