

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



## **Chuangxin Industries Holdings Limited**

**創新實業集團有限公司**

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

**(Stock code: 02788)**

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

The board (the “**Board**”) of directors (the “**Director(s)**”) of Chuangxin Industries Holdings Limited (the “**Company**” or “**we**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”) together with the comparative figures for the year ended 31 December 2024 as follows:

#### **FINANCIAL HIGHLIGHTS**

- Revenue for the year ended 31 December 2025 was approximately RMB18,680.6 million, representing an increase of approximately 23.20% from approximately RMB15,163.2 million in the same period last year.
- Net profit attributable to the parent company for the year ended 31 December 2025 was approximately RMB2,730.8 million, representing an increase of approximately 32.81% from approximately RMB2,056.2 million in the same period last year.
- Earnings per share for the year ended 31 December 2025 were approximately RMB1.75, representing an increase of 27.74% from approximately RMB1.37 in the same period last year.
- The final dividend declared for the year ended 31 December 2025 was HK\$0.77 per share.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2025

	Notes	Year ended 31 December	
		2025 RMB'000	2024 RMB'000
Revenue	4	18,680,567	15,163,182
Cost of sales		<u>(14,055,943)</u>	<u>(10,886,722)</u>
Gross profit		4,624,624	4,276,460
Other income	5	106,044	55,243
Other expenses		(18,013)	(11,172)
Listing expenses		(18,367)	(16,438)
Other gains and losses	6	(116,315)	18,471
Selling and marketing expenses		(2,532)	(563)
Administrative expenses		(388,423)	(279,018)
Impairment losses (including reversals of impairment losses or impairment gains) on financial assets		408	412
Share of results of joint ventures		(26,376)	(851)
Finance costs	7	<u>(680,184)</u>	<u>(761,647)</u>
<b>Profit before tax</b>		3,480,866	3,280,897
Income tax expenses	8	<u>(561,765)</u>	<u>(651,377)</u>
<b>Profit and total comprehensive income for the year</b>		<u><b>2,919,101</b></u>	<u><b>2,629,520</b></u>
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		2,730,811	2,056,227
Non-controlling interests		<u>188,290</u>	<u>573,293</u>
		<u><b>2,919,101</b></u>	<u><b>2,629,520</b></u>
<b>Earnings per share</b>	10		
– Basic (RMB)		<u><b>1.75</b></u>	<u><b>1.37</b></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		As at 31 December	
	Notes	2025	2024
		RMB'000	RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		12,046,011	9,152,466
Right-of-use assets		1,070,899	928,604
Intangible assets		3,146,237	3,217,685
Investment in a joint venture		685,499	–
Prepayments on acquisition of long-lived assets		866,222	1,151,436
Other receivables	12	2,246	2,303
Deferred tax assets		–	83,126
		<u>17,817,114</u>	<u>14,535,620</u>
<b>Current assets</b>			
Inventories		2,435,865	1,577,704
Trade receivables	11	119,960	39,140
Receivables at fair value through other comprehensive income (“FVTOCI”)		51,677	485,699
Prepayments and other receivables	12	1,178,859	823,813
Restricted bank deposits		1,654,382	681,440
Cash and cash equivalents		5,091,063	176,401
		<u>10,531,806</u>	<u>3,784,197</u>
<b>Current liabilities</b>			
Trade, bills and other payables	13	5,090,598	2,945,451
Contract liabilities		108,725	372,807
Lease liabilities		41,337	10,698
Deferred income		20,911	8,790
Bank and other borrowings	14	9,428,500	4,941,606
Tax payable		167,199	458,908
		<u>14,857,270</u>	<u>8,738,260</u>
<b>Net current liabilities</b>		<u>(4,325,464)</u>	<u>(4,954,063)</u>
<b>Total assets less current liabilities</b>		<u>13,491,650</u>	<u>9,581,557</u>

		<b>As at 31 December</b>	
	<i>Notes</i>	<b>2025</b>	2024
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		<b>93,436</b>	–
Bank and other borrowings	<i>14</i>	<b>2,975,530</b>	6,006,637
Other payables	<i>13</i>	–	749,556
Lease liabilities		<b>143,941</b>	417,924
Deferred income		<b>105,472</b>	81,172
		<u><b>3,318,379</b></u>	<u>7,255,289</u>
<b>Net assets</b>		<u><b>10,173,271</b></u>	<u>2,326,268</u>
<b>Capital and reserves</b>			
Share capital	<i>15</i>	<b>74</b>	–*
Reserves		<b>9,623,002</b>	1,254,713
Equity attributable to owners of the Company		<b>9,623,076</b>	1,254,713
Non-controlling interests		<b>550,195</b>	1,071,555
Total equity		<u><b>10,173,271</b></u>	<u>2,326,268</u>

\* *Less than RMB1,000.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31 December 2025

## 1. GENERAL INFORMATION

Chuangxin Industries Holdings Limited (the “**Company**”) is an exempted limited liability company incorporated in the Cayman Islands on 4 July 2023 and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 24 November 2025. The address of the registered office of the Company is Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands. The address of the principal place of business of the Company in Hong Kong is Room 3601, East, Cheung Kong Center II, 10 Harcourt Road, Central and the principal place of business of the Company in China is Zone C, Southwest Industrial Park, Huolinguo, Inner Mongolia.

The Company is an investment holding company. During the year ended 31 December 2025, the Company, together with its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in production and sales of electrolytic aluminum and alumina in the People’s Republic of China (“**PRC**”), focusing on alumina refining and aluminum smelting within the upstream of the aluminum industry chain.

Mr. Cui Lixin, the founder of the Group, owned 72.29% equity interest of the Company as at 31 December 2025 through Bloomsbury Holding Limited (“**Bloomsbury Holding**”) (incorporated in the Cayman Islands). Accordingly, Bloomsbury Holding is the parent of the Group and Mr. Cui Lixin is the ultimate controlling shareholder (“**Mr. Cui**” or the “**Controlling Shareholder**”) of the Group.

The functional currency of the Company and its subsidiaries is Renminbi (“**RMB**”), which is the same as the presentation currency of the consolidated financial statements.

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 <sup>2</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

### ***IFRS 18 Presentation and Disclosure in Financial Statements***

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

## **3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

### **Going Concern Assumption**

The management of the Group have given careful consideration to the going concern of the Group in light of the fact that as at 31 December 2025, the Group's current liabilities exceeded its current assets by RMB4,325,464,000. In addition, as at 31 December 2025, the Group had capital commitments contracted for but not provided in the consolidated financial statements amounting to RMB1,499,455,000.

In light of the above, the management of the Group has prepared the cash flow forecast covering the period for the next twelve months for the purpose of going concern assessment. The Group's cashflow forecast is largely dependent on cashflow to be generated from the Group's future operation. However, since the Group's business is highly sensitive to fluctuations in the prices of its products (including electrolytic aluminum and alumina) and its raw materials (including bauxite, coal, carbon anodes and alumina), in any case that the actual selling price and actual purchase price of raw materials which might be lower or higher than such adopted in the forecast, the actual cashflow generated from its operation might be negatively affected, causing the Group's financial pressure, to a certain extent, to repay its debt as they fall due in the foreseeable future.

Nevertheless, the management of the Group, according to the Group's level of profitability, together with their historical successful experience, is confident that they can successfully seek for alternative financing, refinancing, extension of due dates of the relevant debts and/or drawdown from unutilised credit facilities, which enables the Group to continue as a going concern. Currently, the Group has been continuously negotiating with banks and financial institutions to seek for alternative financing, refinancing and/or extension of due dates of the relevant debts.

Taking into accounts the available cash and cash equivalents on hand, the maturity profile of the bank and other borrowings, the status of alternative financing, refinancing and/or extension of due dates of the relevant debts, the anticipated cash flow from the operations, together with the other financial resources available to the Group; the Group has sufficient working capital for its present requirements, that is for at least the next twelve months commencing from the end of the reporting period. Hence, the consolidated financial statements have been prepared on a going concern basis.

#### 4. REVENUE AND SEGMENT INFORMATION

The Group are engaged in the following two principal activities:

- (i) Production and sales of aluminum ingots and liquid aluminum (“**Electrolytic Aluminum Business**”); and
- (ii) Production and sales of alumina and other related types of products (“**Alumina Business**”).

##### (a) Disaggregation of revenue from contracts with customers

###### For the year ended 31 December 2025

	For the year ended 31 December 2025		
	Electrolytic Aluminum Business RMB'000	Alumina Business RMB'000	Total RMB'000
<b>Types of goods</b>			
Electrolytic aluminum	13,621,878	–	13,621,878
Alumina and other related types of products	–	4,416,908	4,416,908
Scrap and other materials	128,813	105,302	234,115
Electricity	164,889	158,612	323,501
Steam supply	8,838	75,327	84,165
Total	<u>13,924,418</u>	<u>4,756,149</u>	<u>18,680,567</u>

###### For the year ended 31 December 2024

	For the year ended 31 December 2024		
	Electrolytic Aluminum Business RMB'000	Alumina Business RMB'000	Total RMB'000
<b>Types of goods</b>			
Electrolytic aluminum	12,883,738	–	12,883,738
Alumina and other related types of products	–	1,849,457	1,849,457
Scrap and other materials	130,191	44,707	174,898
Electricity	135,948	95,225	231,173
Steam supply	12,515	11,401	23,916
Total	<u>13,162,392</u>	<u>2,000,790</u>	<u>15,163,182</u>

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
<b>Timing of revenue recognition</b>		
A point in time	<u>18,680,567</u>	<u>15,163,182</u>

## Operating Segments

Information reported to Chief Executive Officer (“CEO”), being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on major types of goods delivered.

The Group’s operating businesses are structured and managed separately according to products. The principal activities of the Group are production and sales of electrolytic aluminum in Inner Mongolia and alumina and other related types of products in Shandong. The Group identified an operating segment which is a component of the Group (a) that engages in business activities from which it may earn revenue and incur expenses; and (b) whose operating results are reviewed regularly by the CEO, being the CODM, to make decisions about resources allocation and performance assessment.

### Segment revenues and results

The following is an analysis of the Group’s revenue and results by reportable and operating segments.

#### For the year ended 31 December 2025

	For the year ended 31 December 2025			
	Electrolytic Aluminum Business RMB’000	Alumina Business RMB’000	Adjustments and elimination RMB’000	Total RMB’000
<b>Types of goods</b>				
External sales	13,924,418	4,756,149	–	18,680,567
Inter-segment sales	–	2,518,637	(2,518,637)	–
	<u>13,924,418</u>	<u>7,274,786</u>	<u>(2,518,637)</u>	<u>18,680,567</u>
Segment profit	<u>2,983,791</u>	<u>374,622</u>	<u>215,524</u>	<u>3,573,937</u>
Central administration costs and directors’ salaries				(27,361)
Other income				13,455
Other gains and losses				(34,422)
Share of results of joint ventures				(26,376)
Listing expenses				<u>(18,367)</u>
Group’s profit before tax				<u><u>3,480,866</u></u>

***For the year ended 31 December 2024***

	For the year ended 31 December 2024			
	Electrolytic Aluminum Business <i>RMB'000</i>	Alumina Business <i>RMB'000</i>	Adjustments and elimination <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods</b>				
External sales	13,162,392	2,000,790	–	15,163,182
Inter-segment sales	–	4,409,511	(4,409,511)	–
	<u>13,162,392</u>	<u>6,410,301</u>	<u>(4,409,511)</u>	<u>15,163,182</u>
Segment profit	<u>1,454,498</u>	<u>2,063,442</u>	<u>(207,137)</u>	<u>3,310,803</u>
Central administration costs and directors' salaries				(12,617)
Share of results of joint ventures				(851)
Listing expenses				<u>(16,438)</u>
Group's profit before tax				<u><u>3,280,897</u></u>

Segment profit represents the profit earned by each segment without allocation of corporate items including central administration costs and directors' salaries, other income, other gains and losses, share of results of joint ventures and listing expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

**Segment assets and liabilities**

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

***Segment assets***

	<b>31 December 2025 <i>RMB'000</i></b>	31 December 2024 <i>RMB'000</i>
Electrolytic Aluminum Business	<b>16,795,086</b>	13,990,784
Alumina Business	<b>7,109,247</b>	4,320,076
Total reportable segment assets	<b>23,904,333</b>	18,310,860
Unallocated		
Property, plant and equipment	<b>3,778</b>	–
Right-of-use assets	<b>10,952</b>	–
Investment in a joint venture	<b>685,499</b>	–
Cash and cash equivalents	<b>3,724,487</b>	865
Other receivables	<b>19,871</b>	8,092
Consolidated assets	<b><u>28,348,920</u></b>	<u>18,319,817</u>

### ***Segment liabilities***

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Electrolytic Aluminum Business	<b>12,404,877</b>	13,413,447
Alumina Business	<b>5,685,653</b>	2,561,475
Total reportable segment liabilities	<b>18,090,530</b>	15,974,922
Unallocated		
Lease liabilities	<b>11,535</b>	–
Other payables	<b>3,563</b>	18,627
Deferred tax liabilities	<b>70,021</b>	–
Consolidated liabilities	<b>18,175,649</b>	15,993,549

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable and operating segments other than certain property, plant and equipment, right-of-use assets, investment in a joint venture, cash and cash equivalents and other receivables which are held by the headquarter and cannot be allocated; and
- all liabilities are allocated to reportable and operating segments other than certain lease liabilities and other payables incurred by the headquarter.

### **Other Segment information**

***For the year ended 31 December 2025***

	<b>Electrolytic Aluminum Business RMB'000</b>	<b>Alumina Business RMB'000</b>	<b>Total RMB'000</b>
Amounts included in the measure of segment profit or loss or segment assets:			
Additions to non-current assets	<b>2,557,731</b>	<b>1,392,026</b>	<b>3,949,757</b>
Impairment of property, plant and equipment	<b>30,724</b>	–	<b>30,724</b>
Depreciation and amortisation	<b>659,525</b>	<b>335,444</b>	<b>994,969</b>
Impairment losses recognised on trade receivables, net of reversal	<b>329</b>	<b>362</b>	<b>691</b>
Impairment losses recognised on other receivables, net of reversal	<b>55</b>	<b>(1,154)</b>	<b>(1,099)</b>
Gain on disposal of property, plant and equipment	<b>78</b>	<b>1,171</b>	<b>1,249</b>

**For the year ended 31 December 2024**

	Electrolytic Aluminum Business RMB'000	Alumina Business RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss or segment assets:			
Additions to non-current assets	756,340	1,195,164	1,951,504
Impairment of property, plant and equipment	11,246	–	11,246
Depreciation and amortisation	599,413	160,728	760,141
Impairment losses recognised on trade receivables, net of reversal	184	(54)	130
Impairment losses recognised on other receivables, net of reversal	(110)	646	536
Impairment losses recognised on amounts due from related parties, net of reversal	(1,078)	–	(1,078)
Gain on disposal of property, plant and equipment	8,699	–	8,699

**Geographical information**

The Group principally operates in the PRC.

Information about the Group's revenue from external customers is presented based on locations of customers. Information about the Group's non-current assets is presented based on the geographical areas of the assets.

	Revenue from external customers Year ended		Non-current assets	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
The PRC	<b>18,680,567</b>	15,163,182	<b>17,114,639</b>	14,450,191
Hong Kong	–	–	<b>14,730</b>	–
Saudi Arabia	–	–	<b>685,499</b>	–
	<b><u>18,680,567</u></b>	<u>15,163,182</u>	<b><u>17,814,868</u></b>	<u>14,450,191</u>

Note:

Non-current assets excluded financial instruments and deferred tax assets.

**Information about major customers**

Revenue from customers of the corresponding years contributing over 10% of the Group's revenue are as follows:

	Year ended 2025 RMB'000	Year ended 2024 RMB'000
Customer A	<b>9,819,766</b>	11,608,881

**5. OTHER INCOME**

	Year ended 2025 RMB'000	Year ended 2024 RMB'000
Interest income		
– bank deposits	<b>38,739</b>	13,342
– amounts due from independent third parties	–	5,184
Rental income	<b>31,443</b>	26,467
Government grants	<b>26,387</b>	4,686
Others	<b>9,475</b>	5,564
Total	<b><u>106,044</u></b>	<u>55,243</u>

## 6. OTHER GAINS AND LOSSES

	Year ended 2025 <i>RMB'000</i>	Year ended 2024 <i>RMB'000</i>
Gain on disposal of property, plant and equipment	1,249	8,699
Realised gain from financial assets at FVTPL	522	–
Gain (loss) on disposal of subsidiaries	5,174	(728)
Net foreign exchange losses	(41,930)	(295)
Loss on derecognition of financial liabilities measured at amortised cost	(80,019)	–
Others	(1,311)	10,795
	<u>(116,315)</u>	<u>18,471</u>
Total	<u>(116,315)</u>	<u>18,471</u>

## 7. FINANCE COSTS

	Year ended 2025 <i>RMB'000</i>	Year ended 2024 <i>RMB'000</i>
Interests on bank borrowings	681,388	648,320
Interests on bills discounted	5,261	46,291
Interests on lease liabilities	7,411	17,498
Interests on payable for aluminum production quota	30,949	48,574
Interests on amounts due to related parties	–	7,855
Interests on bank loans under supplier finance arrangements	2,835	1,956
Others	15,589	10,992
	<u>743,433</u>	<u>781,486</u>
Total borrowing costs	743,433	781,486
Less: amounts capitalised in the cost of qualifying assets	(63,249)	(19,839)
	<u>680,184</u>	<u>761,647</u>

## 8. INCOME TAX EXPENSES

	Year ended 2025 <i>RMB'000</i>	Year ended 2024 <i>RMB'000</i>
Current tax – PRC Enterprise Income Tax (“EIT”)	433,974	746,179
Over provision in prior years	(7,320)	(3)
Deferred tax charge (credit)	135,111	(94,799)
	<u>561,765</u>	<u>651,377</u>
Total income tax expenses	<u>561,765</u>	<u>651,377</u>

During the year ended 31 December 2025, Inner Mongolia Chuangyuan was subject to the applicable preferential income tax rate of 15% (2024: 15%), and Chuangyuan Alloy and Inner Mongolia Chuangyuan Keyou Energy Co., Ltd.\* (內蒙古創源科右新能源有限公司) were eligible for three-year exemption and three-year half reduction of enterprise income tax due to the newly-constructed power grid transmission projects. While all other PRC entities, under the Law of PRC on Enterprise Income Tax (“EIT Law”) and Implementation Regulation of the EIT Law, their tax rate is 25% (2024: 25%) for 2025.

\* English name is for identification purpose only.

The Company is exempted from taxation under the laws of the Cayman Islands.

No provision of Hong Kong Profit Tax was made in the consolidated financial statements as the Group had no assessable profit subject to Hong Kong Profit Tax for both years.

Income tax expenses for the year can be reconciled to profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	<b>Year ended 2025 RMB'000</b>	Year ended 2024 RMB'000
Profit before tax	<b>3,480,866</b>	3,280,897
Tax at PRC EIT rate of 25%	<b>870,217</b>	820,224
Preferential income tax rates applicable to subsidiaries	<b>(289,455)</b>	(153,733)
Tax effect of income not taxable for tax purpose	<b>(2,424)</b>	–
Tax effect of expenses not deductible for tax purpose	<b>14,425</b>	5,624
Tax effect of tax losses not recognised	<b>12,854</b>	769
Tax effect of deductible temporary differences not recognised	<b>853</b>	–
Tax effect of additional deduction on environmental protection equipment expenditures	<b>(35,890)</b>	(19,087)
Over provision in prior years	<b>(7,320)</b>	(3)
Withholding tax	<b>70,021</b>	–
Others	<b>(71,516)</b>	(2,417)
Income tax expenses for the year	<b>561,765</b>	651,377

## 9. DIVIDENDS

No dividend was declared and paid by the Company during the year ended 31 December 2025, except for Shandong Chuangyuan declared and paid cash dividend of RMB1,710,000,000, of which amount of RMB709,650,000 was paid to Shandong Innovation Group Co., Ltd. (2024: no dividend was declared and paid by the Company and the entities now comprising the Group during the year ended 31 December 2024, except for Shandong Chuangyuan declared and paid cash dividend of RMB330,000,000 to Shandong Innovation Group Co., Ltd.).

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of HKD0.77 (2024: nil) per ordinary share, in an aggregate amount of HKD1,597,750,000 (equivalent to RMB1,400,416,000) (2024: nil), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

## 10. EARNINGS PER SHARE

The calculation of the basic earnings per share from continuing operations attributable to owners of the Company is based on the following data:

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Profit for the year attributable to owners of the Company, for the purposes of basic earnings per share	<u><b>2,730,811</b></u>	<u>2,056,227</u>
	<b>Number of shares</b>	
	<b>31/12/2025</b>	31/12/2024
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u><b>1,556,027,000</b></u>	<u>1,500,000,000</u>

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been determined on the assumption that the reorganisation, the share subdivision and issue of 1,499,999,980 ordinary shares are completed on 1 January 2024.

No diluted earnings per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

## 11. TRADE RECEIVABLES

	<b>31 December</b>	31 December
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Trade receivables		
– related parties	17,514	17,159
– third parties	<u>103,663</u>	<u>22,507</u>
	<b>121,177</b>	39,666
Less: allowance for credit losses	<u>(1,217)</u>	<u>(526)</u>
Total	<u><b>119,960</b></u>	<u>39,140</u>

The following is an aged analysis of trade receivables, net of allowance for impairment presented based on the dates of acceptance of goods, which approximate the respective revenue recognition dates, at the end of the reporting period:

	<b>31 December</b>	31 December
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Within 1 month	102,780	33,132
1 to 12 months	17,113	5,191
1 to 2 years	<u>67</u>	<u>817</u>
Total	<u><b>119,960</b></u>	<u>39,140</u>

Before accepting any new customer, the Group will internally assess the credit quality of the potential customer and define appropriate credit limits.

As of 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB17,180,000 (2024: RMB6,008,000), which are past due but not considered as in default because the management of the Group, according to the historical settlement pattern, industry practice and the Group's historical actual loss experience, had assessed that the probability of settlement from their customers was high.

## 12. PREPAYMENTS AND OTHER RECEIVABLES

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Current		
Prepayments to suppliers	<b>857,111</b>	644,578
Prepaid expense	<b>12,294</b>	18,305
Value-added tax recoverable	<b>277,358</b>	94,191
Deposits	–	56,274
Refundable deposits for aircraft purchase	<b>17,572</b>	–
Refundable cultivated land occupation tax	<b>2,658</b>	–
Refundable customs deposits	<b>7,863</b>	–
Deferred issue costs	–	5,260
Others	<b>4,106</b>	19,247
	<u><b>1,178,962</b></u>	<u>837,855</u>
Less: allowance for impairment losses	<u><b>(103)</b></u>	<u>(14,042)</u>
	<u><b>1,178,859</b></u>	<u>823,813</u>
Non-current		
Refundable rental deposits	<u><b>2,246</b></u>	<u>2,303</u>
	<u><b>1,181,105</b></u>	<u>826,116</u>

### 13. TRADE, BILLS AND OTHER PAYABLES

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Trade payables	1,393,441	1,246,574
Bills payables	1,716,970	72,250
Bills payables under note financing arrangements	288,320	110,000
	<u>3,398,731</u>	<u>1,428,824</u>
Other payables – current		
Payables for acquisition of property, plant and equipment	1,245,868	596,102
Other taxes payables	124,860	196,738
Amount due to independent third parties	–	482,781
Payroll and welfare payables	104,593	85,167
Payables for acquisition of carbon emissions rights	15,541	24,991
Deposits	27,619	52,367
Outsourced service payable	10,941	6,050
Advance receipt of value-added tax from customers	14,079	48,408
Accrued listing expenses	3,018	10,003
Accrued issue costs	542	3,269
Advanced receipt for disposal of property, plant and equipment	132,743	–
Others	12,063	10,751
	<u>1,691,867</u>	<u>1,516,627</u>
	<u>5,090,598</u>	<u>2,945,451</u>
Other payables – non-current		
Payable to an independent third party under bankruptcy reorganisation	–	68,071
Payable for acquisition of aluminum production quota	–	681,485
	<u>–</u>	<u>749,556</u>

The suppliers generally allow the credit period ranged from 0 to 180 days to the Group over the reporting periods.

The following is an aged analysis of trade payables presented based on the invoice dates at the end of each reporting period:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
0 to 30 days	696,404	633,473
31 to 90 days	405,864	292,816
91 days to 180 days	24,923	105,205
Over 181 days	266,250	215,080
	<u>1,393,441</u>	<u>1,246,574</u>

The following is an aged analysis of bills payables presented based on maturity date at the end of each reporting period:

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
0-180 days	<u>2,005,290</u>	<u>182,250</u>

#### 14. BANK AND OTHER BORROWINGS

	<b>31 December 2025 RMB'000</b>	31 December 2024 RMB'000
Bank loans	11,613,192	9,454,926
Bank loans under supplier finance arrangement	82,937	86,960
Other loan	<u>707,901</u>	<u>1,406,357</u>
	<b><u>12,404,030</u></b>	<b><u>10,948,243</u></b>
Fixed-rate borrowings	9,085,600	9,330,886
Variable-rate borrowings	<u>3,318,430</u>	<u>1,617,357</u>
	<b><u>12,404,030</u></b>	<b><u>10,948,243</u></b>
Secured and guaranteed	10,414,664	9,503,894
Secured and unguaranteed	30,254	400,000
Unsecured and guaranteed	1,310,584	957,389
Unsecured and unguaranteed	<u>648,528</u>	<u>86,960</u>
	<b><u>12,404,030</u></b>	<b><u>10,948,243</u></b>
Carrying amount repayable (based on scheduled repayment terms)		
Within one year	9,428,500	4,941,606
More than one year but not exceeding two years	735,272	4,663,342
More than two years but not exceeding five years	1,138,293	700,650
Within a period of more than five years	<u>1,101,965</u>	<u>642,645</u>
	<b><u>12,404,030</u></b>	<b><u>10,948,243</u></b>
Less: Amount due for settlement within one year and shown under current liabilities	<u>(9,428,500)</u>	<u>(4,941,606)</u>
Amounts shown under non-current liabilities	<b><u>2,975,530</u></b>	<b><u>6,006,637</u></b>

The secured and guaranteed bank borrowings were guaranteed by the Controlling Shareholder and the companies controlled by him. Among the secured and guaranteed bank borrowings, RMB3,602,877,000 (2024: RMB1,362,954,000) were secured by certain property, plant and equipment and right-of-use assets, RMB800,822,000 (2024: nil) were secured by certain inventories, RMB5,410,490,000 (2024: RMB8,110,940,000) were secured by aluminum production quota, certain property, plant and equipment, right-of-use assets and shares of subsidiaries of the Group, RMB600,475,000 (2024: nil) were secured by shares of subsidiaries of the Group, and no borrowings (2024: RMB30,000,000) were secured by receivables at FVTOCI.

The secured and unguaranteed borrowing of RMB30,254,000 are secured by trade receivables (2024: the secured and unguaranteed borrowing of RMB400,000,000 are secured by receivables at FVTOCI).

The unsecured and guaranteed bank borrowings of approximately RMB1,310,584,000 (2024: RMB957,389,000) at 31 December 2025 were guaranteed by subsidiaries of the Group, the Controlling Shareholder and Shandong Innovation Group Co., Ltd..

The ranges of effective interest rates (which are also equal to contracted interest rates) per annum on the Group's borrowings are as follows:

	<b>31 December 2025</b>	31 December 2024
Effective interest rate		
– fixed-rate borrowings	<b>3.00% to 5.50%</b>	3.10% to 9.00%
– variable-rate borrowings	<b>2.80% to 4.60%</b>	2.90% to 4.95%

## 15. PAID-IN/SHARE CAPITAL

### The Group

The reorganisation of the Group has been completed on 23 October 2024. The consolidated financial statements have been prepared as if the Group structure after the Reorganisation had been in existence throughout the years ended 31 December 2024 and 2025.

For the purposes of presentation of the consolidated statements of financial position, the balance of paid-in capital as at 1 January 2024 represented the share capital of the Company, paid-in capital of Inner Mongolia Chuangyuan and 58.5% of paid-in capital of Shandong Chuangyuan prior to the completion of the Reorganisation. As at 31 December 2024 and 31 December 2025, the balance of share capital represented the share capital of the Company.

Name of the entity	As at 1 January 2024 <i>RMB'000</i>	As at 31 December	
		2024 <i>RMB'000</i>	2025 <i>RMB'000</i>
The Company	–*	–*	<b>74</b>
Inner Mongolia Chuangyuan	2,000,000	N/A	<b>N/A</b>
Shandong Chuangyuan New Material	70,551	N/A	<b>N/A</b>
	<u>2,070,551</u>	<u>–*</u>	<u><b>74</b></u>

Details of the share capital of the Company were as follows:

**The Company**

	<b>Par value per share USD</b>	<b>Number of ordinary shares</b>	<b>Share capital USD'000</b>	<b>Share capital presented in RMB RMB'000</b>
<b>Authorised</b>				
On 1 January 2024 and 31 December 2024	0.0001	500,000,000	50	360
Share subdivision	N/A	<u>9,500,000,000</u>	<u>–</u>	<u>–</u>
On 31 December 2025	0.000005	<u><u>10,000,000,000</u></u>	<u><u>50</u></u>	<u><u>360</u></u>
<b>Issued</b>				
On 1 January 2024 and 31 December 2024	0.0001	1	–*	–*
Share subdivision	N/A	19	–*	–*
Issue of ordinary share	0.000005	1,499,999,980	7	54
Shares issued pursuant to IPO	0.000005	<u>575,000,000</u>	<u>3</u>	<u>20</u>
On 31 December 2025	0.000005	<u><u>2,075,000,000</u></u>	<u><u>10</u></u>	<u><u>74</u></u>

\* *Less than RMB1,000.*

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY REVIEW

In 2025, the global economy is characterized by the coexistence of resilience and risk in the face of multiple shocks. On one hand, escalated global trade frictions, intensified geopolitical tensions, heightened volatility in trade policy, and increased volatility in financial markets all exerted pressure on the global economy. Although global trade continued to record growth momentum, the global economy demonstrated fragile resilience. On the other hand, expansionary macroeconomic policies, positive market expectations for new technologies, and the growth in trade and investment driven by AI-related fields together supported global demand. According to Antaike, the global economy is expected to grow by 3.2% in 2025.

In response to multiple challenges such as rising resource nationalism, escalating international trade barriers, and mounting pressure for green transition, China's aluminum industry has forged a new path in an evolving landscape, demonstrating strong strategic focus and development resilience.

In terms of electrolytic aluminum, since 2025, electrolytic aluminum enterprises in the PRC have maintained high operating rates, and the overseas electrolytic aluminum industry is characterized by the coexistence of newly added production capacity and production reduction, with new projects continuing to progress in Indonesia. Meanwhile, some aluminum plants are exposed to the risk of production reduction due to factors such as electricity costs and power failures. However, the overall production capacity of the electrolytic aluminum industry continues to show an upward trend.

Although China's aluminum consumption has been affected by the continued downturn in the real estate industry, demands from sectors such as home appliances and automobiles remain robust, investment in power grid records rapid growth, and aluminum consumption continues to grow, benefiting from policy supports. In overseas markets, aluminum demand is driven by factors including interest rate cuts by the Federal Reserve and increased consumption from downstream areas such as new energy and photovoltaics. As a result, primary aluminum consumption rebounded from the previous year, while the overall market remained largely balanced in terms of supply and demand. According to Antaike, China's primary aluminum consumption is expected to reach 46.29 million tons in 2025, accounting for 62.4% of the total global primary aluminum consumption, representing an increase of 2.5% year-on-year, while the growth rate decreased 3.0 percentage points compared to the previous year. For regions outside China, primary aluminum consumption is expected to reach 27.90 million tons in 2025, up 1.8% year-on-year, accounting for 37.6% of the total global primary aluminum consumption.

According to Antaike, both domestic and international aluminum prices peaked in 2025 at their highest levels in three years. As of 31 December 2025, the average price of the most-traded SHFE aluminum contract stood at RMB20,719 per ton, a record high, representing an increase of RMB736 per ton or 3.7% compared to 2024. The price hit the year-high of RMB22,980 per ton. The average price of LME three-month aluminum was USD2,641 per ton, up USD183 per ton or 7.5% from the previous year, with a year high of USD2,997.5 per ton.

In terms of alumina, according to Antaike, with the impact of oversupply pressure of alumina, the average annual spot price of alumina in China stood at RMB3,236 per ton in 2025, representing a decrease of 20.6% compared to the previous year. The international price trend for spot alumina was in line with that of China. The price experienced a sharp decline in the first quarter. The low point for the year was recorded at the end of the year, reaching USD309 per ton. The average annual price was USD385 per ton, representing a year-on-year decrease of 23.9%.

## **BUSINESS REVIEW**

We focus on alumina refining and aluminum smelting within the upstream of the aluminum industry chain, and are principally engaged in the production and sales of electrolytic aluminum and alumina and other related products. Our electrolytic aluminum products are utilised by aluminum alloy processors and are processed into aluminum alloy materials, which are widely applied in industries such as 3C electronics, lightweight automotive, green energy, transportation, industrial materials and construction. Leveraging our robust production capabilities, we can produce aluminum products with purity exceeding national standards. Benefiting from the overall growth in market demand as well as our significant market presence, strategic location, stable supply of raw materials and electricity, sufficient production capacity, initiatives in green transition and strategy of globalisation, our electrolytic aluminum products have cost advantages, thus enhancing our overall profitability.

In 2025, the Company's revenue was approximately RMB18.681 billion, and revenue from the sale of electrolytic aluminum was approximately RMB13.622 billion, accounting for approximately 72.92% of our total revenue; revenue from the sale of alumina and other related products was approximately RMB4.417 billion, accounting for approximately 23.64% of our total revenue.

We have an aluminum smelter with an annual production capacity of 788,100 tons in Huolinguole, Inner Mongolia, a region with advantages in scarce resources, and constructed an ancillary coal-fired thermal power plant with six sets of electricity generators, each with an installed capacity of 330.0 MW, around our aluminum smelter. This power plant has consistently supplied stable electricity for our electrolytic aluminum production.

We have an alumina refinery with an annual production capacity of 1.2 million tons in Binzhou, Shandong Province, which is in proximity to the import ports for bauxite. This refinery provides a cost-effective, high-quality, sufficient and sustainable supply of alumina for aluminum production. In addition to alumina, we also have an annual production capacity of 2.98 million tons of aluminum hydroxide, which is often produced as an intermediate in the Bayer process and can be calcined to produce alumina. We also secured the regulatory approval for 6 million tons of production capacity of alumina calcined from aluminum hydroxide in 2025 and are producing with a production capacity of 2 million tons per year of alumina calcined from aluminum hydroxide. Upon completion, the Company's total annual alumina production capacity will be at least 3 million tons.

Through years of development, we established our self-sufficient, complementary, synergistic and integrated ecosystem across the electrolytic aluminum industry chain, covering energy, alumina refining and aluminum smelting. The Company's current alumina and electricity self-sufficiency capacity covered 100% of its production and operations.

In 2025, Inner Mongolia Chuangyuan Metal Co., Ltd., a subsidiary of the Company, ranked ninth among the Top 100 Enterprises of Inner Mongolia, and the 5th among the Top 50 Manufacturing Enterprises of Inner Mongolia. In 2025, Shandong Chuangyuan New Material Technology Co., Ltd., a subsidiary of the Company, was recognized as the "Provincial Green Factory".

## **Economic moat in our aluminum business preparing for an increased proportion of green energy**

We have always regarded achieving a green transition in our operations as a long-term goal, and is committed to becoming a green aluminum industry group in the global market. By fully leveraging the ample wind and solar power resources available at low costs in Huolinguole, Inner Mongolia, we commenced the construction of wind power plants and solar power plants in 2023, with a total installed capacity of 1,750.0 MW. This initiative aims to reduce the use of fossil energy in our production processes, thereby reducing carbon dioxide emissions from power generation, lowering our production costs, improving profitability, and building an economic moat in our aluminum business. As of the end of 2025, we had completed the construction of wind power plants with an installed capacity of 640 MW and solar power plants with an installed capacity of 110 MW, with green energy accounting for approximately 43% of our total installed capacity. Upon completion of the construction of our wind power plants and solar power plants, we will achieve over 50% in the proportion of green energy utilised, significantly exceeding the 25% target requirement imposed by industrial policies in China. Our green power aluminum products satisfy the requirements of both domestic and international high-end customers for upstream manufacturers to utilise green energy in aluminum smelting. We believe our green power aluminum products can help us capture market opportunities driven by the concept of the green development and propel our business growth.

## **Proactively implementing the globalization development strategy to enhance market competitiveness**

Currently, the production capacity of China's aluminum smelters are nearing the policy cap, while demand for downstream aluminum products in overseas markets continues to rise. In light of these industry trends, we are seizing opportunities for global expansion and actively responding to the Belt and Road Initiative, and have invested in an integrated electrolytic aluminum industry chain project in Saudi Arabia in 2025, together with Innovation New Material Technology Co., Ltd. and Shandong Innovation Group Co., Ltd., among others, with an annual production capacity of 500.0 kt.

As of the end of 2025, the Saudi project has made key progress in both regulatory approvals and site construction, laying a solid foundation for full-scale construction in 2026. The project has completed the acquisition of relevant land use rights and construction permits, and has fully complied with local mandatory environmental requirements, including passing the Environmental Impact Assessment (EIA) and completing a special vegetation study for the site. In terms of preparation work for construction, the detailed site survey for Phase I has been fully completed, construction drawings are being issued as scheduled, the labor camp has been preliminarily established, and the access road as well as internal plant roads have been compacted. On-site water and electricity supplies have been reliably secured. The project is now equipped with the fundamental conditions to commence construction works in full swing in 2026 and constructions gradually commenced, with an estimated construction period of 12 to 18 months.

This project will enable us to attain global industry leadership and stimulate global business growth, thereby creating new development opportunities. We expect the phased commencement of these overseas projects to further enhance our operational status and support our vision to become a green aluminum industry group in the global market.

## **Continuous upgrading of production technologies and equipment leading to further unleashed profitability**

We emphasize refined management, maintain up-to-date equipment and have a high level of automation during production. During the Reporting Period, we upgraded our cell control systems, enabling digital empowerment and cloud-based data analysis and diagnosis; installed an automatic laser cleaning device for guide rods, replacing manual operations with mechanization to improve work efficiency and achieve intrinsic safety; and upgraded our automatic production line for aluminum ingot, achieving automated control and significantly improving production efficiency.

To better control carbon emissions and energy consumption, we have completed several technological transformation projects in 2025. We conducted a comprehensive waste heat utilisation project for electrolytic flue gas, capturing substantial thermal energy from the flue gas generated during the aluminum smelting process and repurposing it into heat sources required for production and facility operations, thereby fully replacing traditional steam consumption. This approach has enabled efficient, tiered energy utilisation. We have also carried out the fully graphitized cathode retrofitting, commissioning of copper-embedded steel stub holes, carbon anode heightening, and carbon anode coatings to improve current efficiency and reduce energy consumption. By continuously upgrading production techniques relating to aluminum smelting and minimizing the electricity consumption of aluminum per ton, we continue to deepen our costs and profitability advantages.

As of the end of 2025, the total cost of aluminum per ton was approximately RMB15,800 (tax inclusive), and the annual electrolytic aluminum labor productivity per capita amounted to approximately 670 tons. According to Antaike, in 2025, the average total cost of aluminum per ton was RMB16,722 per ton, and the industry average electrolytic aluminum annual labor productivity per capita in China was between approximately 300 tons and 400 tons, and all of the Company's production indicators were significantly above the industry average. Meanwhile, according to Antaike, in 2025, our ability to manage the total costs of aluminum per ton ranked among the top of all aluminum smelting companies in China and was competitive on a global scale.

## **FINANCIAL REVIEW**

### **Product Revenue**

During the Reporting Period, the Group's core business focused on the production and sales of alumina and electrolytic aluminum within the upstream of the aluminum industry chain. The Group mainly conducted its business in Mainland China, with all revenue derived from Mainland China.

The revenue by nature of the business is as follows:

<b>Business</b>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Electrolytic aluminum	<b>13,621,878</b>	12,883,738
Alumina and other related types of products	<b>4,416,908</b>	1,849,457
Subtotal	<b>18,038,786</b>	14,733,195
Others	<b>641,781</b>	429,987
<b>Total</b>	<b><u>18,680,567</u></b>	<u>15,163,182</u>

For the year ended 31 December 2025, the Group's total revenue was approximately RMB18,680.6 million, representing an increase of approximately 23.2% from approximately RMB15,163.2 million in the same period last year.

Among which, the revenue from electrolytic aluminum products was approximately RMB13,621.8 million, representing an increase of approximately 5.7% from approximately RMB12,883.7 million in the same period last year, mainly due to the increase in the sales price of electrolytic aluminum products compared with the same period last year. The revenue from alumina and other related types of products was approximately RMB4,416.9 million, representing an increase of approximately 138.8% from approximately RMB1,849.5 million in the same period last year, mainly due to the increase in production and sales volume of alumina and other related types of products compared with the same period last year.

### Cost of Sales

Cost of sales by business nature is as follows:

<b>Business nature</b>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Electrolytic aluminum	<b>9,506,176</b>	9,414,485
Alumina and other related types of products	<b>4,211,921</b>	1,269,856
Subtotal	<b>13,718,097</b>	10,684,341
Other	<b>337,846</b>	202,381
<b>Total</b>	<b><u>14,055,943</u></b>	<u>10,886,722</u>

For the year ended 31 December 2025, the Group's total cost of sales was approximately RMB14,055.9 million, representing an increase of approximately 29.1% from approximately RMB10,886.7 million in the same period of the previous year.

Among which, the cost of sales for electrolytic aluminum was approximately RMB9,506.2 million, representing an increase of approximately 1.0% from approximately RMB9,414.5 million in the same period of the previous year, remaining basically stable as compared with the same period last year. The cost of sales for alumina and other related types of products was approximately RMB4,211.9 million, representing an increase of approximately 231.7% from approximately RMB1,269.9 million in the same period last year, primarily due to an increase in sales volume of alumina and other related types of products as compared with the same period last year.

### Gross Profit and Gross Profit Margin of Products

Business	2025		2024	
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %
Electrolytic aluminum	4,115,702	30.2	3,469,253	26.9
Alumina and other related types of products	204,987	4.6	579,601	31.3
Subtotal	4,320,689	24.0	4,048,854	27.5
Others	303,935	47.4	227,606	52.9
<b>Total</b>	<b>4,624,624</b>	<b>24.8</b>	<b>4,276,460</b>	<b>28.2</b>

For the year ended 31 December 2025, the Group's total gross profit margin of products was approximately 24.8%, representing a decrease of approximately 3.4 percentage points from approximately 28.2% in the same period last year. Among which, the gross profit margin of electrolytic aluminum products was approximately 30.2%, representing an increase of approximately 3.3 percentage points from approximately 26.9% in the same period last year, mainly due to the year-on-year increase in the sales price of electrolytic aluminum products and the decrease in product costs. The gross profit margin of alumina and other related types of products was approximately 4.6%, representing a decrease of approximately 26.7 percentage points from approximately 31.3% in the same period last year, mainly due to the decline in the sales prices of alumina and other related types of products.

## **Other Income**

For the year ended 31 December 2025, the Group's other income was approximately RMB106.0 million, representing an increase of approximately 92.0% from approximately RMB55.2 million in the same period last year, mainly due to the interest income from bank deposits and the increase in government subsidies for certain construction projects during the year.

## **Listing Expenses**

For the year ended 31 December 2025, the Group's listing expenses amounted to approximately RMB18.4 million, representing an increase of approximately 11.7% from approximately RMB16.4 million in the same period last year. We do not anticipate incurring such expenses in the future.

## **Other Gains and Losses**

For the year ended 31 December 2025, the Group's other gains and losses amounted to a net loss of approximately RMB116.3 million, representing a decrease of approximately RMB134.8 million from a net gain of approximately RMB18.5 million in the same period last year, mainly due to the loss on exchange of US dollar deposits and the loss on the derecognition of financial liabilities measured at amortised cost during the year.

## **Selling and Marketing Expenses**

For the year ended 31 December 2025, the Group's selling and marketing expenses were approximately RMB2.5 million, representing an increase of approximately 349.7% from approximately RMB0.6 million in the same period last year, mainly due to the increase of its efforts in the sales of alumina and its related types of products and aluminum ingots, and the expansion of our sales team and the increase in salaries of our sales staff during the year.

## **Administrative Expenses**

For the year ended 31 December 2025, the Group's administrative expenses were approximately RMB388.4 million, representing an increase of approximately 39.2% from approximately RMB279.0 million in the same period last year, accounting for approximately 2.1% of the Group's total revenue and an increase of approximately 0.3 percentage points from approximately 1.8% in the same period last year, mainly due to the increase in salaries of our administrative staff and the increase in the consultancy fees with respect to taxation and project consultation during the year.

## **Share of Results of Joint Ventures**

For the year ended 31 December 2025, the Group's share of results of joint ventures was a net loss of approximately RMB26.4 million, representing an increase of approximately RMB25.5 million as compared with the net loss of approximately RMB0.9 million for the same period last year. This was mainly due to an increase in start-up costs at one of the joint ventures, which was in the preparatory stage during the year.

## **Finance Costs**

For the year ended 31 December 2025, the Group's finance costs were approximately RMB680.2 million, representing a decrease of approximately 10.7% from approximately RMB761.6 million in the same period last year, accounting for approximately 3.6% of the Group's total revenue and a decrease of approximately 1.4 percentage points from approximately 5.0% in the same period last year, mainly due to the decrease in financing interest rates during the year.

## **Income Tax Expense**

The Group's income tax expense for the year 2025 was approximately RMB561.8 million, representing a decrease of approximately 13.8% from RMB651.4 million for the same period in 2024. This decrease was mainly due to a decline in taxable income from the alumina business compared with last year.

## **Profit for the Year and Total Comprehensive Income**

For the year ended 31 December 2025, the Group's profit for the year and total comprehensive income amounted to approximately RMB2,919.1 million, representing an increase of approximately 11.0% from approximately RMB2,629.5 million in the same period of last year.

## **Net Profit Attributable to Shareholders of the Company and Earnings Per Share**

For the year ended 31 December 2025, net profit attributable to Shareholders of the Company was approximately RMB2,730.8 million, representing an increase of approximately 32.8% from approximately RMB2,056.2 million for the same period last year.

During the year, the Company's basic earnings per share were approximately RMB1.75 (2024: approximately RMB1.37).

## **Liquidity and Financial Resources**

As of 31 December 2025, the Group's cash and cash equivalents were approximately RMB5,091.1 million, representing an increase of approximately RMB4,914.7 million from cash and cash equivalents of approximately RMB176.4 million as of 31 December 2024, mainly due to the impact of the increase in operating profit, the increase in net cash from operating activities, and the balance of funds raised from listing during the year. Cash and cash equivalents were mainly held in RMB and foreign currencies.

As of 31 December 2025, the Group's restricted bank deposits were approximately RMB1,654.4 million, representing an increase of approximately 142.8% from the restricted bank deposits of approximately RMB681.4 million as of 31 December 2024, mainly due to the increase in the issue of bills payable and letter of credit for purchasing raw materials.

As of 31 December 2025, the Group's inventories were approximately RMB2,435.9 million, representing an increase of approximately 54.4% from the inventories of approximately RMB1,577.7 million as of 31 December 2024, mainly due to an increase in production capacity of aluminum hydroxide as well as higher inventory levels and unit prices for certain key raw materials during the year;

As of 31 December 2025, the Group's trade receivables were approximately RMB120.0 million, representing an increase of approximately 206.5% from the trade receivables of approximately RMB39.1 million as of 31 December 2024, mainly due to the increase in sales volumes in steam and other businesses during the year.

For the year ended 31 December 2025, the Group's net cash flow from operating activities was approximately RMB4,925.3 million, maintaining sound working capital. We continued to improve our operations by stabilising production scale and optimising costs to increase operating profit and net operating cash inflow. The Group regularly prepared cash flow forecasts to manage its liquidity position and ensure the sufficiency of the financial resources to satisfy the needs of operation.

## **Capital Structure**

As of 31 December 2025, the Group's total liabilities were approximately RMB18,175.6 million, representing an increase of approximately 13.6% from the total liabilities of approximately RMB15,993.5 million as of 31 December 2024. The debt-to-asset ratio was approximately 64.1%, representing a decrease of approximately 23.2 percentage points from the debt-to-asset ratio of approximately 87.3% as of 31 December 2024.

As of 31 December 2025, the Group's bank borrowings and other borrowings were approximately RMB12,404.0 million, representing an increase of approximately RMB1,455.8 million from bank borrowings and other borrowings of approximately RMB10,948.2 million as of 31 December 2024, mainly due to the increase in loans for the construction of green new energy projects during the year.

The effective interest rate of the Group's borrowings during the year ranged from 2.8% to 5.5%, of which 73.2% were fixed-rate borrowings and 26.8% were variable-rate borrowings.

For the year ended 31 December 2025, the Group's net cash flow from financing activities was approximately RMB5,324.1 million. The net cash flow from financing activities was mainly the inflow of funds from the Group's initial public offering of shares.

We plan to utilise all available financial resources, including debt financing instruments and other financing activities, to reduce bank borrowings and other borrowings, thus flexibly optimizing the Group's debt structure. With the window period of declining interest rates, we intend to negotiate with principal banks to obtain more favorable terms and interest rates, so as to improve our borrowing structure and replace high-interest borrowings with low-interest rates to reduce financing costs, and keep the Group's overall debt level within a manageable and reasonable range.

## **Capital expenditures**

For the year ended 31 December 2025, the Group's capital expenditures were approximately RMB3,612.3 million, which was mainly the final payment for the construction of the Group's green new energy projects, and the construction of aluminum hydroxide production lines.

As of 31 December 2025, the Group's capital commitments related to the acquisition of property, plant and equipment were approximately RMB1,499.5 million, which were mainly used for the construction of green new energy projects in the Group's electrolytic aluminum business.

The Group continues to advance the development of an integrated ecosystem across the electrolytic aluminum industry chain, gradually increasing the proportion of green energy used to consolidate its cost advantages, continuously enhancing the Company's competitiveness and market recognition, and achieving the Group's long-term goals of sustainable development and a green, low-carbon transition.

## **Contingent Liabilities**

For the year ended 31 December 2025, the Group did not have any material contingent liabilities.

## **Foreign Exchange Risk**

Most of the Group's revenues and expenditures are settled in Renminbi, with foreign exchange reserves primarily consisting of surplus funds raised from the listing. For the year ended 31 December 2025, the Group incurred foreign exchange losses of approximately RMB41.9 million (2024: foreign exchange losses of approximately RMB0.3 million).

As a result of the increasing volatility of the US dollar exchange rate market, the Group's management was highly concerned about the foreign exchange risks and would continue to monitor the domestic and foreign economic environment and adopt appropriate hedging measures when necessary and feasible.

## **Human Resources**

As of 31 December 2025, the Group had a total of 4,050 employees. The total staff costs for the year were approximately RMB526.5 million, representing an increase of approximately 19.7% from the staff costs of approximately RMB439.8 million in the same period last year. This was mainly due to the increase in the number of employees due to the Group's business expansion and talent reserves, as well as the increase in the level of employee income compared with the same period last year. Employee salaries mainly include wages, allowances and benefit expenses, along with performance bonuses based on annual performance and achievement of targets.

We adhered to the principles of openness, justice and fairness to attract and select outstanding talents. We respected the career planning of employees and offered a variety of career development paths to support employees in enhancing their professional and management skills, building a bridge for employees' personal growth and career advancement.

## **PROSPECTS**

In recent years, the electrolytic aluminum industry in China has undergone profound structural adjustments under the guidance of policies and market drive, gradually shifting from scale expansion to a high-quality development. Moreover, since 2025, against the backdrop of the deepening “Dual Carbon” goals, the pace of the green and low-carbon transformation of the industry has accelerated significantly. Currently, the electrolytic aluminum industry in China is systematically making progress toward becoming greener, more efficient, and more internationalized, progressively building a modern industrial system with enhanced resilience and competitiveness. The Company will keep pace with industry developments, seize global growth opportunities, and achieve its vision of building a green aluminum industry group in the global market.

### **Fully explore wind and solar energy to establish a stable green power aluminum business**

The Company will continue to fully explore wind and solar energy to build a green energy system with our proprietary power plants to maximize green power supply, enhance energy efficiency and reduce both electricity costs and carbon emissions. From a social responsibility perspective, this approach will significantly cut down on the Company’s energy consumption and emissions during the electricity generation process, ensuring our operations are in line with global sustainability trends. Economically, the adoption of green power reduces our operating costs, thereby enhancing our profitability.

### **Further implement our globalization strategies to actively advance the implementation of overseas project**

The Company will further pursue a globalization strategy. We will actively advance the implementation of the Saudi Project, and employ local labor at competitive market rates for the operation of this project. This project will be overseen by our professional team, which possesses extensive experience in aluminum smelting and the electrolytic aluminum industry, ensuring safe production and sustainable operations.

### **Accelerate technological transformation and digital and intelligent transformation to improve production efficiency and product quality**

The Company will continue to enhance its production techniques and use new cathode materials to improve current efficiency and reduce energy consumption. We will further conserve power and enhance equipment efficiency and lifespan by optimising average voltage, refining electrolytic cell design and upgrading electrolytic cell lining materials. The Company are deeply advancing digital and intelligent transformation alongside green upgrades. Leveraging AI algorithms, we implements precise, end-to-end control of electrolytic cells, monitor operating conditions in real time, intelligently diagnose potential equipment issues, and optimize energy consumption and material deployment. By driving these efforts with data and empowering them with technology, the Company comprehensively enhances production efficiency and operational stability, helping the industry achieve a new paradigm of intelligent manufacturing that is efficient, low-carbon, and safe.

## **Complete our capabilities across the aluminum industry chain to maintain steadiness of raw material supplies**

The Group has been focusing on completing our capabilities across the electrolytic aluminum industry chain and is now an aluminum industry group covering energy to alumina refining and aluminum smelting. In the future, the Company will further optimise its industry chain and extend to the upstream of the industry chain to mitigate the impact of rising raw material costs on aluminum smelting, thereby ensuring stable production and operation.

## **Improve environmental and social responsibility performance to maintain sustainability**

The Company attaches significant importance to environmental, social and governance and aims to become a green aluminum industry group in the global market, and promote the green transition within the electrolytic aluminum industry by striving to reduce carbon emissions in the electrolytic aluminum industry chain. In terms of environmental protection, we will continue to reduce the reliance on fossil fuels and increasingly utilise green energy for electricity generation in the future, and facilitate the sustainable transformation of our aluminum smelting processes and the transition of our energy structure through technological innovation and ongoing facility upgrades. In terms of social responsibility, we will remain deeply committed to public welfare, encouraging our employees to proactively engage in volunteer activities and striving to remain a responsible corporation. In terms of employee care, we will further strengthen internal talent development by improving employees' skills in global business, green electrolytic aluminum-related technologies and management practices, building a high-quality talent team that supports the Group's future strategic development.

## **USE OF NET PROCEEDS FROM GLOBAL OFFERING**

The Company issued 500,000,000 Shares by way of global offering at a price of HK\$10.99 per Share, and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 24 November 2025. On 5 December 2025, the Company issued 75,000,000 Shares at a price of HK\$10.99 per share following the full exercise of the over-allotment option. The net proceeds from the Global Offering (after deducting underwriting fees and related expenses) amounted to approximately RMB5,637.5 million.

No adjustment has been made to the intended use of net proceeds as set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 14 November 2025 (the “**Prospectus**”). As of 31 December 2025, approximately RMB4,929.9 million of net proceeds from the Global Offering were not utilised and were deposited into interest bearing bank accounts with licensed commercial banks and will be applied according to the section headed “Future Plans and Use of Proceeds” of the Prospectus.

Unit: RMB million

Intended use of proceeds	Net proceeds from the Global Offering	Approximate % of net proceeds from the Global Offering	Amounts utilised as at 31 December 2025	Amounts unutilised as at 31 December 2025	Expected timetable for utilising the remaining net proceeds
Construction of an integrated electrolytic aluminum plant with an annual production capacity of 500,000 tons in Saudi Arabia, and the purchase and installation of production equipment	2,818.7	50%	707.6	2,111.2	By the end of or before 2027
Construction of green power plants, and the purchase and installation of equipment used therein	2,255.0	40%	0	2,255.0	By the end of or before 2026
Working capital and general corporate uses	563.8	10%	0	563.7	By the end of or before 2026
<b>Total</b>	<b><u>5,637.5</u></b>	<b><u>100%</u></b>	<b><u>707.6</u></b>	<b><u>4,929.9</u></b>	

The Company will use the remaining proceeds for the purposes disclosed in the Prospectus. The expected timetable for utilising the remaining proceeds is based on the best estimates of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

## **SUBSEQUENT EVENT AFTER THE REPORTING PERIOD**

On 17 March 2026, the Company entered into an equity transfer agreement with Shandong Innovation Group Co., Ltd. to acquire its 41.5% equity interests in Shandong Chuangyuan New Material Technology Co., Ltd. for a transaction amount of RMB525.5 million. The Company entered into an equity transfer agreement with Shandong Innovation Group Co., Ltd. to acquire its 100% equity interests in Tongliao Smart Mining Co., Ltd.\* (通遼市智慧礦業有限公司) for a transaction consideration of approximately RMB1,000.8 million. Further details are set out in the Company's announcement dated 17 March 2026. The above matter is subject to consideration and approval at a general meeting of the Company.

Saved as disclosed in this announcement, the Group has no significant events occurred after the Reporting Period which require additional disclosures or adjustments as of the date of this announcement.

## **CLOSURE OF REGISTER OF MEMBERS**

The 2026 annual general meeting of the Company (the "AGM") will be held on Thursday, 23 April 2026. The register of members of the Company will be closed from Monday, 20 April 2026 to Thursday, 23 April 2026, both days inclusive, in order to determine the identity of the shareholders of the Company (the "Shareholders") who are entitled to attend the AGM. The record date for determining the identity of the Shareholders who are entitled to attend at the AGM is Thursday, 23 April 2026. To be eligible to attend the AGM, all properly completed transfer documents 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 not later than 4:30 p.m. on Monday, 17 April 2026.

In order to determine the Shareholders' entitlement to receive the final dividend, which is subject to the approval by way of resolution at the AGM, the register of members of the Company will be closed from Wednesday, 29 April 2026 to Monday, 4 May 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for determining the Shareholders' entitlement to receive the final dividend is Monday, 4 May 2026. In order to qualify for the final dividend, all properly completed transfer documents 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 not later than 4:30 p.m. on Tuesday, 28 April 2026.

## **FINAL DIVIDEND**

The Board recommended a final dividend of HK\$0.77 per ordinary share for the year ended 31 December 2025, amounting to a total of HK\$1,597.8 million, which is subject to the approval of the Shareholders at the forthcoming AGM to be held on Thursday, 23 April 2026. Subject to the approval of the Shareholders, the 2025 final dividend is expected to be paid to the qualified Shareholders on or before Thursday, 23 July 2026, on a business day (excluding Saturdays, Sundays, and public holidays in Hong Kong or China).

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company has adopted the code provisions in the Corporate Governance Code (the “**CG Code**”) set out in Part 2 Appendix C1 to Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange as its own code of corporate governance. The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has been in compliance with all code provisions as set out in the CG Code contained in Appendix C1 of the Listing Rules from 24 November 2025 (i.e. the date on which the shares of the Company were listed on the Stock Exchange) to 31 December 2025.

#### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the model code as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code of conduct regarding Directors’ securities transaction. Having made specific enquiries to the Directors, all Directors confirmed that they have complied with the Model Code from 24 November 2025 (i.e. the date on which the shares of the Company were listed on the Stock Exchange) to 31 December 2025.

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

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares, if any). As at 31 December 2025, the Company did not hold any treasury shares.

#### **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”), after the discussion with the auditor of the Company, has reviewed the Group’s consolidated financial statements for the year ended 31 December 2025. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed matters in respect of risk management and internal control of the Company. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Group.

The Company’s consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with IFRS Accounting Standards.

#### **SCOPE OF AUDIT OF ANNUAL RESULTS ANNOUNCEMENT BY THE AUDITOR**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 17 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS AND 2025 ANNUAL REPORT**

This annual results announcement will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.innovationigi.com](http://www.innovationigi.com)). The 2025 annual report of the Company will be despatched to Shareholders of the Company and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board  
**Chuangxin Industries Holdings Limited**  
創新實業集團有限公司  
**Mr. CUI Lixin**  
*Chairman of the Board and Non-executive Director*

Hong Kong, 17 March, 2026

*As of the date of this announcement, the Board comprises: (i) Mr. CUI Lixin as chairman of the Board and non-executive Director; (ii) Mr. CAO Yong, Mr. ZHANG Jianxiang, Ms. ZHANG Yue and Mr. FU Qian as the executive Directors; and (iii) Mr. LIU Yanzhao, Ms. ZHENG Juan and Ms. SHEN Lingyan as the independent non-executive Directors.*