



China SunSine Chemical Holdings Ltd.
Unaudited Condensed Interim Financial Statements
For the second half and full year ended 31 December 2025

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A. Condensed Interim Consolidated Statement of Comprehensive Income

	Note	6 months ended		GROUP		12 months ended	
		31/12/2025	31/12/2024	Change %	31/12/2025	31/12/2024	Change %
		RMB' million			RMB' million		
Revenue	4	1,587.2	1,766.4	(10%)	3,277.4	3,515.5	(7%)
Cost of sales		<u>(1,232.7)</u>	(1,350.0)	(9%)	<u>(2,507.1)</u>	(2,665.5)	(6%)
Gross profit		354.5	416.4	(15%)	770.3	850.0	(9%)
Other income		54.0	76.9	(30%)	106.1	110.4	(4%)
Other (losses)/gains, net		(35.7)	13.6	(363%)	(31.3)	32.3	(197%)
Distribution and marketing expenses		(58.5)	(58.3)	-	(119.0)	(110.9)	7%
Administrative expenses		(116.6)	(115.3)	1%	(217.3)	(210.5)	3%
Research and development expenses		(0.6)	(16.3)	(96%)	(5.2)	(86.2)	(94%)
Profit before income tax	5	197.1	317.0	(38%)	503.6	585.1	(14%)
Income tax expense	6	<u>(34.9)</u>	(81.9)	(57%)	<u>(98.7)</u>	(161.2)	(39%)
Net profit		162.2	235.1	(31%)	404.9	423.9	(4%)
Other comprehensive income:							
Currency translation differences arising from consolidation, net of tax		<u>(0.8)</u>	0.5	(260%)	<u>8.8</u>	(2.8)	(414%)
Total comprehensive income for the financial period/year		<u>161.4</u>	235.6	(32%)	<u>413.7</u>	421.1	(2%)
Net profit attributable to:							
Equity holders of the Company		<u>162.2</u>	235.1	(31%)	<u>404.9</u>	423.9	(4%)
Total comprehensive income attributable to:							
Equity holders of the Company		<u>161.4</u>	235.6	(32%)	<u>413.7</u>	421.1	(2%)
Earnings per share for net profit attributable to equity holders of the Company (RMB cents per share)							
Basic and diluted earnings per share	7	<u>17.02</u>	24.63	(31%)	<u>42.47</u>	44.34	(4%)

B. Condensed Interim Statements of Financial Position

	Note	<u>GROUP</u>		<u>COMPANY</u>	
		31/12/2025 RMB' million	31/12/2024 RMB' million	31/12/2025 RMB' million	31/12/2024 RMB' million
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiary corporations	10	-	-	350.0	350.0
Property, plant and equipment	11	940.8	835.0	0.1	0.2
Intangible assets	12	194.7	199.2	-	-
Other receivables	13	62.0	70.8	-	-
		<u>1,197.5</u>	<u>1,105.0</u>	<u>350.1</u>	<u>350.2</u>
CURRENT ASSETS					
Inventories	14	360.2	363.6	-	-
Trade and other receivables	15	995.6	1,136.5	181.2	222.3
Cash and bank balances		2,328.9	2,073.9	24.7	28.9
		<u>3,684.7</u>	<u>3,574.0</u>	<u>205.9</u>	<u>251.2</u>
TOTAL ASSETS		<u>4,882.2</u>	<u>4,679.0</u>	<u>556.0</u>	<u>601.4</u>
EQUITY					
Share capital	16	313.5	313.5	313.5	313.5
Treasury shares	16	(67.1)	(67.1)	(67.1)	(67.1)
Other reserves		908.4	885.1	59.5	50.7
Retained earnings		3,282.8	3,077.2	231.2	285.1
TOTAL EQUITY		<u>4,437.6</u>	<u>4,208.7</u>	<u>537.1</u>	<u>582.2</u>
CURRENT LIABILITIES					
Trade and other payables	17	341.0	316.5	14.1	14.6
Current tax payable		103.6	153.8	4.8	4.6
		<u>444.6</u>	<u>470.3</u>	<u>18.9</u>	<u>19.2</u>
TOTAL LIABILITIES		<u>444.6</u>	<u>470.3</u>	<u>18.9</u>	<u>19.2</u>
TOTAL EQUITY AND LIABILITIES		<u>4,882.2</u>	<u>4,679.0</u>	<u>556.0</u>	<u>601.4</u>

C. Condensed Interim Consolidated Statement of Changes in Equity

<u>GROUP</u>	Share Capital	Treasury Shares	Other Reserves	Retained Earnings	Total Equity
	RMB'million	RMB'million	RMB'million	RMB'million	RMB'million
Balance as at 1 January 2025	313.5	(67.1)	885.1	3,077.2	4,208.7
<i>Total Comprehensive Income</i>					
Net profit for the financial year	-	-	-	404.9	404.9
Currency translation differences arising from consolidation, net of tax	-	-	8.8	-	8.8
Total comprehensive income, net of tax, for the financial year	-	-	8.8	404.9	413.7
<i>Transactions with owners, recorded directly in equity</i>					
Transfer to statutory reserve	-	-	14.5	(14.5)	-
Dividends paid (Note 9)	-	-	-	(184.8)	(184.8)
Total distributions to owners	-	-	14.5	(199.3)	(184.8)
Balance as at 31 December 2025	313.5	(67.1)	908.4	3,282.8	4,437.6
Balance as at 1 January 2024	313.5	(54.5)	811.9	2,855.7	3,926.6
<i>Total Comprehensive Income</i>					
Net profit for the financial year	-	-	-	423.9	423.9
Currency translation differences arising from consolidation, net of tax	-	-	(2.8)	-	(2.8)
Total comprehensive income, net of tax, for the financial year	-	-	(2.8)	423.9	421.1
<i>Transactions with owners, recorded directly in equity</i>					
Purchase of treasury shares	-	(12.6)	-	-	(12.6)
Transfer to statutory reserve	-	-	76.0	(76.0)	-
Dividends paid (Note 9)	-	-	-	(126.4)	(126.4)
Total distributions to owners	-	(12.6)	76.0	(202.4)	(139.0)
Balance as at 31 December 2024	313.5	(67.1)	885.1	3,077.2	4,208.7

C. Condensed Interim Consolidated Statement of Changes in Equity (Cont'd)

<u>COMPANY</u>	Share Capital	Treasury Shares	Other Reserves	Retained Earnings	Total Equity
	RMB'million	RMB'million	RMB'million	RMB'million	RMB'million
Balance as at 1 January 2025	313.5	(67.1)	50.7	285.1	582.2
<i><u>Total Comprehensive Income</u></i>					
Net profit for the financial year	-	-	-	130.9	130.9
Currency translation differences arising from consolidation, net of tax	-	-	8.8	-	8.8
Total comprehensive income, net of tax, for the financial year	-	-	8.8	130.9	139.7
<i><u>Transactions with owners, recorded directly in equity</u></i>					
Dividends paid (Note 9)	-	-	-	(184.8)	(184.8)
Total distributions to owners	-	-	-	(184.8)	(184.8)
Balance as at 31 December 2025	313.5	(67.1)	59.5	231.2	537.1
Balance as at 1 January 2024	313.5	(54.5)	53.5	227.9	540.4
<i><u>Total Comprehensive Income</u></i>					
Net profit for the financial year	-	-	-	183.6	183.6
Currency translation differences arising from consolidation, net of tax	-	-	(2.8)	-	(2.8)
Total comprehensive income, net of tax, for the financial year	-	-	(2.8)	183.6	180.8
<i><u>Transactions with owners, recorded directly in equity</u></i>					
Purchase of treasury shares	-	(12.6)	-	-	(12.6)
Dividends paid (Note 9)	-	-	-	(126.4)	(126.4)
Total distributions to owners	-	(12.6)	-	(126.4)	(139.0)
Balance as at 31 December 2024	313.5	(67.1)	50.7	285.1	582.2

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	<u>Group</u>			
		6 months ended		12 months ended	
		31/12/2025	31/12/2024	31/12/2025	31/12/2024
		RMB' million		RMB' million	
Cash flows from operating activities					
Net profit		162.2	235.1	404.9	423.9
Adjustments for:					
Income tax expense	6	34.9	81.9	98.7	161.2
Depreciation of property, plant and equipment ("PPE")	5.1	76.9	59.9	141.4	128.7
Amortisation of intangible assets ("IA")	5.1	2.4	2.3	4.5	4.2
Gain on disposal of PPE and IA	5.1	-	(5.0)	-	(5.0)
PPE written off	5.1	2.1	1.3	2.9	2.9
Fair value loss on non-current receivables classified as financial assets, at FVTPL	13	8.8	-	8.8	-
Interest income	5.1	(34.4)	(20.4)	(67.4)	(55.6)
Translation difference		8.7	(3.8)	13.9	(9.7)
Operating profit before working capital changes		261.6	351.3	607.7	650.6
Changes in working capital:					
Inventories		(16.2)	(22.0)	3.4	(22.3)
Trade and other receivables		20.4	43.7	141.0	95.1
Trade and other payables		(5.9)	18.9	24.5	(47.9)
Cash generated from operations		259.9	391.9	776.6	675.5
Income taxes paid		(63.8)	(46.2)	(149.0)	(102.2)
Net cash provided by operating activities		196.1	345.7	627.6	573.3
Cash flows from investing activities					
Additions to PPE	11	(100.2)	(44.9)	(251.2)	(110.0)
Additions to IA	12	-	-	-	(3.8)
Proceeds from disposal of PPE		0.6	2.9	1.1	2.9
Interest received		34.4	20.4	67.4	55.6
Net cash used in investing activities		(65.2)	(21.6)	(182.7)	(55.3)
Cash flows from financing activities					
Dividends paid	9	(26.4)	-	(184.8)	(126.4)
Cash deposit released from bank		-	-	-	1.6
Purchase of treasury shares		-	(5.4)	-	(12.6)
Net cash used in financing activities		(26.4)	(5.4)	(184.8)	(137.4)
Net increase in cash and cash equivalents		104.5	318.7	260.1	380.6
Effects of currency translation on cash and cash equivalents		(9.9)	4.5	(5.1)	7.0
Cash and cash equivalents at beginning of financial period/year		2,234.3	1,750.7	2,073.9	1,686.3
Cash and cash equivalents at end of financial period/year		2,328.9	2,073.9	2,328.9	2,073.9
Cash and cash equivalents at end of period/year include the following					
Cash and cash equivalents		2,328.9	2,073.9	2,328.9	2,073.9
Cash deposit pledged with bank		-	-	-	-
Cash and cash equivalents at end of period/year		2,328.9	2,073.9	2,328.9	2,073.9

E. Selected Notes to the Condensed Interim Financial Statements

1. General information

China Sunshine Chemical Holdings Ltd. (the “**Company**”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The registered office and the principal place of business is located at 16 Raffles Quay, #15-08 Hong Leong Buidling, Singapore 048581.

The immediate and ultimate holding corporation of the Company is Success More Group Ltd (“**Success More**”), a company incorporated in the British Virgin Islands.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiary corporations are set out in Note 10 to the interim financial statements.

2. Basis of preparation

2.1 Statement of Compliance

The condensed interim financial statements for the second half and full year ended 31 December 2025 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee. The condensed interim financial statements do not include all the information required for a complete set of financial statements and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last interim financial statements for the financial period ended 30 June 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, as the adoption of new and amended standards does not result in the material effect on the current and prior period.

2.2 Basis of measurement

The interim financial statements have been prepared on the historical cost basis, and they have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

The interim financial statements are presented in Chinese Renminbi (“**RMB**”) and have been rounded to the nearest million, unless otherwise stated.

2.3 New and amended standards adopted by the Group

The Group has applied the same accounting policies and methods of computation in the interim financial statements for the current financial period compared with those used in the audited financial statements for the financial year ended 31 December 2024. A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.4 Use of judgements and estimates

The preparation of the interim financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Fair value measurement of non-current receivables classified as financial assets at fair value through profit or loss

The valuation of non-current receivables at fair value through profit or loss involves estimates, assumptions and judgement based upon available information and due to the inherent uncertainty of valuation, the estimated fair values may differ significantly from the amounts that might ultimately be realised and the differences could be material.

The fair values of non-current receivables at fair value through profit or loss are determined using valuation technique, i.e. the discounted cash flows method. Inputs into this valuation technique are derived from observable markets where possible, but if this is not feasible, significant estimates is required to determine the fair values. The significant estimates include the expected timing for the repayment and the discount rate. Changes in assumptions used in these estimates could affect the fair values of non-current receivables at fair value through profit or loss.

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

2 Basis of preparation (Cont'd)

2.4 Use of judgements and estimates (Cont'd)

Credit loss allowance for trade receivables

Expected credit losses (“ECL”) on trade receivables are probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant estimates and judgements.

In determining the ECL of trade receivables, the Group has used historical losses data to determine the loss rate and applied an adjustment against the historical loss rate based on the default rate to reflect the current and forward looking information.

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period/year.

4. Revenue

- (a) The Group derives revenue from the transfer of goods and services at a point in time for the following operating segments and geographical regions. Revenue is attributed to countries by location of customers.

	<u>Group</u>			
	6 months ended		12 months ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'million	RMB'million	RMB'million	RMB'million
Sale of rubber chemicals				
- People's Republic of China	897.9	999.7	1,808.9	1,970.1
- Rest of Asia	501.1	568.8	1,085.9	1,153.0
- Europe	102.0	106.6	197.5	199.7
- America	28.0	40.2	65.3	84.2
- Others	36.7	29.7	74.9	66.9
	<u>1,565.7</u>	<u>1,745.0</u>	<u>3,232.5</u>	<u>3,473.9</u>
Provision of heating power				
- People's Republic of China	8.2	9.3	16.2	18.4
	<u>8.2</u>	<u>9.3</u>	<u>16.2</u>	<u>18.4</u>
Waste treatment				
- People's Republic of China	13.3	12.1	28.7	23.2
	<u>13.3</u>	<u>12.1</u>	<u>28.7</u>	<u>23.2</u>
Total	<u>1,587.2</u>	<u>1,766.4</u>	<u>3,277.4</u>	<u>3,515.5</u>

- (b) Segment information

The Board of Directors (“BOD”) is the Group's chief operating decision-makers. Management has determined the operating segments based on the reports reviewed by the BOD that are used to make strategic decisions, allocate resources, and assess performance. The BOD assesses the Group's performance mainly from business segment perspective.

The Group has three reportable business segments, namely (1) the manufacturing and sales of rubber chemicals, (2) the production and supply of heating power, and (3) waste treatment.

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

4. Revenue (Cont'd)

(b) Segment information (Cont'd)

Other segments include investment holding in Singapore and hotel and restaurant in People's Republic of China. These are not included within the reportable operating segments as the segments do not meet the quantitative thresholds required by SFRS(I) 8 for reportable segments. The results of these operations are included in the "Others" column.

Sales between segments are carried out at agreed terms. The revenue from external parties reported to the BOD is measured in a manner consistent with that in the statements of comprehensive income.

The BOD assesses the performance of the operating segments based on a measure of earnings before interest, tax, depreciation and amortisation ("**Adjusted EBITDA**"). This measurement basis excludes the effects of expenditure from the operating segments such as impairment loss that are not expected to recur regularly in every period which are separately analysed. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Board of Directors, which manages the cash position of the Group.

The segment information for the reportable business segments is as follows:

	Rubber Chemicals	Heating Power	Waste Treatment	Others	Total
	RMB'million	RMB'million	RMB'million	RMB'million	RMB'million
6 months ended					
31 December 2025					
Sales					
Total segment sales	1,999.6	87.7	14.6	0.3	2,102.2
Inter-segment sales	(433.9)	(79.5)	(1.3)	(0.3)	(515.0)
Sales to external parties	1,565.7	8.2	13.3	-	1,587.2
Adjusted EBITDA	214.9	37.6	4.6	(15.1)	242.0
Depreciation	(67.6)	(6.7)	(2.6)	-	(76.9)
Amortisation	(2.0)	(0.1)	(0.3)	-	(2.4)
Segment assets	4,615.3	163.0	73.6	30.3	4,882.2
Segment assets include:					
Additions to property, plant and equipment	99.2	0.9	0.1	-	100.2
Segment liabilities	349.4	15.9	36.9	42.4	444.6
6 months ended					
31 December 2024					
Sales					
Total segment sales	2,203.6	97.0	12.3	0.3	2,313.2
Inter-segment sales	(458.6)	(87.7)	(0.2)	(0.3)	(546.8)
Sales to external parties	1,745.0	9.3	12.1	-	1,766.4
Adjusted EBITDA	343.4	22.9	(1.3)	(6.2)	358.8
Depreciation	(47.7)	(9.4)	(2.5)	(0.3)	(59.9)
Amortisation	(1.9)	-	(0.3)	(0.1)	(2.3)
Segment assets	4,382.8	170.2	82.5	43.5	4,679.0
Segment assets include:					
Additions to property, plant and equipment	40.7	4.1	0.1	-	44.9
Segment liabilities	344.7	30.0	51.9	43.7	470.3

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

4. Revenue (Cont'd)

(b) Segment information (Cont'd)

	Rubber Chemicals RMB'million	Heating Power RMB'million	Waste Treatment RMB'million	Others RMB'million	Total RMB'million
12 months ended					
31 December 2025					
Sales					
Total segment sales	4,114.2	185.6	30.2	0.6	4,330.6
Inter-segment sales	(881.7)	(169.4)	(1.5)	(0.6)	(1,053.2)
Sales to external parties	<u>3,232.5</u>	<u>16.2</u>	<u>28.7</u>	<u>-</u>	<u>3,277.4</u>
Adjusted EBITDA	<u>540.6</u>	<u>66.8</u>	<u>10.6</u>	<u>(35.9)</u>	<u>582.1</u>
Depreciation	(122.6)	(13.6)	(5.1)	(0.1)	(141.4)
Amortisation	<u>(3.8)</u>	<u>(0.1)</u>	<u>(0.6)</u>	<u>-</u>	<u>(4.5)</u>
Segment assets	<u>4,615.3</u>	<u>163.0</u>	<u>73.6</u>	<u>30.3</u>	<u>4,882.2</u>
Segment assets include:					
Additions to property, plant and equipment	<u>248.1</u>	<u>2.9</u>	<u>0.2</u>	<u>-</u>	<u>251.2</u>
Segment liabilities	<u>349.4</u>	<u>15.9</u>	<u>36.9</u>	<u>42.4</u>	<u>444.6</u>
12 months ended					
31 December 2024					
Sales					
Total segment sales	4,381.9	196.1	23.4	0.6	4,602.0
Inter-segment sales	(908.0)	(177.7)	(0.2)	(0.6)	(1,086.5)
Sales to external parties	<u>3,473.9</u>	<u>18.4</u>	<u>23.2</u>	<u>-</u>	<u>3,515.5</u>
Adjusted EBITDA	<u>635.0</u>	<u>40.4</u>	<u>0.2</u>	<u>(13.2)</u>	<u>662.4</u>
Depreciation	(103.5)	(19.3)	(5.1)	(0.8)	(128.7)
Amortisation	<u>(3.2)</u>	<u>(0.1)</u>	<u>(0.6)</u>	<u>(0.3)</u>	<u>(4.2)</u>
Segment assets	<u>4,382.8</u>	<u>170.2</u>	<u>82.5</u>	<u>43.5</u>	<u>4,679.0</u>
Segment assets include:					
Additions to property, plant and equipment	105.2	4.5	0.3	-	110.0
Additions to intangible assets	<u>3.7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3.7</u>
Segment liabilities	<u>344.7</u>	<u>30.0</u>	<u>51.9</u>	<u>43.7</u>	<u>470.3</u>

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

5. Profit before income tax

5.1. Profit before income tax is arrived at after charging/(crediting) the following:

	<u>Group</u>			
	6 months ended		12 months ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'million	RMB'million	RMB'million	RMB'million
Interest income	(34.4)	(20.4)	(67.4)	(55.6)
Depreciation PPE)	76.9	59.9	141.4	128.7
Amortisation of IA	2.4	2.3	4.5	4.2
Loss allowance/(Reversal of allowance) on trade receivables	0.7	0.8	(1.3)	(2.1)
Foreign exchange losses/(gains), net	24.1	(10.8)	20.9	(28.1)
Gain on disposal of PPE and IA	-	(5.0)	-	(5.0)
PPE written off	2.1	1.3	2.9	2.9

5.2. Related party transaction

Key management personnel compensation (representing compensation to executive directors and executive officers of the Group) is as follows:

	<u>Group</u>			
	6 months ended		12 months ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'million	RMB'million	RMB'million	RMB'million
Wages and salaries	6.0	10.9	18.5	19.1
Employer's contribution to defined contribution plans including Central Provident Fund	0.1	0.1	0.2	0.2
	<u>6.1</u>	<u>11.0</u>	<u>18.7</u>	<u>19.3</u>

Included in the above is total compensation to directors of the Company amounting to RMB 4.8 million for the second half of 2025 and RMB 15.8 million for the year ended 31 December 2025 (2H204: RMB 9.9 million; FY2024: RMB 16.9 million).

6. Income tax expense

	<u>Group</u>			
	6 months ended		12 months ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	RMB'million	RMB'million	RMB'million	RMB'million
Tax expense attributable to profit is made up of:				
Profit for the financial period/year				
Current income tax				
- Singapore	10.4	-	10.4	9.0
- PRC	47.8	81.9	138.3	152.2
Over provision in prior financial period/years				
- PRC	(23.3)	-	(50.0)	-
	<u>34.9</u>	<u>81.9</u>	<u>98.7</u>	<u>161.2</u>

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

7. Earnings per share

	<u>Group</u>			
	6 months ended		12 months ended	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net profit attributable to equity holders of the Company (RMB'mil)	<u>162.2</u>	235.1	<u>404.9</u>	423.9
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	<u>953,383</u>	954,063	<u>953,383</u>	955,945
Basic and diluted earnings per share (RMB cents)	<u>17.02</u>	24.63	<u>42.47</u>	44.34

There are no dilutive potential ordinary shares during the financial period/year.

8. Net assets per share

	<u>Group</u>		<u>Company</u>	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net assets attributable to shareholders (RMB' million)	<u>4,437.6</u>	4,208.7	<u>537.1</u>	582.2
Number of issued shares excluding treasury shares ('000)	<u>953,383</u>	953,383	<u>953,383</u>	953,383
Net asset value per ordinary share (RMB cents)	<u>465.46*</u>	441.45	<u>56.34</u>	61.07

* equivalent to SGD 85.27 cents at exchange rate of 5.4586 as at 31 December 2025.

9. Dividends

	<u>Group</u>	
	FY2025 RMB'million	FY2024 RMB'million
<u>Ordinary dividends paid</u>		
Final dividends paid in respect of the previous financial year of SGD 0.02 (2024: SGD 0.015) per share	<u>105.6</u>	75.8
<u>Special dividends paid</u>		
Final dividends paid in respect of the previous financial year of SGD 0.01 (2024: SGD 0.01) per share	<u>52.8</u>	50.6
Interim dividends paid in respect of the current financial year of SGD 0.005 (2024: Nil) per share	<u>26.4</u>	-
	<u>184.8</u>	<u>126.4</u>

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

10. Investments in subsidiary corporations

	<u>Company</u>	
	31/12/2025 RMB'million	31/12/2024 RMB'million
<i>Equity investments at cost</i>		
Beginning and end of the financial year	350.0	350.0

The Group had the following subsidiary corporations as at 31 December 2025 and 31 December 2024:

<u>Name</u>	<u>Principal Activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by parent and the Group</u>	
			31/12/2025 %	31/12/2024 %
<i>Held by the Company</i>				
Shandong Sunsine Chemical Co., Ltd	Manufacturing and sale of rubber chemicals, comprising rubber accelerators, anti-oxidant agents, anti-scorching agents and insoluble sulphur	People's Republic of China	100	100
<i>Held by Shandong Sunsine Chemical Co., Ltd</i>				
Weifang Sunsine Chemical Co., Ltd	Manufacturing and sale of rubber chemicals, including rubber accelerators	People's Republic of China	100	100
Shandong Sheng Tao Chemical Co., Ltd	Manufacturing and sale of rubber chemicals, including insoluble sulphur (ceased operations)	People's Republic of China	100	100
Shanxian Sunsine Hotel Management Co., Ltd	Hotel investment and management (dormant)	People's Republic of China	100	100
Shanxian Guangshun Heating Co., Ltd	Production and supply of heating power, including preparation and implementation of the project	People's Republic of China	100	100
Shandong Hengshun New Material Co., Ltd	Manufacturing of chemical agent and rubber chemicals	People's Republic of China	100	100
Heze Yongshun Environmental Protection Technology Co., Ltd	Waste treatment	People's Republic of China	100	100
<i>Held by Shanxian Sunsine Hotel Management Co., Ltd</i>				
Shandong Fulong Villa Co., Ltd	Hotel and restaurant (ceased operations)	People's Republic of China	100	100

Significant restrictions

Cash and short-term deposits of RMB 2,304.2 million (FY2024: RMB 2,044.9 million) are held in the People's Republic of China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

11. Property, plant and equipment ("PPE")

During the financial year ended 31 December 2025, the Group acquired PPE with an aggregate cost of RMB 251.2 million (FY2024: RMB 110.0 million), and disposed of assets with carrying amount of RMB 1.1 million (FY2024: RMB 24.2 million).

12. Intangible assets

	<u>Group</u>	
	31/12/2025	31/12/2024
	RMB'million	RMB'million
<u>Land use rights</u>		
<i>Cost</i>		
Beginning of the financial year	226.4	232.9
Addition	-	3.8
Disposal (Note 13)	-	(14.5)
Reclassification from assets held-for-sale	-	4.2
End of the financial year	226.4	226.4
<i>Accumulated amortisation</i>		
Beginning of the financial year	27.2	25.7
Amortisation charge	4.5	4.2
Disposal (Note 13)	-	(3.7)
Reclassification from assets held-for-sale	-	1.0
End of the financial year	31.7	27.2
Net book value	194.7	199.2

The amortisation charged is included in the statement of comprehensive income as part of the administrative expenses.

13. Other receivables – non-current assets

On 29 October 2024, the Group's subsidiary, Shandong Fulong Villa Co., Ltd ("**Fulong Villa**") disposed of its PPE and IA to Shanxian County Government ("**Shanxian Government**") for a cash consideration of RMB 37.6 million ("**Consideration**") and ceased its operations. The rationales for this disposal are: (1) Shanxian Government has plans to re-develop the entire Fulong Lake area into a tourist destination, and intends to take over Fulong Villa for easier management; and (2) the Group can also concentrate on its main business activities of the manufacturing and sale of rubber chemicals following the disposal of Fulong Villa. The consideration was arrived at on a willing-buyer and willing-seller basis, after taking into consideration the audited results of Fulong Villa by the Shan County Audit Bureau. The disposal resulted in a gain of RMB 5.0 million which has been recorded as "Other gains/(losses) - net" in the consolidated statement of comprehensive income for the financial year ended 31 December 2024. However, Management did not expect the consideration to be received from Shanxian Government within the next 12 months period, and as such, it had been classified as non-current other receivables in accordance with the relevant SFRS(I).

During the negotiation process for the above transactions with Shanxian Government, the Group managed to obtain an additional compensation of RMB 33.2 million in relation to the relocation of the old factory of the Group's main subsidiary, Shandong Sunshine Chemical Co., Ltd. ("**Shandong Sunshine**") to its current location in 2010. However, as with the above, Management did not expect the consideration to be received from Shanxian Government within the next 12 months period, and as such, this amount had also recorded as non-current other receivables in accordance with the relevant SFRS(I).

As the repayment date of the above receivables are not specified and agreed clearly by Shanxian Government and there is possibility that repayment may be made in forms other than cash, these receivables are classified as financial assets at fair value through profit or loss in accordance with SFRS(I) 9 Financial Instruments. Accordingly, the Group has assessed the fair values of these receivables using the discounted cash flows method. The estimates used in determining the fair values include the expected repayment period.

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

13. Other receivables – non-current assets (Cont'd)

	<u>Group</u>	
	31/12/2025 RMB'million	31/12/2024 RMB'million
Beginning of the financial year	70.8	-
Additions	-	70.8
Fair value loss recognised in profit or loss	(8.8)	-
End of the financial year	<u>62.0</u>	<u>70.8</u>

14. Inventories

	<u>Group</u>	
	31/12/2025 RMB'million	31/12/2024 RMB'million
Raw materials	183.5	181.2
Finished/Trading goods	176.7	182.4
	<u>360.2</u>	<u>363.6</u>

15. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	31/12/2025 RMB'million	31/12/2024 RMB'million	31/12/2025 RMB'million	31/12/2024 RMB'million
Notes receivables	256.8	327.0	-	-
Trade receivables				
- Non-related parties	639.0	718.4	-	-
Less: Loss allowance	(4.0)	(5.3)	-	-
Trade receivables - net	635.0	713.1	-	-
Non-trade receivables				
- Subsidiary corporations	-	-	181.0	222.1
- Non-related parties	18.9	13.1	0.2	0.2
	18.9	13.1	181.2	222.3
Advances to suppliers	81.1	79.3	-	-
Deposits	-	-	-	-
Prepayments	3.8	4.0	-	-
	<u>995.6</u>	<u>1,136.5</u>	<u>181.2</u>	<u>222.3</u>

The non-trade receivables from subsidiary corporations are unsecured, interest-free and repayable on demand.

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

16. Share capital and treasury shares

(a) Share capital

Group and Company	No. of ordinary shares	Amount	
		← SGD'million	→ RMB'million
2025 and 2024			
Beginning and end of the financial year	983,388,000	62.6	313.5

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There is no outstanding convertibles issued by the Company as at 31 December 2025 and 2024.

(b) Treasury shares

Group and Company	No. of ordinary shares	Amount	
		← SGD'million	→ RMB'million
2025			
Beginning and end of the financial year	30,005,200	(13.1)	(67.1)
2024			
As at 1 January 2024	24,139,500	(10.7)	(54.5)
Treasury shares purchased	5,865,700	(2.4)	(12.6)
As at 31 December 2024	30,005,200	(13.1)	(67.1)

Treasury shares held by the Company relates to ordinary shares of the Company.

(c) Number of ordinary shares excluding treasury shares

Group and Company	No. of ordinary shares excluding treasury shares	Amount	
		← SGD'million	→ RMB'million
2025			
Beginning and end of the financial year	953,382,800	49.5	246.4
2024			
As at 1 January 2024	959,248,500	51.9	259.0
Treasury shares purchased	(5,865,700)	(2.4)	(12.6)
As at 31 December 2024	953,382,800	49.5	246.4

E. Selected Notes to the Condensed Interim Financial Statements (Cont'd)

17. Trade and other payables

	<u>Group</u>		<u>Company</u>	
	31/12/2025 RMB'million	31/12/2024 RMB'million	31/12/2025 RMB'million	31/12/2024 RMB'million
Trade payables - Non-related parties	35.6	31.0	-	-
Non-trade payables - Non-related parties	116.3	87.3	-	-
Accruals for operating expenses	159.5	157.5	14.1	14.6
Deferred grants	6.8	5.5	-	-
Contract liabilities – considerations from customers	22.8	35.2	-	-
	<u>341.0</u>	<u>316.5</u>	<u>14.1</u>	<u>14.6</u>

18. Borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/12/2025		As at 31/12/2024	
Secured RMB' million	Unsecured RMB' million	Secured RMB' million	Unsecured RMB' million
-	-	-	-

Details of any collateral

No collateral.

19. Subsequent event

There are no known subsequent events which have led to adjustments to this condensed interim financial statements.

F. Other information

Audit or review

The consolidated condensed interim statements of financial position as at 31 December 2025 and the related consolidated interim statement of comprehensive income, statements of changes in equity and consolidated interim statement of cash flows for the six months and full financial year then ended and the selected explanatory notes (the “**Consolidated Interim Financial Statements**”) have not been audited or reviewed by the Company’s independent auditors.

Review of the Group Performance

Condensed Interim Consolidated Statements of Comprehensive Income

Revenue in 2H2025 was recorded at RMB 1,587.2 million, representing a 10% decrease as compared to RMB 1,766.4 million in 2H2024. On a 12-month basis, revenue decreased by 7% to RMB 3,277.4 million in FY2025 as compared to RMB 3,515.5 million in FY2024, mainly due to a lower overall average selling prices (“**ASP**”), despite a higher sales volume.

Overall ASP decreased by 13% to RMB 13,911 per tonne in 2H2025 as compared to RMB 16,064 per tonne in 2H2024. On a 12-month basis, the overall ASP decreased by 10% to RMB 14,545 per tonne in FY2025 as compared to RMB 16,226 per tonne in FY2024. The decrease in ASP was mainly due to (i) the decrease in the price of raw materials; and (ii) the Group continuing to adopt a more flexible pricing strategy in response to the intensified competition.

Analysis of Sales and Volume

	Sales Volume (Tonnes)				Sales (RMB' million)			
	2H2025	2H2024	FY2025	FY2024	2H2025	2H2024	FY2025	FY2024
Rubber Chemical								
Accelerators	55,825	54,790	108,773	107,426	986.4	1,098.3	1,997.7	2,141.7
Insoluble Sulphur	24,106	21,336	46,371	40,583	162.4	131.3	305.7	252.1
Anti-oxidant	31,305	31,530	64,689	64,285	395.3	499.1	890.6	1,050.5
Others	1,312	974	2,410	1,800	21.6	16.3	38.5	29.6
Total	112,548	108,630	222,243	214,094	1,565.7	1,745.0	3,232.5	3,473.9
<i>Local Sales</i>	<i>68,403</i>	<i>66,794</i>	<i>133,207</i>	<i>129,177</i>	<i>897.9</i>	<i>999.7</i>	<i>1,808.9</i>	<i>1,970.1</i>
<i>International Sales</i>	<i>44,145</i>	<i>41,836</i>	<i>89,036</i>	<i>84,917</i>	<i>667.8</i>	<i>745.3</i>	<i>1,423.6</i>	<i>1,503.8</i>
Heating Power	29,368	34,161	58,336	68,359	8.2	9.3	16.2	18.4
Waste treatment	7,460	6,746	15,373	12,897	13.3	12.1	28.7	23.2

As a result of the Group’s adoption of the more flexible pricing strategy to cope with the intensified competition, the overall sales volume in 2H2025 increased by 4% from 108,630 tonnes in 2H2024 to 112,548 tonnes. The sales volume of Accelerators and Insoluble Sulphur (“**IS**”) increased year-on-year by 2% and 13%, respectively, while the sales volume of Anti-oxidant products remained about the same.

On a 12-month basis, the Group’s sales volume for Accelerators and IS increased by 1% and 14%, respectively, while sales volume for Anti-oxidant products remained flat. The total sales volume reached another **record high** of **222,243** tonnes.

Domestic sales volume increased by 3% due to the Group competing intensively in the domestic market, while the international sales volume increased by 5%, mainly due to many Chinese tyre manufacturers establishing plants in Southeast Asia, leading to an increase in orders from the Southeast Asian market.

As a result of lower ASP, gross profit decreased by 15% from RMB 416.4 million in 2H2024 to RMB 354.5 million in 2H2025. Gross profit margin (“**GPM**”) decreased by 1.3 percentage point from 23.6% in 2H2024 to 22.3% in 2H2025.

On a 12-month basis, due to the lower ASP and sales revenue, gross profit decreased by 9% from RMB 850.0 million in FY2024 to RMB 770.3 million in FY2025. GPM also decreased by 0.7 percentage points from 24.2% in FY2024 to 23.5% in FY2025.

F. Other information (Cont'd)

Review of the Group Performance (Cont'd)

Condensed Interim Consolidated Statements of Comprehensive Income (Cont'd)

Other income was RMB 54.0 million in 2H2025, mainly consisting of interest income and gains on sale of scrap materials. On a 12-month basis, other income amounted to RMB 106.1 million, mainly consisting of interest income of RMB 67.4 million and sales of scrap materials of RMB 52.7 million.

Other losses amounted to RMB 35.7 million in 2H2025 and RMB 31.3 million in FY2025, mainly due to foreign exchange losses and fair value loss on non-current receivables at fair value through profit or loss.

Distribution and marketing expenses in 2H2025 remained at about the same level as compared to that in 2H2024. On a 12-month basis, distribution and marketing expenses increased by 7% from RMB 110.9 million in FY2024 to RMB 119.0 million in FY2025, mainly due to higher freight costs and port charges caused by higher sales volume.

Administrative expenses in 2H2025 also remained at about the same level as compared to that in 2H2024. On a 12-month basis, administrative expenses increased by 3% from RMB 210.5 million in FY2024 to RMB 217.3 million in FY2025, mainly due to higher depreciation charges allocated to administrative expenses as a result of more downtime during Chinese New Year 2025.

Research and development ("R&D") expenses was recorded at RMB 0.6 million in 2H2025, and decreased by 94% from RMB 86.2 million in FY2024 to RMB 5.2 million in FY2025, mainly due to lesser R&D activities carried out.

Profit before tax ("PBT") decreased by 38% from RMB 317.0 million in 2H2024 to RMB 197.1 million in 2H2025, and decreased by 14% from RMB 585.1 million in FY2024 to RMB 503.6 million in FY2025, mainly due to lower revenue.

Income tax expense decreased by 57% from RMB 81.9 million in 2H2024 to RMB 34.9 million in 2H2025, and decreased by 39% from RMB 161.2 million in FY2024 to RMB 98.7 million in FY2025, mainly due to reversal of over-provision in prior years.

For the reasons set out above, net profit decreased by 31% from RMB 235.1 million in 2H2024 to RMB 162.2 million in 2H2025. On a 12-month basis, net profit decreased slightly by 4% from RMB 423.9 million in FY2024 to RMB 404.9 million in FY2025.

Condensed Interim Statements of Financial Position

Property, plant and equipment increased by RMB 105.8 million from RMB 835.0 million to RMB 940.8 million, mainly due to the additions to construction in progress and PPE, offset by depreciation charged.

Intangible assets decreased by RMB 4.5 million from RMB 199.2 million to RMB 194.7 million, mainly due to the amortization charged during the year.

Trade and other receivables decreased by RMB 140.9 million from RMB 1,136.5 million to RMB 995.6 million, mainly due to decrease in notes receivables and trade receivables, as a result of Group's collection efforts.

The aging report of notes receivables and trade receivables as at 31 December 2025 was as follows:-

	1 – 3 months	3 – 6 months	6 – 12 months	> 12 months	Total
	RMB' million	RMB' million	RMB' million	RMB' million	RMB' million
Notes receivables	110.5	146.3	-	-	256.8
Trade receivables	553.3	68.5	17.2	-	639.0
Loss allowance	-	-	(4.0)	-	(4.0)
Trade receivables, net	553.3	68.5	13.2	-	635.0

Trade and other payables increased by RMB 24.5 million from RMB 316.5 million to RMB 341.0 million mainly due to increase in payables to contractors.

F. Other information (Cont'd)

Review of the Group Performance (Cont'd)

Condensed Consolidated Statements of Cash Flows

Net cash provided by operating activities for FY2025 amounted to RMB 627.6 million was mainly due to profit generated in the year.

Net cash used in investing activities for FY2025 amounted to RMB 182.7 million was mainly due to additions to PPE, offset by interest received.

Net cash used in financing activities for FY2025 amounted to RMB 184.8 million was mainly due to distribution of dividends.

Variance from Prospect Statement

In Section F Prospects paragraph of our 1H2025 Interim Financial Statements announcement dated 13 August 2025, the Company stated that “The global economy continues to face challenges and uncertainties. The rising geopolitical tensions, escalating international conflicts, and the ratcheting up of trade protectionism have heightened risks and uncertainties in the economic landscape. The US’s reciprocal tariffs deepened global trade uncertainty. Locally, the oversupply situation and competition within the Chinese rubber chemicals industry has been intensifying. The prices of our main raw materials are hovering at their low-end. All these have been placing significant pressure on our selling prices.”. Therefore, the current results are in line with the Company’s commentary.

Prospects

China’s GDP grew by 5.0%¹ in FY2025 and 4.5%² in the fourth quarter of 2025 (“4Q2025”). Automakers sold a total of 34.4 million units in China in FY2025³, a new record high, representing a 9.4% year-on-year increase in auto sales. Sales of New Energy Vehicles (NEVs) rose 28.2% year-on-year to 16.49 million units in 2025, accounting for 47.9% of total new vehicle sales⁴.

The global economy continues to face challenges and uncertainties. The rising geopolitical tensions, escalating international conflicts, and the ratcheting up of trade protectionism have heightened risks and uncertainties in the economic landscape.

Locally, the oversupply situation and competition within the Chinese rubber chemicals industry continues to intensify. The prices of our main raw materials are trending at the low-end. All these have been placing significant pressure on our selling prices.

The Group will continue with its strategy of “sales production equilibrium”, adopt a more flexible pricing strategy to increase its sales volume, and strengthen its market leadership position. We remain confident about the Group’s profitability in the next 12 months.

Updates of capacity expansion plans

1. *Phase 2, 30,000-tonne per annum IS project (located in Hengshun plant)*

The commercial production of this project has commenced.

2. *Phase 2, 40,000-tonne per annum Continuous Production of High-Quality Solvent MBT project (located in Hengshun plant)*

The trial run of the Phase 2 MBT project is in progress, with commercial production commencing in 1Q2026.

3. *20,000-tonne per annum Continuous Production of High-Quality Solvent MBT project (located in Weifang plant)*

The Weifang MBT project is at the construction phase. Management expects that the project will be ready for trial run by 1H2026.

¹ Source: National Bureau of Statistics

² Source: National Bureau of Statistics

³ Source: China Association of Automobile Manufacturing (“CAAM”)

⁴ Source: China Association of Automobile Manufacturing (“CAAM”)

F. Other information (Cont'd)

Prospects (Cont'd)

Updates of capacity expansion plans (Cont'd)

4. Transform TBBS2 workshop to CBS workshop (located in Shandong Sunshine plant)

The CBS project is at the construction phase. Management expects that the project will be ready for trial run by 1H2026.

Below is a summary of our estimated Annual Capacity⁵ at the end of each financial year:

Tonnes	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026e
Accelerators	117,000	117,000	117,000	117,000	117,000	117,000	135,000
Insoluble Sulphur	30,000	30,000	60,000	60,000	60,000	60,000	60,000
Anti-oxidant	45,000	45,000	77,000	77,000	77,000	77,000	77,000
Total	192,000	192,000	254,000	254,000	254,000	254,000	272,000

Dividend information

a. Current period reported on

Any dividend recommended for the current financial period reported on?

- Yes

Name of dividend	Proposed Final
Dividend Type	Cash
Dividend amount per share	SGD0.02 per ordinary share
Special dividend amount per share	SGD0.007 per ordinary share
Tax Rate	One-tier Tax exempt

b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

- Yes. Ordinary dividend of SGD0.02 per ordinary share and Special dividend of SGD0.01 per ordinary share were declared in 4Q2024.

c. Date payable

To be announced at a later date

d. Books closure date

To be announced at a later date

Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

Confirmation of Undertakings from Directors and Executive Officers

The Company has procured undertakings from all directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

Announcement of Acquisition and Realisation pursuant to Rule 706A

Not applicable.

⁵ Annual Capacity excludes capacity of intermediary materials such as 4ADPA and MBT

F. Other information (Cont'd)

Segment information

Please refer to Note 4 of this Interim Financial Statements.

Review of performance of the Group – turnover and earnings

Please refer to Section F Review of Group's performance of this Interim Financial Statements

Disclosure of person occupying a managerial position who is a relative of a director or chief executive officer or substantial shareholder

Name	Age	Family relationship with any director, chief executive officer or substantial shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Xu Cheng Qiu	82	Father of Xu Jun, Executive Director; Father of Xu Chi, Deputy General Manager;	Executive Chairman Responsible for the overall management, formulation and implementation of business strategies for the Group (since 2006).	No Change
Xu Jun	56	Son of Xu Cheng Qiu, Executive Chairman and Substantial Shareholder; Brother of Xu Chi, Deputy General Manager;	Executive Director assisting Chairman in strategic planning, direction and overall management of subsidiary (since 2007).	No Change
Xu Chi	51	Son of Xu Cheng Qiu, Executive Chairman and Substantial Shareholder; Brother of Xu Jun, Executive Director;	Deputy General Manager in charge of procurement (since 2025).	Promoted from General Manager Assistant to Deputy General Manager

By order of the Board

Xu Cheng Qiu
Executive Chairman

Dated: 27 February 2026

[End]