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METALLURGICAL CORPORATION OF CHINA LTD. *

中國冶金科工股份有限公司

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

(Stock Code: 1618)

2025 INTERIM RESULTS ANNOUNCEMENT

OVERVIEW

The Company's financial position as at 30 June 2025 and the operating results for the six months ended 30 June 2025 were as follows:

- Operating revenue amounted to RMB237,533 million, representing a decrease of RMB61,309 million or 20.52% from RMB298,842 million in the first half of 2024.
- Total profit amounted to RMB5,279 million, representing a decrease of RMB402 million or 7.08% from RMB5,681 million in the first half of 2024.
- Net profit attributable to the Shareholders of the listed company amounted to RMB3,099 million, representing a decrease of RMB1,051 million or 25.31% from RMB4,150 million in the first half of 2024.
- Basic earnings per share amounted to RMB0.09, while the basic earnings per share in the first half of 2024 amounted to RMB0.11.
- As at 30 June 2025, total assets amounted to RMB857,406 million, representing an increase of RMB49,390 million or 6.11% from RMB808,016 million as at 31 December 2024.
- As at 30 June 2025, the Shareholders' equity amounted to RMB180,599 million, representing a decrease of RMB1,737 million or 0.95% from RMB182,336 million as at 31 December 2024.
- The value of newly signed contracts amounted to RMB548,202 million, representing a decrease of RMB129,595 million or 19.12% from RMB677,797 million in the first half of 2024.

Note: The percentages of increase or decrease are calculated by rounding up to RMB.

I. CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of the Company, I hereby present MCC's 2025 interim results, and express heartfelt gratitude to friends from all walks of life who have long supported and cared about the Company's reform and development.

In the first half of 2025, MCC adhered to the guidance of the socialist ideology of Xi Jinping with Chinese characteristics in the new era, precisely assessed the profound and complex changes in the external situation, insisted on the general keynote of seeking progress in a stable manner, prioritized high-quality development as its primary task, anchored the Goals for "one building, two most, five strong", proactively adjusted its strategies, slowed down the pace of development, transformed its development model, optimized its industrial structure, and coordinated the implementation of diverse tasks related to "Four Stabilities and Eight Progressions". During the Reporting Period, the Company secured new contracts valued at RMB548,202 million, operating revenue of RMB237,533 million, and total profit of RMB5,279 million, of which the net profit attributable to Shareholders of the listed company was RMB3,099 million, maintaining a stable overall operation and making steady progress in various tasks.

Our development resilience has gradually become evident. First, the advantages of our core business have become more prominent. The Company has conscientiously implemented the deployment of the SASAC, focusing on metallurgical engineering, non-ferrous and mining engineering as its core businesses, deepening existing markets and expanding new ones. In the first half of the year, newly signed contracts amounted to RMB120.2 billion, accounting for 21% of the total, marking solid progress in business restructuring and optimization, with core functions being continuously strengthened. The newly signed Vale Tecnoled Molten Reduction Ironmaking Project in Brazil (巴西淡水河谷 Tecnoled 熔融還原煉鐵項目) marked the first overseas breakthrough in low-carbon ironmaking technology. The EPCM for the Sohar Mineral Processing Project of Jinnan Middle East Mining in Oman (晉南中東礦業阿曼蘇哈爾選礦項目 EPCM) pioneered a new model of international mining cooperation. Second, mineral resources have provided strong support. In the first half of the year, the Company added resources of 245,000 tons of nickel, and 23,000 tons of cobalt, achieving continuous breakthroughs in exploration. Three operating mines achieved full production and sales, generating a total profit of RMB550 million, representing a year-on-year increase of 26.2%. Third, domestic and international markets have developed in a coordinated manner. The Company has continued to expand its presence in key domestic regions, focusing on breakthroughs in strategic areas. In the first half of the year, the Company ranked second among central enterprises in both the number and value of projects won in the Xiong'an

New Area. Meanwhile, the Company actively expanded overseas markets, emphasizing long-term localization and operational sustainability. Overseas markets achieved newly signed contracts worth RMB57.75 billion in the first half of the year, representing a year-on-year increase of 32.6%, demonstrating strong growth momentum. Despite multiple challenges in the internal and external environment and immense pressure as the Company entered the “four periods of deep adjustment”, MCC, with its diversified business system centered on “One Core, Two Main Bodies and Five Features” and its coordinated domestic and international market development strategy, has demonstrated strong development resilience, conveying confidence and strength.

Our endogenous momentum has continued to strengthen. First, the driving force of innovation was effectively leveraged. We possess the only National Key Laboratory in the field of steel metallurgy and environmental protection. By applying independently developed extra-thick slab continuous casting technology, the world’s thickest 480mm slab continuous casting project for Longteng Special Steel went through hot load testing successfully. The upgraded 2.0 version of the steel low-carbon service platform we built and operated provided new digital support for the green and low carbon transformation of the steel industry. The ultra-thin, ultra-wide high-end stainless steel hot rolling mill we designed and developed was successfully applied in China’s first 3,500mm stainless steel wide-plate short-process project, highlighting the role of technological innovation in leading industrial development. Second, the advantages of the linkage mechanism continued to expand. The effects of the “Five Linkages” became increasingly evident. Internally, through strong collaboration, we secured the EPC project for the Yandong Copper Mine processing of Hami Dingxin Copper (哈密鼎新銅業延東銅礦選礦EPC工程) and won a ten-billion-RMB contract for the comprehensive development project of the Cuihu District in the Zhengzhou Aviation Port Economic Comprehensive Experimental Zone (鄭州航空港經濟綜合實驗區翠湖片區綜合開發項目百億元合同). Leveraging our parent company China Minmetals, we deepened our participation in China’s salt lake construction and strengthened cooperation with mining enterprises such as Hunan Nonferrous Metals and Minmetals Nonferrous Metals, expanding the integrated advantages of the full industry chain. Externally, we transformed competition into collaboration, partnering with China Railway Construction to secure the Baoshan Station project of the Shanghai-Nanjing-Hefei High-Speed Railway and the integration of station and city of Baoshan Station TOD and supporting facilities project, adding another ten-billion-RMB contract. Third, steady progress was made in strengthening foundational management and addressing weaknesses. Our project execution capabilities continued to improve, earning 103 achievements in construction project management from the China Construction Enterprise Association, accounting for 21.1% of the total awards, with a significant increase in the number of recognitions. By implementing the Amoeba management philosophy, we compiled and issued the Key Work Guidelines for Project Cost Control, advancing refined project management. We also held the first Supply

Chain Cooperation and Development Conference to build a high quality supply chain ecosystem. MCC has consistently maintained strategic focus, transforming inherent advantages into developmental successes through connotative growth, continuously expanding new opportunities and adding new momentum.

Our brand influence has expanded and grown. As an innovative enterprise, MCC has demonstrated outstanding capabilities in innovation and award-winning achievements. Five major achievements led by MCC were successfully nominated for the 2025 National Science and Technology Awards; five achievements won the 2024 Huaxia Construction Science and Technology Awards; and four projects were approved as pilot applications of Chinese standards overseas, with the highest number of approvals among central enterprises. Among its nine affiliated enterprises evaluated in the “Sci-Tech Reform Action” and “Double Hundred Action”, three were rated as benchmarks, three as excellent, and three as good, achieving outstanding results. The Company places great emphasis on cultural and ethical progress. In the first half of the year, three units were awarded the title of the Seventh “National Civilized Unit”, five units retained this honor, and seven employees received national honors such as National Model Worker, China Youth May Fourth Medal, and New Era Youth Pioneer Award, strongly demonstrating MCC’s brand “soft power” and enhancing corporate reputation.

At present, as the “14th Five-Year Plan” is drawing to a close and the new journey of the “15th Five-Year Plan” is about to begin, MCC is at a critical stage of transformation and upgrading, facing an uphill battle with no easy path ahead. However, we believe that perseverance and steady progress will ultimately lead to success. MCC will rally even more closely around the Party Central Committee with Comrade Xi Jinping at its core, and with a pragmatic work ethic and tangible results in high-quality development, we will deliver returns to our Shareholders and investors. Let us join hands, remain undeterred by temporary setbacks or turbulent challenges, focus our efforts on development, strive for breakthroughs, withstand the drastic changes in the industry cycle, endure the growing pains of transformation, grow with resilience, and upgrade through transformation, together embracing a future of high-quality development.

Chairman: Chen Jianguang

II. BUSINESS OVERVIEW

(I) Explanation of the Industry that the Company Engages in and Principal Operating Business during the Reporting Period

MCC is a mega construction central enterprise with metallurgical construction as its core business. It is the world's largest metallurgical construction contractor and metallurgical enterprise operations service provider. In recent years, the Company has accelerated the pace of transformation and upgrading by leveraging on the outstanding technological and qualification advantages that have been accumulated in the field of the entire process and industrial chain of iron and steel metallurgy, continuously diversified and expanded its business domains, with a focus on establishing new industrial pillars and profit growth drivers, and gradually formed the diversified business system of "One Core, Two Main Bodies and Five Features" with the metallurgy construction as the "Core", the housing construction and municipal infrastructure as the "Main Bodies", and the mineral resources and new materials, engineering services, high-end equipment and energy and environmental protection businesses as the "Features".

1. *Engineering Contracting*

(1) *Industry Overview*

In the metallurgical construction industry, from January to June 2025, the national crude steel output was 515 million tons, representing a year-on-year decrease of 3.0%. The apparent domestic consumption of crude steel was 452 million tons, representing a year-on-year decrease of 5.6%. The iron and steel industry are still in the stage of reduced development and stock optimisation. In July 2025, the MIIT deployed a new round of growth stabilisation plans for ten key industries, including steel. The plan aims to promote structural adjustments, optimise supply, and eliminate outdated production capacity in the industry, while setting higher requirements for technological innovation and service upgrades in metallurgical construction. Meanwhile, with the increasing concentration of production lines in iron and steel enterprises, the growing application of intelligent technologies, and the gradual popularisation of 5G + Internet of Things (IoT) technologies, the scale of related equipment and facility construction has been growing year by year. In the future, in addition to the continued construction of digital infrastructure, there is still significant room for development in the steel industry in areas such as the expansion of intelligent application scenarios,

the deep integration of digital and intelligent technologies with steel production processes, and the further application of large artificial intelligence (AI) model technologies.

In the field of housing construction and municipal infrastructure construction, the new version of the Residential Project Standards has been officially implemented, raising higher and more forward-looking requirements for urban residential construction in China from the aspects of “safety, comfort, green, and intelligence”. This has positively driven construction enterprises to actively improve residential quality, develop construction industrialisation and prefabricated buildings, and establish refined and digital construction management systems. Green and intelligent housing will become a new growth point for the industry’s development. The General Office of the Central Committee of the Communist Party of China and the General Office of the State Council issued the Opinions on Continuously Advancing Urban Renewal Actions. The document outlines tasks in eight areas: the renovation and utilisation of existing buildings, the renovation of old urban residential areas, the construction of complete communities, the updating and renovation of old streets, factories, and urban villages, urban infrastructure construction, and the restoration of urban ecosystems. It also proposes various methods to strengthen support, including increasing central budget investments, increasing local government fiscal input, implementing tax and fee reductions for urban renewal, strengthening credit support, and improving market-oriented investment and financing models. The goal is to achieve significant progress in urban renewal by 2030, with early results in the transformation of urban development and construction methods. The above arrangements and supporting policies will play a positive role in the housing construction and municipal infrastructure markets. The Company will also seize the development opportunities and actively engage in both of its main business areas.

In the field of overseas business, the global economic landscape is accelerating its restructuring, and positive factors for the development of the overseas engineering industry are rapidly accumulating, presenting favourable opportunities for market expansion. Among them, regional plans such as Southeast Asia’s “Land-Sea Link”, the Middle East’s “Green Energy Corridor”, and Africa’s “Industrialised Infrastructure Plan” are releasing an annual infrastructure demand of over USD1.2 trillion. National strategies like Saudi Arabia’s “Vision 2030” and Indonesia’s

“Global Maritime Fulcrum” are deeply aligned with China’s production capacity, creating significant market opportunities in fields such as power, transportation, and park development. Meanwhile, the country is actively implementing relevant policies to strongly support cross-border trade and investment, guiding financial institutions to participate in the “Belt and Road” Initiative, optimising cross-border RMB services, supporting enterprises in managing exchange rate risks, and addressing financing challenges. These efforts provide stronger policy support for the high-quality development of the overseas engineering industry.

(2) Business Segments

Overall operating results of the engineering contracting business in the first half of 2025

Unit: RMB’000

	In the first half of 2025	% of the total	In the first half of 2024	Year-on-year increase/decrease
Segment operating revenue	216,914,903	90.30%	277,363,228	-21.79%
Gross margin (%)	9.58	-	8.50	Increased by 1.08 percentage points
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Note: The segment operating revenue and gross margin are data without offsetting inter-segment transactions.

① Metallurgical Construction Business

Metallurgical construction business is the Company’s traditional core business, with its scope covering new construction, expansion, and intelligent, green, and efficient transformation projects in the iron and steel and non-ferrous industries, as well as operational services for steel plants and non-ferrous industries. As the ‘national team’ of China’s metallurgical industry, the world’s largest and strongest metallurgical construction contractor and operation service provider in metallurgical corporations, the Company, relying on the integration advantages of metallurgical engineering consultation, survey, design and construction of the whole industrial chain, occupies an absolutely leading position in the field of metallurgical construction.

During the Reporting Period, the Company continued to maintain its market and technological advantages in metallurgical construction, focusing on serving the transformation and upgrading of the metallurgical, non-ferrous, and mining industries. It closely followed market demands such as product structure adjustments and intelligent upgrades, providing comprehensive solutions and leading industrial innovation through technological advancements. During the Reporting Period, the key metallurgical construction projects won and signed by the Company are as follows:

No.	Name of Project (Contract)	Contract Amount (RMB'00 million)
Domestic Projects		
1	Xinjiang Akto County Ziluoyi North Iron Ore Beneficiation and Tailings Pond Project	10.8
2	Hami City Hami Dingxin Copper Industry Yandong Copper Mine Beneficiation Project EPC General Contract	10.0
3	Ultra-high Temperature Subcritical Gas Power Generation Engineering-Procurement-Construction (EPC) Project of Jinding Heavy Industry Co., Ltd.	8.8
4	General Contract for No. 3 1,320m ³ Blast Furnace of the Blast Furnace Capacity Replacement and Supporting Facility Renovation Project of Lianfeng Steel (Zhangjiagang) Co., Ltd.	8.5
5	Major Renovation Project of No. 1 Blast Furnace of Baoshan Steel at Baoshan Base	5.7
6	EPC Contract for the Energy-saving Technological Renovation Project of Jvye Coal Chemical Co., Ltd. in Hanjin Banner	3.1
Overseas Projects		
1	Oman Sohar Ore Beneficiation Plant Project EPCM Project of Jinnan Zhongdong Mining	28.8
2	EPC Project of Reheating-type Top-charging Coke Oven with a Capacity of 1.5 Million Tons per Year and Supporting Facilities of Kazakhstan Qarmet Group	20.4
3	00RTS0G 0V00 Tin Mine Mining, Consignment Sales, and Tin Ore Processing Plant Construction and Operation Project of Dundgobi Province, Mongolia	13.5
4	Brazil Vale Tecored Direct Reduction Ironmaking Project	7.9

The proportion of the operating revenue accounting for the total amount of engineering contracting in metallurgical construction business of the Company in the past three years are as follows:

Unit: RMB'000

Items of revenue	In the first half of 2025		In the first half of 2024		In the first half of 2023	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Metallurgical engineering	<u>47,566,922</u>	<u>21.93</u>	<u>56,705,525</u>	<u>20.44</u>	<u>59,986,756</u>	<u>19.38</u>

Note: The segment operating revenue is data without offsetting inter-segment transactions.

② Housing Construction and Municipal Infrastructure Construction Business

Housing construction and municipal infrastructure construction is the Company's "main" business and an important source of operating revenue. The scope of this business mainly includes super high-rise buildings, large-scale venues, complex public buildings with intricate structures and functions, large-scale urban district construction and renovation projects, as well as transportation and municipal infrastructure projects with comparative advantages, such as high-grade highways, rail transit, power engineering, petrochemical engineering, water conservancy engineering, and telecommunications engineering. During the Reporting Period, the Company, based on serving the national development strategy, continuously optimised and adjusted its housing construction and municipal infrastructure construction business. It further tilted its advantageous resources towards economically dynamic regions and key industry sectors, fully leveraging the Group's full industrial chain resources. The Company strengthened the synergy between construction units and design institutes, mining, design, and construction business, as well as between specialised platform companies and design-construction units. By enhancing internal collaboration, the Company worked together to create differentiated competitive advantages.

During the Reporting Period, the key housing construction and municipal infrastructure projects won and signed by the Company are as follows:

No.	Name of Project (Contract)	Contract Amount (RMB'00 million)
Domestic Projects		
1	Comprehensive Development Project of Cuihu Area, Zhengzhou Airport Economic Comprehensive Experimental Zone	120.0
2	Integrated Investment, Construction, and Operation Contract for the Integrated Development Project around Jinrongdao Station	59.2
3	Station-city Integration and Supporting Facilities Construction Project (Plot 02aA-04) of Baoshan High-speed Rail Station	30.0
4	General Contracting Project of Shanghai Baoshan Station Building and Related Works of the New Shanghai-Nanjing-Hefei High-speed Railway	20.7
5	Engineering Contract of Caofeidian Central Hospital Project	15.7
6	Engineering General Contracting for the Public Construction Portion of Phase I of the Innovation Workshop in the Start-up Area and the Public Construction Portion of Phase II of the Innovation Workshop in the Start-up Area	13.4
7	Station-city Integration and Supporting Facilities Construction Project (Plot 13A-01) of Baoshan High-speed Rail Station	12.0
8	Civil Engineering Project B of Factory and Ancillary Facilities of the 8.6-generation Active Matrix Organic Light-emitting Display Device Production Line Project	11.3
9	Engineering General Contracting Section III Contract for the Residential Portion of Phase I of the Innovation Workshop in the Start-up Area, the Northern Residential Portion of Phase II of the Innovation Workshop in the Start-up Area and the Southern Residential Portion of Phase II of the Innovation Workshop in the Start-up Area	11.0
10	Main Access Road and Terminal Area Road (West Side) Construction Project-Ground Access Road and Bridge Project of the Expansion and Reconstruction Project of Kunming Changshui International Airport	9.9
11	Highway Connection Project of the Yangtze River Highway-railway Bridge of the Chaohu-Ma'anshan Intercity Railway	9.9
12	Municipal Transportation Infrastructure Project of Shenzhen Bay Super Headquarters Base	5.8

No.	Name of Project (Contract)	Contract Amount (RMB'00 million)
Overseas Projects		
1	Youth Social and Economic Centre Urban Project in Khodjeyli City, Republic of Karakalpakstan, Uzbekistan	29.0
2	Cambodia Key Livelihood Project – TPMG Group Areiy Ksatr Techo Smart City Affordable Housing Project	9.7
3	Outbound Highway Commercial and Residential Project along Street 4P-176 in the Republic of Karakalpakstan	4.7
4	88MW Photovoltaic Solar Power Plant Construction Project in Cherchel City, Tiaret Province, Algeria	<u>4.4</u>

The operating revenue of the housing and municipal infrastructure engineering industry of the Company and its proportion to the total revenue of engineering contracting in the past three years are as follows:

Unit: RMB'000

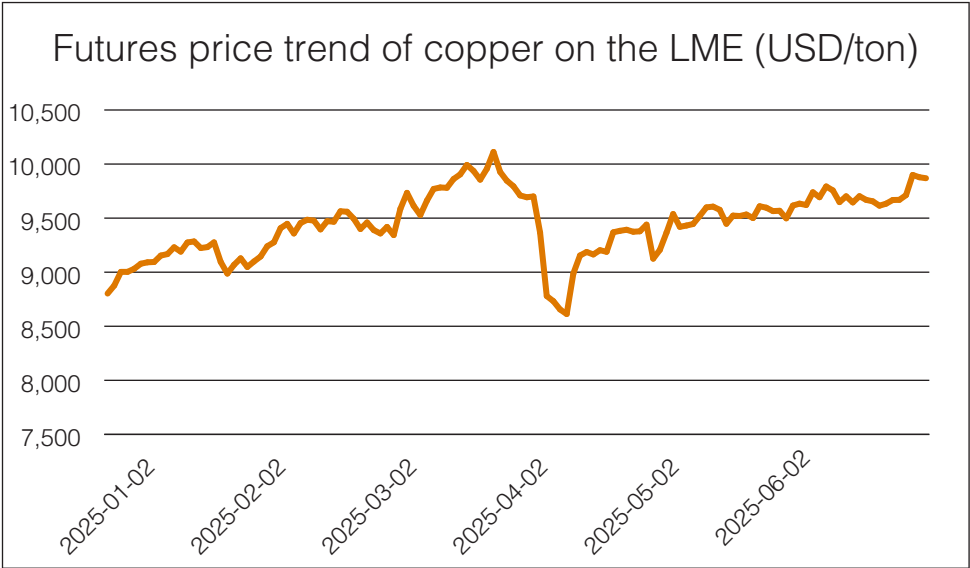
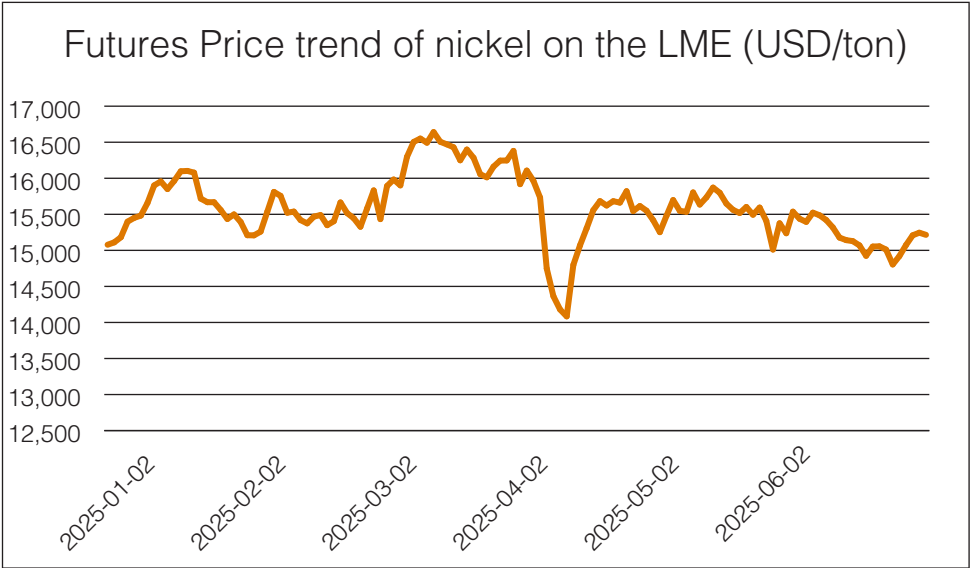
Items of revenue	In the first half of 2025		In the first half of 2024		In the first half of 2023	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Housing construction and municipal infrastructure engineering	<u>169,347,981</u>	<u>78.07</u>	<u>220,657,703</u>	<u>79.56</u>	<u>249,464,191</u>	<u>80.62</u>

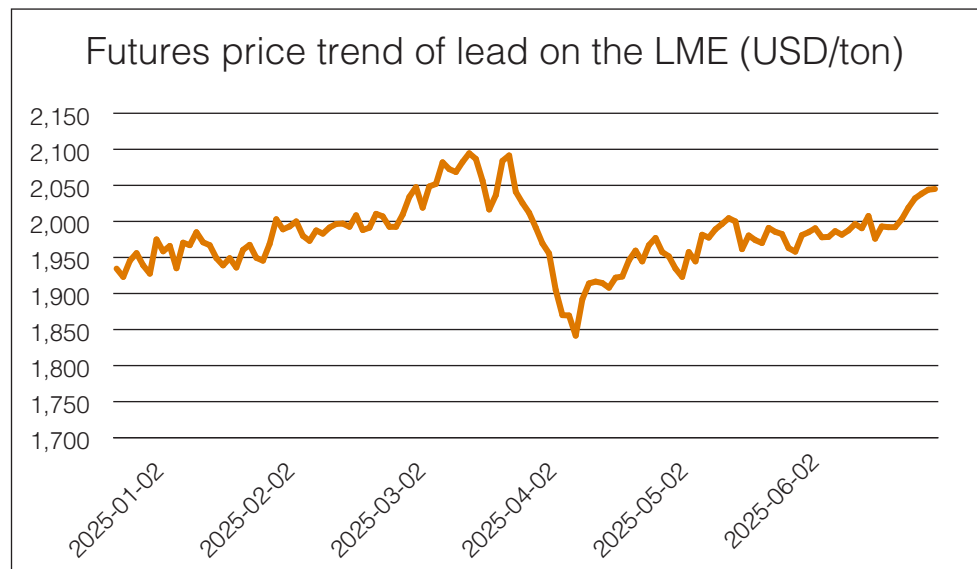
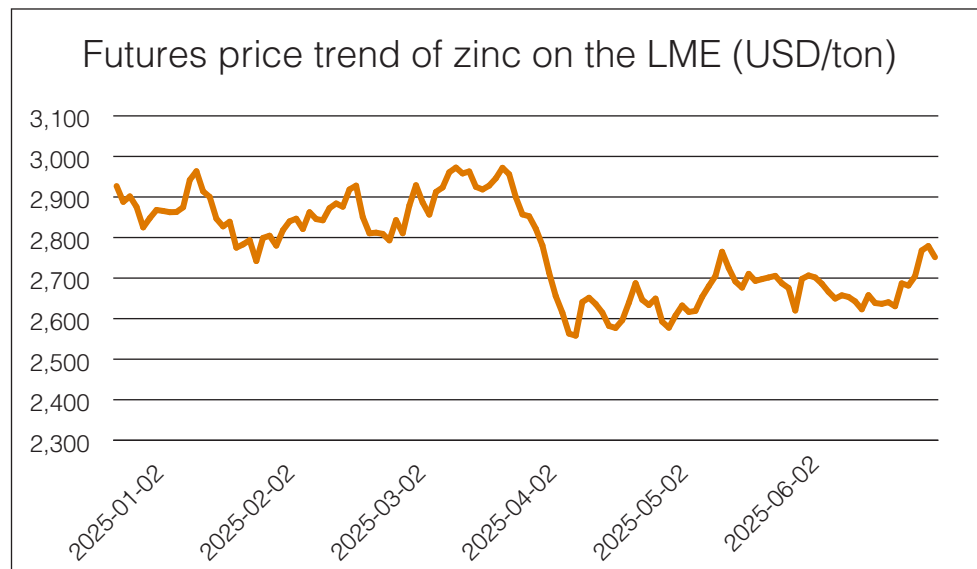
Note: The segment operating revenue is data without offsetting inter-segment transactions.

2. *Featured Business*

(1) *Industry Overview*

In the field of mineral resources, during the first half of 2025, the prices of non-ferrous metals continued to fluctuate. In the first quarter, the overall performance was narrow fluctuations with a slow upward trend, while in the second quarter, there was a rapid decline followed by a gradual rebound. The price trends of different non-ferrous metal varieties still showed clear differentiation. The average prices in the first half of 2025 for nickel, copper, zinc, and lead on the London Metal Exchange (LME) were USD15,576 per ton, USD9,445 per ton, USD2,770 per ton, and USD1,982 per ton, respectively, representing year-on-year changes of -12.2%, +2.7%, +3.6%, and -7.8%, respectively. The specific price trends are shown in the chart below:





Source: iFind Financial Data

In the field of engineering services, the national “carbon neutrality and carbon peak” goals and the new infrastructure strategy are continuously deepening. The demand for green buildings and intelligent consulting has surged. Driven by both policy support and technological innovation, the engineering services industry is experiencing structural growth. Among them, the demand for digital consulting, ESG assessments, and whole-process engineering consulting has increased. The application of BIM, AI-assisted decision-making, and digital twins is being accelerated, driving the industry to shift from “experience-driven” to “data-driven” development.

In the field of new materials, the industry is accelerating its development towards high performance, domestic substitution, and green low-carbon directions. With the continuous growth of industries such as 5G, AI, and new energy, the demand for new materials and technological innovations will further expand.

In the field of high-end equipment, as the core carrier of national strategic industries, the high-end equipment manufacturing industry is being driven by both technological iteration and industrial upgrading. The *Implementation Plan for Promoting Equipment Upgrades in the Industrial Sector* proposes that by 2027, the investment in industrial equipment will increase by more than 25% compared to 2023. The penetration rate of digital R&D and design tools in large-scale industrial enterprises, and the CNC rate of key processes of industrial enterprises above a designated scale will exceed 90% and 75%, respectively. Digital transformation will be fully implemented at all industrial enterprises above a designated scale in major industrial provinces and cities, and key industrial parks. The high-end equipment manufacturing industry is undergoing a critical transformation from “scale expansion” to “quality leap”. The rise of smart manufacturing equipment has become an important feature of this industry’s transformation.

In the field of energy and environmental protection, the overall energy and environmental protection business showed a development trend characterised by strong policy drivers, robust market demand, and distinct characteristics in segmented markets in the first half of 2025. Especially, the wind power industry has rebounded, accelerating the pace of installation, while the emerging energy storage market is steadily advancing. The demand for ecological environmental restoration is gradually being released, with the scale of ecological restoration projects, such as those for abandoned mining areas and degraded wetlands, increasing. In the industrial sector, the upgrading of pollution control facilities for high-emission industries is providing development opportunities for air pollution prevention and control. The continuous push for improvements in water ecological environment quality is driving the active implementation of water environment governance projects. Market demand for new construction and upgrading of urban sewage treatment plants, black and odorous water body treatment, and comprehensive water environment governance in river basins continues to rise.

(2) Business Segments

Overall operating results of the featured business in the first half of 2025

Unit: RMB'000

	In the first half of 2025	% of the total	In the first half of 2024	Year-on-year increase/decrease
Segment operating revenue	18,313,213	7.62%	19,323,804	-5.23%
Gross margin (%)	<u>17.62</u>	<u>-</u>	<u>16.63</u>	<u>Increased by 0.99 percentage point</u>

Note: The segment operating revenue and gross margin are data without offsetting inter-segment transactions.

① Mineral Resources Business

Mineral resources are a key featured business for the Company, mainly focusing on mining, beneficiation, and smelting in metal varieties such as nickel, cobalt, copper, lead, and zinc. The Company currently owns seven overseas mines. During the Reporting Period, the details on the progress of the Company's major mineral resource projects in production and to be constructed are as follows:

Papua New Guinea Rimu Nico Mine Project: By the end of the Reporting Period, benefiting from the exploration results within the exploration rights area, the estimated nickel resource reserves of the project further increased to 2,114,600 tons, and cobalt reserves increased to 219,400 tons. During the Reporting Period, the cumulative production of nickel-cobalt hydroxide included 15,534 tons of nickel and 1,435 tons of cobalt, which remained roughly the same as the previous year. Sales of nickel-cobalt hydroxide amounted to 13,979 tons of nickel and 1,238 tons of cobalt, generating operating revenue of RMB1.35 billion and a profit attributable to the Chinese side of RMB230 million.

Pakistan Sandak Copper-Gold Mine Project: By the end of the Reporting Period, the estimated copper resource reserves of the project were 1,791,300 tons. During the Reporting Period, the project maintained stable and overproduction, with an average mining production rate of 117.5%. The smelting production of crude copper reached 11,562 tons, with a product average

production rate of 115.6%. The sales of crude copper amounted to 12,079 tons, generating operating revenue of RMB1.01 billion and a profit attributable to the Chinese side of RMB150 million, representing a year-on-year growth of 23.8% and 122.9%, respectively.

Pakistan Duddar Lead-Zinc Mine Project: By the end of the Reporting Period, the estimated lead reserves were 313,500 tons, and zinc reserves were 614,700 tons. Exploration work in the northern part of the mining area and its phase results met expectations, and it is expected that the lead and zinc resources will double in the second half of 2025. During the Reporting Period, the project completed the extraction of 271,000 tons of ore, with an average mining production rate of 108.4%. Cumulative production included 5,029 tons of lead concentrate and 23,331 tons of zinc concentrate, with a product average production rate of 114.8%. The sales of lead concentrate and zinc concentrate reached 4,326 tons and 23,138 tons, respectively, generating operating revenue of RMB460 million and a profit attributable to the Chinese side of RMB170 million, representing a year-on-year growth of 22.0% and 68.1%, respectively.

Pakistan Siah Dik Copper Mine Project: During the Reporting Period, all relevant approval procedures in Pakistan for the project have been applied for and are mostly approved. Domestic approval procedures are still in progress. The Company will strengthen safety engineering in the mining area, particularly airport construction, and strictly implement safety and emergency response plans. The project's pre-development activities will continue to be advanced.

Afghanistan Aynak Copper Mine Project: During the Reporting Period, the Company maintained close communication with the Afghan interim government and is accelerating the feasibility study, mining road construction, and other preliminary work for the project. The Company is actively creating favourable conditions to improve the investment effects of the project and ensure that substantial progress is made in cooperation with the Afghan interim government at the earliest possible time. The total length of the mining road of the Aynak Copper Mine is approximately 13 kilometers. Currently, the first two sections, totaling 8.9 kilometers, have been completed and opened to traffic, while the remaining road is under construction.

② Engineering Services Business

The Company's engineering services business covers engineering management, supervision, investigation, quality inspection, information technology, and whole-process consultation. Its business model is characterised by integrated services across the entire industrial chain and is currently transitioning to “digitalisation, informatisation, intelligence, greening, and low carbonisation”. After years of accumulation and development, the Company has established industry-leading advantages in numerous fields, including engineering survey, mapping, whole-process engineering consultation (including engineering supervision, cost consulting), engineering services (urban renewal, urban and rural planning, high-end consulting, full lifecycle services), comprehensive pipe rack and pipe network and underground space design, smart pipe rack operations, venue operations, power design, new-generation information technology (smart cities, smart government, cloud services, digital infrastructure construction, intelligent manufacturing, digital information products, industrial internet platforms), inspection, testing and evaluation, certification, smart steel plants, and ropeway engineering design, successfully developing a number of market-renowned brands such as “MCC Baosteel Technology”, “CISDI”, “MCC Inspection”, “CERIS”, and “Yuan Da International”.

During the Reporting Period, driven by policies and technology, the Company's engineering services business continued its transformation towards green and digital directions. Leveraging traditional advantages in metallurgical engineering and full industrial chain service capabilities, it

maintained a leading market position. The regional focus strategy and overseas expansion showed significant results. During the Reporting Period, the key engineering services projects won and signed by the Company are as follows:

No.	Name of Project (Contract)	Contractual Amount (RMB'00 million)
1	Cold Rolling Project of Shandong Zhongxin Metallurgical Materials Co., Ltd.	0.41
2	Green High-purity Precision Casting Project of Processing Metal Pellets (1.2 Million Tons/Year) via Hydrogen-based Vertical Furnace and Hydrogen Generated from Solar Photovoltaic Power Generation of Xinjiang Hengtai Green Energy Metallurgical Casting Co., Ltd.	0.35
3	Phase I Project Engineering Supervision Bid 32501 of Shenzhen City Urban Rail Transit Line 32	0.19
4	Full-process Engineering Consultancy for New Construction Project of Feng'an Nine-year School in Pinghu Subdistrict, Shenzhen	0.15
5	Main Engineering Supervision Service Contract of the Xiong'an Base Project of China Energy Investment	0.14
6	Electromechanical Installation and Decoration Engineering Supervision Contract of the Express Line Project from Xiong'an New Area to Beijing Daxing International Airport	0.13
7	Testing and Monitoring Project of the Bridge and Tunnel Regular Inspection and Structural Deformation Monitoring Project (2024–2026) of Changchun City Rail Transit Lines 1, 2, 3, 4, and 8	0.09

③ New Materials Business

The Company's new materials products mainly include silicon-based materials, scandium alum, refractory materials, semiconductor materials, welding materials, and new building materials.

The Company's subsidiary, SINOSICO primarily produces, researches, develops, and sells silicon-based materials, such as high-purity polysilicon, high-purity silicon tetrachloride, and electronic gases, and has built a product cluster of key silicon-based materials required for integrated circuits, optical communications, new energy, and advanced manufacturing development. As an outstanding innovative enterprise in China's electronic information industry, SINOSICO was granted 265 authorised patents, formulated

73 international, national, and industry standards, and undertook 26 national key projects, many of which have filled domestic gaps. The Company has also pioneered the use of independent technologies to break foreign technological blockades and market monopolies. Its main products have a high market share in both domestically and internationally. During the Reporting Period, SINOSICO cumulatively sold 135.97 tons of zone-refined/straight-pulled electronic-grade polysilicon, 4,709.61 tons of silicon tetrachloride for optical communications, 968.16 tons of silicon-based electronic gases, and 17.98 tons of silicon carbide, generating revenue of RMB152,718,300, representing a year-on-year increase of 71.36%.

The Company's subsidiary, WISDRI Handan Wupeng Furnace Lining New Materials Co., Ltd., is a national high-tech enterprise with high-performance carbon materials as its leading products. The world-class high-quality carbon material base it has built strongly supports industries such as steel smelting, new energy, and nuclear power. Its self-developed blast furnace carbon brick products have achieved international-leading performance, maintaining the largest domestic market share for seven consecutive years, and are exported to Europe, Asia, and other countries. It has served over 1,200 blast furnaces worldwide.

④ High-end Equipment Business

The Company's high-end equipment business mainly includes products such as steel structures, metal processing machinery, material handling equipment, metallurgical equipment, and construction equipment. It currently owns six national level manufacturing single champions and three provincial (municipal) level single champion enterprises. The core equipment business focuses on the manufacturing of products for eight major parts and 19 process units of metallurgical construction projects. The Company has multiple core manufacturing bases, and its products cover key equipment for major metallurgical processes such as sintering, pelletising, iron-making, steel-making, casting, and rolling. New building products primarily include steel structure products, steel structure derivative products, PC prefabricated products, and commercial concrete products. The Company has 20 steel structure manufacturing bases with a total building area of 1,125,000m² and a total design capacity of 1,757,000 tons. It has four subsidiaries with PC prefabricated manufacturing operations and three prefabricated building bases with a total design capacity of 485,000m³.

During the Reporting Period, the Company continued to focus on technological breakthroughs, researching and developing core technologies for smart manufacturing and green manufacturing, and actively creating new advantages in its core equipment business. Among them, the Company's subsidiary, WISDRI, in collaboration with partners, launched the GIC General Intelligent Controller, achieving a new breakthrough in autonomous and controllable technology in traditional industrial sectors. CISDI, leveraging the Chongqing Hub Port Industrial Park as an opportunity, accelerated the construction of heavy-duty electric assembly projects, significantly enhancing the productisation of autonomous core technologies and the ability to supply complete sets of equipment.

⑤ Energy and Environmental Protection Business

Relying on the brand advantage of “MCC” and the leading professional and technical advantages of the professional technology research institute, the Company built up an environmental full industry chain including planning and consulting, R&D and design, investment and development, equipment manufacturing, engineering and construction, operation and management, investment and financing services, etc. “MCC Ecological Environmental Protection”, the Company's water and environmental protection business platform, serves as a National High-tech Enterprise and a Beijing Enterprise Technology Centre. It currently operates 57 water plants with a total design capacity exceeding 3.5 million tons per day, spread across nine provinces and cities including Beijing, Shandong, Jiangsu, Anhui, Hubei, Henan, Hebei, Fujian, and Gansu, with the scale of water treatment ranked among the top of construction central enterprises. The Company actively leverages its core technological advantages in metallurgical construction and mining restoration to explore markets in industrial wastewater resource utilisation, mining wastewater treatment, sludge disposal, environmental restoration, and other fields. It is cultivating supply chain integration capabilities and transplanting clean, low-carbon, safe, and efficient energy utilisation technologies from the steel industry to energy-intensive non-steel fields such as alumina, coal chemical industry, and central heating. The Company is also actively developing application scenarios

such as “Photovoltaic+” and “Energy Storage+”. During the Reporting Period, the key projects won and signed by the Company are as follows:

No.	Name of Project (Contract)	Contractual Amount (RMB'00 million)
1	Ganzi Prefecture Jiulong County Forestry Circular Economy Demonstration Project	9.08
2	Hai'an 254.20 MWp Fish-solar Complementary Photovoltaic Project EPC General Contract	8.71
3	General Contracting Project of the Independent Shared Energy Storage Project of East Area of Sanmenxia Economic Development Zone	3.98
4	Annual Sludge Treatment Plant (Phase I) and Supporting Pipeline Network EPCO Project of South Area of Ma'anshan Economic Development Zone (Former Demonstration Park)	2.49
5	Anyue County 2025 High-standard Farmland Construction Project	1.32
6	General Contracting Contract of Phase I (100,000m ³) Construction of the Hazardous Waste Comprehensive Disposal Project of Jinchuan Group	1.04

The operating revenues of each segment for the featured business of the Company and the proportion accounting for the total income of the featured business in the past three years are as follows:

Unit: RMB'000

Items of revenue	In the first half of 2025		In the first half of 2024		In the first half of 2023	
	Amount	Proportion (%)	Amount	Proportion (%)	Amount	Proportion (%)
Mineral resources and new materials business	3,298,858	18.01	3,292,328	17.04	3,569,320	17.74
Engineering services business	1,448,930	7.91	1,644,074	8.51	1,494,262	7.43
High-end equipment business	6,678,451	36.47	6,932,448	35.88	7,232,125	35.94
Energy and environmental protection business	6,886,974	37.61	7,454,954	38.57	7,825,071	38.89

3. Comprehensive Real Estate

(1) Industry Overview

Since 2025, the government has intensively introduced a series of real estate promotion policies, injecting new momentum into the real estate industry from both supply and demand sides, with measures focusing on stabilising the market, cash flow, demand, land prices, and credit, enhancing quality, and promoting transformation, and striving to halt the decline and stabilise the real estate industry.

(2) Operating Results of the Segment Business

Overall operating results of the comprehensive real estate business in the first half of 2025

Unit: RMB'000

	In the first half of 2025	% of the total	In the first half of 2024	Year-on-year increase/decrease
Segment operating revenue	4,796,848	2.00%	5,029,641	-4.63%
Gross margin (%)	<u>6.11</u>	<u>-</u>	<u>6.76</u>	<u>Decreased by 0.65 percentage point</u>

Note: The segment operating revenue and gross margin are data without offsetting inter-segment transactions.

The Company's subsidiary, MCC Real Estate, holds two national Class I qualifications in real estate development and property management. In response to the trend and market changes, the Company has actively optimised its business strategy, focusing on expanding its light asset business for transformation. By fully utilising the series of national policies to promote the stabilisation of the real estate market, the Company has conducted in-depth analysis of major trend and structural changes in the real estate market, such as supply-demand relationships and urbanisation patterns. The Company has implemented multiple measures to accelerate inventory clearance, asset revitalisation, and the resolution of risk projects, while continuously enhancing risk control in real estate investments. It is striving to mitigate the adverse impacts of the real estate market downturn, while actively expanding its light asset business, improving service capacity, and steadily forming a new real estate business structure focusing on development agency services, commercial operations, and property management.

(II) DISCUSSION AND ANALYSIS OF OPERATIONS

During the Reporting Period, in response to the downward pressure in the construction industry, the Company continued to focus on high-quality development, diligently promoting the transformation and upgrading of its business. Following the principles of “strengthening the core, optimising the main business, and expanding distinctive features”, the Company carried out the transformation and upgrading of traditional industries around its core business, leveraging the comparative advantages of its metallurgical industrial chain. The Company actively cultivated strategic emerging industries, focused on creating differentiated advantages, and systematically promoted the construction of the “One Core, Two Main Bodies and Five Features” business system, as well as the steady implementation of the “Five-Five” strategy, striving to build a world-class investment and construction group.

1. Overall Stable Production and Operations, Strategic Deployment Proceeding in an Orderly Manner. In the first half of the year, the Company, under pressure, made significant progress, achieving a new signed contract amount of RMB548,202 million. With the goal of enhancing core functions and improving core competitiveness, the Company adjusted its structure, changed its approach, and expanded its market presence, leading to a continued increase in the proportion of metallurgical engineering, non-ferrous, and mining core businesses, and laying a solid foundation for its business structure adjustment. During the Reporting Period, the Company deeply explored overseas markets, expanding through benchmark projects, delivering high-quality performance, and strengthening localised management. This enabled the successful export of MCC’s technologies, standards, and equipment to overseas, resulting in significant growth in overseas business. The newly signed contract amount for overseas projects reached RMB57.75 billion, representing a year-on-year increase of 32.6%.
2. Emphasis on Innovation-Driven, Effective Enhancement of the Role of Technological Innovation. The Company has fully improved its R&D platform, with the “National Key Laboratory for Steel Industry Environmental Protection” officially approved, becoming the only national key laboratory in the field of steel metallurgy environmental protection. The effectiveness of scientific and technological achievement transformation has significantly improved. The Company independently researched and developed thick plate casting technology, and the trial stage of thermal loads of the world’s thickest 480mm steel billet casting project at Longteng Special Steel was successfully completed. The design and development of the ultra-thin and ultra-wide high-end stainless steel furnace coil rolling mill have been successfully

applied in China's first 3,500mm stainless steel wide plate short process project. In the non-ferrous and mining sectors, the domestically largest oxygen-enriched rotary kiln and intelligent mining core equipment technology developed by MCC have been successfully applied in the 2.5 million tons per year lead-zinc mine and 600,000 tons per year lead-zinc smelting project in Huoshaoyun, Xinjiang.

3. **Steady Progress in Basic Management, Continuous Reform and Innovation Achievements.** In the first half of the year, MCC steadily advanced the improvement of basic management across nine major business systems, continuously strengthening key areas such as financial management, cost management, business management, supplier management, and compliance management. Its systems and policies have become more sound, and the level of basic management has continued to improve. The application of the *Engineering Project Management Manual* was deepened, transforming specific requirements into practical management results and systematically enhancing the capability for quality performance. During the Reporting Period, the Company received nominations for five major scientific and technological achievements for the National Science and Technology Award, with 25 achievements received the Metallurgical Science and Technology Award. Nine of the Company's "Demonstration Enterprises of Science Reform" and "Dual Hundred" enterprises achieved excellent results in the annual special assessments, three rated as benchmarks, three as excellent, and three as good. These efforts continue to inject new vitality into the Company's high-quality transformation and development.

(III) ANALYSIS ON CORE COMPETITIVENESS DURING THE REPORTING PERIOD

1. *Sustained Technological Research and Innovation-driven Capabilities*

The Company has a relatively complete system of technological innovation in the fields of metallurgical construction, non-ferrous metallurgy, mineral resources and infrastructure construction, and is committed to the research, development and applied transformation of original and leading technologies. By the end of June 2025, the Company has 17 research and design units, 28 national research platforms, 15 technology research institutes, more than 55,000 patents, 9 "Demonstration Enterprises of Science Reform" and "Dual Hundred" enterprises, 6 national level manufacturing single champions, and 10 specialised and sophisticated "little giant" enterprises. The Company has participated in the formulation of 80 international standards and 686

national standards. The Company not only has a very high influence in the metallurgical construction industry, but also shows a strong development potential in green low carbon, intelligent construction and other emerging fields. With the industry-leading proprietary patented technologies and the multidisciplinary, multispecialty system integration capabilities across the whole industrial chain, the Company will accelerate the research, development, and application of green, and intelligent technologies, continuously enhancing the competitiveness in both domestic and international markets.

2. *Distinctive Integrated Service Capabilities of the Whole Industrial Chain*

The Company possesses unique system integration capabilities across the entire industry chain. Supported by 12 Class A research and design institutes, 15 large-scale construction enterprises, 5 comprehensive Class A design qualifications, 3 comprehensive Class A survey qualifications, 8 comprehensive supervision qualifications, and 50 special-grade construction qualifications for general contracting, the Company has formed a high-level and diversified qualification matrix. The Company possesses a whole-process, all-aspect and complete construction industrial chain covering technological research and development, consulting and planning, surveying and mapping, project design, project supervision, civil construction, installation and adjustment, operation and management, equipment manufacturing and integration, technological service and import and export trade. As compared with general engineering design enterprises, project construction enterprises or equipment manufacturing enterprises, the Company is able to carry out resource integration on its whole industrial chain and to provide more comprehensive and integrated services to customers. Furthermore, by effectively leveraging the “Five Linkages” integration of internal units, the Company strengthens the synergistic development and complementary advantages of upstream and downstream sectors of the industry chain, enhancing the market competitiveness in comprehensive projects.

3. *Dominant Leading Edge in Providing Overall Solutions for Metallurgical Construction and Operation*

As the world’s largest and strongest metallurgical construction contractor and metallurgical enterprise operation service provider, the Company has absolute competitive advantages and a leadership position in the field of metallurgical engineering. The Company possesses globally leading technological capabilities in the field of metallurgical engineering, having accumulated core technical strengths and

design-construction capabilities throughout all aspects of metallurgical engineering, especially in the blast furnace, converter, steel rolling and other aspects of independent core technology. The Company owns all the largest and strongest metallurgical design institutes in the forefront of the domestic metallurgical engineering field, and has led the planning, design and construction of almost all large and medium-sized metallurgical complex enterprises in China. The Company holds the vast majority of the domestic metallurgical market share and possesses a global share that far surpasses competitors, solidifying the unshakable market influence.

4. *Strengthened Business Structure of “One Core and Multiple Related Businesses” for Better Anti-risk Capability*

The Company’s business structure is characterised by “one core and multiple related businesses”, which has obvious advantages in improving enterprise’s anti-risk ability, strengthening business synergies, and enhancing development resilience. The Company has maintained a leading competitive advantage in the core business of metallurgical construction for a long time, and built a solid “moat” with a high market share and a stable customer relationship network. On this basis, the Company actively expands the business fields such as housing construction, municipal infrastructure, mineral resources, new energy materials, energy and environmental protection, and developed a large number of international first-class technologies in the construction of highways under complex geological conditions, large and deep foundation pits under special geological conditions, super long-span constructions, and super large complex and high-precision electromechanical system engineering. Additionally, the Company has established advanced technological advantages in specialised fields such as mineral resource and new materials, engineering services, high-end equipment, and energy and environmental protection business, forming a diversified business system characterised by “One Core, Two Main Bodies and Five Features”. The Company’s diversified business structure effectively reduces fluctuations and disperses the overall business risk. At the same time, by sharing technology, customer resources and supply chains among related businesses, the Company will further reduce operating costs, improve overall competitiveness, and provide strong support for expanding the space in emerging markets.

5. *Soft Power of Inherited and Evolving Corporate Culture*

The Company’s history can be traced back to the earliest force in the construction of the iron and steel industry in New China, serving as a pioneer and mainstay of the Chinese iron and steel industry. Since its

involvement in the construction of Angang Steel, the “cradle of China’s iron and steel industry”, in 1948, to the development of WISCO, Baotou Steel, Taigang, Pangang, Baosteel and others, it has undertaken the planning, survey, design, and construction of the main production facilities for nearly all large and medium-sized iron and steel enterprises domestically. It is the foundation of New China’s “steel and iron bones”. Thus, the Company has accumulated an excellent tradition characterised by bravery, courage, solidarity and struggles, and courage to rise to challenges, which has become the Company’s great spiritual wealth. The Company anchors the Goals for “one building, two most, five strong” and unites People’s mind with the vision of “Beautiful MCC”, and leads all cadres and staff to work together and strive for progress with simplicity and honesty, responsibility, refreshing and righteous and striving for the first place. It was the mark of anew burst of vitality again. The excellent corporate culture formed and precipitated in this process is the unique winning weapon of the Company and the strong spiritual force for the long-term development of the Company, which has become an important component of the core competitiveness of the Company.

During the Reporting Period, there were no material changes in the core competitiveness of the Company.

III. FINANCIAL HIGHLIGHTS

(I) Overview

The Company’s financial position as at 30 June 2025 and the operating results for the six months ended 30 June 2025 were as follows:

- Operating revenue amounted to RMB237,533 million, representing a decrease of RMB61,309 million or 20.52% from RMB298,842 million in the first half of 2024.
- Total profit amounted to RMB5,279 million, representing a decrease of RMB402 million or 7.08% from RMB5,681 million in the first half of 2024.
- Net profit attributable to the Shareholders of the listed company amounted to RMB3,099 million, representing a decrease of RMB1,051 million or 25.31% from RMB4,150 million in the first half of 2024.
- Basic earnings per share amounted to RMB0.09, while the basic earnings per share in the first half of 2024 amounted to RMB0.11.

- As at 30 June 2025, total assets amounted to RMB857,406 million, representing an increase of RMB49,390 million or 6.11% from RMB808,016 million as at 31 December 2024.
- As at 30 June 2025, the Shareholders' equity amounted to RMB180,599 million, representing a decrease of RMB1,737 million or 0.95% from RMB182,336 million as at 31 December 2024.
- The value of newly signed contracts amounted to RMB548,202 million, representing a decrease of RMB129,595 million or 19.12% from RMB677,797 million in the first half of 2024.

Note: The percentages of increase or decrease are calculated by rounding up to RMB.

(II) Operating Revenue from Principal Business Segments

During the Reporting Period, operating revenue from the principal business segments of the Company was as follows:

1. *Engineering Contracting Business*

Operating revenue amounted to RMB216,915 million, representing a decrease of RMB60,448 million or 21.79% from RMB277,363 million in the first half of 2024.

2. *Featured Business*

Operating revenue amounted to RMB18,313 million, representing a decrease of RMB1,011 million or 5.23% from RMB19,324 million in the first half of 2024.

3. *Comprehensive Real Estate Business*

Operating revenue amounted to RMB4,797 million, representing a decrease of RMB233 million or 4.63% from RMB5,030 million in the first half of 2024.

4. *Other Businesses*

Operating revenue amounted to RMB184 million, representing a decrease of RMB159 million or 46.52% from RMB343 million in the first half of 2024.

Note: All statistics of segment operating revenue are figures before inter-segment eliminations; the percentages of increase or decrease are calculated by rounding up to RMB.

IV. POSSIBLE RISKS AND MEASURES ADOPTED BY THE COMPANY

1. Risks Associated with Macro-economy

In the first half of 2025, the international environment underwent profound changes, with increased trade barriers and many uncertainties. The foundation for the domestic economic recovery remains to be further strengthened. However, due to a stable economic foundation, numerous advantages, strong resilience, and great potential, the supporting conditions and fundamental trend for long-term improvement have not changed. Under the strong leadership of the CPC Central Committee, since 2025, various regions and departments have intensified the implementation of more proactive and effective macro policies, focusing on stabilising employment, businesses, markets, and expectations, expanding domestic demand, promoting the integration of technological innovation and industrial innovation, and effectively responding to external changes. The overall economic operation has remained stable, with a continued trend of high-quality development, demonstrating the strong resilience and vitality of China's economy. Special local government bonds, ultra-long-term special government bonds, and other instruments have been accelerated in issuance and use. The deployment and implementation of major projects such as "Large-scale equipment upgrades and consumer goods trade-in programs", "Implement major national strategies and enhance security capacity in key areas", "Industrial transformation and structural adjustment", and "Dual transformation" have brought significant opportunities to the construction industry.

The Company has always adhered to the general principle of seeking progress while maintaining stability, fully and accurately implemented the new development philosophy, anchored the Goals for "one building, two most, five strong", and focused on the business system of "One Core, Two Main Bodies and Five Features". It closely tracks and deeply analyses macroeconomic policies and industry development trends, prudently evaluates and actively responds to internal and external risks, and adjusts its business strategies in a timely manner, using the certainty of high-quality development to address the uncertainty arising from the drastic changes in the external environment.

2. Risks Associated with the Traditional Metallurgical Engineering Business Segment

Currently, the restructuring of the iron and steel industry and the optimisation and upgrade of the industry will continue and deepen. High-end metallurgical technology and equipment upgrading, green and low-carbon transformation, digital transformation, and intelligent upgrading are the main theme of development of domestic iron and steel industry, and will

bring a range of market opportunities for quality efficiency adjustments and upgrades. From an international perspective, the division of labour, cooperation, and mutual benefit remain long-term trends, and overseas markets will become an important driver for the growth of the Company's metallurgical engineering business segment in the future.

In the face of the prevailing complex market environment, the Company established a foothold in the domestic market, promote domestic and overseas mutual circulation, aiming to become the best overall solution provider of metallurgical construction and operation with super core competitiveness, pay continuous attention to the market risk brought about by destocking in the iron and steel industry, prevent and control the cost risks caused by the fluctuation of raw material prices and rising labour costs, continuously consolidate the position as the world's first-class metallurgical construction national team, and continuously improve its core competitiveness and brand influence in the global iron and steel engineering technology.

3. Risks Associated with the Non-metallurgical Engineering Business Segment

Currently, China's construction industry has shifted from high-speed growth to moderate and low-speed growth, transitioning from incremental competition to stock competition, with the industry entering a period of deep adjustment. According to data from the China Construction Industry Association, the average profit margin in the construction industry in 2024 was only 2.3%, remaining below 3% for the third consecutive year, with the profit margin continuing to decline. In 2025, the Ministry of Housing and Urban-Rural Development of the PRC introduced new qualification regulations, significantly raising the industry's entry barriers. The market competition pattern of "Involution, differentiation, and saturation" in the industry is rapidly evolving, placing higher demands on the core competitiveness of enterprises. At the same time, due to the downturn in the real estate industry, government land transfer revenues have significantly declined, weakening the infrastructure investment capacity of local governments. With adjustments in national policies and the stabilisation of the urbanisation process, there has been a structural shift in the direction of funding. The proportion of "new infrastructure" in special bonds has increased, and large-scale infrastructure investment has slowed. However, the infrastructure sector remains a pillar for stable economic growth in China, with new infrastructure, new energy, and green investments gradually replacing traditional infrastructure. The "15th Five-Year Plan" emphasises a shift from "expansionary construction" to "intensive renewal" with fiscal investment focused on the renovation of old residential areas and public service facilities.

In response to market changes, the Company continued to integrate into the national development framework, actively optimise its business structure, accelerate transformation and upgrading, integrate resource advantages, and explore innovative business models. The focus was on enhancing the market marketing, performance, and resource allocation capabilities of the three-tiered organisations, improving risk resilience, and strategically positioning in emerging industries such as building integrated photovoltaic (BIPV), hydrogen energy infrastructure, low-carbon green building, urban renewal and new urbanisation, and comprehensive watershed land management. The aim is to identify and expand new growth areas, gather new advantages, and work towards establishing the Company as the most trusted general contracting service provider in basic construction, both internationally renowned and domestically leading, achieving sustainable high-quality development.

4. Risks Associated with the Real Estate Development Business Segment

During the Reporting Period, the government introduced a series of favourable policies for the real estate industry. On 28 February 2025, the Meeting of the Political Bureau of the Central Committee of the CPC stated that it will adhere to the general principle of seeking progress while maintaining stability, fully and accurately implement the new development philosophy, accelerate the construction of a new development pattern, promote high-quality development, stabilise the real estate and stock markets, prevent and resolve risks in key areas and external shocks, and drive the sustained recovery of the economy. On March 5, the Government Work Report issued at the NPC and CPPCC sessions for the first time proposed “promoting the construction of safe, comfortable, green, and smart ‘Superior Housing’” and included “stabilising the real estate and stock markets” in the overall requirements. On May 7, the People’s Bank of China and the National Financial Regulatory Administration issued monetary policies to lower interest rates and reserve requirements, creating favorable conditions for further optimization of real estate policies and the stable, healthy development of the market. On May 15, the General Office of the CPC Central Committee and the State Council issued the Opinions on Continuously Promoting Urban Renewal Action, requiring a shift in urban development and construction methods, the establishment of sustainable urban renewal models and policies and regulations, and vigorous implementation of urban renewal initiatives. Although the intensified policies are expected to drive the restoration of expectations, the real estate industry is still undergoing an adjustment phase, and the market recovery faces numerous challenges. The market is still in the bottoming phase, with the main risks in the real estate market being the contraction of investment by property developers, pressure on funds, and high existing inventory.

In order to actively adapt to the requirements of the situation and market changes, the Company firmly implemented the “de-stock and control addition” management requirements to ensure the quality of funds and the delivery baseline, while actively expanding light asset businesses for transformation. First, resolving existing projects is the top priority for the real estate business. The Company adopts multiple measures to accelerate inventory clearance, activate assets, and eliminate risk projects. It continues to strengthen the control of real estate investment risks, promotes the reduction of real estate inventory, and strives to overcome the adverse impacts of the real estate market downturn, ensuring cash flow security. Second, the Company fully leverages its industry chain integration advantages to serve its core responsibilities, actively plans business collaboration, and expands light asset businesses such as agency construction, commercial operations, and property management. It optimised the business structure, cultivated value-added services, and focused on cost reduction through careful budgeting, aiming to improve efficiency through management. The Company is committed to the path of quality-driven development that prioritizes efficiency and maintains moderate scale, aiming to become a modern industrial and urban service provider with industry competitiveness.

5. Risks Associated with Financial Segment

Globally, the Federal Reserve System of the United State is approaching a rate-cutting cycle, but the high-interest-rate environment is unlikely to change in the short term. Coupled with ongoing geopolitical risks, the momentum for global economic growth has further weakened, and the strength of economic recovery is limited. Cooperation and competition coexist among nations. China’s traditional industries are in urgent need of transformation and upgrading, while the new economy is still in the process of development. The economy faces both cyclical and structural challenges. The recovery of China’s economy is still in a critical stage. However, the strong economic resilience, full potential, and long-term positive fundamentals remain unchanged. With strengthened fiscal policies and the expansion of infrastructure projects under the “Belt and Road” initiative, there are both market opportunities and risks.

To mitigate financial risks, MCC closely monitors policy trends and market changes, deepens cooperation with banks, expands financing channels, optimises the financing structure, and enhances its ability to respond to risks. The Company further strengthens overall operations and improves the efficiency and effectiveness of fund utilisation. It adhered to the neutral management concept of exchange rate risk, coordinated our control over foreign exchange risk exposures, strictly followed the principle of hedging, prudently carried out foreign exchange hedging business, and proactively prevented and resolved exchange rate volatility risks.

6. Risks Associated with Bulk Commodity Prices

The bulk commodity market prices, such as engineering raw materials and metal mineral resources, which are relevant to the Company's business, are affected by changes in the international and domestic macro-economic environment and market demand, which may be subject to varying degrees of volatility, which may in turn affect the Company's costs of production and operation, revenue and profit etc.

The Company enhanced its research and forecast on the changing trend and policies in response to bulk commodity market prices, and adjusted its procurement and sales strategies. At the same time, it increased its efforts to investigate and locate mines, created positive conditions for research and promote the construction and expansion of new mines, increased reserves output, enhanced process and equipment management by optimising production management, encouraged scientific research and innovation, implemented technology reforms, thus shrinking unit consumption and reducing energy consumption, and adopted all possible measures to reduce various costs such as production and operation for further cost reduction and efficiency improvement.

7. Risks Associated with International Operation

Currently, the global geopolitical landscape is undergoing deep adjustments and reshaping, with insufficient economic growth momentum and increasing divergence. The uncertainty surrounding external environments and policy changes has grown. The Company operates in multiple countries and regions and faces risks such as escalating multidimensional competition, rising geopolitical risks, stricter compliance supervision, frequent negative public opinion, and severe security situations in certain regions. These risks may lead to increased difficulty in signing overseas projects, reduced profits, and challenges in ongoing projects, including construction delays, cost overruns, difficulties in fund recovery, and increased operational risks in mining projects, which may in turn impact the Company's revenue and profits from its overseas business.

To address the above risks, the Company strengthens the top-level design of its overseas business, taking measures including but not limited to improving the overseas business management system, building a personnel support system for overseas operations, and promoting the localisation of overseas institutions. At the same time, the Company enhances its overseas business risk management, providing risk response guidance for external risks such as overseas personnel safety, compliance management, and public opinion. The Company also summarises its international operational experience and lessons learned in market expansion and project implementation, aiming to reduce international business risks by securing projects with favourable contract terms and strengthening dynamic supervision of ongoing projects.

8. Environmental and Safety Production Risks

Comprehensively strengthening ecological and environmental protection and adhering to green, low-carbon, and circular development have become key national strategies. Enterprises must attach great importance to ecological civilisation and environmental protection. The Company is engaged in a number of industries, including engineering contracting, real estate development, and resource development. Numerous subsidiaries and respective projects result in higher standard of requirements on ecological and environmental protection management. As a construction and production enterprise, safety production risks exist in all aspects of the Company's production and operation activities, which may lead to production safety accidents due to unsafe human behaviour, unsafe material conditions, unsafe environmental factors and reasons from management, etc., which damage the health of employees, cause certain economic losses to the enterprise and even affect the reputation of the enterprise.

In order to deal with the above environmental and safety production risks, the Company continued to actively put into practice the green development ideology that "Lucid Waters and Lush Mountains are Invaluable Assets", persisted in the requirements of the relevant national laws and regulations of energy conservation and environmental protection, strictly implement accountability system on enterprise bodies, continuously improved the energy conservation and environmental protection system, enhance daily supervision, and proactively initiated environmental pollution control. Also, the Company further improved safety awareness by constantly perfecting the safety management system, continuously improving the inspection quality under a shift-based leadership system, cementing the safety production responsibility, intensifying the inspection and governance of hidden dangers, carrying out training and education of production safety, reinforcing safety control of subcontract team, strictly investigated the accident responsibility, and resolutely curbed the occurrence of major and above production safety accidents.

9. Data Fraud and Theft Risk

In order to guard state secrets, protect commercial secrets, and protect the national and enterprises' safety, the Company has formulated a set of relatively comprehensive rules and regulations on confidentiality. The Company adopts various promotional and educational measures regularly in order to raise the awareness of information confidentiality of the employees. The Company randomly assesses the information confidentiality of its subsidiaries every year, conducts interviews, investigates and reviews systems, recorded documents and conducts on-site investigations. We carried out a comprehensive inspection on the operation of the confidentiality management system and rectify the situation within a period of time. The

Company has deployed domestically-made confidential computers and regularly updates the protection system. Dedicated personnel are assigned to manage them, strictly adhering to the principle of “no confidential information on the internet, and no internet access for confidential systems”. The Company is committed to preventing the transmission, storage, or processing of confidential information on the internet.

During the Reporting Period, the Company was not involved in any data fraud and theft cases.

10. Cyber Risk and Security

In order to effectively prevent and control cyber and information security protection risks, and strengthen security protection capabilities, the Company has established a comprehensive safety protection system in accordance with the related national network security laws and regulations as well as system, and continuously promoted the optimisation and upgrade of the enterprise’s application systems and information technology infrastructure. The Company regularly carries out verification and tuning of security monitoring and protection policies, conducts vulnerability scanning for various information systems and server hosts, rectifies and strengthens the identified problems in a timely manner, and conducts retesting to ensure the security and stability of the data usage environment. The Company has attached great importance to the construction of network outlet security protection capacity and deployed network security equipment such as firewalls, IDSs and IPSs to defend against external network attacks to make sure the Company’s network and data security is fully protected.

V. MANAGEMENT DISCUSSION AND ANALYSIS

(I) Analysis on Major Operating Business

1. *Analysis on the Changes in the Relevant Items in Financial Statements*

Unit: RMB’000

Items	Amount for the current period	Amount for the corresponding period of last year	Change in proportion (%)
Operating revenue	237,532,712	298,841,527	-20.52
Operating costs	213,563,935	271,800,189	-21.43
Selling expenses	1,304,083	1,386,378	-5.94

Items	Amount for the current period	Amount for the corresponding period of last year	Change in proportion (%)
Administrative expenses	5,332,722	5,708,421	-6.58
Financial expenses	753,800	637,300	18.28
Research and development expenses	6,734,970	8,066,189	-16.50
Net cash flow generated from operating activities	(21,984,978)	(28,406,160)	N/A
Net cash flow generated from investing activities	(604,529)	(1,700,932)	N/A
Net cash flow generated from financing activities	24,740,292	31,704,769	-21.97

Explanation of changes in operating revenue: Mainly due to the sluggish growth in the construction industry and deep adjustments in the real estate industry, as well as the decrease in revenue from engineering contracting and other segments.

Explanation of changes in operating costs: Mainly due to the decrease in the cost of engineering contracting and other businesses in line with the decrease in operating revenue.

Explanation of changes in selling expenses: Mainly due to the decrease in the Company's selling expenses, such as sales and service fees and advertising fees during the Reporting Period.

Explanation of changes in administrative expenses: Mainly due to the decrease in the Company's personnel costs, travelling expenses and other administrative expenses during the Reporting Period.

Explanation of changes in financial expenses: Mainly due to the increase in interest-bearing liabilities and the year-on-year increase in interest expenses during the Reporting Period.

Explanation of changes in research and development expenses: Mainly due to the reduction in the Company's operating revenue scale and the decrease in the R&D investment activities during the Reporting Period.

Explanation of changes in net cash flow generated from operating activities: Mainly due to the Company's efforts to increase payment collection and vigorously reduce various costs and expenses, resulting in a year-on-year increase in net cash flow generated from operating activities.

Explanation of changes in net cash flow generated from investing activities: Mainly due to the increase in net cash received from the disposal and acquisition of subsidiaries during the Reporting Period.

Explanation of changes in net cash flow generated from financing activities: Mainly due to the decrease in net cash inflow from debt financing during the Reporting Period.

2. Analysis on Revenue and Costs

(1) Major business by segment and region

1) Major business by segment

Unit: RMB'000

Segments	Major Business by Segment					
	Operating revenue	Operating costs	Gross margin (%)	Increase or decrease in the operating revenue as compared to the corresponding period of last year (%)	Increase or decrease in the operating costs as compared to the corresponding period of last year (%)	Increase or decrease in the gross profit margin as compared to the corresponding period of last year (%)
Engineering contracting	216,914,903	196,125,642	9.58	-21.79	-22.72	Increased by 1.08 percentage points
Featured business	18,313,213	15,086,175	17.62	-5.23	-6.36	Increased by 0.99 percentage point
Comprehensive real estate	4,796,848	4,503,794	6.11	-4.63	-3.96	Decreased by 0.65 percentage point

Note: The statistics of segment revenue and costs are figures before inter-segment eliminations.

① Engineering contracting business

Engineering contracting business mainly comprises metallurgical construction business, housing construction and municipal infrastructure engineering business. Among these, metallurgical construction business is the Company's traditional core business,

while housing construction and municipal infrastructure engineering businesses are the Company's main businesses. Engineering contracting business is mainly carried out by way of EPC contract and general financing and construction contracting contract, and is currently the major source of income and profits of the Company. The gross profit margins of the engineering contracting business in the first half of 2025 and 2024 were 9.58% and 8.50%, respectively, with a year-on-year increase of 1.08 percentage points. The increase was mainly due to the Company accelerating the project settlement cycle and strictly controlling costs and expenditures, resulting in a significant increase in gross profit margin.

② Featured business

The Company's featured business mainly include mineral resources and new materials, engineering services, high-end equipment, and energy and environmental protection. In the first half of 2025 and 2024, the gross profit margins of the Company's featured business were 17.62% and 16.63%, respectively, with a year-on-year increase of 0.99 percentage point. The increase was mainly due to the dual impact of rising prices and volumes of metal mineral products such as crude copper and cost control, with the mineral resources business driving up the gross profit margin of the featured business segment.

③ Comprehensive real estate business

In the first half of 2025 and 2024, the overall gross profit margin of the Company's comprehensive real estate business was 6.11% and 6.76%, respectively, with a year-on-year decrease of 0.65 percentage point. The decrease was mainly due to continued pressure on the current real estate market, with the industry still undergoing cyclical adjustments and insufficient market demand, resulting in a decrease in gross profit margin.

(2) Table of costs analysis

Unit: RMB'000

Segment	Costs component items	By Segment					Percentage change in the amount for the current period as compared to that for same period in the previous year (%)
		Amount for the current period	Proportion of the amount for the current period to the total costs (%)	Amount for the same period in the previous year	Proportion of the amount for the same period in the previous year to the total cost (%)		
Engineering contracting	Operating costs	196,125,642	90.87	253,775,395	92.34		-22.72
Featured business	Operating costs	15,086,175	6.99	16,110,309	5.87		-6.36
Comprehensive real estate	Operating costs	4,503,794	2.09	4,689,521	1.71		-3.96

Note: The statistics of segment cost are figures before inter-segment eliminations.

The major components of costs of construction projects of the Company were as follows:

Unit: RMB'000

Items of costs	In the first half of 2025		In the first half of 2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Subcontracting expenses	114,126,294	58.19	142,782,795	56.26
Materials expenses	58,147,444	29.65	81,052,256	31.94
Labour costs	11,382,978	5.80	14,764,155	5.82
Machinery usage fees	3,214,788	1.64	4,418,024	1.74
Others	9,254,138	4.72	10,758,165	4.24
Total engineering cost	196,125,642	100.00	253,775,395	100.00

The major components of costs of construction projects of the Company are subcontracting expenses, materials expenses, labour costs and machinery usage fees. The proportion of each component of costs to operating costs is relatively stable.

(3) *Information on major customers and major suppliers*

The sales of top five customers amounted to RMB18,816,048 thousand, accounting for 7.92% of the total sales during the Reporting Period; among them, related-party sales included in the sales of the top five customers amounted to RMB2,702,031 thousand, accounting for 1.14% of the total sales during the Reporting Period.

Unit: RMB'000

Customer's name	Operating revenue	Proportion of the total operating revenue (%)
Unit 1	8,753,530	3.68
Unit 2	3,832,761	1.61
Unit 3	2,702,031	1.14
Unit 4	1,795,880	0.76
Unit 5	1,731,846	0.73
Total	<u>18,816,048</u>	<u>7.92</u>

The procurement of the top five suppliers amounted to RMB5,979,146 thousand, accounting for 2.80% of the total annual procurement; among them, the procurement from related parties under the procurement of the top five suppliers amounted to RMB3,714,137 thousand, accounting for 1.74% of the total annual procurement.

Unit: RMB'000

Supplier's name	Procurement for the current period	Proportion of the total operating costs (%)
Unit 1	3,714,137	1.74
Unit 2	586,688	0.27
Unit 3	581,978	0.27
Unit 4	551,525	0.26
Unit 5	544,818	0.26
Total	<u>5,979,146</u>	<u>2.80</u>

3. Analysis on Expenses

(1) Selling expenses

The Company's selling expenses mainly include employees compensation costs, travelling expenses and sale services expenses. In the first half of 2025 and 2024, the Company's selling expenses were RMB1,304,083 thousand and RMB1,386,378 thousand, respectively, representing a year-on-year decrease of 5.94%, which was mainly attributable to the decrease in the Company's selling expenses, such as selling service fees and advertisement fees.

(2) Administrative expenses

The Company's administrative expenses mainly include employee compensation costs, depreciation expenses and domestic travelling expenses. In the first half of 2025 and 2024, the Company's administrative expenses were RMB5,332,722 thousand and RMB5,708,421 thousand, respectively, representing a year-on-year decrease of 6.58%, which was mainly attributable to the decrease in management expenses such as labour costs and travelling expenses.

(3) Financial expenses

The Company's financial expenses include costs of borrowing, exchange gains or losses, and bank charges incurred in the course of business. In the first half of 2025 and 2024, the Company's financial expenses were RMB753,800 thousand and RMB637,300 thousand, respectively, representing a year-on-year increase of 18.28%, which was mainly attributable to the increase in interest-bearing liabilities and the year-on-year increase in interest expenses during the Reporting Period.

(4) Research and development expenses

The Company's research and development expenses include personnel labour costs, direct input costs, depreciation expenses, equipment commissioning expenses and experimentation expenses. In the first half of 2025 and 2024, the Company's research and development expenses were RMB6,734,970 thousand and RMB8,066,189 thousand respectively, representing a year-on-year decrease of 16.50%, which was mainly attributable to the decrease in R&D inputs in the current period.

4. *Research and Development Expenditure*

Unit: RMB'000

Research and development expenditure for the current period	6,734,970
Capitalized research and development expenditure for the current period	1,387
Total research and development expenditure	6,736,357
Proportion of total research and development expenditure to operating revenue (%)	2.84
Proportion of capitalized research and development expenditure (%)	—

5. *Cash Flows*

The cash flows of the Company are as follows:

Unit: RMB'000

Items	In the first half of 2025	In the first half of 2024
Net cash flow generated from operating activities	(21,984,978)	(28,406,160)
Net cash flow generated from investing activities	(604,529)	(1,700,932)
Net cash flow generated from financing activities	<u>24,740,292</u>	<u>31,704,769</u>

(1) Operating activities

In the first half of 2025 and 2024, the Company's net cash flow generated from operating activities amounted to RMB-21,984,978 thousand and RMB-28,406,160 thousand, respectively. In the first half of 2025 and 2024, the cash inflows generated from operating activities was mainly came from the cash received from the sale of goods and the rendering of services, accounting for 96.58% and 96.96%, respectively with respect to the cash inflow generated from operating activities. The Company's cash outflows generated from operating activities was mainly consisted of cash payments for goods purchased and services received, cash payments to and on behalf of employees and payments of various types of taxes. In the first half of 2025 and 2024, such cash outflow accounted for 86.64%, 6.12%, 3.25% and 86.26%, 6.53%, 2.69%, respectively with respect to the cash outflow generated from operating activities.

(2) *Investing activities*

In the first half of 2025 and 2024, the Company's net cash flow generated from investing activities amounted to RMB-604,529 thousand and RMB-1,700,932 thousand. The investing activities of the Company mainly came from net cash receipts from acquisition of subsidiaries, disposal of assets and cash receipts from recovery of investments which accounted for 42.11%, 6.75% and 0.00%, 82.68% of the cash inflow generated from investing activities in the first half of 2025 and 2024, respectively. The Company's cash outflows mainly included cash payments to acquire or construct fixed assets, intangible assets and other long-term assets and cash payments to acquire investments, as well as cash paid for investment. In the first half of 2025 and 2024, such cash outflow accounted for 35.82%, 62.65% and 56.69%, 34.94%, respectively with respect to the cash outflow generated from investing activities.

(3) *Financing activities*

In the first half of 2025 and 2024, the Company's net cash flow generated from financing activities amounted to RMB24,740,292 thousand and RMB31,704,769 thousand, respectively. The Company's cash inflow from financing activities mainly consisted of cash receipts from borrowings which accounted for 86.21% and 97.50% respectively of the cash inflow generated from financing activities for the first half of 2025 and 2024. The Company's cash outflow from financing activities mainly consisted of cash repayments of borrowings and cash payments for distribution of dividends, profits or settlement of interest expenses. In the first half of 2025 and 2024, such cash outflow accounted for 79.07%, 2.91% and 94.73%, 2.29%, respectively with respect to the cash outflow generated from financing activities.

6. *Detailed Statement of the Major Changes in the Company's Business Types, Profits Structure or Profits Sources for the Current Period*

☐ Applicable ☒ Not applicable

(II) Explanation of Significant Profit Changes Due to Non-core Business

☐ Applicable ☒ Not applicable

(III) Analysis on Assets and Liabilities

1. Status of Assets and Liabilities

Unit: RMB'000

Items	Amount at the end of the current period	Percentage of total assets at the end of the current period (%)	Amount at the end of the period of previous year	Percentage of total assets at the end of the period of previous year (%)	Proportion change in the amount at the end of the current period as compared to that at the end of the period of previous year (%)
Current assets	643,198,629	75.02	599,767,170	74.23	7.24
Cash and bank balances	53,057,489	6.19	52,558,851	6.50	0.95
Accounts receivable	224,490,464	26.18	213,513,725	26.42	5.14
Inventories	72,117,954	8.41	75,593,134	9.36	-4.60
Contract assets	194,169,274	22.65	156,291,569	19.34	24.24
Non-current assets	214,207,410	24.98	208,248,585	25.77	2.86
Intangible assets	34,041,752	3.97	33,639,591	4.16	1.20
Total assets	857,406,039	100.00	808,015,755	100.00	6.11
Current liabilities	617,712,484	91.27	573,629,900	91.68	7.68
Short-term borrowings	59,345,497	8.77	33,853,836	5.41	75.30
Bills payable	28,781,079	4.25	30,147,409	4.82	-4.53
Accounts payable	357,445,588	52.81	335,085,043	53.56	6.67
Contract liabilities	57,522,429	8.50	61,190,649	9.78	-5.99
Non-current liabilities	59,094,104	8.73	52,049,989	8.32	13.53
Long-term borrowings	45,879,836	6.78	40,311,531	6.44	13.81
Total liabilities	676,806,588	100.00	625,679,889	100.00	8.17

(1) Analysis on the structure of assets

Cash and bank balances

As at 30 June 2025 and 31 December 2024, the balances of cash and bank balances of the Company were RMB53,057,489 thousand and RMB52,558,851 thousand, respectively, representing an increase of 0.95% as compared with the beginning of the year.

As at 30 June 2025 and 31 December 2024, the restricted cash and bank balances of the Company were RMB7,710,508 thousand and RMB9,368,247 thousand, respectively, which accounted for 14.53% and 17.82% of the cash and bank balances, respectively. The restricted cash and bank balances mainly included bank deposits for issuing acceptance bills, guarantee deposits, frozen funds for lawsuit, project supervision funds and wage deposits for rural migrant workers, etc.

Accounts receivable

As at 30 June 2025 and 31 December 2024, the carrying value of the Company's accounts receivable were RMB224,490,464 thousand and RMB213,513,725 thousand, respectively, representing an increase of 5.14% as compared with the beginning of the year, which was mainly due to an increase in accounts receivable related to engineering contracting services.

Inventories

The inventories of the Company mainly consisted of properties under development, completed properties held for sale, raw materials, work in process and finished goods, etc. The inventory structure of the Company reflected the characteristics of the engineering contracting, featured business and comprehensive real estate in which the Company was engaged.

As at 30 June 2025 and 31 December 2024, the Company's net inventories were RMB72,117,954 thousand and RMB75,593,134 thousand, respectively, representing a decrease of 4.60% as compared with the beginning of the year.

Contract assets

Contract assets of the Company are mainly completed and unsettled inventories and construction quality guarantee deposits with regard to the engineering contracting service contracts. As at 30 June 2025 and 31 December 2024, the net contract assets of the Company amounted to RMB194,169,274 thousand and RMB156,291,569 thousand, respectively, representing an increase of 24.24% as compared with the beginning of the year, which was mainly due to an increase in contract assets related to engineering contracting services.

Intangible assets

As at 30 June 2025 and 31 December 2024, the aggregated carrying value of the Company's intangible assets were RMB34,041,752 thousand and RMB33,639,591 thousand, respectively, representing an increase of 1.20% as compared with the beginning of the year. The Company's intangible assets mainly included land use rights, franchise right, patent and proprietary technology, as well as mining rights etc..

(2) *Analysis on the structure of liabilities*

Long-term and short-term borrowings

Long-term and short-term borrowings of the Company mainly consisted of credit loans, pledge loans and guaranteed loans from commercial banks and other financial organizations. As at 30 June 2025 and 31 December 2024, the carrying value of the Company's short-term borrowings were RMB59,345,497 thousand and RMB33,853,836 thousand, respectively, representing an increase of 75.30% as compared with the beginning of the year. As at 30 June 2025 and 31 December 2024, the carrying value of the Company's long-term borrowings were RMB45,879,836 thousand and RMB40,311,531 thousand, respectively, representing an increase of 13.81% as compared with the beginning of the year.

During the Reporting Period, the short-term borrowings and long-term borrowings repaid by the Company amounted to RMB74,562,574 thousand and RMB8,854,619 thousand, respectively. As at the end of the Reporting Period, the balances of fixed-rate short-term borrowings and fixed-rate long-term borrowings amounted to RMB55,715,480 thousand and RMB20,697,974 thousand, respectively.

Accounts payable

Accounts payable mainly consisted of material costs payable to suppliers and engineering costs payable to subcontractors by the Company. As at 30 June 2025 and 31 December 2024, the Company's carrying value of accounts payable were RMB357,445,588 thousand and RMB335,085,043 thousand, respectively, representing an increase of 6.67% as compared with the beginning of the year.

Contract liabilities

Contract liabilities mainly consisted of contract liabilities related to engineering contracting services and sales contracts. As at 30 June 2025 and 31 December 2024, the Company's carrying value of contract liabilities amounted to RMB57,522,429 thousand and RMB61,190,649 thousand, respectively, representing a decrease of 5.99% as compared with the beginning of the year.

2. Overseas Assets

(1) Asset Size

Of which: Overseas assets were 36,236,800 (Unit: RMB'000), accounting for 4.23% of total assets.

(2) Relevant Explanations for the Relatively High Proportion of Overseas Assets

☐ Applicable ☒ Not applicable

(IV) Analysis on the Operational Information in the Construction Industry

1. Information on Projects Completed and Accepted during the Reporting Period

Unit: RMB'000

Sub-segment	Housing construction	Infrastructure construction	Metallurgical engineering	Others	Total
Number of projects (Unit)	3,607	1,195	2,192	153	7,147
Total amount	<u>12,479,116</u>	<u>4,144,946</u>	<u>7,202,459</u>	<u>522,186</u>	<u>24,348,707</u>

Unit: RMB'000

Project location	Number of projects (Unit)	Total amount
Domestic	6,998	23,843,655
Overseas	149	505,052
Including:		
Asia	117	455,019
Africa	13	664
South America	11	42,323
Europe	6	6,444
Oceania	2	602
North America	0	0
Total	7,147	24,348,707

2. Information on Projects under Construction during the Reporting Period

Unit: RMB'000

Sub-segment	Housing construction	Infrastructure construction	Metallurgical engineering	Others	Total
Number of projects (Unit)	4,423	2,271	3,565	461	10,720
Total amount	101,913,695	40,221,462	37,062,906	4,963,614	184,161,677

Unit: RMB'000

Project location	Number of projects (Unit)	Total amount
Domestic	10,324	174,413,884
Overseas	396	9,747,793
Including:		
Asia	341	8,828,485
Africa	17	413,327

Project location	Number of projects (Unit)	Total amount
South America	7	93,681
Europe	27	185,394
Oceania	2	215,049
North America	2	11,857
Total	10,720	184,161,677

3. Information on Major Projects under Construction

☐ Applicable ☒ Not applicable

4. Relevant Information on Financing Arrangements of the Company

During the Reporting Period, the balance of debt financing and financing by other equity instruments of the Company amounted to RMB180,421 million, representing an increase of 18.01% as compared to the beginning of the period, which satisfied the capital needs for enterprise development and industrial structure adjustment. In particular, the balances of debt financing and financing by other equity instruments amounted to RMB128,821 million and RMB51,600 million, respectively, which contributed to the further optimisation of financing structure. The balances of financing due within one year and the long-term financing balance amounted to RMB76,950 million and RMB103,471 million, respectively.

(V) Investment Analysis

1. Overall Analysis on External Equity Investments

As at 30 June 2025 and 31 December 2024, the net assets of the Company's trading financial assets were RMB2,622 thousand and RMB2,770 thousand, respectively, representing a decrease of 5.3% compared to the beginning of the year. As at 30 June 2025 and 31 December 2024, the net long-term equity investments of the Company were RMB41,026,151 thousand and RMB38,078,760 thousand, respectively, representing an increase of 7.7% compared to the beginning of the year. As at 30 June 2025 and 31 December 2024, the net investment in other equity instruments of the Company amounted to RMB1,728,852 thousand and RMB1,698,287 thousand, respectively, representing an increase of 1.8% as compared to the beginning of

the year. As at 30 June 2025 and 31 December 2024, the Company's other net investment in non-current financial assets amounted to RMB4,720,626 thousand and RMB4,875,569 thousand, respectively, representing a decrease of 3.2% as compared with the beginning of the year.

(1) Significant Equity Investments

☐ Applicable ☒ Not applicable

(2) Significant Non-equity Investments

☐ Applicable ☒ Not applicable

(3) Financial Assets Measured at Fair Value

Securities investments

Unit: RMB'000

Stock variety	Stock code	Stock abbreviation	Initial investment amount	Carrying amount at the beginning of the period	Profit or loss arising from changes in fair value for the current period	Cumulative change in fair value included in equity	Amount of purchase for the current period	Amount of disposal for the current period	Investment profit or loss for the current period	Carrying amount at the end of the period	Account category
Shares	601005	Chongqing Iron and Steel (重慶鋼鐵)	361	241	-28	-	-	-	-	213	Financial assets held for trading
Shares	600787	CMST Development Corp (中儲股份)	499	734	-60	-	-	-	-	674	Financial assets held for trading
Shares	000539	GED (粵電力A)	24	29	-	-	-	-	-	29	Financial assets held for trading
Shares	600515	Hainan Airport (海南機場)	264	325	-20	-	-	-	-	305	Financial assets held for trading
Shares	600221	Hainan Airlines Holding (海航控股)	206	181	-41	-	-	-	-	140	Financial assets held for trading

Stock variety	Stock code	Stock abbreviation	Initial investment amount	Carrying amount at the beginning of the period	Profit or loss arising from	Cumulative change included in equity	Amount of purchase for the current period	Amount of disposal for the current period	Investment profit or loss for the current period	Carrying amount at the end of the period	Account category
					changes in fair value for the current period						
Shares	000709	Hesteel (河鋼股份)	4,600	4,192	-	-95	-	-	-	4,097	Investments in other equity instruments
Shares	601328	Bank of Communications (交通銀行)	89,134	323,251	-	9,755	-	-	14,394	333,006	Investments in other equity instruments
Shares	000939	Kaidi Ecological (凱迪生態)	2,502	-	-	-	-	-	-	-	Investments in other equity instruments
Shares	000005	Fountain (世紀星源)	420	78	-	-26	-	-	-	52	Investments in other equity instruments
Shares	600665	Tande (天地源)	1,122	496	-	35	-	-	-	531	Investments in other equity instruments
Shares	601005	Chongqing Iron and Steel (重慶鋼鐵)	170,080	69,529	-	-8,208	-	-	-	61,321	Investments in other equity instruments
Shares	000737	North Copper (北方銅業)	38,798	52,177	-	20,469	-	-	-	72,646	Investments in other equity instruments

Derivative investments

(1) Derivative Investments for Hedging Purposes during the Reporting Period

On 29 April 2025, the 72nd meeting of the third session of the Board of the Company reviewed and passed the Proposal on the 2025 Foreign Exchange Hedging Business Plan of Metallurgical Corporation of China, agreeing to the 2025 foreign exchange hedging business plan of Metallurgical Corporation of China and its subsidiaries, and agreeing that the foreign exchange hedging business in 2025 was

carried out with a quota of no more than USD4,109 million (including the equivalent amount in foreign currency), which is valid for 12 months from the date of consideration and approval by the Board (for details, please refer to the relevant announcement disclosed by the Company on 29 April 2025). The Company's foreign exchange hedging business in the first half of 2025 is not subject to hedge accounting. For details of risk management, please refer to the table below:

Accounting policies and specific principles of accounting for hedging operations during the Reporting Period, as well as an explanation of whether there have been any significant changes compared with the previous reporting period	No significant changes have occurred.
Explanation of actual gain or loss during the Reporting Period	The Company strictly follows the principle of hedging to carry out foreign exchange forward and currency swap business. The scale of foreign exchange hedging is determined based on the actual demand for foreign exchange business, and the gains and losses of foreign exchange hedging transactions are hedged against the corresponding changes in asset value.
Explanation of hedging effect	The Company's foreign exchange derivatives business is in line with the needs of the daily operations of the Company, which enables the Company to effectively avoid exchange rate risks and reduce the possible adverse impact of exchange rate fluctuations on the Company.
Sources of funds for derivative investments	Contractual receipts and payments of foreign exchange and foreign currency funds on hand arising from normal production and operation.

Risk analysis and description of control measures for derivative positions during the Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, and others)

(I) Transaction Risk Analysis

1. Market risk: due to the unpredictability of changes at home and abroad in the economic environment, there is a possibility of loss in the valuation of the foreign exchange hedging business during the survival period, and the trading profit and loss at the time of maturity or selective delivery.
 2. Liquidity risk: unreasonable arrangement of the foreign exchange hedging business triggers the liquidity risk of the Company's funds at the time of maturity and delivery.
 3. Performance risk: the choice from the counterparty is unreasonable, and the counterparty is unable to pay corresponding amount as agreed upon at the time of the maturity and delivery of foreign exchange hedging business.
 4. Internal control risk: foreign exchange hedging business is relatively professional and sophisticated, which may result in loss in the process of foreign exchange funds due to operational errors, systems and other reasons.
 5. Compliance risk: subject to regulatory penalties, economic losses and negative impact on the Company's reputation for its failure to comply with policies, regulations and company systems.
-

(II) Risk Control Measures

1. For market risk, firstly, the foreign exchange hedging business to be undertaken by the Company are all foreign exchange forwards, simple exchange rate options, interest rate swaps and currency swaps products conducted for the purpose of hedging which are closely related to the actual business, and do not involve speculative arbitrage. Transaction gains and losses are also hedged against changes in the value of their corresponding risk assets; secondly, we strengthened research and analysis of exchange rates, paid attention to changes in the market environment both at home and abroad, and adjusted our operating strategies in a timely manner in conjunction with changes in the market; thirdly, following the signing of the foreign exchange contract, we followed up on the market in a timely manner for dynamic management, and set up a risk early warning line based on the transaction program. We regularly check the transaction situation with all counterparties, analyse and assess the possible risks and take prompt countermeasures.
 2. For liquidity risk, firstly, the foreign exchange preservation business to be undertaken by the Company are based on the actual business, matching with the actual foreign exchange income and expenditure, and at the time of decision-making, the Company has reasonably planned the capital plan to ensure sufficient funds to be held at the time of delivery; secondly, the Company will select the difference in delivery at the appropriate time based on the type of products and market trends, so as to successfully satisfy the demand for funds for delivery; thirdly, the Company will reinforce its efforts in collection of the project, so as to ensure the return of the funds.
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3. For performance risk, firstly, the counterparties of the foreign exchange preservation business to be undertaken by the Company are all financial institutions with good credit, solid capital and with whom the Company has established long-term business relations, so that the performance risk is low; secondly, the Company will closely follow up on the operation of the counterparties in the process of holding positions, and will take countermeasures promptly in the event of any significant risk events.
 4. For internal control risk, firstly, the Company will carry out the business in strict accordance with the annual plan of foreign exchange preservation, and the specific business shall be approved by the relevant authorised personnel of the Company before processing; secondly, the Company will clearly define the responsibilities and authority of the positions of foreign exchange preservation business, and ensure the separation, constraint and supervision of incompatible positions for foreign exchange preservation business; thirdly, the Company prohibits one person from processing the whole process of foreign exchange preservation business, while the personnel for processing the business shall have the corresponding business competence; fourthly, through the foreign exchange risk management auditing and supervisory system, the Company will carry out supervision and inspection of foreign exchange preservation business norms and the effectiveness of the internal control mechanism on a regular basis.
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5. For compliance risk, firstly, the Company concludes contracts with counterparties in compliance with the *Civil Code of the People's Republic of China* and relevant laws and regulations; secondly, the legal compliance department shall conduct compliance audits of foreign exchange contracts; and thirdly, third-party legal advisers or experts shall be consulted for the conclusion of major foreign exchange contracts.

Changes in the market price or product fair value of invested derivatives during the Reporting Period, the analysis of the fair value of derivatives shall disclose the specific methods used and the setting of relevant assumptions and parameters	The Company conducted foreign exchange forward and currency swap business with caution for the purpose of hedging, and the market price fluctuated according to the exchange rate of RMB against the USD during the Reporting Period.
Involvement in litigation (if applicable)	Not Applicable
Date of disclosure of the announcement of the Board for approval of derivative investment (if any)	29 April 2025
Date of disclosure of the announcement of the general meeting for approval of derivative investment (if any)	Not Applicable

(2) *Derivatives Investment for Speculative Purposes during the Reporting Period*

☐ Applicable ☒ Not applicable

VI. CONSOLIDATED AND THE COMPANY'S BALANCE SHEETS

CONSOLIDATED BALANCE SHEET

30 June 2025

RMB'000

Items	30 June 2025 (unaudited)	31 December 2024
Current assets		
Cash and bank balances	53,057,489	52,558,851
Held-for-trading financial assets	2,622	2,770
Notes receivable	5,365,099	4,846,051
Accounts receivable	224,490,464	213,513,725
Receivables financing	9,867,924	8,597,053
Prepayments	21,085,447	22,793,334
Other receivables	39,001,578	42,197,057
Inventories	72,117,954	75,593,134
Contract assets	194,169,274	156,291,569
Non-current assets due within one year	12,418,215	11,716,139
Other current assets	11,622,563	11,657,487
Total Current Assets	643,198,629	599,767,170
Non-current assets		
Long-term receivables	56,847,396	54,419,815
Long-term equity investments	41,026,151	38,078,760
Investments in other equity instruments	1,728,852	1,698,287
Other non-current financial assets	4,720,626	4,875,569
Investment properties	8,462,841	8,320,768
Fixed assets	26,743,461	27,423,332
Construction in progress	5,915,025	5,493,997
Right-of-use assets	630,128	567,911
Intangible assets	34,041,752	33,639,591
Goodwill	53,923	53,923
Long-term prepaid expenses	344,653	361,491
Deferred tax assets	9,194,724	8,936,039
Other non-current assets	24,497,878	24,379,102
Total Non-current Assets	214,207,410	208,248,585
TOTAL ASSETS	857,406,039	808,015,755

CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025**RMB'000*

Items	30 June 2025 (unaudited)	31 December 2024
Current liabilities		
Short-term borrowings	59,345,497	33,853,836
Derivative financial liabilities	713,359	755,963
Notes payable	28,781,079	30,147,409
Accounts payable	357,445,588	335,085,043
Receipts in advance	131,092	99,579
Contract liabilities	57,522,429	61,190,649
Employee benefits payable	2,839,169	3,090,045
Taxes payable	3,883,361	4,972,005
Other payables	55,780,786	55,797,734
Non-current liabilities due within one year	17,118,136	15,163,328
Other current liabilities	34,151,988	33,474,309
Total Current Liabilities	617,712,484	573,629,900
Non-current liabilities		
Long-term borrowings	45,879,836	40,311,531
Bonds payable	5,345,000	4,000,000
Lease liabilities	478,768	422,701
Long-term payables	1,275,169	1,341,885
Long-term employee benefits payable	3,354,890	3,440,348
Provisions	893,657	1,003,947
Deferred income	962,859	1,019,027
Deferred tax liabilities	140,387	147,012
Other non-current liabilities	763,538	363,538
Total Non-current Liabilities	59,094,104	52,049,989
TOTAL LIABILITIES	676,806,588	625,679,889

CONSOLIDATED BALANCE SHEET (CONTINUED)*30 June 2025**RMB'000*

Items	30 June 2025 (unaudited)	31 December 2024
Shareholders' Equity		
Share capital	20,723,619	20,723,619
Other equity instruments	47,600,000	50,600,000
Including: Perpetual bonds	47,600,000	50,600,000
Capital reserve	23,446,361	23,460,671
Other comprehensive income	736,674	751,118
Special reserve	1,514,997	1,024,967
Surplus reserve	3,782,468	3,782,468
Retained profits	53,324,571	52,700,255
Total equity attributable to shareholders of the Company	151,128,690	153,043,098
Minority interests	29,470,761	29,292,768
TOTAL SHAREHOLDERS' EQUITY	180,599,451	182,335,866
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	857,406,039	808,015,755

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

*Person in Charge of the
Accounting Body:*
Li Yifeng

THE COMPANY'S BALANCE SHEET

30 June 2025

RMB'000

Items	30 June 2025 (unaudited)	31 December 2024
Current assets		
Cash and bank balances	4,007,184	8,377,885
Accounts receivable	441,191	538,857
Prepayments	90,207	209,509
Other receivables	84,046,627	72,337,152
Inventories	927	966
Contract assets	1,478,003	1,223,251
Non-current assets due within one year	9	10
Other current assets	135	135
Total Current Assets	90,064,283	82,687,765
Non-current assets		
Long-term receivables	145,718	268,568
Long-term equity investments	99,930,284	99,420,115
Investments in other equity instruments	979	880
Fixed assets	20,954	20,699
Construction in progress	32,491	29,208
Right-of-use assets	47,445	156
Intangible assets	7,956	8,603
Other non-current assets	667,187	687,107
Total Non-current Assets	100,853,014	100,435,336
TOTAL ASSETS	190,917,297	183,123,101

THE COMPANY'S BALANCE SHEET (CONTINUED)

30 June 2025

RMB'000

Items	30 June 2025 (unaudited)	31 December 2024
Current liabilities		
Short-term borrowings	18,722,079	11,618,993
Derivative financial liabilities	713,015	752,975
Accounts payable	2,217,572	2,048,511
Contract liabilities	582,244	707,064
Employee benefits payable	19,601	19,402
Taxes payable	38,311	49,379
Other payables	48,986,828	46,072,350
Non-current liabilities due within one year	475,486	494,157
Total Current Liabilities	71,755,136	61,762,831
Non-current liabilities		
Long-term borrowings	3,025,000	25,000
Bonds payable	2,000,000	2,000,000
Lease liabilities	36,965	–
Long-term employee benefits payable	75,668	77,367
Provisions	153,995	153,995
Deferred income	3,598	3,598
Total Non-current Liabilities	5,295,226	2,259,960
TOTAL LIABILITIES	77,050,362	64,022,791

THE COMPANY'S BALANCE SHEET (CONTINUED)

30 June 2025

RMB'000

Items	30 June 2025 (unaudited)	31 December 2024
Shareholders' Equity		
Share capital	20,723,619	20,723,619
Other equity instruments	47,600,000	50,600,000
Including: Perpetual bonds	47,600,000	50,600,000
Capital reserve	37,839,176	37,858,940
Other comprehensive loss	(17,270)	(17,365)
Special reserve	12,550	12,550
Surplus reserve	3,782,468	3,782,468
Retained profits	3,926,392	6,140,098
TOTAL SHAREHOLDERS' EQUITY	113,866,935	119,100,310
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	190,917,297	183,123,101

This financial statement is signed by following persons:

<i>Legal Representative:</i>	<i>Chief Financial Officer:</i>	<i>Person in Charge of the Accounting Body:</i>
Chen Jianguang	Dong Su	Li Yifeng

VII. CONSOLIDATED AND THE COMPANY'S INCOME STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the six months period ended 30 June 2025

RMB'000

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Operating income	237,532,712	298,841,527
Less: Operating costs	213,563,935	271,800,189
Taxes and levies	877,155	911,497
Selling expenses	1,304,083	1,386,378
Administrative expenses	5,332,722	5,708,421
Research and development expenses	6,734,970	8,066,189
Financial expenses	753,800	637,300
Including: Interest expenses	1,435,030	1,305,831
Interest income	937,172	973,653
Add: Other income	239,657	249,163
Investment loss	(445,757)	(600,908)
Including: (Loss)/income from investments in associates and joint ventures	(52,241)	19,421
Losses arising from derecognition of financial assets at amortised cost	(256,644)	(401,664)
Losses on changes in fair values	(44,681)	(216,602)
Impairment losses of credit	(1,905,514)	(2,776,908)
Impairment losses of assets	(1,700,083)	(2,089,156)
Gains on disposal of assets	178,667	847,464
Operating profit	5,288,336	5,744,606
Add: Non-operating income	127,460	142,293
Less: Non-operating expenses	136,647	205,751
Total profit	5,279,149	5,681,148
Less: Income tax expenses	1,206,157	980,516

CONSOLIDATED INCOME STATEMENT (CONTINUED)*For the six months period ended 30 June 2025*

	<i>RMB'000</i>	
Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Net profit	4,072,992	4,700,632
(I) Classified by the continuity of operation		
Net profit from continuing operations	4,072,992	4,700,632
(II) Categorised by ownership		
Net profit attributable to shareholders of the Company	3,099,278	4,149,738
Net profit attributable to minority interests	973,714	550,894
Other comprehensive loss, net of tax	(26,314)	(260,201)
Other comprehensive loss attributable to shareholders of the Company, net of tax	(13,674)	(270,496)
(I) Other comprehensive income/(loss) that cannot be reclassified to profit or loss	13,887	(18,012)
1. Changes from remeasurement of defined benefit plans	120	(76,465)
2. Other comprehensive loss that cannot be reclassified to profit or loss under the equity method	(23)	(10)
3. Changes in fair value of investments in other equity instruments	13,790	58,463
(II) Other comprehensive loss that will be reclassified to profit or loss	(27,561)	(252,484)
1. Other comprehensive loss that can be reclassified to profit or loss under the equity method	(1,916)	(309)
2. Changes in fair value of receivables financing	9,721	26,284
3. Translation differences of financial statements denominated in foreign currencies	(35,366)	(278,459)
Other comprehensive (loss)/income attributable to minority interests, net of tax	(12,640)	10,295

CONSOLIDATED INCOME STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Total comprehensive income	4,046,678	4,440,431
Total comprehensive income attributable to shareholders of the Company	3,085,604	3,879,242
Total comprehensive income attributable to minority interests	961,074	561,189
Basic earnings per share (<i>RMB/Share</i>)	0.09	0.11
Diluted earnings per share (<i>RMB/Share</i>)	0.09	0.11

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

*Person in Charge of the
Accounting Body:*
Li Yifeng

THE COMPANY'S INCOME STATEMENT

For the six months period ended 30 June 2025

RMB'000

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Operating income	971,838	100,325
Less: Operating costs	970,815	105,751
Taxes and levies	3,721	3,093
Selling expenses	8,414	—
Administrative expenses	102,432	142,688
Financial expenses	(233,712)	(469,669)
Including: Interest expenses	735,248	659,468
Interest income	980,278	1,145,230
Add: Other income	769	808
Investment income	196,151	533,613
Including: Investment (loss)/income in associates and joint ventures	(3,767)	19
Losses on changes in fair values (Losses on)/Reversal of credit impairment	(43,704)	(212,204)
Losses on asset impairment	(3,946)	46,698
Losses on asset impairment	(7,454)	(554)
Gains on disposal of assets	—	49
Operating profit	261,984	686,872
Add: Non-operating income	100	200
Less: Non-operating expenses	58	63,082
Total profit	262,026	623,990
Less: Income tax expenses	—	—
Net profit	262,026	623,990
Net profit from continuing operations	262,026	623,990

THE COMPANY'S INCOME STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Other comprehensive income, net of tax	95	852
(I) Other comprehensive income/(loss) that cannot be reclassified to profit or loss	95	(1,827)
1. Changes from remeasurement of defined benefit plans	(4)	(1,832)
2. Changes in fair value of investments in other equity instruments	99	5
(II) Other comprehensive income that will be reclassified to profit or loss	–	2,679
1. Other comprehensive income that can be reclassified to profit or loss under the equity method	–	2,679
Total comprehensive income	<u>262,121</u>	<u>624,842</u>

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

*Person in Charge of the
Accounting Body:*
Li Yifeng

VIII. CONSOLIDATED AND THE COMPANY'S CASH FLOWS STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

For the six months period ended 30 June 2025

RMB'000

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
I. Cash Flows from Operating Activities		
Cash receipts from the sale of goods and the rendering of services	198,282,825	191,504,891
Receipts of tax refunds	618,396	393,518
Other cash receipts relating to operating activities	6,392,516	5,614,622
Sub-total of cash inflows from operating activities	205,293,737	197,513,031
Cash payments for goods purchased and services received	196,917,475	194,874,669
Cash payments to and on behalf of employees	13,913,010	14,760,187
Payments of various types of taxes	7,387,115	6,075,910
Other cash payments relating to operating activities	9,061,115	10,208,425
Sub-total of cash outflows from operating activities	227,278,715	225,919,191
Net Cash Flow Used in Operating Activities	(21,984,978)	(28,406,160)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
II. Cash Flows from Investing Activities		
Cash receipts from disposals and recovery of investments	225,791	340,809
Cash receipts from investment income	82,415	77,372
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	113,485	491,847
Net cash receipts from disposals of subsidiaries and other business units	150,797	–
Net cash receipts for acquisitions of subsidiaries and other business units	2,117,661	–
Other cash receipts relating to investing activities	2,338,707	97,021
Sub-total of cash inflows from investing activities	5,028,856	1,007,049
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	2,017,837	1,535,215
Cash payments to acquire investments	3,529,253	946,037
Other cash payments relating to investing activities	86,295	226,729
Sub-total of cash outflows from investing activities	5,633,385	2,707,981
Net Cash Flow Used in Investing Activities	(604,529)	(1,700,932)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
III. Cash Flows from Financing Activities		
Cash receipts from capital contributions	18,081,926	3,992,356
Including: Cash receipts from capital contributions from minority shareholders of subsidiaries	82,846	875
Cash receipts from issue of perpetual bonds	17,999,080	3,991,481
Cash receipts from borrowings	113,928,725	155,459,128
Other cash receipts relating to financing activities	141,325	—
Sub-total of cash inflows from financing activities	132,151,976	159,451,484
Cash repayments of borrowings	84,927,194	121,015,341
Cash payments for distribution of dividends or profits or settlement of interest expenses	3,127,097	2,920,923
Including: Payments for distribution of dividends or profits to minority owners of subsidiaries	41,809	237,751
Other cash payments relating to financing activities	19,357,393	3,810,451
Sub-total of cash outflows from financing activities	107,411,684	127,746,715
Net Cash Flow from Financing Activities	24,740,292	31,704,769

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	5,592	11,686
V. Net Increase in Cash and Cash Equivalents	2,156,377	1,609,363
Add: Opening balance of cash and cash equivalents	43,190,604	33,850,108
VI. Closing Balance of Cash and Cash Equivalents	45,346,981	35,459,471

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

*Person in Charge of the
Accounting Body:*
Li Yifeng

THE COMPANY'S CASH FLOW STATEMENT

For the six months period ended 30 June 2025

Item	RMB '000	
	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
I. Cash Flows from Operating Activities		
Cash receipts from the sale of goods and the rendering of services	214,429	27,054
Other cash receipts relating to operating activities	344,766	459,398
Sub-total of cash inflows from operating activities	559,195	486,452
Cash payments for goods purchased and services received	177,673	130,435
Cash payments to and on behalf of employees	88,614	114,368
Payments of various types of taxes	10,918	10,864
Other cash payments relating to operating activities	371,855	413,303
Sub-total of cash outflows from operating activities	649,060	668,970
Net Cash Flow Used in Operating Activities	(89,865)	(182,518)
II. Cash Flows from Investing Activities		
Cash receipts from disposals and recovery of investments	–	1,550,364
Cash receipts from investment income	540,159	703,096
Other cash receipts relating to investing activities	10,974,935	14,312,330
Sub-total of cash inflows from investing activities	11,515,094	16,565,790

THE COMPANY'S CASH FLOW STATEMENT (CONTINUED)

For the six months period ended 30 June 2025

Item	RMB '000	
	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	6,000	16,500
Cash payments to acquire investments	200,000	551,000
Other cash payments relating to investing activities	20,059,000	25,879,122
Sub-total of cash outflows from investing activities	20,265,000	26,446,622
Net Cash Flow Used in Investing Activities	(8,749,906)	(9,880,832)
III. Cash Flows from Financing Activities		
Cash receipts from capital contributions	17,999,080	3,991,481
Cash receipts from borrowings	65,696,061	111,950,470
Other cash receipts relating to financing activities	190,551,393	204,926,432
Sub-total of cash inflows from financing activities	274,246,534	320,868,383
Cash repayments of borrowings	58,600,000	97,441,241
Cash payments for distribution of dividends or profits or settlement of interest expenses	1,180,012	1,298,674
Other cash payments relating to financing activities	210,008,350	212,114,600
Sub-total of cash outflows from financing activities	269,788,362	310,854,515
Net Cash Flow from Financing Activities	4,458,172	10,013,868
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	373	(31,567)

THE COMPANY'S CASH FLOW STATEMENT (CONTINUED)*For the six months period ended 30 June 2025**RMB'000*

Item	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
V. Net Decrease in Cash and Cash Equivalents	(4,381,226)	(81,049)
Add: Opening balance of cash and cash equivalents	<u>8,354,373</u>	<u>968,955</u>
VI. Closing Balance of Cash and Cash Equivalents	<u><u>3,973,147</u></u>	<u><u>887,906</u></u>

This financial statement is signed by following persons:

*Legal Representative:***Chen Jianguang***Chief Financial Officer:***Dong Su***Person in Charge of the**Accounting Body:***Li Yifeng**

IX. CONSOLIDATED AND THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six months period ended 30 June 2025

RMB'000

Item	For the six months ended 30 June 2025 (unaudited)								
	Equity attributable to shareholders of the Company								Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Minority interests	
I. Closing balance of the prior year	20,723,619	50,600,000	23,460,671	751,118	1,024,967	3,782,468	52,700,255	29,292,768	182,335,866
II. Opening balance of the current period	20,723,619	50,600,000	23,460,671	751,118	1,024,967	3,782,468	52,700,255	29,292,768	182,335,866
III. Changes for the period	-	(3,000,000)	(14,310)	(14,444)	490,030	-	624,316	177,993	(1,736,415)
(I) Total comprehensive income	-	-	-	(13,674)	-	-	3,099,278	961,074	4,046,678
(II) Shareholders' contributions and reduction in capital	-	(3,000,000)	(14,310)	-	-	-	-	(745,539)	(3,759,849)
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	82,846	82,846
2. Capital contribution from holders of other equity instruments	-	18,000,000	(19,764)	-	-	-	-	-	17,980,236
3. Capital reduction from holders of other equity instruments	-	(21,000,000)	-	-	-	-	-	-	(21,000,000)
4. Acquisition of subsidiaries	-	-	-	-	-	-	-	11,795	11,795
5. Others	-	-	5,454	-	-	-	-	(840,180)	(834,726)
(III) Profit distribution	-	-	-	-	-	-	(2,475,732)	(41,809)	(2,517,541)
1. Distribution to shareholders	-	-	-	-	-	-	(1,160,523)	(41,809)	(1,202,332)
2. Distribution of interest on perpetual bonds	-	-	-	-	-	-	(1,315,209)	-	(1,315,209)
(IV) Transfers within the shareholders' equity	-	-	-	(770)	-	-	770	-	-
1. Other comprehensive income transferred to retained earnings	-	-	-	(770)	-	-	770	-	-
(V) Special reserve	-	-	-	-	490,030	-	-	4,267	494,297
1. Transfer to special reserve in the period	-	-	-	-	4,887,943	-	-	17,985	4,905,928
2. Amount utilised in the period	-	-	-	-	(4,397,913)	-	-	(13,718)	(4,411,631)
IV. Closing balance of the current period	20,723,619	47,600,000	23,446,361	736,674	1,514,997	3,782,468	53,324,571	29,470,761	180,599,451

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the six months period ended 30 June 2024

RMB '000

Item	For the six months ended 30 June 2024 (unaudited)								
	Equity attributable to shareholders of the Company								Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Minority interests	
I. Closing balance of the prior year	20,723,619	47,400,000	22,582,222	1,111,475	411,766	3,391,294	49,859,806	22,510,983	167,991,165
II. Opening balance of the current period	20,723,619	47,400,000	22,582,222	1,111,475	411,766	3,391,294	49,859,806	22,510,983	167,991,165
III. Changes for the period	-	4,000,000	(2,270)	(270,496)	392,103	-	824,276	(2,879,862)	2,063,751
(I) Total comprehensive income	-	-	-	(270,496)	-	-	4,149,738	561,189	4,440,431
(II) Shareholders' contributions and reduction in capital	-	4,000,000	(2,270)	-	-	-	(11,368)	(3,248,012)	738,350
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	980	980
2. Capital contribution from holders of other equity instruments	-	4,000,000	(3,639)	-	-	-	-	(105)	3,996,256
3. Capital reduction from holders of other equity instruments	-	-	-	-	-	-	(11,368)	(3,246,700)	(3,258,068)
4. Transactions with minority interests	-	-	1,712	-	-	-	-	(1,712)	-
5. Others	-	-	(343)	-	-	-	-	(475)	(818)
(III) Profit distribution	-	-	-	-	-	-	(3,314,094)	(198,642)	(3,512,736)
1. Distribution to shareholders	-	-	-	-	-	-	(1,492,101)	(146,242)	(1,638,343)
2. Distribution of interest on perpetual bonds	-	-	-	-	-	-	(1,821,993)	(52,400)	(1,874,393)
(IV) Transfers within the shareholders' equity	-	-	-	-	-	-	-	-	-
1. Other comprehensive income transferred to retained earnings	-	-	-	-	-	-	-	-	-
(V) Special reserve	-	-	-	-	392,103	-	-	5,603	397,706
1. Transfer to special reserve in the period	-	-	-	-	5,492,332	-	-	442,552	5,934,884
2. Amount utilised in the period	-	-	-	-	(5,100,229)	-	-	(436,949)	(5,537,178)
IV. Closing balance of the current period	<u>20,723,619</u>	<u>51,400,000</u>	<u>22,579,952</u>	<u>840,979</u>	<u>803,869</u>	<u>3,391,294</u>	<u>50,684,082</u>	<u>19,631,121</u>	<u>170,054,916</u>

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

Person in Charge of the Accounting Body:
Li Yifeng

THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the six months period ended 30 June 2025

RMB '000

Item	For the six months ended 30 June 2025 (unaudited)							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive loss	Special reserve	Surplus reserve	Retained profits	Total shareholders' equity
I. Opening balance of the current period	20,723,619	50,600,000	37,858,940	(17,365)	12,550	3,782,468	6,140,098	119,100,310
II. Changes for the period	-	(3,000,000)	(19,764)	95	-	-	(2,213,706)	(5,233,375)
(I) Total comprehensive income	-	-	-	95	-	-	262,026	262,121
(II) Owners' contributions and reduction in capital	-	(3,000,000)	(19,764)	-	-	-	-	(3,019,764)
1. Capital contribution from holders of other equity instruments	-	18,000,000	(19,764)	-	-	-	-	17,980,236
2. Capital reduction from holders of other equity instruments	-	(21,000,000)	-	-	-	-	-	(21,000,000)
(III) Profit distribution	-	-	-	-	-	-	(2,475,732)	(2,475,732)
1. Distribution to shareholders	-	-	-	-	-	-	(1,160,523)	(1,160,523)
2. Distribution of interest on perpetual bonds	-	-	-	-	-	-	(1,315,209)	(1,315,209)
III. Closing balance of the current period	20,723,619	47,600,000	37,839,176	(17,270)	12,550	3,782,468	3,926,392	113,866,935

THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the six months period ended 30 June 2024

RMB '000

Item	For the six months ended 30 June 2024 (unaudited)							Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other comprehensive loss	Special reserve	Surplus reserve	Retained profits	
I. Opening balance of the current period	20,723,619	47,400,000	37,888,131	(3,498)	12,550	3,391,294	5,973,377	115,385,473
II. Changes for the period	-	4,000,000	(3,365)	852	-	-	(2,690,104)	1,307,383
(I) Total comprehensive income	-	-	-	852	-	-	623,990	624,842
(II) Owners' contributions and reduction in capital	-	4,000,000	(3,365)	-	-	-	-	3,996,635
1. Capital contribution from holders of other equity instruments	-	4,000,000	(3,365)	-	-	-	-	3,996,635
2. Capital reduction from holders of other equity instruments	-	-	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	-	-	(3,314,094)	(3,314,094)
1. Distribution to shareholders	-	-	-	-	-	-	(1,492,101)	(1,492,101)
2. Distribution of interest on perpetual bonds	-	-	-	-	-	-	(1,821,993)	(1,821,993)
III. Closing balance of the current period	<u>20,723,619</u>	<u>51,400,000</u>	<u>37,884,766</u>	<u>(2,646)</u>	<u>12,550</u>	<u>3,391,294</u>	<u>3,283,273</u>	<u>116,692,856</u>

This financial statement is signed by following persons:

Legal Representative:
Chen Jianguang

Chief Financial Officer:
Dong Su

Person in Charge of the Accounting Body:
Li Yifeng

X NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

(I) BASIC INFORMATION

Metallurgical Corporation of China Ltd. (the “**Company**”) was established as a joint stock limited liability company by China Metallurgical Group Corporation (“**CMGC**”) and China Baowu Steel Group Corporation (“**CBSGC**”, formerly named as Baosteel Group Corporation) as promoters on 1 December 2008 and was registered in Beijing in the People’s Republic of China (the “**PRC**”), upon the approval by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC (the “**SASAC**”) of Approval for CMGC’s Group Restructuring and Dual Listing in Domestic and Overseas Markets (Guozi Reform [2008] No. 528) issued on 10 June 2008. CMGC is the parent company of the Company and the SASAC is the ultimate controlling party of the Company. Upon establishment of the Company, the share capital of the Company was RMB13 billion, representing RMB13 billion ordinary shares of RMB1.0 each. On 14 September 2009, the Company issued 3,500,000,000 A shares of the Company to domestic investors and these A shares of the Company were listed on the Shanghai Stock Exchange on 21 September 2009, and 2,610,000,000 H shares of the Company were issued on 16 September 2009 and listed on the Main Board of The Stock Exchange of Hong Kong Ltd. (the “**Hong Kong Stock Exchange**”) on 24 September 2009. During the course of the issue of A shares and H shares of the Company, CMGC and CBSGC transferred state-owned shares with a total amount of 350,000,000 A shares and 261,000,000 H shares of the Company to National Council for State Security Fund (“**NSSF**”) of the PRC, of which 261,000,000 H shares held by NSSF were sold by the Company during the issuance of H shares, in accordance with the “Letter on the Entrustment to Sell State-owned Shares Held by the NSSF in Metallurgical Corporation of China Ltd.”. Upon completion of the public offering of A shares and H shares above, the total share capital of the Company increased to RMB19.11 billion.

Pursuant to the special mandate granted by the shareholders at the 2016 First Extraordinary General Meeting, the 2016 First A Shareholders’ Class Meeting and the 2016 First H Shareholders’ Class Meeting, having received the Approval in Relation to the Non-public Issuance of Shares by Metallurgical Corporation of China Ltd. (Zheng Jian Xu Ke [2016] No. 1794) from the China Securities Regulatory Commission (the “**CSRC**”), the Company performed the non-public issuance of 1,613,619,000 A Shares of the Company (the “**Non-Public Issuance**”) to certain specific investors on 26 December 2016. Upon completion of the Non- Public Issuance, the share capital of the Company increased to RMB20,723,619,000, and CMGC remains as the controlling shareholder of the Company.

On 8 December 2015, the Strategic Restructuring between CMGC and China Minmetals Corporation (“CMC”) started upon the approval of the SASAC, whereby CMGC would be merged into CMC. In May 2019, CMGC completed the industrial and commercial registration of its shareholding alteration with its capital contributor changing from the SASAC to CMC. The status of CMGC as the controlling shareholder and the SASAC as the ultimate controlling shareholder of the Company does not change before or after the Strategic Restructuring.

In October 2018, CMGC purchased the structure adjusting funds for central enterprises at a consideration of 3% shares it held in the Company. The CMGC’s proportion of shareholding and voting rights upon the Company decreased from 59.18% to 56.18% subsequent to the completion of purchase and CMGC is still the controlling shareholder of the Company.

In September and November 2019, CMGC purchased the central enterprise innovation driven ETF fund with 224,685,000 shares of the Company. The CMGC’s proportion of shareholding and voting rights upon the Company decreased from 56.18% to 55.10% subsequent to the completion of purchase and CMGC is still the controlling shareholder of the Company.

In May 2020, CMGC transferred its 1,227,760,000 A shares of the Company (accounting for 5.92% of the Company’s total share capital) to China National Petroleum Corporation for free. After the completion of the free transfer, the CMGC’s proportion of shareholding and voting rights upon the Company decreased from 55.10% to 49.18%.

In December 2024, CMGC transferred its 9,171,860,000 A shares of the Company (accounting for 44.26% of the Company’s total share capital) to CMC for free. After the completion of the free transfer, the CMGC’s proportion of shareholding and voting rights upon the Company decreased from 49.18% to 4.92%. The controlling shareholder of the Company has changed to CMC and the ultimate controlling party of the Company is SASAC.

The Company and its subsidiaries (the “**Group**”) are principally engaged in the following activities: engineering contracting, featured business and comprehensive real estate.

The Group provides services or products as follows: engineering contracting business mainly includes scientific research, planning, exploration, procurement, construction and installation services for metallurgical engineering, building construction, municipal infrastructure engineering, and other engineering projects such as mining, environmental protection, electric power, chemical industry, light industry and electronics; resource development business mainly includes the development and smelting of

domestic and overseas metallic mineral resources, as well as the production and processing of non-metallic mineral resources, non-ferrous metals and polysilicon; specialised business products mainly include the manufacturing of equipment such as metallurgical special equipment, steel structures and other metal products, the construction and operation of ecological and environmental protection-related projects, as well as engineering supervision, consulting, and technical services; comprehensive real estate business mainly includes the development and sales of residential and commercial properties, the construction of affordable housing, and primary land development.

During the Reporting Period, the Group did not have material changes on its principal operating activities.

The financial statements had been approved by the Board on 29 August 2025.

(II). BASIS OF PREPARATION OF THE FINANCIAL STATEMENT

1 Basis of preparation

The Group implements the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China (“**MoF**”) and the relevant regulations (hereinafter collectively referred to as the “**ASBEs**”). In addition, the Group has disclosed relevant financial information in accordance with Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reports (Revised in 2023).

According to Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong and other Listing Rules of the Hong Kong Stock Exchange Amendments issued by the Hong Kong Stock Exchange in December 2010, and the relevant provisions issued by the MoF and the CSRC, and approved by the stockholders in the general meeting of the Company, from fiscal year 2014, the Company no longer provides the financial statements prepared in accordance with the ASBEs and International Financial Reporting Standards (“**IFRSs**”) separately to stockholders of A shares and H shares. Instead, the Company provides the financial statements prepared in accordance with the ASBEs to all stockholders, taking into consideration the relevant disclosure requirements of Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange into consideration.

2 Statement of compliance

These financial statements are in compliance with the ASBEs to truly and completely reflect consolidated and the Company's financial position at 30 June 2025 and consolidated and the Company's operating results and cash flows for the period then ended.

3 Accounting period

The Group has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December. The preparation period of the financial statements is from 1 January to 30 June 2025.

4 Functional currency

The Company and its domestic subsidiaries choose Renminbi (“**RMB**”) as their functional currency. The functional currency of the overseas subsidiaries of the Company is selected based on the primary economic environment where they operate. The Company adopts RMB to present its financial statements.

(III) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

During the Reporting Period, the Group's significant accounting policies remain unchanged.

(IV) NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Item	RMB'000	
	30 June 2025 (unaudited)	31 December 2024
Cash on hand	5,883	5,045
Bank deposits	51,418,746	49,974,504
Other monetary funds	1,632,860	2,579,302
Total	<u>53,057,489</u>	<u>52,558,851</u>
Including: Total amount deposited overseas	<u>3,688,920</u>	<u>2,686,684</u>

2. Notes receivable

RMB '000

Item	30 June 2025 (unaudited)			31 December 2024		
	Gross carrying amount	Credit loss allowance	Carrying amount	Gross carrying amount	Credit loss allowance	Carrying amount
Bank acceptances	2,042,944	15,266	2,027,678	1,874,447	10,793	1,863,654
Commercial acceptances	3,396,700	59,279	3,337,421	3,041,744	59,347	2,982,397
Total	<u>5,439,644</u>	<u>74,545</u>	<u>5,365,099</u>	<u>4,916,191</u>	<u>70,140</u>	<u>4,846,051</u>

3. Accounts receivable

RMB '000

Aging	30 June 2025 (unaudited)	31 December 2024
Within 1 year	161,250,180	156,691,694
1 to 2 years	46,793,452	39,475,287
2 to 3 years	12,995,799	14,596,663
3 to 4 years	10,453,929	10,052,992
4 to 5 years	6,282,234	5,167,408
Over 5 years	<u>15,393,305</u>	<u>14,606,851</u>
Total gross carrying amount	<u>253,168,899</u>	<u>240,590,895</u>
Less: Credit loss allowance	28,678,435	27,077,170
Carrying amount	<u>224,490,464</u>	<u>213,513,725</u>

4. *Prepayments*

RMB '000

Aging	30 June 2025 (unaudited)		31 December 2024	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	16,070,531	76.22	17,351,284	76.12
1 to 2 years	2,626,334	12.46	2,445,316	10.73
2 to 3 years	981,596	4.66	1,545,328	6.78
Over 3 years	1,406,986	6.66	1,451,406	6.37
Total	<u>21,085,447</u>	<u>100.00</u>	<u>22,793,334</u>	<u>100.00</u>

5. *Other receivables*

(1) Category of other receivables

RMB '000

Item	30 June 2025 (unaudited)	31 December 2024
Dividends receivable	99,148	150,985
Other receivables	<u>38,902,430</u>	<u>42,046,072</u>
Total	<u>39,001,578</u>	<u>42,197,057</u>

(2) *Other receivables*

(a) Disclosure by aging

	<i>RMB'000</i>	
Aging	30 June 2025 (unaudited)	31 December 2024
Within 1 year	15,385,204	18,486,766
1 to 2 years	5,611,333	5,974,338
2 to 3 years	5,797,482	5,085,629
3 to 4 years	7,351,282	7,121,799
4 to 5 years	2,681,163	3,549,818
Over 5 years	12,914,002	12,476,253
Total gross carrying amount	49,740,466	52,694,603
Less: Credit loss allowance	10,838,036	10,648,531
Carrying amount	38,902,430	42,046,072

(b) Other receivables categorised by nature

	<i>RMB'000</i>	
Nature	Gross carrying amount at 30 June 2025 (unaudited)	Gross carrying amount at 31 December 2024
Deposits and guarantees	18,030,307	19,318,422
Advances	12,453,596	10,765,765
Borrowings and current accounts	11,406,981	14,228,738
Payments to be recovered for equity transfer and investment	1,526,321	1,547,523
Reserves	49,203	137,257
Others	6,274,058	6,696,898
Total	49,740,466	52,694,603

6. Inventories

(1) Classification of inventories

RMB '000

Item	30 June 2025 (unaudited)			31 December 2024		
	Gross carrying amount	Provision for decline in value	Carrying amount	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	2,478,757	25,852	2,452,905	2,023,906	25,376	1,998,530
Purchased materials	42,679	10	42,669	41,761	10	41,751
Materials on consignment for further processing	8,122	–	8,122	6,158	–	6,158
Work in progress	2,486,404	342,470	2,143,934	2,503,517	373,881	2,129,636
Goods on hand	2,640,963	121,564	2,519,399	2,380,046	111,646	2,268,400
Reusable materials	429,143	1,200	427,943	436,320	1,211	435,109
Costs to fulfil a contract	74,811	–	74,811	85,617	–	85,617
Costs of properties under development	35,477,498	321,440	35,156,058	37,203,220	485,834	36,717,386
Completed properties held for sale	32,372,073	3,079,960	29,292,113	34,296,303	2,385,756	31,910,547
Total	76,010,450	3,892,496	72,117,954	78,976,848	3,383,714	75,593,134

(2) Provision for decline in value of inventories

RMB '000

Item	31 December 2024	Increase for the period		Decrease for the period			30 June 2025 (unaudited)
		Provision for the period	Others	Reversal for the period	Transferred-out for the period	Others	
Raw materials	25,376	943	–	–	467	–	25,852
Purchased materials	10	–	–	–	–	–	10
Work in progress	373,881	–	–	–	31,411	–	342,470
Goods on hand	111,646	28,948	–	–	19,030	–	121,564
Reusable materials	1,211	–	–	11	–	–	1,200
Costs of properties under development	485,834	74,067	–	–	–	238,461	321,440
Completed properties held for sale	2,385,756	568,819	238,461	–	111,816	1,260	3,079,960
Total	3,383,714	672,777	238,461	11	162,724	239,721	3,892,496

7. *Contract assets*

(1) *Classification of contract assets*

RMB '000

Item	30 June 2025 (unaudited)			31 December 2024		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Contract assets interrelated with engineering contracting services	198,130,777	6,844,786	191,285,991	159,879,413	5,902,058	153,977,355
Contract assets interrelated with quality guarantee deposit	<u>3,108,109</u>	<u>224,826</u>	<u>2,883,283</u>	<u>2,529,922</u>	<u>215,708</u>	<u>2,314,214</u>
Total	<u>201,238,886</u>	<u>7,069,612</u>	<u>194,169,274</u>	<u>162,409,335</u>	<u>6,117,766</u>	<u>156,291,569</u>

(2) *West Australia SINO Iron Mining Project*

In 2012, MCC Mining (Western Australia) Pty Ltd. (“**Western Australia**”), a wholly owned subsidiary of the Group, was forced to postpone the SINO Iron Project, including six production lines in total, due to reasons like extreme weather condition in Australia and other unpredictable reasons. The owner of the project is CITIC Limited. The Group negotiated with China CITIC Group Ltd. (“**CITIC Group**”, the parent company of CITIC Limited) for the project delay and the total contract price after cost overruns. CITIC Group and Western Australia signed the Third Supplementary EPC Agreement of SINO Iron Project in Western Australia on 30 December 2011 agreeing that the construction costs to complete the second main process line including trial run should be within USD4.357 billion. The ultimate construction costs for the aforesaid project should be determined by an audit performed by third party auditor. Based on the consensus with CITIC Group above and the estimated total construction costs of the project, the Group recognised impairment loss on contract costs of USD481 million (equivalent to approximately RMB3.035 billion) for the year ended 31 December 2012.

As of 31 December 2013, the first and the second production lines of the project were completed and put into operation. Western Australia and Sino Iron Pty Ltd. (“**the owner**”, a wholly owned subsidiary of CITIC Limited) signed the Fourth Supplementary Agreement of SINO Iron Project in Western Australia dated 24 December 2013 for the handing over of the first and the second production lines of the project to CITIC Group at the end of 2013. As such, the construction, installation and trial running work set out in the EPC contract for the project newly entered into by Western Australia were completed. For the third to sixth production lines of the project, Western Australia and Northern Engineering & Technology Corporation, a subsidiary of the Company, have entered into Project Management Service Agreement and Engineering Design and Equipment Procurement Management Technology Service Agreement, respectively, with the owner for the provision of follow-up technology management services to the owner. In addition, both the Group and the owner have agreed to engage an independent third party to perform an audit of the total construction costs incurred for the project, the reasonableness of the construction costs incurred, the reasons of the project delay and the responsibility for the delay. Based on the final result of the audit, the Group and the owner will make final settlement of the project.

The Group assessed the accounts receivable and the contract assets based on expected credit losses. In the opinion of the Group, although the final contract amount shall be confirmed after the auditing of the third party, the consensus between the Group and CITIC Group for the previously agreed construction costs of USD4.357 billion mentioned in the paragraph above remained unchanged. The Group reasonably expected that the consensus should not have any significant change and recognised no additional contract losses as at 30 June 2025.

On 30 June 2025, the accounts receivable for the above items amounted to RMB1,734,240,000, and the contract assets of the project mentioned above amounted to RMB4,134,273,000. After the completion of the audit mentioned above, the Group will actively follow up with CITIC Group and the owner for negotiation and discussion in reaching the final agreed project construction costs and make relevant accounting treatments accordingly.

8. Long-term receivables

RMB '000

Item	30 June 2025 (unaudited)	31 December 2024	Discount rate range
Long-term receivables on project	66,885,269	62,753,639	3.10%-5.00%
Long-term loans	4,681,353	5,556,732	3.60%
Receivables on disposal of equity investments	333,485	333,485	4.90%
Others	470,060	487,337	5.05%
Total gross carrying amount	<u>72,370,167</u>	<u>69,131,193</u>	/
Less: Credit loss allowance of long-term receivables	3,104,556	2,995,239	/
Total net book value	<u>69,265,611</u>	<u>66,135,954</u>	/
Less: Long-term receivables due within one year, net	12,418,215	11,716,139	/
Long-term receivables due over 1 year, net	<u>56,847,396</u>	<u>54,419,815</u>	/

9. Notes payable

RMB '000

Category	30 June 2025 (unaudited)	31 December 2024
Bank acceptances	26,164,518	27,838,085
Commercial acceptances	<u>2,616,561</u>	<u>2,309,324</u>
Total	<u>28,781,079</u>	<u>30,147,409</u>

10. Accounts payable

(1) Classification of accounts payable

<i>RMB'000</i>		
Item	30 June 2025 (unaudited)	31 December 2024
Project fees	255,994,225	235,252,263
Purchases	70,589,384	69,380,250
Labor fees	25,046,561	24,921,867
Quality guarantee deposit	1,761,227	1,905,050
Design fees	676,160	665,277
Others	3,378,031	2,960,336
Total	<u>357,445,588</u>	<u>335,085,043</u>

(2) Aging analysis of accounts payable

<i>RMB'000</i>		
Aging	30 June 2025 (unaudited)	31 December 2024
Within 1 year	267,688,263	258,934,577
1 to 2 years	57,304,311	45,451,153
2 to 3 years	16,040,220	14,764,244
Over 3 years	16,412,794	15,935,069
Total	<u>357,445,588</u>	<u>335,085,043</u>

11. Contract liabilities

<i>RMB '000</i>		
Item	30 June 2025 (unaudited)	31 December 2024
Contract liabilities relating to engineering contracting service contracts	48,669,128	51,306,585
Contract liabilities formed by receipt of property sales amount in advance	5,766,564	6,086,924
Contract liabilities relating to sales contracts	2,489,413	2,738,063
Contract liabilities relating to contracts of other customers	597,324	1,059,077
Total	<u>57,522,429</u>	<u>61,190,649</u>

12. Other payables

(1) Classification of other payables

<i>RMB '000</i>		
Category	30 June 2025 (unaudited)	31 December 2024
Interest payable	28,492	24,025
Dividends payable	2,871,016	1,238,350
Other payables	52,881,278	54,535,359
Total	<u>55,780,786</u>	<u>55,797,734</u>

(2) *Dividends payable*

<i>RMB '000</i>		
Item	30 June 2025 (unaudited)	31 December 2024
Interest on perpetual bonds classified as equity instrument	1,316,719	781,773
Shareholders' dividends	1,554,297	456,577
Total	2,871,016	1,238,350

(3) *Other payables*

<i>RMB '000</i>		
Item	30 June 2025 (unaudited)	31 December 2024
Current accounts	33,953,466	33,989,190
Guarantees	14,241,777	13,587,846
Deposits	1,288,222	1,304,088
Others	3,397,813	5,654,235
Total	52,881,278	54,535,359

13. Operating income and operating costs

RMB '000

Item	For the six-month period ended 30 June 2025 (unaudited)		For the six-month period ended 30 June 2024 (unaudited)	
	Revenue	Cost	Revenue	Cost
Principal operating activities	236,829,648	213,021,492	298,172,758	271,365,047
Other operating activities	703,064	542,443	668,769	435,142
Total	<u>237,532,712</u>	<u>213,563,935</u>	<u>298,841,527</u>	<u>271,800,189</u>

14. Taxes and levies

RMB '000

Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Stamp tax	138,240	190,443
Housing property Tax	162,824	170,999
Urban maintenance and construction tax	153,184	160,682
Education surcharge	120,660	127,810
Land use tax	68,480	62,312
Land appreciation tax	24,157	25,742
Others	<u>209,610</u>	<u>173,509</u>
Total	<u>877,155</u>	<u>911,497</u>

15. Selling expenses

	<i>RMB'000</i>	
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Employee benefits	705,889	694,783
Advertising and sales service expenses	221,624	253,199
Travel expenses	128,307	137,969
Office expenses	51,295	83,170
Lease expenses	42,513	44,492
Consulting fee	23,566	37,750
Depreciation of fixed assets	5,027	5,055
Others	125,862	129,960
Total	1,304,083	1,386,378

16. Administrative expenses

	<i>RMB'000</i>	
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Employee benefits	3,718,083	3,924,942
Depreciation of fixed assets	264,499	257,802
Travel expenses	151,971	197,555
Office expenses	130,070	188,505
Professional service fees	139,372	151,758
Lease expenses	115,784	126,597
Amortisation of intangible assets	92,313	99,332
Maintenance fee	43,592	38,726
Others	677,038	723,204
Total	5,332,722	5,708,421

17. Research and development expenses*RMB'000*

Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Research and development material expenditure	4,116,474	5,482,836
Employee benefits	2,268,604	2,254,124
Depreciation of fixed assets	53,575	79,404
Amortisation of intangible assets	13,247	12,645
Others	283,070	237,180
Total	6,734,970	8,066,189

18. Financial expenses*RMB'000*

Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Interest expenses	2,158,279	1,773,610
Less: Capitalised interest expenses	723,249	467,779
Less: Interest income	937,172	973,653
Exchange losses/(gains)	27,603	(9,214)
Bank charges	209,019	291,060
Interest expenses on lease liabilities	14,700	17,807
Others	4,620	5,469
Total	753,800	637,300

19. Investment loss

	<i>RMB'000</i>	
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
(Loss)/Income from long-term equity investments under equity method	(54,451)	19,421
Investment income on disposal of long-term equity investments	2,210	4,123
Investment loss from disposal of receivables financing	(150,600)	(141,593)
Investment income from holding investments in other equity instruments	15,313	1,098
Investment income from holding investments in other non-current financial assets	908	6,544
Losses from derecognition of financial assets at amortised cost	(256,644)	(401,664)
Others	(2,493)	(88,837)
Total	<u>(445,757)</u>	<u>(600,908)</u>

20. Impairment losses of credit

	<i>RMB'000</i>	
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
(Losses on)/Reversal of credit impairment of notes receivable	(4,405)	620
Losses on credit impairment of accounts receivable	(1,660,181)	(2,475,191)
Losses on credit impairment of other receivables	(192,183)	(331,612)
(Losses on)/Reversal of credit impairment of long-term receivables	(48,745)	29,275
Total	<u>(1,905,514)</u>	<u>(2,776,908)</u>

21. Impairment losses of assets

RMB'000

Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Losses on decline in value of inventories	(672,766)	(1,135,460)
Losses on impairment of contract assets	(979,946)	(957,186)
Losses on impairment of long-term equity investments	–	(1,626)
Losses on impairment of intangible assets	(704)	–
(Losses on)/Reversal of impairment of other non-current assets	(43,678)	493
(Losses on)/Reversal of impairment of other current assets	(2,989)	4,623
Total	(1,700,083)	(2,089,156)

22. Non-operating income

RMB'000

Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)	Recognised in non-recurring profit or loss for the period (unaudited)
Income from penalty	11,740	10,466	11,740
Government grants	19,990	14,857	19,990
Unpayable balances	33,252	43,037	33,252
Others	62,478	73,933	62,478
Total	127,460	142,293	127,460

23. *Non-operating expenses*

<i>RMB '000</i>			
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)	Recognised in non-recurring profit or loss for the period (unaudited)
Litigation estimated liabilities	50,748	67,450	50,748
Compensation and default payments	38,797	108,412	38,797
Loss on damage and retirement of non-current assets	6,218	7,443	6,218
Fines and surcharges for overdue payments	24,799	6,656	24,799
Donation expenditure	15,009	7,198	15,009
Others	1,076	8,592	1,076
Total	<u>136,647</u>	<u>205,751</u>	<u>136,647</u>

24. *Income tax expenses*

(1) *Classification of income tax expenses*

<i>RMB '000</i>		
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Current tax expenses	1,478,505	1,825,773
Deferred tax expenses	<u>(272,348)</u>	<u>(845,257)</u>
Total	<u>1,206,157</u>	<u>980,516</u>

(2) *Reconciliation of income tax expenses to the accounting profit*

<i>RMB'000</i>		
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Total profit	5,279,149	5,681,148
Income tax expenses calculated at 25%	1,319,787	1,420,287
Effect of difference between applicable tax rate and statutory tax rate	(667,950)	(622,942)
Effect of non-taxable income	(36,706)	(30,408)
Effect of non-deductible costs, expenses and losses	133,715	111,569
Effect of utilising deductible temporary differences or deductible loss not recognised for deferred tax assets for prior period	(102,362)	(210,527)
Effect of deductible temporary differences or deductible losses for which deferred tax assets are not recognised for the period	1,158,220	825,196
Additional deduction for R&D expenses and others	(598,547)	(512,659)
Income tax expenses	<u>1,206,157</u>	<u>980,516</u>

Most of the companies now comprising the Group are subject to PRC enterprise income tax, which have been provided based on the statutory income tax rate of 25% on the assessable income during the current period as determined in accordance with the relevant PRC income tax rules and regulations except for certain subsidiaries which were exempted from tax or taxed at preferential rate.

Taxation of overseas subsidiaries within the Group has been calculated on the estimated assessable profit of these subsidiaries for the period at the rates of taxation prevailing in the countries or jurisdictions in which these companies operate.

25. Other comprehensive income

Accumulated balance of other comprehensive income attributable to the parent company in the consolidated balance sheet:

RMB '000

Item	31 December 2024	Attributable to shareholders of the parent company, net of income tax	Less: Retained earnings transferred from other comprehensive income	30 June 2025 (unaudited)
Other comprehensive income that cannot be reclassified to profit or loss				
Changes in remeasurement of defined benefit plan	(200,568)	120	–	(200,448)
Other comprehensive income that cannot be reclassified to profit or loss under the equity method	25	(23)	–	2
Changes in fair value of investment in other equity instruments	(17,018)	13,790	770	(3,998)
Subtotal	(217,561)	13,887	770	(204,444)
Other comprehensive income that will be reclassified to profit or loss				
Other comprehensive income that can be reclassified to profit or loss under the equity method	21,298	(1,916)	–	19,382
Changes in fair value of receivables financing	(94,115)	9,721	–	(84,394)
Translation differences of financial statements denominated in foreign currencies	1,041,496	(35,366)	–	1,006,130
Subtotal	968,679	(27,561)	–	941,118
Total	751,118	(13,674)	770	736,674

Amount incurred in other comprehensive income:

For the six months period ended 30 June 2025 (unaudited):

<i>RMB '000</i>				
Item	Pre-tax amount incurred in the period	Less: Income tax expenses	Attributable to shareholders of the parent company, net of income tax	Attributable to minority shareholders, net of income tax
Other comprehensive income that cannot be reclassified to profit or loss				
Changes in remeasurement of defined benefit plan	137	4	120	13
Other comprehensive income that cannot be subsequently reclassified to profit or loss under the equity method	(23)	–	(23)	–
Changes in fair value of investment in other equity instruments	19,733	5,858	13,790	85
Other comprehensive income that will be reclassified to profit or loss				
Other comprehensive income that can be reclassified to profit or loss under the equity method	(2,666)	–	(1,916)	(750)
Changes in fair value of receivables financing	6,580	(354)	9,721	(2,787)
Translation differences of financial statements denominated in foreign currencies	(45,323)	(756)	(35,366)	(9,201)
Total	<u>(21,562)</u>	<u>4,752</u>	<u>(13,674)</u>	<u>(12,640)</u>

26. Earnings per share

- (1) When calculating earnings per share, net profit for the period attributable to ordinary shareholders

<i>RMB '000</i>		
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Net profit for the period attributable to shareholders of the parent company	3,099,278	4,149,738
Including: Net profit from continuing operations	3,099,278	4,149,738
Less: Net profit attributable to perpetual bond holders	1,315,209	1,821,993
Net profit for the period attributable to ordinary shareholders	<u>1,784,069</u>	<u>2,327,745</u>

- (2) For the purpose of calculating basic earnings per share, the denominator is the weighted average number of outstanding ordinary shares

<i>RMB '000</i>		
Item	For the six-month period ended 30 June 2025 (unaudited) '000 shares	For the six-month period ended 30 June 2024 (unaudited) '000 shares
Number of ordinary shares outstanding at the beginning of the period	20,723,619	20,723,619
Add: Weighted average number of ordinary shares issued during the period	—	—

Item	For the six-month period ended 30 June 2025 (unaudited) '000 shares	For the six-month period ended 30 June 2024 (unaudited) '000 shares
Less: Weighted average number of ordinary shares repurchased during the period	–	–
Number of ordinary shares outstanding at the end of the period	20,723,619	20,723,619

(3) *Earnings per share*

	<i>RMB '000</i>	
Item	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Calculated based on net profit attributable to ordinary shareholders:		
Basic earnings per share	RMB0.09/share	RMB0.11/share
Diluted earnings per share	RMB0.09/share	RMB0.11/share
Calculated based on net profit from continuing operations attributable to ordinary shareholders:		
Basic earnings per share	RMB0.09/share	RMB0.11/share
Diluted earnings per share	RMB0.09/share	RMB0.11/share
Calculated based on net profit from discontinued operations attributable to ordinary shareholders:		
Basic earnings per share	N/A	N/A
Diluted earnings per share	N/A	N/A

XI. DIVIDENDS

During the Reporting Period, the Company had no preliminary proposal for profit distribution or transfer of capital reserve to share capital for the first half of 2025. No interim dividend will be declared by the Board for the Reporting Period.

XII. CHANGES IN SHARE CAPITAL AND PARTICULARS OF SHAREHOLDERS

(I) Changes in ordinary shares

During the Reporting Period, there were no changes in the total number of shares and share capital structure of the company.

(II) Changes in Restricted Shares

☐ Applicable ☒ Not applicable

(III) Particulars of Shareholders

(1) Total Number of Shareholders

Total number of ordinary Shareholders as at the end of the Reporting Period (<i>persons</i>)	312,041
Total number of Shareholders of preferred shares whose voting rights have been restored as at the end of the Reporting Period (<i>person</i>)	<u>0</u>

(2) Table of Shareholding of the Top Ten Shareholders and Top Ten Shareholders with Tradable Shares (or Shareholders not Subject to Selling Restrictions) as at the end of the Reporting Period ⁽¹⁾

Unit: share

Shareholding of the top ten Shareholders (excluding shares lent under the margin refinancing transfer)

Name of shareholder (full name)	Increase/ Decrease during the Reporting Period	Number of shares held at the end of the period	Proportion (%)	Number of shares subject to selling restrictions	Pledged, charged or frozen		Nature of shareholder
					Status of shares	Amount	
China Minmetals Corporation	0	9,171,859,770	44.26	0	Nil	0	State-owned legal person
HKSCC Nominees Limited ⁽²⁾	2,053,000	2,849,072,401	13.75	0	Nil	0	Others

Shareholding of the top ten Shareholders (excluding shares lent under the margin refinancing transfer)

Name of shareholder (full name)	Increase/ Decrease during the Reporting Period	Number of shares held at the end of the period	Proportion (%)	Number of shares subject to selling restrictions	Pledged, charged or frozen		Nature of shareholder
					Status of shares	Amount	
China National Petroleum Corporation	0	1,227,760,000	5.92	0	Nil	0	State-owned legal person
China Metallurgical Group Corporation	0	1,019,095,530	4.92	0	Nil	0	State-owned legal person
China Securities Finance Corporation Limited	0	589,038,427	2.84	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited	112,512,108	429,195,458	2.07	0	Nil	0	Others
Industrial and Commercial Bank of China Limited – Huatai- PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund	4,587,100	127,801,493	0.62	0	Nil	0	Others
China Construction Bank Corporation – E Fund CSI 300 Exchange-traded Open-end Index Sponsoring-type Securities Investment Fund	5,644,700	90,699,042	0.44	0	Nil	0	Others
Industrial and Commercial Bank of China Limited – China CSI 300 Exchange-traded Open-end Index Securities Investment Fund	9,980,900	66,508,800	0.32	0	Nil	0	Others
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	0	63,516,600	0.31	0	Nil	0	Others
E-Fund – Agricultural Bank –E-Fund China Securities and Financial Assets Management Program	0	63,516,600	0.31	0	Nil	0	Others
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others

Shareholding of the top ten Shareholders (excluding shares lent under the margin refinancing transfer)

Name of shareholder (full name)	Increase/ Decrease during the Reporting Period	Number of shares held at the end of the period	Proportion (%)	Number of shares subject to selling restrictions	Pledged, charged or frozen		Nature of shareholder
					Status of shares	Amount	
China AMC Fund – Agricultural Bank – China AMC China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
Yinhua Fund – Agricultural Bank – Yinhua China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Programme	0	63,516,600	0.31	0	Nil	0	Others
ICBC Credit Suisse Asset – Agricultural Bank – China Securities and Financial Assets Management Programme of ICBC Credit Suisse Asset	0	63,516,600	0.31	0	Nil	0	Others

**Shareholding of the top ten Shareholders not subject to selling restrictions
(excluding shares lent under the margin refinancing transfer)**

Name of shareholder	Number of shares held without selling restrictions	Types and number of shares	
		Types	Amount
China Minmetals Corporation	9,171,859,770	RMB ordinary shares	9,171,859,770
HKSCC Nominees Limited ⁽²⁾	2,849,072,401	Overseas-listed foreign-invested shares	2,849,072,401
China National Petroleum Corporation	1,227,760,000	RMB ordinary shares	1,227,760,000
China Metallurgical Group Corporation	1,019,095,530	RMB ordinary shares	1,019,095,530
China Securities Finance Corporation Limited	589,038,427	RMB ordinary shares	589,038,427
Hong Kong Securities Clearing Company Limited	429,195,458	RMB ordinary shares	429,195,458

**Shareholding of the top ten Shareholders not subject to selling restrictions
(excluding shares lent under the margin refinancing transfer)**

Name of shareholder	Number of shares held without selling restrictions	Types and number of shares	
		Types	Amount
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund	127,801,493	RMB ordinary shares	127,801,493
China Construction Bank Corporation – E Fund CSI 300 Exchange-traded Open-end Index Sponsoring-type Securities Investment Fund	90,699,042	RMB ordinary shares	90,699,042
Industrial and Commercial Bank of China Limited – China CSI 300 Exchange-traded Open-end Index Securities Investment Fund	66,508,800	RMB ordinary shares	66,508,800
Bosera Funds – Agricultural Bank – Bosera China Securities and Financial Assets Management Program	63,516,600	RMB ordinary shares	63,516,600
E-Fund – Agricultural Bank –E-Fund China Securities and Financial Assets Management Program	63,516,600	RMB ordinary shares	63,516,600
Da Cheng Fund – Agricultural Bank – Da Cheng China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
Harvest Fund – Agricultural Bank – Harvest China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
GF Fund – Agricultural Bank – GF China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
Zhong Ou Fund – Agricultural Bank – Zhong Ou China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
China AMC Fund – Agricultural Bank – China AMC China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
Yinhua Fund – Agricultural Bank – Yinhua China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
China Southern Fund – Agricultural Bank – China Southern China Securities and Financial Assets Management Programme	63,516,600	RMB ordinary shares	63,516,600
ICBC Credit Suisse Asset – Agricultural Bank – China Securities and Financial Assets Management Programme of ICBC Credit Suisse Asset	63,516,600	RMB ordinary shares	63,516,600
Explanation of share repurchase accounts among the Top Ten Shareholders	Not Applicable		
Explanations on the aforesaid Shareholders’ entrusting of voting rights, entrusted voting rights, and waiver of voting rights	Not Applicable		

**Shareholding of the top ten Shareholders not subject to selling restrictions
(excluding shares lent under the margin refinancing transfer)**

Name of shareholder	Number of shares held without selling restrictions	Types and number of shares	
		Types	Amount
Explanations on the connections or parties acting in concert among the aforesaid Shareholders	Among the above shareholders, China Minmetals Corporation and China Metallurgical Group Corporation are considered persons acting in concert. Apart from this, the Company is unaware of any related party relationships or persons acting in concert among other shareholders.		
Explanations on the Shareholders of preferred shares whose voting rights have been restored and the number of Shares held	Not Applicable		

Note (1): Figures in the table were extracted from the Company register of shareholders as at 30 June 2025.

Note (2): The H Shares held by HKSCC Nominees Limited are those held on behalf of their beneficial owners.

Participation of the Shareholders holding 5% or above shares, top ten Shareholders and top ten Shareholders with tradable shares not subject to selling restrictions in lending shares in the margin refinancing business

☐ Applicable ☒ Not applicable

Changes in the top ten shareholders and top ten shareholders with tradable shares not subject to selling restrictions due to the lending/returning of shares in the margin refinancing

☐ Applicable ☒ Not applicable

Number of Shares held by the top ten shareholders subject to selling restrictions and information on the selling restrictions

☐ Applicable ☒ Not applicable

XIII. PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

Save as disclosed in the section headed “Relevant Information on Bonds” below, neither the Company nor its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares). As of the end of the Reporting Period, the Company did not hold any treasury shares.

XIV. RELEVANT INFORMATION ON BONDS

(I) Corporate Bonds (including enterprise bonds)

☐ Applicable ☒ Not applicable

(II) Non-financial Corporate Debt Financing Instruments in Interbank Bond Market

Unit: RMB'00 million

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2022 First Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	22 MCC MTN001	102282664	7 December 2022 to 8 December 2022	9 December 2022	Exercise date of options redeemed by the issuer, with the first exercise date on 9 December 2025	20	4.18	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2022 Second Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	22 MCC MTN002	102282722	14 December 2022 to 15 December 2022	16 December 2022	Exercise date of options redeemed by the issuer, with the first exercise date on 16 December 2025	20	4.23	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2022 Third Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	22 MCC MTN003	102282771	21 December 2022 to 22 December 2022	23 December 2022	Exercise date of options redeemed by the issuer, with the first exercise date on 23 December 2025	13	4.12	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2023 Tenth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	23 MCC MTN010	102382163	18 August 2023, 21 August 2023	22 August 2023	Exercise date of options redeemed by the issuer, with the first exercise date on 22 August 2026	20	3.05	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2023 Eleventh Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	23 MCC MTN011	102382240	23 August 2023 to 24 August 2023	25 August 2023	Exercise date of options redeemed by the issuer, with the first exercise date on 25 August 2026	14	3.04	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2023 Twelfth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	23 MCC MTN012	102382348	31 August 2023 to 1 September 2023	4 September 2023	Exercise date of options redeemed by the issuer, with the first exercise date on 4 September 2026	10	3.1	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2023 Thirteenth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	23 MCC MTN013	102382364	1 September 2023, 4 September 2023	5 September 2023	Exercise date of options redeemed by the issuer, with the first exercise date on 5 September 2026	10	3.22	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2024 First Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN001	102480524	21 February 2024 to 22 February 2024	23 February 2024	23 February 2034	10	2.94	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Second Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN002	102480538	23 February 2024, 26 February 2024	27 February 2024	27 February 2034	10	2.92	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Third Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN003	102480930	14 March 2024 to 15 March 2024	18 March 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 18 March 2027	20	2.79	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Fourth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN004	102480974	18 March 2024 to 19 March 2024	20 March 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 20 March 2027	20	2.74	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Fifth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN005A	102483199	24 July 2024 to 25 July 2024	26 July 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 26 July 2029	10	2.25	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2024 Fifth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN005B	102483200	24 July 2024 to 25 July 2024	26 July 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 26 July 2034	10	2.54	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Sixth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN006	102483403	7 August 2024 to 8 August 2024	2024	Exercise date of options redeemed by the issuer, with the first exercise date on 9 August 2029	20	2.25	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Seventh Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN007	102483477	9 August 2024, 12 August 2024	13 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 13 August 2034	12	2.75	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Eighth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN008	102483673	21 August 2024 to 22 August 2024	23 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 23 August 2029	20	2.40	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Ninth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN009	102483722	22 August 2024 to 23 August 2024	26 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 26 August 2027	20	2.28	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2024 Tenth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN010	102483782	23 August 2024, 26 August 2024	27 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 27 August 2029	20	2.50	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Eleventh Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN011	102483789	26 August 2024 to 27 August 2024	28 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 28 August 2027	20	2.38	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2024 Twelfth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	24 MCC MTN012	102483835	27 August 2024 to 28 August 2024	29 August 2024	Exercise date of options redeemed by the issuer, with the first exercise date on 29 August 2027	12	2.31	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 First Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN001	102580928	3 March 2025 to 4 March 2025	5 March 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 5 March 2028	20	2.30	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Second Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN002	102581292	20 March 2025 to 21 March 2025	24 March 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 24 March 2028	20	2.31	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2025 Third Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN003	102581059	12 March 2025 to 13 March 2025	14 March 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 14 March 2028	20	2.37	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Fourth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN004	102581350	24 March 2025 to 25 March 2025	26 March 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 26 March 2028	20	2.27	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Fifth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN005	102581435	27 March 2025	28 March 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 28 March 2028	20	2.25	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Sixth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN006	102581856	23 April 2025 to 24 April 2025	25 April 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 25 April 2030	12	2.35	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Seventh Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN007	102581943	27 April 2025 to 28 April 2025	29 April 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 29 April 2030	20	2.39	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

Name of bonds	Abbreviation	Bond code	Issue date	Value date	Expiry date	Outstanding bonds	Interest rate (%)	Method to pay principal and interests	Trading venue	Investor suitability arrangements (if any)	Trading mechanism	Is there any risk of termination of listing and trading
2025 Eighth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN008	102582141	22 May 2025 to 23 May 2025	26 May 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 26 May 2028	20	2.07	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Ninth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN009	102582167	26 May 2025 to 27 May 2025	28 May 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 28 May 2028	20	2.09	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No
2025 Tenth Tranche of Medium-term Notes of Metallurgical Corporation of China Ltd.	25 MCC MTN010	102582334	9 June 2025 to 10 June 2025	11 June 2025	Exercise date of options redeemed by the issuer, with the first exercise date on 11 June 2028	8	2.05	Interests payable per annum, and principal and interest payable upon maturity	China Interbank Bond Market	–	Bidding transaction	No

XV. COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, resolutely implemented the major principle of “two-sphere consistency” and continuously promoted the integration of strengthening the Party’s overall leadership with improving corporate governance. The Company also continued to strictly follow the relevant laws and regulations, including the *Company Law*, *Securities Law*, and the regulations of securities regulatory authorities, while further strengthening the governance system and standard operations of the Company and its subsidiaries. As an important part of the corporate governance structure, the Board, the Party Committee, and the management of the Company discharged their own duties under respective terms of reference, took full responsibility for their own responsibilities and communicate in a timely and effective manner, thus a regulatory mechanism for the co-ordination and efficient operation of all aspects of decision-making, management and supervision has been formed. During the

Reporting Period, the corporate governance level of the Company has been further improved, laying a favourable foundation for promoting company development and improving shareholder value.

On 12 March 2025, Mr. Zhou Jichang, the Independent Non-executive Director of the Company, resigned from his position as Independent Non-executive Director and from the relevant committees, as he had served as the position for six consecutive years. After Mr. Zhou Jichang's resignation, the members of the Company's third session of the Board up to the end of the Reporting Period were: Chairman and executive Director Mr. Chen Jianguang, executive Director and vice president Mr. Bai Xiaohu, non-executive Director Mr. Lang Jia, Independent Non-executive Directors Mr. Liu Li, Mr. Ng, Kar Ling Johnny, and Ms. Zhou Guoping, and Employee Representative Director Mr. Yan Aizhong.

Each general meeting, Board meeting, and meeting of the Supervisory Committee is convened in accordance with the relevant requirements of the *Company Law* and the *Articles of Association*. During the Reporting Period, the Company convened 1 general meeting, 6 Board meetings, 9 meetings of Special Committees of the Board, and 2 meetings of Supervisory Committee in total.

During the Reporting Period, save for code provision B.2.2 of the *Corporate Governance Code*, the Company strictly adhered to the principles and provisions outlined in the *Corporate Governance Code* before the amendments to the *Corporate Governance Code* (the “**New CG Code**”) came into effect on 1 July 2025 and, where applicable, adopted the recommended best practices. In accordance with the code provision B.2.2 of the *Corporate Governance Code*, each director shall retire by rotation at least once every three years. The term of the third session of the Board has exceeded three years. In accordance with the Articles of Association, members of the third session of the Board shall continue to perform duties until the establishment of the fourth session of the Board. The Company will continue to review and monitor its corporate governance practice to ensure compliance with the latest measures and standards set out in the New CG Code.

XVI. COMPLIANCE WITH THE MODEL CODE BY DIRECTORS AND SUPERVISORS

The Company has adopted the *Model Code* as set out in Appendix C3 to the Listing Rules as the code governing the dealings in the Company's securities by the Directors and Supervisors. Having made specific enquiries with all the Directors and Supervisors, all the Directors and Supervisors confirmed that they themselves and their respective associates had fully complied with the required standards provided for in the above *Model Code* during the Reporting Period.

XVII. REVIEW ON INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee under the Board has reviewed the accounting principles and practices adopted by the Company and its subsidiaries in collaboration with the Company's management, and has discussed with the Directors matters in relation to internal control and financial reporting of the Company, including the review of the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2025.

XVIII. PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2025 will be available on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's website (<http://www.mccchina.com>) in mid to late September 2025 for Shareholders' reference.

XIX. DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

In this announcement, unless the context otherwise requires, the following expressions have the meanings as follows:

“Company” or “MCC”	Metallurgical Corporation of China Ltd.*
“State Council”	the State Council of the People's Republic of China
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council
“CSRC”	the China Securities Regulatory Commission
“MIIT”	the Ministry of Industry and Information Technology of the People's Republic of China
“SSE”	the Shanghai Stock Exchange
“A Share Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Listing Rules of the Hong Kong Stock Exchange”, “H Share Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“CMGC”	China Metallurgical Group Corporation
“Controlling Shareholder” or “China Minmetals”	China Minmetals Corporation
“MCC 20”	China MCC 20 Group Corp. Ltd.
“China ENFI”	China ENFI Engineering Corporation
“CISDI”	CISDI Group Co., Ltd.
“MCC Capital”	MCC Capital Engineering & Research Incorporation Limited
“WISDRI”	WISDRI Engineering & Research Incorporation Limited
“MCC Real Estate”	MCC Real Estate Group Co., Ltd.
“MCC Ecological Environmental Protection”	MCC Ecological Environmental Protection Group Co., Ltd.
“SINOSICO”	China Silicon Corporation Ltd.
“general meeting(s)”	the general meeting(s) of Metallurgical Corporation of China Ltd.*
“Shareholder(s)”	holder(s) of share(s) of the Company
“Board”	the board of Directors of Metallurgical Corporation of China Ltd.*
“Director(s)”	the director(s) of the Company, including all executive, non-executive and independent non-executive Directors

“Independent Director” or “Independent Non-executive Director”	a Director who does not hold any position other than that of Director in the Company and does not have any direct or indirect interest in the Company, its major Shareholders or de facto controllers, or any other Director who may influence him/her to render independent and objective judgement
“Supervisory Committee”	the supervisory committee of Metallurgical Corporation of China Ltd.*
“Supervisor(s)”	the supervisor(s) of the Company
“Articles of Association”	the articles of association of Metallurgical Corporation of China Ltd.*
“Reporting Period”	from 1 January 2025 to 30 June 2025
“A Share(s)”	the domestic shares with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are listed on the SSE and traded in RMB
“H Share(s)”	the overseas listed foreign invested shares with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in HKD
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
“connected person(s)”	connected party/parties under A Share Listing Rules and connected person(s) under the H Share Listing Rules
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“USD”	United States dollars, the lawful currency of the United States

“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 of the Hong Kong Listing Rules
“Goals for ‘one building, two most, five strong’”	the goals established by the Company refer to creating a world-class enterprise with global competitiveness as the guiding principle; building the best full-service solution provider for metallurgical construction and operation with super core competitiveness, the most reliable general contractor in infrastructure with global reputation and domestic leading position as the target; its efforts to build a world-class investment and construction group with strong ability to create value, market competitiveness, innovative driving force, resource allocation and cultural soft power
“Four Stabilities and Eight Progressions”	stabilising growth, stabilising the grass-roots level, stabilising funds, and stabilising the team, while further advancing foundational management, marketing quality, bold reforms, technological innovation, team building, Party building, project management, and overseas business operations
“‘Five-Five’ strategy”	the Company’s strategic goal of medium- and long-term business restructuring, namely, to further increase the proportion of metallurgy construction as its core business and featured business, aiming to reach about 50%, adjust the proportion of housing construction and municipal infrastructure business to about 50%, and stick to high-end line

The forward-looking statements contained in this announcement including the Company's future plans do not constitute any substantive commitment to investors by the Company, and investors are reminded of investment risks.

The 2025 interim financial statement of the Company has been reviewed by Deloitte Touche Tohmatsu Certified Public Accountants LLP, but has not been audited. Deloitte Touche Tohmatsu Certified Public Accountants LLP has issued the review report for the Company without a qualified opinion.

Unless otherwise specified, all the amounts in this announcement are denominated in RMB.

By order of the Board
Metallurgical Corporation of China Ltd.*
Chang Qi
Joint Company Secretary

Beijing, the PRC
29 August 2025

As at the date of this announcement, the Board comprises executive Directors: Mr. Chen Jianguang and Mr. Bai Xiaohu; non-executive Directors: Mr. Lang Jia and Mr. Yan Aizhong (employee representative Director); and independent non-executive Directors: Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping.

* For identification purposes only