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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		Changes
	2026	2025	**Increase/**
	RMB'000	*RMB'000*	**(Decrease)**
	(Unaudited)	(Unaudited)	
Financial Highlights			
Revenue	**1,452,760**	954,200	52.2%
Cost of sales	**(1,083,652)**	(727,878)	48.9%
Gross profit	**369,108**	226,322	63.1%
Gross profit margin	**25.4%**	23.7%	1.7 points
Profit before tax	**249,077**	130,397	91.0%
Profit for the period	**213,775**	107,493	98.9%
Profit for the period attributable to owners of the Company	**184,564**	91,821	101.0%
Basic earnings per share *(in RMB)*	**0.48**	0.26	84.6%

	As at 30 June 2026	As at 31 December 2025	**Changes Increase/ (Decrease)**
	RMB'000	*RMB'000*	
	(Unaudited)	(Audited)	
Liquidity and Gearing			
Current ratio *(Note 1)*	**2.42**	1.97	23.1%
Quick ratio *(Note 2)*	**1.39**	1.04	33.6%
Gearing ratio *(Note 3)*	**–**	24.4%	N/A

Notes:

(1) Current ratio represents total current assets divided by total current liabilities as at the end of relevant period.

(2) Quick ratio represents total current assets less inventories divided by total current liabilities as at the end of relevant period.

(3) Gearing ratio represents total bank borrowings excluding discounted bills, less cash and cash equivalents, divided by total equity as at the end of relevant period multiplied by 100%. As at 30 June 2026, there is no gearing ratio presented as the total borrowings excluding discounted bills, less cash and cash equivalents, over total equity, resulting a negative figure.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Six months ended 30 June 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
REVENUE	4	**1,452,760**	954,200
Cost of sales		**(1,083,652)**	(727,878)
Gross profit		**369,108**	226,322
Other income and gains, net		**12,582**	10,930
Selling and distribution expenses		**(8,736)**	(9,725)
Administrative expenses		**(104,652)**	(73,938)
Other operating expenses, net		**(1,154)**	(5,164)
Finance costs		**(18,752)**	(12,504)
Share of profit/(loss) of an associate		**681**	(5,524)
PROFIT BEFORE TAX	5	**249,077**	130,397
Income tax expense	6	**(35,302)**	(22,904)
PROFIT FOR THE PERIOD		**213,775**	107,493
Attributable to:			
Shareholders of the Company		**184,564**	91,821
Non-controlling interest		**29,211**	15,672
		213,775	107,493
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	8		
Basic *(RMB)*		**0.48**	0.26
Diluted *(RMB)*		**0.48**	0.26

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2026

	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
PROFIT FOR THE PERIOD	**213,775**	107,493
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(4,727)**	(1,203)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements	**(10,633)**	(4,691)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(15,360)**	(5,894)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**198,415**	101,599
Attributable to:		
Shareholders of the Company	**169,204**	85,927
Non-controlling interest	**29,211**	15,672
	198,415	101,599

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**513,683**	469,037
Right-of-use assets		**361,272**	332,303
Investment in an associate		**30,270**	29,589
Prepayments, deposits and other receivables		**61,315**	60,692
Deferred tax assets		**16,184**	9,515
Total non-current assets		**982,724**	901,136
CURRENT ASSETS			
Inventories		**1,358,580**	1,047,070
Trade and bills receivables	*10*	**467,999**	586,237
Prepayments, deposits and other receivables		**509,015**	153,928
Derivative financial instruments		**3,454**	–
Income tax recoverable		**–**	3,979
Cash and cash equivalents		**844,264**	431,492
Total current assets		**3,183,312**	2,222,706
CURRENT LIABILITIES			
Trade and bills payables	*11*	**240,935**	135,218
Provisions, other payables and accruals		**236,478**	118,800
Due to an associate		**53,864**	49,895
Income tax payables		**23,443**	5,351
Derivative financial instruments		**4,538**	2,815
Bank borrowings		**750,730**	806,125
Lease liabilities		**2,858**	12,722
Total current liabilities		**1,312,846**	1,130,926
NET CURRENT ASSETS		**1,870,466**	1,091,780
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,853,190**	1,992,916

	Note	30 June 2026 (Unaudited) RMB'000	31 December 2025 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Bank borrowings		**353,044**	196,833
Other liabilities		**60,000**	–
Lease liabilities		**270,299**	252,583
Total non-current liabilities		**683,343**	449,416
Net assets		**2,169,847**	1,543,500
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	*12*	**3,707**	3,410
Reserves		**2,036,931**	1,409,604
		2,040,638	1,413,014
Non-controlling interest		**129,209**	130,486
Total equity		**2,169,847**	1,543,500

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited.

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The adoption of the above amended HKFRS Accounting Standards does not have a significant impact on the preparation of the Group's unaudited interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and 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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
China	**899,403**	730,539
Overseas	**553,357**	223,661
	1,452,760	954,200

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 30 June 2026 and 31 December 2025 were located in the PRC.

Information about major customers

A summary of revenue earned from external customers which contributed 10% or more of the Group's revenue for each of the periods ended 30 June 2026 and 2025 is set out below:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Customer A	**–**	208,591

4. REVENUE

Revenue of the Group for each of the periods ended 30 June 2026 and 2025 wholly represented revenue from contracts with customers.

Disaggregate revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of goods or services		
Tantalum and niobium hydrometallurgical compounds	**432,490**	233,840
Tantalum and niobium metal and its products	**638,706**	504,590
Trading goods, processing services and others	**381,564**	215,770
Total	**1,452,760**	954,200
Timing of revenue recognition		
Goods transferred and services rendered at a point in time	**1,452,760**	954,200

5. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold:		
Self-produced goods	**753,258**	516,587
Trading goods	**321,366**	183,186
	1,074,624	699,773
Cost of services provided	**9,028**	28,105
Depreciation of property, plant and equipment	**22,010**	19,949
Depreciation of right-of-use assets	**8,662**	4,006
Research and development costs	**41,667**	33,466
Gain on disposal of items of property, plant and equipment, net	**(1,163)**	(121)
Impairment of trade receivables	**54**	4,910
Foreign exchange differences, net	**(3,283)**	(1,703)

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Tax on profits assessable in Mainland China has been calculated at the applicable PRC corporate income tax ("**CIT**") rate of 25% during the period (2025: 25%) except that two subsidiaries, namely Ximei Resources (Guangdong) Limited and Ximei Resources (Guizhou) Technology Limited which were qualified as high and new technology enterprises, enjoyed the preferential CIT rate at 15% (2025: 15%).

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current – The PRC		
Charge for the period	**38,103**	28,928
Current – Hong Kong		
Charge for the period	**1,767**	954
Deferred	**(4,568)**	(6,978)
Total tax charge for the period	**35,302**	22,904

7. DIVIDEND

During the six months ended 30 June 2026, the Board declared a final dividend of HK6.58 cents (six months ended 30 June 2025: HK5.56 cents) per ordinary share amounting to RMB22,581,000 (six months ended 30 June 2025: RMB18,254,000) in respect of the year ended 31 December 2025.

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

8. 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 period 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 period; less (ii) the weighted average number of ordinary shares held under the share award scheme of the Company during the period.

The calculation of the diluted earnings per share amounts presented is based on the profit for the period 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 period 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:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to shareholders of the Company, used in the basic and diluted earnings per share calculation	**184,564**	91,821
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 period, used in the basic earnings per share calculation	**382,823,631**	358,430,000
Effect of dilution – weighted average number of ordinary shares:		
Share awards	**353,004**	693,395
Weighted average number of ordinary shares, used in the diluted earnings per share calculation	**383,176,635**	359,123,395

9. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group acquired items of property, plant and equipment at a cost of RMB73,544,000 (six months ended 30 June 2025: RMB25,368,000).

During the six months ended 30 June 2026, plant and machinery with a net book value of RMB6,888,000 (six months ended 30 June 2025: RMB351,000) were disposed of by the Group, resulting in a net gain on disposal of RMB1,163,000 (six months ended 30 June 2025: RMB121,000).

10. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade and bills receivables as at 30 June 2026 and 31 December 2025, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 month	**275,165**	313,596
1 to 2 months	**83,299**	182,016
2 to 3 months	**47,704**	38,254
Over 3 months	**61,831**	52,371
Total	**467,999**	586,237

11. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at 30 June 2026 and 31 December 2025, based on the invoice date, is as follows:

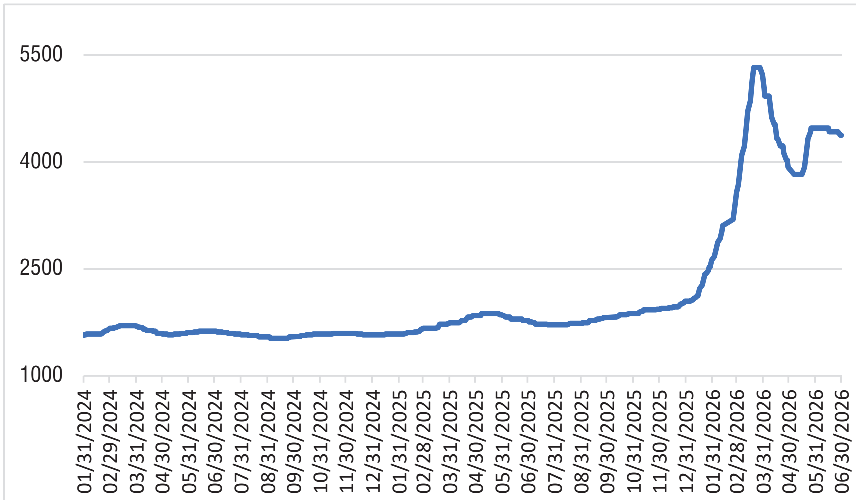
	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 month	**213,768**	108,604
1 to 2 months	**12,292**	14,951
2 to 3 months	**1,502**	411
Over 3 months	**13,373**	11,252
Total	**240,935**	135,218

12. SHARE CAPITAL

	30 June 2026		31 December 2025	
		Equivalent to		Equivalent to
	HK$'000	***RMB'000***	*HK$'000*	*RMB'000*
	(Unaudited)	**(Unaudited)**	(Audited)	(Audited)
Authorised:				
1,000,000,000 ordinary shares of HK$0.01 each	**10,000**		10,000	
Issued and fully paid:				
414,100,000 (2025: 380,000,000) ordinary shares of HK$0.01 each	**4,141**	**3,707**	3,800	3,410

MARKET REVIEW OF TANTALUM AND NIOBIUM PRODUCTS

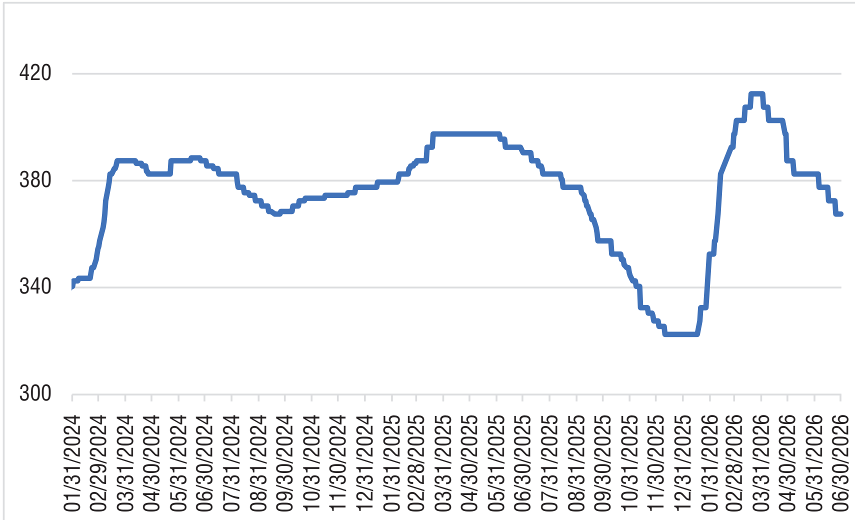
Ex-factory price of 99.5% ditantalum pentoxide in China (RMB/kg)



Source: asianmetal.cn

In the first half of 2026, the price of ditantalum pentoxide rose significantly. According to asianmetal.cn, as of the end of June 2026, the average ex-factory price of 99.5% ditantalum pentoxide in China for the first half of the year was approximately RMB3,885/kg, representing a significant increase compared to the full-year average in 2025. At the beginning of the year, tantalum ore prices have risen rapidly. The main driving factor was the suspension of production due to a safety accident in the core tantalum ore area of the Democratic Republic of Congo, which led to a tightening of global tantalum raw material supply. This was coupled with the continuous increase in downstream demand driven by artificial intelligence ("**AI**") servers, semiconductor targets, and aerospace high-temperature alloys, boosting the procurement enthusiasm of smelters. During the first half of the year, the peak ex-factory price of 99.5% ditantalum pentoxide in China was quoted at RMB5,325/kg, peaking in March 2026, after which the price fell from its high and consolidated within a range. In June 2026, the market price remained within the range of RMB4,375/kg to RMB4,475/kg.

Ex-factory price of 99.5% diniobium pentoxide in China (RMB/kg)



Source: asianmetal.cn

In the first half of 2026, ex-factory price of 99.5% diniobium pentoxide in China showed a steady upward trend. By the end of June 2026, the average tax-inclusive price for the first half of the year was RMB379/kg, up 1% from the 2025 full-year average. The supply of niobium ore from Brazil remained tight. Coupled with the rigid demand from the traditional ceramics and optical industries, as well as the continuous increase in demand for upstream raw materials for thin-film lithium niobate driven by AI-driven high-speed optical communications, downstream procurement demand was relatively optimistic, providing strong support for the ex-factory price of 99.5% diniobium pentoxide in China. Subsequently, the price maintained a high-level consolidation with fluctuations, reaching a peak of RMB412.5/kg in the first half of 2026.

DEVELOPMENT TREND OF DOWNSTREAM APPLICATIONS OF TANTALUM AND NIOBIUM

Tantalum- and niobium-based products have been widely applied in many fields due to their excellent performance, and enjoy stable demand from many industries. Furthermore, these products have seen strong demand from additional sectors in recent years, mainly reflected in the following areas:

(1) Tantalum capacitor sector: Tantalum powder, tantalum wire, tantalum shell and tantalum furnace materials for production of tantalum capacitors remain as a key application of tantalum metal, where the product technology represents the highest level of tantalum application. Given their high capacity density, low leakage current and stability, tantalum capacitors play a unique role in PCB design. In particular, consumer electronics represent approximately 35%-40% usage volume of tantalum capacitors, mainly benefiting from the demand from 5G smartphones, fast charging technology and internet of things (IoT) devices. Automotive electronics, with a special preference for tantalum capacitors, represent 25%-30% usage volume of tantalum capacitors. Especially, with an even higher penetration rate in intelligent electric vehicles (EVs), tantalum capacitors see a usage volume of 2-3 times that in traditional cars. In addition, industrials and energy sectors, including industrial automation, power electronics and renewable energy (such as photovoltaic inverters), represent 20% usage volume. Medical and aerospace sectors, given their reliance on high reliability and extreme environmental resistance and known for their use of tantalum capacitors at no cost, represent 10%-15% of the usage volume. In the first half of 2026, AI computing power hardware has become the core and new growth curve for tantalum capacitors, with demand for high-stability polymer tantalum capacitors exploding from AI servers, GPU accelerator cards, and HBM (High Bandwidth Memory). The tantalum capacitor usage per single high-end AI training server can reach 8-10 times that of traditional servers, driving the global tantalum capacitor market to continue its upward trend. The consumer electronics market is steadily recovering, with demand for smartphones, laptops, and wearables maintaining stable growth. Tantalum demand from tantalum capacitors is set to increase significantly, driven by the accelerated adoption of future industries such as AI algorithm models, brain-computer interfaces and humanoid robots, as well as sustained demand from wireless communication and fast charging. According to a report from CPM Group LLC, annual tantalum demand is estimated to exceed 4,000 tons by 2030, including over 1,000 tons of demand from tantalum capacitors.

(2) High-temperature alloy sector: In the first half of 2026, the global high-temperature alloy market maintained a high-growth trend, with ample orders for aero-engines, commercial aerospace, and gas turbines. Coupled with the release of demand for large gas turbine power generation equipment driven by AI data centres, tantalum and niobium have been widely added to various high-temperature alloy categories due to their irreplaceable properties. Alloys without niobium addition have a durability life of 100 hours at 800℃ and 200MPa stress, compared to 200-300 hours for those with niobium addition. Deformation of turbine blades with niobium addition during the service life, thanks to creep resistance of blades, can be reduced by 30%-40% under high-temperature gas pressure and centrifugal force. By adding appropriate amount of tantalum, yield strength of nickel-based high-temperature alloys at 700℃ can be improved by approximately 15%-20%. In addition, by adding tantalum, volume fraction of the strengthening phase γ' in nickel-based high-temperature alloys can be increased by 5%-10%, resulting in a 20%-30% improvement in their endurance strength at 800℃.

Benefiting from demand expansion in aerospace, energy and industrial sectors, high-temperature alloys saw a dramatic increase in shipment volume in the past two years, which is expected to continue in the future.

- Aerospace sector: Driven by a recovery of commercial aviation market and military aircraft upgrades, the demand for nickel-based and cobalt-based high-temperature alloys in aviation engines has increased significantly. CJ-1000A turbofan engine from Aero Engine Corporation of China has completed airworthiness certification, together with C919 aircraft equipped with the engine entering bulk delivery, demonstrating an acceleration process of domestic substitution. The overall business of engine manufacturers, represented by Rolls-Royce Holdings ("**Rolls-Royce**"), has maintained a high level of prosperity. Tantalum and niobium metals can effectively enhance the comprehensive performance of aero-engine blades, thereby increasing procurement demand from high-temperature alloy manufacturers, which in turn drives the market demand for the Company's tantalum and niobium products.

- Energy equipment sector: Demand from energy sector is driven by gas turbine power generation, nuclear energy facility construction and hydrogen energy technology progress, where performance advantages of high-temperature alloys including high temperature resistance and corrosion resistance are further highlighted. Driven by the replacement of coal-fired power with gas turbines in Europe and Americas, General Electric 9HA.02 and Siemens SGT-8000H, among other models, saw a recovery of orders, with hydrogen-fueled gas turbines accounting for 15% of installations. Mitsubishi Heavy Industries recorded an order growth, driven by LNG power generation projects in Southeast Asia and the Middle East. General Electric launched an AI operation and maintenance platform to improve gas turbine efficiency. Along with the booming mature markets, emerging markets are to see potentially surging demand, such as the Middle East and Africa where investment in gas turbine power stations has been driven by natural gas exploitation. In Central Asia and Central Africa, a focus of China's gas turbine export under its "Belt and Road Initiative", localised manufacturing is a widely preferred model which may stimulate gas turbine order growth continuously.

(3) Superconducting materials sector: Superconducting materials include high-temperature and low-temperature superconducting materials. Currently, the industry is dominated by low-temperature superconducting technology (representing a market share of approximately 96%), while the rest is for high-temperature superconducting technology. Niobium and niobium alloys are the only choice for low-temperature superconducting materials. Demand for superconducting materials mainly comes from scientific research, nuclear fusion, medical equipment, transportation, electricity and energy, etc.. According to China Galaxy Securities Research Institute, the global superconducting material market has been growing, with an expected compound annual growth rate of 23.1% by 2027 based on the market size of €6.8 billion in 2022.

Global market size of superconducting materials in 2022 reached €6.8 billion (+3%); 5-year CAGR in 2022-2027 = 23.1%

Source: Conectus, China Galaxy Securities Research Institute

(4) Semiconductor sector: High-purity tantalum target materials are used in conjunction with high-purity copper target materials in the production of very large scale integrated circuits (chips). The industry previously experienced an inventory adjustment cycle, and in the first half of 2026, the global semiconductor industry achieved robust growth driven by AI. Benefiting from the continued surge in demand for AI large models, AI servers, high-bandwidth memory and advanced packaging, the global chip market has maintained strong growth. The iteration of downstream advanced processes and the expansion of memory chip production have continued to boost demand for high-purity tantalum targets, which in turn has led to a rapid increase in demand for upstream raw materials such as high-purity tantalum pentoxide and tantalum target blanks. In the long run, the expansion of AI computing power and the widespread adoption of automotive-grade semiconductors will become the core growth drivers for tantalum targets, placing higher demands on the industry for the supply stability and quality standards of high-purity tantalum raw materials.

Semiconductors revenue forecast, worldwide, 2025-2027
(billions of USD)

	2025	2026	2027
Revenue	809	1,600	1,900
Growth (%)	13.8	92.2	24.7

Source: Gartner, Dongguan Securities Research Institute

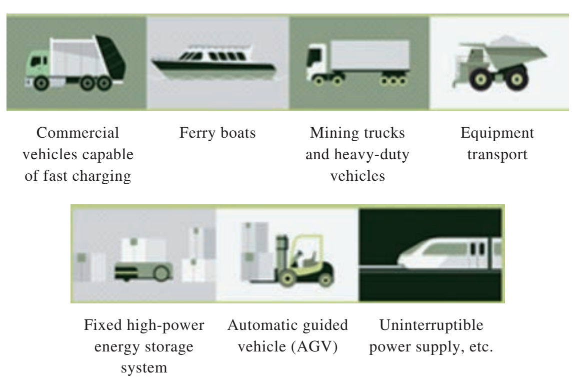
Looking ahead, AI functions will be increasingly integrated into personal terminal devices, such as AI smartphones, AI personal computers and AI wearables; and the evolving intelligent driving assistance systems and automotive infotainment systems will further fuel the growth of automotive semiconductor market. Tantalum is widely used as a barrier material in semiconductor manufacturing given its high conductivity, thermal stability and atomic blocking effect. Driven by the thriving semiconductor sector, tantalum is expected to see increasing application in this field.

(5) Medical sector: Tantalum has relatively limited applications in medical sector at present which, however, is expected to expand year by year. Tantalum metal is widely used in medical sector, especially in orthopedic surgeries, such as treatment of femoral head necrosis, joint replacement and revision, and bone defect repair. In addition, porous tantalum as a novel material has been developed as orthopedic transplantation materials. The evolving 3D printing technology further accelerated medical applications of tantalum materials. Through 3D printing, porous tantalum implants can be customised to meet personalised needs of patients. Tantalum coating also plays an important protective role in implanted medical devices. These applications not only help improve success rate of surgery, but also significantly enhance rehabilitation process of patients. The evolving medical technologies will usher in broad prospects for tantalum in medical applications.

Source: China Association for Medical Devices Industry and National Medical Products Administration

(6) New energy sector: In new energy sector, an emerging application field for niobium, niobium-based anode technology can contribute to the miniaturisation and light-weighting transformation of lithium-ion batteries. Currently, niobium-containing anode materials have achieved commercialisation and are widely applied. Adding niobium to lithium batteries can enhance stability and safety, as niobium-based anode materials do not exhibit lithium plating – a primary cause of internal short circuits in graphite, silicon, and lithium metal batteries. Niobium-based anodes can extend battery lifespan, supporting over 10,000 charge-discharge cycles. They also enable fast charging, with full charging achievable in just 6 minutes or less. At the cell level, the volumetric energy density exceeds 130 Wh/kg and 350 Wh/L, comparable to lithium iron phosphate cells. Batteries using niobium-based anodes offer a new alternative for miniaturising uninterruptible power supply (UPS) systems in data centers. Additionally, niobium and tantalum are primarily used in oxide form (LiAlLaZrNb/TaO) as inorganic solid-state electrolytes, offering higher energy density and improved safety for solid-state lithium batteries. Solid-state batteries are expected to become a new growth driver for niobium in the new energy sector.

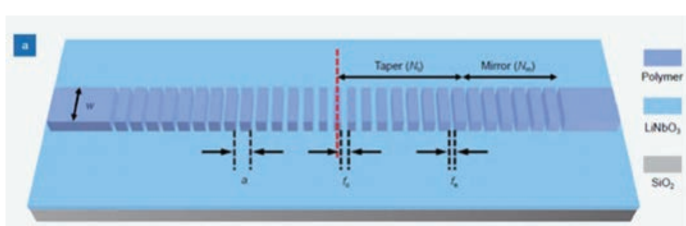
Application scenarios of niobium-based anode batteries are as follows:



Source: https://www.niobiumtech.cn

(7) Integrated photonics field: Lithium niobate can be used to fabricate devices such as electro-optic modulators, which are core components in modern communication systems and photonic integrated circuits. Thin-film lithium niobate (TFLN) exhibits excellent electro-optic effects, nonlinear optical properties, and acousto-optic effects, offering advantages such as smaller size, lower cost, and higher integration density. These properties make it suitable for applications in 5G communications, quantum computing, and other advanced fields. The Wuxi Photonic Chip Research Institute of Shanghai Jiaotong University has developed high-quality, low-loss thin-film lithium niobate optical waveguides, achieving mass integration of "photonic chips". This achievement was recognised as a "2024 Annual Case of New Quality Productive Forces" by China Media Group. As the construction of global AI computing power infrastructure continues to accelerate, the demand for bandwidth for large model training and inference traffic has surged, ushering in a boom cycle for the high-speed optical module industry. In the first half of 2026, 800G optical modules have reached the large-scale delivery stage, manufacturers of 1.6T high-speed optical modules have progressively completed verification by downstream customers and were gradually seeing an increase in sales volume, and the research and development and testing progress for 3.2T products was steadily advancing. As the industry upgrades to ultra-high transmission rates, thin-film lithium niobate modulators have emerged as an important technological pathway for 1.6T and 3.2T high-speed optical communication scenarios. The demand from downstream high-speed optical device manufacturers for high-purity lithium niobate upstream raw materials continued to be released, bringing new growth to the niobium industry.

At the beginning of 2025, the thin-film lithium niobate (TFLN) photonic chip production line jointly built by Q.ANT, a German quantum technology company, and IMS CHIPS, was officially put into use, which marked the first publicly reported mass production attempt to integrate thin-film lithium niobate photonic technology with traditional wafer manufacturing technology globally, aiming at solving the problems of surge in demand for artificial intelligence computing and energy consumption bottleneck. The experimental data show that the prototype of its photonic processor based on thin-film lithium niobate is 30 times more energy efficient and 50 times faster than the traditional chip. In terms of efficient photonic integrated circuits, researchers from École Polytechnique Fédérale de Lausanne (EPFL) and Shanghai Institute of Microsystems and Information Technology (SIMIT) have successfully developed a revolutionary new photonic integrated circuit (“**PICs**”). It is based on lithium tantalate, which is not only excellent in performance, but also cost-effective and has a wide application prospect. PICs means that a variety of optical devices and functions are integrated on a single chip. Since debut, PICs has caused profound changes in the field of optical communication and computing systems. The prepared lithium tantalate PICs shows high efficiency, with the optical loss rate as low as 5.6 dB/m and the electro-optical bandwidth as high as 40 GHz. These indicators fully prove its ability to handle high-speed data transmission, making it an ideal choice for the next generation optical communication system with significantly bright prospect. According to QY research data, in 2023, the global market scale of lithium niobate thin film modulators reached US$200 million, and by 2029, it is expected to reach US$2 billion, with a compound annual growth rate (CAGR) of 41.0%.



Source: Development of Tantalum and Niobium Industry

BUSINESS REVIEW

Remarkable results in business management

The strong performance in the first half of 2026 is built on the successful implementation of the strategic positioning of a "professional, integrated, large-scale, high-end, international, and capital-based" operation, which the Group has pursued over the past two years. Our goal is to transform the Company into a high-performance, resilient, and competitive growth-oriented enterprise. In the first half of 2026, we seized opportunities in the tantalum and niobium industry, achieving significant improvements across all core departments. In the first half of 2026 (the "**Period Under Review**" or the "**Reporting Period**"), the Group achieved revenue of RMB1,452.8 million, representing a year-on-year increase of 52.2% from RMB954.2 million for the first half of 2025, and profit for the period amounted to RMB213.8 million, representing a year-on-year increase of 98.9% from RMB107.5 million for the first half of 2025.

Compared to the initial period after listing, the proportion of tantalum and niobium pyrometallurgical products in the Group's revenue structure has grown from nil, insignificant, significant to approximately a half, marking a considerable development. The evolution of product variety has been key to steady revenue growth. During the Period Under Review, the Group focused on high-end applications of tantalum and niobium, with its revenue distribution by downstream industry becoming increasingly diversified and balanced: the aerospace sector was dominated by high-temperature alloy products, accounting for approximately 50.8% of revenue and continuing to be the largest source of revenue with a solid core position; the semiconductor sector was dominated by potassium heptafluorotantalate, tantalum powder for target materials and capacitor-grade tantalum powder products, with its revenue share increasing to approximately 20.8%; the energy, medical and other fields accounted for approximately 13.2% of revenue; the major science/high-end equipment sector was dominated by niobium superconducting materials, accounting for approximately 8.5% of revenue; and the optical communications sector was dominated by high-purity oxides, accounting for approximately 6.7% of revenue. The concerted efforts across the five major downstream application fields fully cover the key links of the national strategic emerging industries, demonstrating the Group's in-depth strategic layout and customer diversification advantages in high-end tantalum and niobium applications. Meanwhile, the proportion of revenue from overseas customers increased from approximately 23% in the same period last year to approximately 38%, demonstrating the significant results of the implementation of the internationalization strategy.

Constant optimisation of talent structure

During the Period Under Review, the Group consistently adhered to the talent philosophy that "human resource leadership strategy is the first competitive strategy and people are the most valuable and core assets of an enterprise", continuously advancing the refined adjustment of its organisational structure and talent framework. By balancing empowerment and oversight, the Group stimulated talent effectiveness. The Group focused on cultivating versatile talent pipelines with both professional expertise and innovative vision, and has established a long-term team advancement mechanism. By implementing the "Pioneer Program" and "Succession Plan", several postgraduates from prestigious universities such as Tsinghua University and Zhengzhou University have assumed mid-level management roles. Additionally, the "Management Trainee Program" infused fresh talents into frontline operations, with some participants already becoming key production backbones.

Building momentum, cultivating excellence and advancing with honours

As of 30 June 2026, the Group was granted with 130 authorised patents accumulatively, including 35 invention patents and 95 utility model patents. Additionally, the Group had 83 patents under application review. While continuously optimising R&D processes and extending its patents pipeline, the Group has seen widespread improvement in product quality and a steady rise in its industry standing. At the date of this announcement, Ximei Resources (Guangdong) Limited* (稀美資源(廣東)有限公司) ("**Ximei Guangdong**") was rated as a "High-Quality Manufacturing Enterprise" by Qingyuan City. Ximei Guizhou has been recognised as a "High-Tech Enterprise" and has successively been awarded qualifications and titles such as "Key Specialised and Innovative Enterprise in Guizhou Province", "Guizhou Province Innovative SME" and "Guizhou Province Enterprise Technology Centre". In addition, Ximei Guizhou has also been selected as a key foreign trade enterprise (Topmost) in Qianxinan Prefecture, and participated as a major drafting unit in the formulation of the group standard "High-purity Tantalum Target Materials for Integrated Circuits" (T/CIET 1296-2025).

Ximei Guangdong is not only a National High-Tech Enterprise and a national-level specialised and sophisticated "Little Giant" enterprise, but also a Guangdong Provincial Single Champion Enterprise in Manufacturing and a National Intellectual Property Advantage Enterprise, and has established a post-doctoral research workstation. The company's in-house testing centre has obtained CNAS laboratory accreditation, officially entering the CNAS laboratory directory. In addition, the company has successively led or participated in the formulation of a number of non-ferrous metal industry standards, including those for high-purity niobium ingots, melted niobium, and niobium-aluminum alloys, and has been rated as a "High-Quality Manufacturing Enterprise" by the Qingyuan Municipal People's Government. In early 2026, the Group was honored with the "Excellent Value Creation Award" and the "Excellent Capital Market Communication Award" at the Best IR Awards, further enhancing its recognition in the capital market.

The Group has consistently adhered to the philosophy of "focusing on quality and uniqueness" in every aspect of its operations. The high-capacitance tantalum powder developed for polymer tantalum capacitors has passed a 2,000-hour lifespan test at the customer end. Tantalum and niobium smelting products have been included in the qualified product lists of leading domestic and international high-temperature alloy companies. High-RRR (Residual Resistivity Ratio) superconducting niobium ingots have been supplied to downstream customers for use in major scientific projects such as the Shanghai Hard X-ray Free-Electron Laser (SHINE), the High-Intensity Heavy-Ion Accelerator Facility (HIAF), and the China Initiative Accelerator-Driven System (CiADS). Ultra-high-purity tantalum metal is supplied in bulk to semiconductor tantalum target manufacturers, while the annual shipment of lithium tantalate for photonic communications has surpassed the 10-ton milestone. The Group is committed to becoming a globally leading tantalum and niobium manufacturing operator with strong innovative capabilities.

Capacity optimisation yields impressive results

During the Period Under Review, the Group focused on process standardisation and technological improvements, tapping into the potential of production lines. Through initiatives such as "automated upgrades for high-niobium drying and calcination", "ammonia gas absorption in niobium solutions", "ultra-high-pressure membrane concentration" and "key technology research for smelted tantalum preparation", the Group achieved a year-on-year increase in the direct recovery rate of tantalum and niobium hydrometallurgy. The unit consumption of products such as superconducting niobium ingots significantly decreased, while the unit energy consumption for smelted tantalum and niobium continued to decline. The comprehensive utilisation rate of by-products reached record highs.

Strengthening and extending the industrial chain for green development

The Group implemented the strategy of "integration and scale", and focused on strengthening and extending the tantalum-niobium industrial chain while giving full play to the existing production line capacity. Currently, the Group has established a strategic layout of five major production bases, precisely responding to downstream high-end application demands and orderly advancing capacity expansion: the Guangdong Yingde hydrometallurgical base is positioned for oxide production, with a planned capacity of 2,000 tons; the Guangdong Leizhou hydrometallurgical base is positioned for oxide production, with a planned capacity of 3,000 tons; the Hunan Leiyang hydrometallurgical base is positioned for oxide production, with a planned capacity of 1,000 tons; the Guangdong Yingde tantalum powder base is positioned for metal powder production, with a planned capacity of 350 tons; and the Guizhou Xingyi pyrometallurgical base is positioned for pyrometallurgical project of metals, with a planned capacity of 1,500 tons.

In terms of the pace of phased release, the planned capacity of the Yingde hydrometallurgical production base remains stable at 2,000 tons from 2025 to 2027; the Leizhou hydrometallurgical production base has not yet been commissioned in 2025, with a planned capacity of 1,500 tons in 2026 and further ramping up to 3,000 tons in 2027; the planned capacity of the Leiyang hydrometallurgical production base remains stable at 1,000 tons from 2025 to 2027; the Yingde tantalum powder production base has a planned capacity of 150 tons in 2025, increasing to 300 tons in 2026, and further increasing to 350 tons in 2027; and the Xingyi pyrometallurgical production base has a planned capacity of 1,200 tons in 2025, increasing to 1,500 tons in 2026, and maintaining at 1,500 tons in 2027.

Ximei Guangdong currently possesses an annual production capacity of 1,000 tons of high-purity niobium oxide. Ximei Resources (Leizhou) Company Limited* (稀美資源(雷州)有限公司) ("**Ximei Leizhou**") fully completed its civil engineering works, including foundation construction, main structure building, interior and exterior decoration and equipment foundations. As planned, oxide production capacity will be released to an annualised 1,500 tons in 2026 and further ramped up to 3,000 tons in 2027, laying a reliable foundation for the Group's future market upgrading and high-quality sustainable development.

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 periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Tantalum and niobium hydrometallurgical compounds	**432,490**	**29.8**	233,840	24.5
Tantalum and niobium metal and its products	**638,706**	**44.0**	504,590	52.9
Trading goods, processing services and others	**381,564**	**26.2**	215,770	22.6
Total revenue	**1,452,760**	**100.0**	954,200	100.0

During the six months ended 30 June 2026 and 2025, 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 RMB498.6 million or 52.2% from approximately RMB954.2 million for the six months ended 30 June 2025 to approximately RMB1,452.8 million for the Period Under Review. The increase was mainly attributable to the growth in market demand, with a significant increase in sales volume of relevant products in the first half of the year, as well as a year-on-year increase in market prices.

Tantalum and niobium hydrometallurgical compounds

For the Period Under Review, our revenue generated from sales of compounds amounted to approximately RMB432.5 million, representing an increase of approximately RMB198.7 million or 85.0% from approximately RMB233.8 million for the six months ended 30 June 2025. Such increase was primarily attributable to the significant growth in the sales volume of both tantalum and niobium hydrometallurgical compounds in the first half of the year, with the sales volume of high-purity niobium increasing by approximately 50% year-on-year, as well as a substantial year-on-year increase in the selling prices of core products during the Reporting Period, particularly tantalum hydrometallurgical products.

Tantalum and niobium metal and its products

For the Period Under Review, our revenue from the sale of tantalum and niobium metal and its products increased by approximately RMB134.1 million or 26.6% from approximately RMB504.6 million to approximately RMB638.7 million. Such increase was primarily attributable to the year-on-year increase in the market price of tantalum metal products.

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 Period Under Review, our revenue from trading goods, processing services and others was approximately RMB381.6 million, an increase of approximately RMB165.8 million or 76.8% compared with approximately RMB215.8 million for the six months ended 30 June 2025. The increase was mainly due to the increase in the scale of trade and sales revenue of by-products in the Period 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 fee in respect of our processed products. The following table sets forth the breakdown of our cost of sales for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Raw materials	**652,067**	**60.1**	439,888	60.4
Cost of trading goods	**321,367**	**29.7**	183,186	25.2
Electricity and fuels	**57,164**	**5.3**	53,377	7.3
Factory overheads	**29,635**	**2.7**	28,823	4.0
Labour *(Note)*	**15,450**	**1.4**	13,306	1.8
Processing fee	**7,969**	**0.8**	9,298	1.3
Total cost of sales	**1,083,652**	**100.0**	727,878	100.0

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 60.1% and 60.4% of our total cost of sales for the Period Under Review and the six months ended 30 June 2025, respectively. Our cost of sales increased by approximately RMB355.8 million or 48.9% from approximately RMB727.9 million for the six months ended 30 June 2025 to approximately RMB1,083.7 million for the Period Under Review. Such increase was mainly attributable to a significant year-on-year increase in the scale of sales.

Gross Profit and Gross Profit Margin

The Group's gross profit increased from approximately RMB226.3 million for the six months ended 30 June 2025 to approximately RMB369.1 million for the Period Under Review, mainly driven by the improved gross profit margin.

Our gross profit margin increased from approximately 23.7% for the six months ended 30 June 2025 to approximately 25.4% for the Period Under Review. Such increase was mainly due to changes in market demand, which led to adjustments in the product mix during the Reporting Period, with a more significant increase in the sales proportion of tantalum products. Concurrently, the market price of tantalum products rebounded significantly year-on-year, thereby effectively driving an overall increase in gross profit margin.

Other Income and Gains, Net

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Other income		
Bank interest income	**2,053**	473
Government grants *(Note)*	**4,623**	5,335
	6,676	5,808
Gains, net		
Fair value gains on derivative financial instruments, net	**–**	1,900
Gain from disposal of scrap materials, net	**783**	954
Gain on disposal of items of property, plant and equipment, net	**1,163**	121
Others	**3,960**	2,147
	5,906	5,122
Total	**12,582**	10,930

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 increased by approximately RMB1.7 million or 15.1% from approximately RMB10.9 million for the six months ended 30 June 2025 to approximately RMB12.6 million for the Period Under Review. Such increase was primarily driven by higher bank interest income recognised, and the increase in gains on disposal of items of property, plant and equipment.

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 periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Distribution costs	**3,585**	**41.0**	2,706	27.8
Staff costs	**3,531**	**40.5**	5,231	53.8
Consultation fees	**187**	**2.1**	454	4.7
Travelling and entertainment expenses	**575**	**6.6**	690	7.1
Office expenses	**161**	**1.8**	107	1.1
Others	**697**	**8.0**	537	5.5
Total selling and distribution expenses	**8,736**	**100.0**	9,725	100.0

The Group's selling and distribution expenses decreased from approximately RMB9.7 million for the six months ended 30 June 2025 to approximately RMB8.7 million for the Period Under Review. Such decrease was mainly due to a slight decrease in staff costs as the Group strengthened staff management and appraisal.

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 periods indicated:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Research and development expenses	**41,667**	**39.8**	33,466	45.3
Staff costs	**28,638**	**27.4**	20,407	27.6
Other tax expenses	**4,634**	**4.4**	2,394	3.2
Legal advisory and professional fees	**1,893**	**1.8**	1,239	1.7
Depreciation and amortisation	**10,476**	**10.0**	4,053	5.5
Travelling and entertainment expenses	**2,923**	**2.8**	1,803	2.4
Bank charges	**471**	**0.5**	405	0.5
Others *(Note)*	**13,950**	**13.3**	10,171	13.8
Total administrative expenses	**104,652**	**100.0**	73,938	100.0

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 RMB74.0 million for the six months ended 30 June 2025 to approximately RMB104.7 million for the Period Under Review. Such increase was mainly attributable to (i) the official commencement of production of the Leizhou Project during the Period Under Review, an increase in personnel reserves leading to an increase in staff costs, and an increase in the amortisation of the relevant right-of-use assets leading to an increase in depreciation and amortisation expenses; and (ii) the Group's continuous increase in research and development investment, resulting in a year-on-year increase in research and development expenses of approximately RMB8.2 million.

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 periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Finance costs on interest-bearing bank borrowings	**9,952**	9,220
Discount on bill discounting	**4,467**	3,181
Interest on lease liabilities	**5,768**	103
Less: Interest capitalised	**(1,435)**	–
Total net finance costs	**18,752**	12,504

Our finance costs for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB18.8 million and RMB12.5 million, respectively. Such increase was mainly due to the increase in bill discounting and the increase in finance lease interest costs recognised upon the delivery of the construction of buildings for the Leizhou Project during the Period Under Review.

Income Tax Expense

Two subsidiaries in the Group were 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 tax refund at the rate of 13% for our export sales of eligible tantalum metal products.

Our income tax expense for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB35.3 million and RMB22.9 million, respectively. Our effective tax rate for the six months ended 30 June 2026 and 30 June 2025 was 14.2% and 17.6%, respectively. The details are set out in Note 6 to the condensed consolidated financial information of this announcement.

Profit for the Reporting Period

As a result of the foregoing, we recorded profit for the period of approximately RMB213.8 million and RMB107.5 million for the Period Under Review and the six months ended 30 June 2025, respectively, representing an increase of approximately RMB106.3 million or 98.9%. Our net profit margin was approximately 14.7% and 11.3% for the Period Under Review and the six months ended 30 June 2025, respectively.

Profit Attributable to Owners of the Company

Profit for the period attributable to owners of the Company for the Period Under Review and the six months ended 30 June 2025 amounted to approximately RMB184.6 million and RMB91.8 million, respectively, representing an increase of approximately RMB92.8 million or 101.0%.

ANALYSIS OF MAJOR BALANCE SHEET ITEMS

Property, Plant and Equipment

Our property, plant and equipment comprised (i) buildings and ancillary structures; (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 RMB44.7 million from approximately RMB469.0 million as at 31 December 2025 to approximately RMB513.7 million as at 30 June 2026. Such increase was mainly driven by the continuous expansion of production facilities of hydrometallurgical and pyrometallurgical products of the Group.

Right-of-use Assets

As at 30 June 2026, the Group's total right-of-use assets amounted to approximately RMB361.3 million (31 December 2025: approximately RMB332.3 million), including (i) leasehold land; (ii) leased plant and machinery; and (iii) 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 RMB84.7 million as at 31 December 2025 to approximately RMB111.1 million as at 30 June 2026, mainly due to newly acquired land. Our machinery decreased from approximately RMB7.3 million as at 31 December 2025 to approximately RMB7.1 million as at 30 June 2026, mainly due to the depreciation charge and transfer to property, plant and equipment. Our leased offices increased from approximately RMB1.5 million as at 31 December 2025 to approximately RMB5.2 million as at 30 June 2026, mainly due to addition of a new office in Hong Kong.

On 11 June 2026 and 2 July 2026, the Company announced a discloseable transaction in relation to the acquisition of a right-of-use asset.

Pursuant to HKFRS 16 Leases, the Group recognised a right-of-use asset of approximately RMB270.5 million (unaudited) as at 20 October 2025. As at 30 June 2026, the carrying amount of the relevant right-of-use assets was RMB261.6 million.

For details, please refer to the discloseable announcement and the supplemental announcement published by the Company on 11 June 2026 and 2 July 2026, respectively.

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 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Raw materials	**524,230**	441,588
Work in progress	**438,829**	340,492
Finished goods	**395,521**	264,990
Total inventories	**1,358,580**	1,047,070
Average inventories *(Note 1)*	**1,202,825**	895,789
Average inventories to revenue from sale of products *(Note 2)*	**82.8%**	40.0%

Notes:

(1) Represents the average of inventories as at 31 December of the previous year and 30 June of the current period.

(2) Represents the average of inventories divided by the total (annualised) revenue generated from sale of products for the relevant period.

The Group's inventories amounted to approximately RMB1,358.6 million and RMB1,047.1 million as at 30 June 2026 and 31 December 2025, respectively. Our average inventories increased from approximately RMB895.8 million as at 31 December 2025 to approximately RMB1,202.8 million as at 30 June 2026. Our average inventories to revenue from sale of products were approximately 82.8% and 40.0% for the six months ended 30 June 2026 and the year ended 31 December 2025, respectively. During the Reporting Period, the Company dynamically adjusted its procurement strategy in light of orders in hand and the market conditions of raw materials; at the same time, the procurement prices of tantalum and niobium raw materials increased significantly year-on-year, and therefore inventory increased year-on-year.

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 Period Under Review. The following table sets forth the breakdown of our trade and bills receivables as at balance sheet dates indicated:

	As at 30 June 2026 *RMB'000*	As at 31 December 2025 *RMB'000*
Trade receivables	**391,288**	470,645
Less: Impairment	**(12,703)**	(12,649)
	378,585	457,996
Bills receivable	**89,414**	128,241
Net carrying amount	**467,999**	586,237
Average trade and bills receivables *(Note 1)*	**527,118**	496,230
Average trade and bills receivables to total revenue *(Note 2)*	**36.3%**	22.1%

Notes:

(1) Represents the average of trade and bills receivables as at 31 December of the previous year and 30 June of the current period.

(2) Represents trade and bills receivables divided by the total (annualised) revenue for the relevant period.

Our trade and bills receivables decreased from approximately RMB586.2 million as at 31 December 2025 to approximately RMB468.0 million as at 30 June 2026. Such decrease was mainly due to enhanced receivables management, which shortened collection period of trade and bills receivable.

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:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Within 30 days	**275,165**	313,596
31 days to 60 days	**83,299**	182,016
61 days to 90 days	**47,704**	38,254
Over 90 days	**61,831**	52,371
Total trade and bills receivables	**467,999**	586,237

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 30 June 2026 and 31 December 2025 was approximately RMB12.7 million and RMB12.6 million, respectively. The following table sets forth the average turnover days of our trade and bills receivables for the years indicated:

	For the six months ended 30 June	
	2026	2025
	(Days)	(Days)
Average turnover days of trade and bills receivables *(Note)*	**65.7**	80.0

Note: Average turnover days of trade and bills receivables equal to average trade and bills receivables divided by revenue for the period and multiplied by 181. Average trade and bills receivables are calculated as trade and bills receivables at the beginning of the period plus trade and bills receivables at the end of the period, divided by two.

Our average turnover days of trade and bills receivables decreased from 80.0 days for the six months ended 30 June 2025 to 65.7 days for the Period Under Review. The decrease was mainly due to the slightly shorter credit period as a result of enhanced management of sales payment collection during the Period 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 reclassified 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:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Prepayments – Non-current	**50,315**	49,692
Deposits – Non-current	**22,000**	22,000
	72,315	71,692
Less: Impairment allowance	**(11,000)**	(11,000)
	61,315	60,692
Prepayments – Current	**429,305**	117,805
Other tax recoverable	**67,530**	22,937
Deposits and other receivables – Current	**12,180**	13,186
	509,015	153,928
Total prepayments, deposits and other receivables	**570,330**	214,620

Our prepayments, deposits and other receivables increased from approximately RMB214.6 million as at 31 December 2025 to approximately RMB570.3 million as at 30 June 2026, mainly driven by increase in prepayments of raw materials.

Trade and Bills Payables

Our trade and bills payables increased from approximately RMB135.2 million as at 31 December 2025 to approximately RMB241.0 million as at 30 June 2026, mainly due to the increase in procurement payables to suppliers. The following is an ageing analysis of trade and bills payables, based on the invoice dates, as at balance sheet dates indicated:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Within 30 days	**213,768**	108,604
31 days to 60 days	**12,292**	14,951
61 days to 90 days	**1,502**	411
Over 90 days	**13,373**	11,252
Total trade and bills payables	**240,935**	135,218

The following table sets forth the average turnover days of our trade and bills payables for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	(Days)	*(Days)*
Average turnover days of trade and bills payables *(Note)*	**31.4**	13.8

Note: Average turnover days of trade and bills payables equal to average trade payables divided by cost of sales for the period and multiplied by 181. Average trade and bills payables are calculated as trade and bills payables at the beginning of the period plus trade and bills payables at the end of the period, divided by two.

Our average turnover days of trade and bills payables increased from approximately 13.8 days for the six months ended 30 June 2025 to 31.4 days for the Period Under Review, mainly due to the increase in the use of bills for payment to suppliers during the Reporting Period.

Provision, Other Payables and Accruals

Our provision, other payables and accruals comprised accruals, deferred income, contract liabilities, 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. The following table sets forth a breakdown of our other payables and accruals as at balance sheet dates indicated:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Accruals	**40,103**	46,956
Deferred income	**13,180**	12,280
Contract liabilities	**86,337**	22,619
Provision	**16,500**	16,500
Other tax payables	**10,812**	688
Other payables	**69,546**	19,757
Total provision, other payables and accruals	**236,478**	118,800

Our provision, other payables and accruals increased from approximately RMB118.8 million as at 31 December 2025 to approximately RMB236.5 million as at 30 June 2026. Such increase was mainly driven by the increase in advance payment from customers and payables for procurement.

Bank Borrowings

Bank borrowings were the principal component of our total liabilities, accounting for approximately 55.2% and 63.5% of our total liabilities as at 30 June 2026 and 31 December 2025, 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 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Non-current	**353,044**	196,833
Current *(Note)*	**750,730**	806,125
Total bank borrowings	**1,103,774**	1,002,958

Note: The current portion of bank borrowings includes discounted bills of RMB261,043,000 (31 December 2025: RMB195,050,000).

During the Period 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 bank borrowings as at the balance sheet dates indicated:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Secured	**167,954**	151,730
Unsecured	**935,820**	851,228
Total bank borrowings	**1,103,774**	1,002,958

As at 30 June 2026, 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 RMB47.3 million (31 December 2025: approximately RMB57.2 million) and RMB82.2 million (31 December 2025: approximately RMB85.2 million), respectively.

Our total bank borrowings increased from approximately RMB1,003.0 million as at 31 December 2025 to approximately RMB1,103.8 million as at 30 June 2026. Such increase was mainly due to the increase in the Group's raw material reserves during the Period Under Review.

LIQUIDITY AND CAPITAL RESOURCES

Working Capital

During the Period Under Review, we financed our operations by cash generated from operating activities and bank borrowings. For the Period Under Review, the effective interest rate for fixed rate borrowings was from 2.18% to 4.90%. The currency of the borrowings is Renminbi. As at 30 June 2026, we had cash and cash equivalents of approximately RMB844.3 million (31 December 2025: approximately RMB431.5 million). In the future, we intend to finance our operations by cash generated from operating activities, bank borrowings and proceeds from placing of shares during the Period Under Review.

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, net proceeds from placing of shares during the Period Under Review 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 30 June 2026 was approximately RMB1,376.9 million, representing certain movements from approximately RMB1,268.3 million as at 31 December 2025. During the Period Under Review, the Group did not experience any difficulties in renewing its banking facilities with its lenders.

Gearing Ratio

As at 30 June 2026, there is no gearing ratio presented as the total borrowings excluding discounted bills, less cash and cash equivalents, over total equity as at the end of the relevant year/period and multiplied by 100%, resulting a negative figure (31 December 2025: approximately 24.4%). The change was mainly due to movements in the Group's financing scale and closing balance of cash on hand during the Period Under Review.

Pledge of Assets

As at 30 June 2026, 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 RMB47.3 million (31 December 2025: approximately RMB57.2 million) and RMB82.2 million (31 December 2025: approximately RMB85.2 million), respectively.

Capital Expenditures

Our capital expenditures primarily comprised expenditures for purchases of property, plant and equipment and prepaid land lease premium. Our capital expenditures amounted to approximately RMB99.1 million and RMB25.4 million for the Period Under Review and the six months ended 30 June 2025, 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.

EXPOSURE TO FOREIGN EXCHANGE RISK

Most of the Group's assets and liabilities are denominated in Renminbi, except for certain payables to suppliers, receivables from customers, bank balances, bank borrowings and professional parties that are denominated in U.S. dollars and Hong Kong dollars. As Renminbi is not freely convertible, the Group is exposed to the risk that the PRC government may take actions affecting the exchange rate, which may have a material adverse effect on the net assets, earnings and any dividends declared by the Group if such dividends are to be converted or translated into foreign currencies.

The Group has established a foreign exchange risk management system internally to address the exchange rate risk. The Board and the management will continue to closely monitor the movements in the foreign exchange market and take effective measures to prevent exchange rate risk in a timely manner.

CONTINGENT LIABILITIES, LEGAL AND POTENTIAL PROCEEDINGS

As at 30 June 2026, the Group did not have any material contingent liabilities, legal proceedings or potential proceedings (31 December 2025: Nil).

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had capital commitments of approximately RMB83.6 million in respect of plant and equipment and additional investment in an associate, representing certain movements from approximately RMB160.4 million as at 31 December 2025.

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

For the six months ended 30 June 2026, the Group had not made any material acquisition or disposal.

SIGNIFICANT INVESTMENTS

The Company had not held any significant investments during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 June 2026. 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

Looking into the second half of 2026, multiple uncertainties are expected in the course of global economic revival, and geopolitical conflicts, persistent inflation and adjustments in monetary policies of major economies will exacerbate the volatility of mineral raw material prices, posing challenges to market liquidity and stability of the supply chain. In terms of industry, AI computing power, semiconductor, new energy and high-end manufacturing sectors still have structural demand for rare metals, while upstream mineral supply and compliance requirements also bring new operational pressures. Against such backdrop, the Group will maintain a laser focus on shifts in macro-economic environment and industry policies, flexibly adjust operating strategies, optimise resource allocations, strengthen risk management and control, and improve internal management efficiency to guarantee stable and healthy operations, and pursue sustainable development by leveraging market opportunities.

In terms of specific response measures, the Group will adhere to the bottom-line thinking of safety and environmental protection in 2026. In this regard, the Group will improve production organisation to leverage advantages of production capacity, and will continue to optimise the production process and product structure so as to meet the scheduled production and improve efficiency. Focusing on frontier markets and strategic customers, the Group will continuously explore markets, prudently adjust the procurement structure and pace, and take precautions against supply chain risks to maintain the stable operation of supply, production and sales. Endeavours will be made to complete key projects, extend the industrial chain, and expand the industrial scale to enhance our influence in the industry. More inputs will be injected into research and development to further pursue science and technology innovation. We will also improve quality awareness. By doing so, we will shift our focus towards technology innovation and management innovation so as to gain potential market share and alternative markets with new products, technologies and processes. At the same time, in respect of management, due considerations will be given to implementation of rewards and punishments in order to explore the potential of cost reduction and efficiency improvement, and ensure achievement of annual performance targets.

Considering the downstream application market of tantalum and niobium, we firmly believe that in the future, with the development of new technologies such as new energy, 5G upgrading, AI computing power, semiconductors and high-end equipment manufacturing, the downstream demand for tantalum and niobium will increase significantly, and in particular, potential alternatives for import of high-end products will gradually be unlocked, fostering fresh development opportunities for the domestic tantalum and niobium industry to achieve an independent and controllable supply chain. Success comes to those who share in one purpose, and those who are in the same boat will prosper. Being committed to its strategic positioning of "professional, integrated, large-scale, high-end, international and capital-based" operation, the Group will march towards a world-leading tantalum– and niobium-based manufacturing operator. To this end, we will continue to work together with concerted efforts and forge ahead with solutions, tenacity and pragmatic innovation to achieve the established business goals.

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, offline 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, and have enriched online and offline training courses and introduced off-site observational training programs to enhance their professional attainments and career development capacity. As at 30 June 2026, the Group had a total of 842 employees (as at 31 December 2025: 714 employees). Total staff cost for the Reporting Period amounted to approximately RMB72.2 million (for the period ended 30 June 2025: approximately RMB64.5 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.

PLACING OF NEW SHARES UNDER GENERAL MANDATE IN 2025

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 at the placing price of HK$5.00 per placing share pursuant to the terms of the placing agreement. The aggregate nominal value of the placing shares was 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 30 June 2026, the Group had used net proceeds of approximately HK$95.7 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 30 June 2026:

		Planned use of proceeds	Unutilised amount as at 1 January 2026	Actual utilised amount during the Reporting Period	Actual utilised amount as at 30 June 2026	Unutilised amount as at 30 June 2026	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	15.9	15.9	59.1	–	On or before 31 December 2026
(ii) Daily operational expenses *(Note)*	40.0%	39.4	38.7	35.9	36.6	2.8	On or before 31 December 2026
	100.0%	98.5	54.6	51.8	95.7	2.8	

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.

For details, please refer to the placing announcement, the supplemental announcement and the completion announcement in relation to the Placing published by the Company on 19 September 2025, 25 September 2025 and 30 September 2025, respectively.

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE IN 2026

On 2 June 2026, the Company, Jiawei Resources Holding Limited (the "**Seller**", a company wholly owned by Mr. Wu Lijue, the chairman of the Board and an executive Director) and the joint placing agents entered into a placing and subscription agreement, pursuant to which (i) the Seller placed 34,100,000 existing shares to not less than six placees at the price of HK$16.10 per share (the "**2026 Placing**"); and (ii) the Seller subscribed for 34,100,000 new shares at the same price under the general mandate of the Company (the "**Subscription**"). The 2026 Placing and the Subscription were completed on 5 June 2026 and 10 June 2026, respectively. The 34,100,000 shares represent approximately 8.97% of the issued share capital of the Company immediately before completion and approximately 8.23% of the issued share capital as enlarged to 414,100,000 shares immediately following completion of the Subscription. Upon completion of the 2026 Placing and the Subscription, the shareholding of the Seller decreased from approximately 53.95% to approximately 49.50% of the issued share capital of the Company. The aggregate nominal value of the Subscription shares is HK$341,000.

For details, please refer to the placing and subscription announcement, the supplemental announcement and the completion announcement in relation to the 2026 Placing and the Subscription published by the Company on 3 June 2026, 8 June 2026 and 10 June 2026, respectively.

Use of proceeds from placing of existing shares and top-up subscription of new shares under general mandate

The gross proceeds from the 2026 Placing and Subscription are approximately HK$549.0 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$537.2 million, representing a net issue price of approximately HK$15.75 per Subscription Share. As at 30 June 2026, the Group had used net proceeds of approximately HK$124.9 million. The following table illustrates the status of the use of net proceeds as at 30 June 2026:

		Planned use of proceeds	Unutilised amount as at 1 January 2026	Actual utilised amount during the Reporting Period	Actual utilised amount as at 30 June 2026	Unutilised amount as at 30 June 2026	Expected time to completely utilise the proceeds
	%	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	
(i) Potential strategic investment and acquisition in the upstream mining space	30.0%	161.2	N/A	–	–	161.2	On or before 10 June 2028
(ii) Development of business and expansion of production capacity	30.0%	161.2	N/A	–	–	161.2	On or before 10 June 2028
(iii) Working capital and general corporate purposes	40.0%	214.8	N/A	124.9	124.9	89.9	On or before 10 June 2028
	100.0%	537.2	0.0	124.9	124.9	412.3	

DIVIDENDS

During the six months ended 30 June 2026, the Board declared a final dividend of HK6.58 cents (six months ended 30 June 2025: HK5.56 cents) per ordinary share amounting to RMB23,666,000 (six months ended 30 June 2025: RMB18,254,000) in respect of the year ended 31 December 2025.

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

OTHER INFORMATION

PRINCIPAL ACTIVITIES

The Company is an investment holding company. During the Reporting Period, the Company's subsidiaries were principally engaged in the manufacture and sale of non-ferrous metal products and provision of processing services to customer.

PUBLIC FLOAT

According to the information disclosed publicly and as far as the Directors are aware, during the Reporting Period and up to the date of this announcement, at least 25% of the issued shares of the Company was held by public shareholders as required under the Listing Rules.

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

During the Reporting Period 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 Reporting Period.

GOING CONCERN

Based on the current financial position and financing facilities available, 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.

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 Listing Rules, and adopted various measures to enhance the internal control system, the Directors' continuing 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 its shareholders. The Board will continue to conduct review and improve the quality of corporate governance practises with reference to local and international standards.

During the Period Under Review and up to the date of this announcement, the Company has complied with the code provisions, other than code provisions C.2.1 of the CG Code as set out in Part 2 of 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 on our Board 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 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 Period Under Review and up to the date of this announcement.

REVIEW BY AUDIT COMMITTEE

We have established an audit committee (the "**Audit Committee**") on 19 February 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules.

Our Audit Committee has 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 financial information in this announcement has not been audited by the auditor of the Company. The Audit Committee has reviewed the unaudited financial statements and this announcement of the Company for the six months ended 30 June 2026 with the management of the Group and agreed with the accounting treatments adopted by the Company, and was of the opinion that the preparation of the financial statements in this announcement complies with the applicable accounting standards and the requirements under the Listing Rules and adequate disclosures have been made.

EVENT AFTER THE REPORTING PERIOD

There is no material event after the reporting period as at the date of this announcement.

DISCLOSURE OF INFORMATION

This interim results announcement for the six months ended 30 June 2026 is published on the website of The Stock Exchange of Hong Kong Limited (http://www.hkexnews.hk) under "Listed Company Information" and the website of the Company (http://www.ximeigroup.com). The interim report for 2026 will be sent to shareholders of the Company in due course, and will be published on the website of The Stock Exchange of Hong Kong Limited (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, 27 August 2026

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