福耀玻璃工业集团股份有限公司
FUYAO GLASS INDUSTRY GROUP CO., LTD.

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

(Stock Code: 3606)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board of directors (the "**Board**") of Fuyao Glass Industry Group Co., Ltd. (the "**Company**") is pleased to announce the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2026. This announcement, containing the full text of the 2026 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") in relation to information to accompany preliminary announcements of the interim results. The Company's 2026 interim report will be published and available for viewing on the websites of the Hong Kong Stock Exchange at http://www.hkexnews.hk and of the Company at http://www.fuyaogroup.com before the end of September 2026.

By order of the Board
Fuyao Glass Industry Group Co., Ltd.
Tso Fai
Chairman

Fuzhou, Fujian, the PRC, August 18, 2026

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Cho Tak Wong, Mr. Tso Fai, Mr. Ye Shu, Mr. Chen Xiangming and Ms. Zhang Haiyan, as executive Directors; Mr. Wu Shinong and Ms. Zhu Dezhen, as non-executive Directors; Ms. Liu Xiaozhi, Ms. Cheng Yan, Mr. Xue Zuyun and Mr. Dat Dzeng Hao Daniel, as independent non-executive Directors.

IMPORTANT NOTICE

I. The Board of Directors, the directors, and senior management members of the Company warrant that the content of this interim report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility thereof.

II. All the directors of the Company have attended the Board meeting.

III. This interim report is unaudited.

IV. Tso Fai, the person-in-charge of the Company, Chen Xiangming, the person-in-charge of accounting and Weng Jiao, the head of the accounting department (in charge of accounting), warrant the truthfulness, accuracy and completeness of the financial report in this interim report.

V. Plan for profit distribution or conversion of capital reserves into share capital as approved by the Board by way of resolution during the Reporting Period

The net profit attributable to shareholders of ordinary shares of the Company in the first half of 2026 as shown on the consolidated financial statements prepared in accordance with the China Accounting Standards for Business Enterprises amounted to RMB3,970,299,706. The net profit attributable to shareholders of ordinary shares of the Company in the first half of 2026 as shown on the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRSs) amounted to RMB3,970,084,425.

The net profit in the first half of 2026 as shown on the Company's financial statements prepared in accordance with the China Accounting Standards for Business Enterprises amounted to RMB7,238,142,775; adding the undistributed profits of RMB7,093,827,824 at the beginning of the year of 2026, and deducting the distributed profits of RMB3,131,692,238 for the year of 2025, the profits distributable to the shareholders of the Company as at June 30, 2026 amounted to RMB11,200,278,361.

Taking into comprehensive consideration of reasonable returns for investors and the sustainable development of the Company, the Company intends to distribute 2026 interim profits. The interim profit distribution plan for the year of 2026 as proposed by the Company is as follows: Based on the total number of shares registered on the record date in respect of the interim equity distribution for the year of 2026, the Company proposes to distribute cash dividends to the holders of A shares and holders of H shares whose names appear on the register of members on the record date in respect of the interim equity distribution for the year of 2026, with a cash dividend of RMB1.00 (tax inclusive) per share, and the remaining undistributed profits of the Company will be carried forward to the second half of 2026. As of June 30, 2026, the total number of shares of the Company was 2,609,743,532, based on which, the total cash dividend proposed to be distributed was RMB2,609,743,532.00 (tax inclusive). The aforesaid amount of cash dividend proposed to be distributed accounted for 65.73% of the net profit attributable to shareholders of ordinary shares of the Company as shown on the consolidated financial statements of the period prepared by the Company in accordance with the China Accounting Standards for Business Enterprises. The Company will not carry out bonus issue and conversion of capital reserve into share capital for the interim period of 2026. The cash dividends distributed by the Company are denominated and declared in RMB and payable in RMB to holders of A shares, and in HKD to holders of H shares.

If the total number of shares of the Company changes between the date of disclosure of such profit distribution plan and the record date for the implementation of equity distribution, the Company proposes to maintain the distribution ratio per share unchanged and make adjustment to the total distribution accordingly. The details of adjustments will be published separately.

VI. Risks disclaimer of the forward-looking statements

The forward-looking statements in this report such as future plans and development strategies do not constitute an actual commitment of the Company to investors. Investors and people concerned should maintain sufficient risk awareness in this regard and understand the difference between plans, predictions and commitments. Investors should be aware of the investment risks.

VII. Any appropriation of fund by the controlling shareholder and its connected parties for non-operating purpose

No

VIII. Any provision of external guarantee in violation of the stipulated decision-making procedure

No

IX. Whether more than half of the directors are unable to provide assurance as to the truthfulness, accuracy and completeness of the interim report disclosed by the Company

No

X. Material risk alert

The Company has described details of the possible risks and its countermeasures in this report. Investors are advised to refer to the relevant sections such as "Section III Management Discussion and Analysis" in this report for descriptions in respect of the risks we may be exposed to.

Contents

Section I Definitions

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

DEFINITIONS OF COMMON TERMS

PRC, China	the People's Republic of China
CSRC	China Securities Regulatory Commission
SSE	the Shanghai Stock Exchange
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Hong Kong Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Company Law	the Company Law of the People's Republic of China
Company, the Company, Listed Company, Fuyao Glass, Fuyao	Fuyao Glass Industry Group Co., Ltd.
Group, the Group	Fuyao Glass Industry Group Co., Ltd. and its subsidiaries
Board of Directors	the board of directors of the Company
Articles of Association	the current valid articles of association of the Company
RMB, RMB1,000, RMB10,000 and RMB100 million	Renminbi 1 Yuan, Renminbi 1,000 Yuan, Renminbi 10,000 Yuan, Renminbi 100 million Yuan, the lawful currency in circulation in the PRC. Unless otherwise specified, amounts stated in this report are denominated in RMB
PVB	polyvinyl butyral
OEM, ancillary business	automotive glass and services used in new vehicles of automobile factories
ARG, spare parts and component business	used in aftermarket repairing glass, a kind of automotive glass that is produced for replacement purposes for aftermarket suppliers
laminated glass	automotive safety glass made by two or more than two layers of automobile grade float glass bonded with a layer or various layers of PVB
tempered glass	automotive safety glass made by heating automotive grade float glass to a certain temperature, then promptly cooling it down evenly after being shaped
float glass	the glass produced by applying float technology
Reporting Period	the six months from January 1, 2026 to June 30, 2026

Section II Corporate Profile and Principal Financial Indicators

I. COMPANY INFORMATION

Name of the Company in Chinese	福耀玻璃工業集團股份有限公司
Chinese abbreviation of the Company	福耀玻璃
Name of the Company in English	Fuyao Glass Industry Group Co., Ltd.
English abbreviation of the Company	FYG, FUYAO GLASS
Legal representative of the Company	Tso Fai

II. CONTACT PERSON AND CONTACT METHODS

	Secretary to the Board of Directors	Representative of the Securities Affairs
Name	Li Xiaoxi	Zhang Wei
Contact Address	District II of Fuyao Industrial Zone, Fuqing City, Fujian Province	District II of Fuyao Industrial Zone, Fuqing City, Fujian Province
Telephone	0591–85383777	0591–85383777
Fax	0591–85363983	0591–85363983
E-mail	600660@fuyaogroup.com	600660@fuyaogroup.com

III. BASIC INFORMATION

Registered address of the Company	Fuyao Industrial Zone, Rongqiao Economic & Technological Development Zone, Fuqing City, Fujian Province
Historical changes in the registered address of the Company	Nil
Office address of the Company	District II of Fuyao Industrial Zone, Fuqing City, Fujian Province
Postal code of the office address of the Company	350301
Website of the Company	http://www.fuyaogroup.com
E-mail	600660@fuyaogroup.com
Query index of changes during the Reporting Period	Nil
Principal place of business in Hong Kong	Room 1907, Shun Tak Centre, West Tower, 200 Connaught Road Central, Central, Hong Kong
Custodian of A shares	Shanghai Branch of China Securities Depository and Clearing Corporation Limited
Business address	No. 188 Yanggao South Road, Pudong New District, Shanghai
H share registrar	Computershare Hong Kong Investor Services Limited
Business address	Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

Section II Corporate Profile and Principal Financial Indicators

IV. INFORMATION DISCLOSURE AND PLACE OF INSPECTION

Newspaper selected by the Company for information disclosure	Shanghai Securities News, China Securities Journal and Securities Times
Websites for publishing the interim report of the Company	SSE: http://www.sse.com.cn Hong Kong Stock Exchange: http://www.hkexnews.hk
Place of inspection of the interim report of the Company	Secretarial Office of the Board of Directors of the Company, District II of Fuyao Industrial Zone, Fuqing City

V. INFORMATION ON THE COMPANY'S SHARES

Class of shares	Stock exchange on which shares are listed	Stock abbreviation	Stock code
A share	SSE	FUYAO GLASS	600660
H share	Hong Kong Stock Exchange	FUYAO GLASS	3606

VI. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Key accounting data

Unit: '000 Currency: RMB

Key accounting data	During the Reporting Period (January – June) (Unaudited)	Corresponding period last year (Unaudited)	Increase/ decrease of the Reporting Period as compared with the corresponding period last year *(%)*
Revenue	21,971,105	21,447,392	2.44
Profit before tax	4,638,131	5,794,033	-19.95
Profit for the Reporting Period attributable to owners of the Company	3,970,084	4,804,424	-17.37
Profit for the Reporting Period attributable to owners of the Company, net of non-recurring profits or losses (Note)	3,879,167	4,706,683	-17.58
Net cash generated from operating activities	4,550,946	5,354,476	-15.01

Section II Corporate Profile and Principal Financial Indicators

VI. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY (CONTINUED)

(I) Key accounting data (Continued)

Unit: '000 Currency: RMB

	At the end of the Reporting Period (Unaudited)	At the end of last year (Audited)	Increase/decrease at the end of the Reporting Period as compared with the end of last year *(%)*
Equity attributable to owners of the Company	38,183,253	37,565,508	1.64
Total assets	73,959,909	70,071,397	5.55

Note: The "Profit for the Reporting Period attributable to owners of the Company, net of non-recurring profits or losses" was prepared in accordance with the China Accounting Standards for Business Enterprises.

(II) Key financial indicators

Key financial indicators	During the Reporting Period (January – June) (Unaudited)	Corresponding period last year (Unaudited)	Increase/decrease of the Reporting Period as compared with the corresponding period last year *(%)*
Basic earnings per share (RMB/share)	1.52	1.84	-17.39
Diluted earnings per share (RMB/share)	1.52	1.84	-17.39
Return on equity (%)	10.40	13.47	-3.07

Explanation of Key Accounting Data and Financial Indicators of the Company

Profit before tax for Reporting Period decreased by 19.95% year-on-year, mainly due to the impact of exchange gains and losses. An exchange loss of RMB802,632 thousand was recorded in Reporting Period, compared with an exchange gain of RMB601,551 thousand in the corresponding period of last year. Excluding the impact of the aforesaid factors, profit before tax for Reporting Period rose by 4.78% over the corresponding period of last year.

Section II Corporate Profile and Principal Financial Indicators

VII. DIFFERENCES IN ACCOUNTING DATA BETWEEN DOMESTIC AND OVERSEAS ACCOUNTING STANDARDS

(I) Differences between the profit for the Reporting Period and equity attributable to owners of the Company in the financial statements prepared under the International Financial Reporting Standards and under the China Accounting Standards for Business Enterprises

Unit: '000 Currency: RMB

	Profit for the Reporting Period attributable to owners of the Company		Equity attributable to owners of the Company	
	Amount for the Reporting Period (Unaudited)	Amount for the corresponding period last year (Unaudited)	Amount at the end of the Reporting Period (Unaudited)	Amount at the beginning of the Reporting Period (Audited)
Prepared in accordance with the China Accounting Standards for Business Enterprises	3,970,300	4,804,712	38,174,427	37,556,465
Adjustments to items and amounts in accordance with the International Financial Reporting Standards: Reversal of impairment for buildings and land use rights and the differences in corresponding depreciation and amortization	-216	-288	8,826	9,043
Prepared in accordance with the International Financial Reporting Standards	3,970,084	4,804,424	38,183,253	37,565,508

Section II Corporate Profile and Principal Financial Indicators

VII. DIFFERENCES IN ACCOUNTING DATA BETWEEN DOMESTIC AND OVERSEAS ACCOUNTING STANDARDS (CONTINUED)

(II) Explanation on the differences under domestic and overseas accounting standards:

In addition to preparing the financial statements for H shares in accordance with IFRSs, the Company, with its A shares listed on the SSE, is also required to prepare financial statements in accordance with the China Accounting Standards for Business Enterprises. There are differences between the financial statements prepared by the Company in accordance with IFRSs and those prepared by the Company in accordance with the China Accounting Standards for Business Enterprises: Yung Tak Investment Limited, a subsidiary established by the Group in the Hong Kong Special Administrative Region, made provision for impairment with respect to the differences between recoverable amounts and carrying amounts of buildings and land use rights in previous years. The provision for long-term asset impairment was subject to the "Accounting Standards for Business Enterprises No. 8 – Assets Impairment" issued by the Ministry of Finance on February 15, 2006. Upon recognition, the loss on asset impairment of the Group shall not be reversed in subsequent accounting periods. Under IFRSs, the loss on asset impairment, excluding goodwill, recognized in previous periods should be reversed as there have been changes in the estimates used by the Group for determining the recoverable amounts of assets since the last recognition of loss on impairment. The differences between IFRSs and the China Accounting Standards for Business Enterprises will have an impact on the provision for (and loss on) asset impairment of the Group, and operating results (depreciation/amortization) of the buildings and land use rights within their useful lives, thus resulting in the adjustments above.

VIII. NON-RECURRING PROFIT OR LOSS ITEMS AND AMOUNTS (PREPARED IN ACCORDANCE WITH THE CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES)

Unit: Yuan Currency: RMB

Non-recurring profit and loss items	Amount
Profit or loss from disposal of non-current assets, including the portion offset from the provision for impairment of assets	-13,594,068
Government subsidies recorded under current profit or loss, other than those closely related to the normal business operations of the Company, in compliance with national policy requirements, enjoyed in accordance with defined standards and having a sustained impact on the Company's profit or loss	143,672,974
Profit or loss from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and profit or loss from disposal of financial assets and financial liabilities, other than effective hedging activities related to the normal business operations of the Company	36,851,971
Other profit or loss items falling within the meaning of non-recurring profit or loss	-72,443,119
Less: Effects of income tax	3,714,298
Effects of minority interests (after tax)	-359,147
Total	91,132,607

Section III Management Discussion and Analysis

I. INDUSTRY OVERVIEW AND PRINCIPAL BUSINESS DURING THE REPORTING PERIOD

(I) Principal business and business model

The Company is principally engaged in providing total solutions of safety glass and automotive accessories for various transportation vehicles, including design, manufacture and sale of automotive grade float glass, automotive glass, locomotive glass, luggage racks, vehicle window trims and provision of relevant services. The business model of the Company is globalized research and development, design, manufacture, distribution and after-sales services. Adhering to its brand development strategy of maintaining an industry-leading position in technology and quickly responding to market changes, the Company works with its customers on product design, manufacturing and rendering of services, focuses on improving its business ecological chain and responds to the ever-changing demand of customers systematically, professionally and rapidly, thus creating value for its customers.

Set out below is a breakdown of revenue by products for the periods indicated:

Unit: '000 Currency: RMB

Product	Revenue	Cost of sales	Gross profit margin *(%)*	Change in revenue as compared with corresponding period last year *(%)*	Change in cost of sales as compared with corresponding period last year *(%)*	Change in gross profit margin as compared with corresponding period last year *(%)*
Automotive glass	20,270,178	13,779,600	32.02	3.75	1.52	1.49
Float glass	3,160,754	1,866,921	40.93	2.11	-1.64	2.24
Others	2,463,272	1,740,587				
Less: Intragroup elimination	(3,923,099)	(3,836,886)				
Total	21,971,105	13,550,222	38.33	2.44	-0.37	1.74

(II) Industry overview

According to the statistics released by the China Association of Automobile Manufacturers, automobile production volume and sales volume in China from January to June 2026 amounted to 14.993 million units and 15.017 million units, representing a year-on-year decrease of 4% and 4.1%, respectively. As of 2025, China has ranked first in the world for 17 consecutive years in terms of automobile production volume and sales volume.

Section III Management Discussion and Analysis

I. INDUSTRY OVERVIEW AND PRINCIPAL BUSINESS DURING THE REPORTING PERIOD (CONTINUED)

(II) Industry overview (Continued)

For the automobile industry, in the short term, the automobile market continues to recover, but the domestic and international situation remains complex and severe, with ongoing challenges and uncertainties. Facing the complex and severe domestic and international environment, the Chinese government has continuously increased its macro-control efforts, focused on expanding domestic demand and optimizing its industrial structure, while also actively expanding its overseas markets and promoting automobile consumption through a series of precise and effective policies and measures, such as optimizing purchase restriction policies, conducting a new round of automobile subsidies for rural areas, encouraging trade-ins, and renewing and optimizing the reduction and exemption of the purchase tax on new energy vehicles to the end of December 2027, among other initiatives at stimulating automobile consumption. With the in-depth implementation and sustained efforts of these policies to promote consumption and stabilize growth, China's automobile market is expected to continue to maintain a stable and good development trend and achieve structural optimization.

In terms of the global automobile industrial structure, the proportion of developing countries in new automobile production and automobile ownership has been increasing, resulting in their greater influence; but there is still a tremendous gap between developing countries and developed countries in terms of automobile popularisation. In 2025, the automobile ownership per 100 population reached over 50 units in developed countries including the US, Japan and Germany, while in developing China, it was only approximately 26 units, much lower than that in major developed countries. In terms of China's population, the percentage of middle-income groups and GDP per capita, there is still growth potential in China's automobile consumption, and the comprehensive supply chain system within China provides robust support for the development of the automotive industry. Therefore, as a supporting industry of the automobile industry, there is still great room for development in the industry.

The automobile is developing towards the trend of "electrification, networking, intelligence and sharing" (new four modernizations) and the automobile industry has now entered a new stage of development characterized by diversified demands and an optimized structure. The penetration rate of new energy vehicles is increasing and smart vehicles have been made available in everyday use. Vehicles have transformed from simple transportation tools to "intelligent mobile terminal". Due to the development of new four modernizations, more and more new technologies are also being integrated into automobile glass. It puts forward new requirements for automobile glass and also provides new opportunities for the development of the automobile glass industry. Accordingly, automotive glass has developed towards "safety and comfort, energy conservation and environmental friendliness, beautiful appearance, and intelligence and integration" with growing share of the high value-added products such as smart and panoramic skylight glass, dimmable glass, head-up display glass and coated heatable glass and flush tempered laminated glass. The industry-leading position of Fuyao in terms of technology has brought structural opportunities to the sale of automotive glass of the Company.

Therefore, as a supporting industry of the automobile industry, there is still stable room for development for the industry in the medium and long run.

Note: The sources of the above information include information from Organization Internationale des Constructeurs d'Automobiles (OICA), the China Association of Automobile Manufacturers and the International Organization of Motor Vehicle Manufacturers.

Section III Management Discussion and Analysis

II. DISCUSSION AND ANALYSIS ON OPERATION RESULTS

As a worldwide leading enterprise engaged in integrated solutions for the design, development, manufacturing, supply and service of automotive glass and automotive grade float glass, Fuyao adheres to its brand development strategy of pursuing ultimate quality, maintaining an industry-leading position in technology and quickly responding to market changes. During the Reporting Period, Fuyao continuously provided automobile manufacturers and maintenance market worldwide with products and services of automotive safety glass crafted with the wisdom and care of the Fuyao staff and provided global automobile users with intelligent, safe, comfortable, environment-friendly and trendy total solutions relating to automotive safety glass and automotive decoration, while making the in-vehicle experience of drivers and passengers more enjoyable.

In the first half of 2026, the global economy was affected by multiple factors such as intensifying geopolitical conflicts, trade protectionism and tariffs, diverging domestic and external demand, and volatile energy supply chains, resulting in a complex and volatile overall environment characterized by heightened uncertainty. Driven by the three major trends of electrification, intelligentisation and globalisation, China's automotive industry experienced continuous transformation and upgrading and a significant increase in overseas exports of new energy vehicles, though the domestic end-user demand remained relatively weak. According to the statistics released by the China Association of Automobile Manufacturers, automobile production volume and sales volume from January to June 2026 amounted to 14.993 million units and 15.017 million units, representing a year-on-year decrease of 4% and 4.1%, respectively.

During the Reporting Period, the Company, on a consolidated basis, realized revenue of RMB21,971,105 thousand, representing an increase of 2.44% as compared with the corresponding period last year, which was above the level of the industry growth; realized profit before tax of RMB4,638,131 thousand, representing a decrease of 19.95% as compared with the corresponding period last year; realized profit for the Reporting Period attributable to owners of the Company of RMB3,970,084 thousand, representing a decrease of 17.37% as compared with the corresponding period last year; and realized earnings per share of RMB1.52, representing a decrease of 17.39% as compared with the corresponding period last year.

Total profit before tax for the Reporting Period decreased by 19.95% year-on-year, mainly due to the impact of exchange gains and losses. The Company recorded an exchange loss of RMB802,632 thousand in the Reporting Period, compared with an exchange gain of RMB601,551 thousand in the same period of last year. Excluding the above-mentioned impact, total profit before tax for the Reporting Period rose by 4.78% from the same period of last year.

During the Reporting Period, the Company carried out the following work according to the Group's business strategy centered on "continuously creating values for customers" with the market-oriented approach, the support of technological innovation and the protection by standardised management, to ensure the improvement of the comprehensive competitiveness of the Company:

1. Optimize full-scale market layout and deepen customer value operation: During the Reporting Period, the Company adhered to a dual-driven development model covering domestic and overseas markets and implemented the strategy of retaining existing customers while developing new markets. It continuously deepened customer relationship management, iteratively optimized the customer service system, accurately matched customer demands, effectively boosted customer satisfaction and partnership stickiness, consolidated the fundamental market base, and enhanced independent risk resilience.

Section III Management Discussion and Analysis

II. DISCUSSION AND ANALYSIS ON OPERATION RESULTS (CONTINUED)

2. Accelerate the construction and launch of new projects to expand production and supply capacity: The Company pushed forward key new projects in an orderly manner, including aluminum component projects in Shanghai and Chongqing, trim part and mold projects in Anhui. It scientifically coordinated project schedules and resource allocation, and rigorously controlled construction quality, improved and expanded the Company's production capacity and strengthened its ability to guarantee order delivery.

3. Focus on core technological innovation to seize first-mover advantage in the industry: Closely tracking industrial development trends, the Company strengthened research and judgment on cutting-edge technologies and market trends. Centering on the core field of automotive glass, it pooled resources to tackle new product R&D and process upgrading, speed up product iteration cycles, and continuously consolidate its leading position in the industry. During the Reporting Period, the proportion of high value-added products maintained steady growth, including intelligent panoramic sunroof glass, dimmable glass, HUD display glass, super-insulated glass, lightweight ultra-thin glass, heatable coated glass and flush tempered laminated glass. Their proportion rose by 8.03 percentage points year-on-year, fully unlocking product value.

4. Optimize management model and establish rapid response mechanism: The Company gradually transformed towards a flat, project-based and rapid-response operating framework. Synchronized collaboration was realized among sales, R&D, procurement, production and quality functions to comprehensively improve organizational and production flexibility. Rapid response capabilities were built across the entire industrial chain to lift overall operational efficiency and management effectiveness, ensuring stable and efficient corporate operation.

5. Improve the quality management system and uphold the industry quality benchmark: Quality is the lifeline of an enterprise. Adhering to source control, the Company built an integrated quality barrier covering R&D, design, supply chain, product development and production. Change management and process self-completion requirements were enforced. The Company delegated quality management responsibilities down the supply chain, strengthened coordinated control between upstream and downstream partners, established a full-chain closed-loop quality management system, and rigorously contained quality risks.

6. Pursue digital and intelligent transformation to empower the development of the entire industrial chain: The Company steadily pushed forward digital and intelligent transformation, carried out continuous automation upgrading of production lines, and built a digital intelligent control platform. Integrated management and intelligent analysis of production, quality control and operational data have been realized to comprehensively boost full-process operational efficiency.

Section III Management Discussion and Analysis

II. DISCUSSION AND ANALYSIS ON OPERATION RESULTS (CONTINUED)

7. Consolidate talent foundation and unleash intrinsic organizational momentum: Talent constitutes the primary core resource of an enterprise. All departments took initiative to assume responsibilities for talent planning, development and appointment. The Company smoothed career progression paths, continuously improved the working environment, fostered a sound talent ecosystem, built a lean and high-performing workforce, and underpinned the high-quality transformation of the Group.

Material changes in the operation of the Company during the Reporting Period and events that occurred during the Reporting Period that have had a significant impact on the operation of the Company and are expected to have a significant impact in the future

Please refer to "II. DISCUSSION AND ANALYSIS ON OPERATION RESULTS" above for details.

III. ANALYSIS ON THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD

During the Reporting Period, the Company continued to strengthen its core competitiveness:

1. Fuyao, a company with strong sense of social responsibility and mission, has gained trust from global automobile manufacturers, users, suppliers and investors by fulfilling its supporting role in the world's automobile industry and contributing transparent, exquisite glass to the world. Brand is the core competitiveness of Fuyao.

2. Fuyao has developed a team with devotion, passion, unity and ambition who has competitive advantages in the industry in terms of operation, management, technology, quality, technique, design and IT.

3. The standardized, transparent and international financial system and the ERP-based process optimization system of Fuyao lay a solid foundation for the digitalization and intelligentization of "Industry 4.0".

4. Fuyao has built a relatively comprehensive industrial ecology, such as sand mineral resources, quality float technology, research and development of process and equipment, multi-function integrated glass, extension to aluminum trim industry, global R&D centers and supply chain network; unique staff training and development mechanism, all of which form the systematic business advantages of Fuyao and create a competitive moat.

5. Development strategy that highlights specialism, devotion and concentration enables the Company to respond promptly to market changes and provide Total Solution of automotive glass and automotive accessories to customers.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD

(I) Analysis on principal business

1. Table of analysis of changes in relevant items in the financial statements

Unit: '000 Currency: RMB

Items	For the Reporting Period	For the corresponding period last year	Percentage of change *(%)*
Revenue	21,971,105	21,447,392	2.44
Cost of sales	13,550,222	13,600,077	-0.37
Distribution costs	649,339	625,336	3.84
Administrative expenses	1,721,846	1,597,792	7.76
Finance costs – net	-305,750	-279,239	-9.49
Research and development expenses	1,033,054	882,847	17.01
Net cash generated from operating activities	4,550,946	5,354,476	-15.01
Net cash used in investing activities	-2,524,725	-2,788,956	-9.47
Net cash generated from/(used in) financing activities	1,470,709	-3,043,172	Not applicable
Other (losses)/gains – net	-856,195	614,716	Not applicable
Income tax expenses	666,346	986,617	-32.46

Reasons for changes in revenue: The increase in revenue was mainly attributable to a higher proportion of the Company's high value-added products.

Reasons for changes in cost of sales: The decrease in cost of sales was mainly due to the Company's continuous efforts in improving quality and efficiency, as well as enhancing cost control measures..

Reasons for changes in distribution costs: The increase in distribution costs was mainly attributable to higher revenue, which led to a corresponding rise in relevant expenses.

Reasons for changes in administrative expenses: The increase in administrative expenses was mainly due to higher staff salaries.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(I) Analysis on principal business (Continued)

1. Table of analysis of changes in relevant items in the financial statements (Continued)

Reasons for changes in finance costs-net: The decrease in net finance costs was mainly attributable to lower finance costs during the Reporting Period.

Reasons for changes in research and development expenses: The increase in research and development expenses was mainly because the Company made greater efforts in the investment in R&D projects, sustained research and innovation, and promoted technological upgrading and higher value added of products.

Reasons for changes in net cash generated from operating activities: The decrease in net cash generated from operating activities was mainly attributable to the settlement of bills payable outstanding at the end of last year during the Reporting Period, resulting in a year-on-year increase in cash outflows, as well as the reduced usage of commercial bills and increased cash settlement of purchases in the Reporting Period.

Reasons for changes in net cash used in investing activities: The decrease in net cash used in investing activities was mainly due to a year-on-year reduction in purchases of property, plant and equipment during the Reporting Period.

Reasons for changes in net cash generated from/(used in) financing activities: The increase in net cash generated from financing activities was primarily attributable to: (i) a year-on-year increase in net financing of RMB3,057 million during the Reporting Period; and (ii) a year-on-year decrease in dividends paid of RMB1,442 million, which was mainly due to the timing difference in dividend distribution, as the full-year dividend for 2024 was paid in the corresponding period of last year, whereas only the final dividend for 2025 was paid in the Reporting Period (the interim dividend having been distributed within 2025).

Reasons for changes in other (losses)/gains-net: The movement in net other gains/(losses) was mainly attributable to exchange losses of RMB803 million arising from exchange rate fluctuations during the Reporting Period, compared with exchange gains of RMB602 million recorded in the same period last year.

Reasons for changes in income tax expenses: The decrease in income tax expense was primarily attributable to the decrease in profit before tax during the Reporting Period, and the corresponding decrease in deferred tax liabilities recognised in respect of the remittance of profits from overseas subsidiaries.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis on assets and liabilities

1. Assets and liabilities

Unit: '000 Currency: RMB

Names of items	Closing balance	The percentage of closing balance to the total assets (%)	Closing balance of the previous period	The percentage of closing balance of the previous period to the total assets (%)	Change in the closing balance as compared with the closing balance of the previous period (%)	Explanations
Financial assets-current assets at fair value through profit or loss	307,533	0.42	10,916	0.02	2,717.27	The increase in financial assets-current assets at fair value through profit or loss – current was primarily attributable to the purchase of structured deposits during the Reporting Period, of which RMB300 million remained outstanding and had not yet matured as at the end of the Reporting Period.
Derivative financial instruments	20,629	0.03	–	–	100.00	The increase in derivative financial instruments was primarily attributable to the currency swap and other contracts outstanding for settlement as at the end of the Reporting Period, which were valued as financial assets as a result of exchange rate fluctuations.
Contract assets	26,078	0.04	–	–	100.00	The increase in contract assets was mainly due to policy adjustments to export tax rebates in the first half of 2026. Export of relevant goods no longer qualifies for export tax rebates and value-added tax is required to be paid. Accordingly, the value-added tax receivable arising from ongoing performance obligations is recognised under contract assets until the Company obtains an unconditional right to receive payment.
Borrowing-non-current liabilities	7,764,243	10.50	3,669,045	5.24	111.61	The increase in borrowings-non-current liabilities was mainly attributable to business expansion and optimisation of the financing structure.
Current tax liabilities	388,799	0.53	709,115	1.01	-45.17	The decrease in current tax liabilities was primarily attributable to: (i) the completion of the final tax settlement for last year's corporate income tax during the Reporting Period, which resulted in a corresponding decrease in taxes payable; and (ii) the decrease in profit before tax during the Reporting Period, which led to a corresponding decrease in the current income tax expense provided.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis on assets and liabilities (Continued)

2. Overseas assets

(1) Size of assets

Including: overseas assets of RMB25,305 million, accounting for 34.21% of the total assets.

(2) Details of the higher percentage of overseas assets

The overseas assets are the assets in the account of the overseas subsidiaries which are established by the Company and the deposits of the parent company which are deposited in foreign currencies in Hong Kong. In particular, the total assets of Fuyao Glass America Inc., an overseas subsidiary (including 100%-controlled Fuyao Glass Illinois Inc. and Fuyao Asset Management C, LLC), amounted to RMB8,513 million as at June 30, 2026, with the revenue amounting to RMB3,975 million and net profit amounting to RMB467 million in the first half of 2026.

3. Major restricted assets as at the end of the Reporting Period

As at the end of the Reporting Period, the major restricted assets consisted of restricted cash deposits of RMB31,146 thousand and certain pledged assets (see "4. Details of charge on assets" of this section).

4. Details of charge on assets

As at 30 June 2026, the pledged assets of the Group mainly comprised: (1) Land and buildings with a carrying amount of RMB13,777 thousand (original cost: RMB34,571 thousand) pledged as collateral for a credit facility of HK$30,000 thousand; and (2) Notes receivable of RMB85,355 thousand (including notes receivable measured at fair value through other comprehensive income) pledged as security for notes payable issued by the Group.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(II) Analysis on assets and liabilities (Continued)

5. Details of number of employees, remuneration policy and training plans

(1) Number of employees: as at the end of the Reporting Period, the number of employees of the Company was 42,222, representing a decrease of 319 employees as compared with that at the end of 2025.

(2) Remuneration policy: based on the principles of fairness, competitiveness, incentives and legality, the Company formulated its remuneration policy. Remuneration of employees is mainly composed of various items including basic salaries, performance salaries, bonuses, subsidies and allowance; salaries are adjusted in accordance with the Company's performance, and employees' performance and capability in a timely manner. In addition, the Company participated in the programme of the "five social insurances and one housing fund" as stipulated and made contributions to social insurance contributions and housing provident fund as scheduled.

(3) Training plans: according to the Group's strategic plan and annual operating policy and plan, the Company made training plans. The Group provides orientation training and on-the-job education for the growth of the employees, of which the orientation training covers subjects such as corporate culture and policies, work ethic and quality, major products and businesses, production process, quality management and occupational safety. The on-the-job education covers mandatory training required by the applicable laws and regulations such as environment, health and safety management systems, and special training which covers all types of personnel at all levels. In order to meet the needs of its strategic plan, the Group held various training projects for management cadres at all levels, key business and technical staff and high potential talents, including training camp on management in the age of digitalization, in-service cadres cultivation project, reserve cadres cultivation project, key technical talents cultivation project and lean leading expert training projects, and simultaneously developed micro class, micro course, live class and other forms of learning resources by way of online channels to further improve the training and talents development system, to secure talents for the steady and healthy operation and transformation and upgrading of the Group, thereby promoting the high-quality development of the Group.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(III) Liquidity and source of capital

1. Cash flows

Unit: '000 Currency: RMB

Items	For the Reporting Period	For the same period last year
Net cash generated from operating activities	4,550,946	5,354,476
Net cash used in investing activities	–2,524,725	–2,788,956
Net cash generated from/(used in) financing activities	1,470,709	–3,043,172
Amount increased /(decreased) in cash and cash equivalents	3,496,930	–477,652

(1) During the Reporting Period, net cash generated from operating activities amounted to RMB4,551 million. In particular, cash received from sale of goods and provision of labor services amounted to RMB21,638 million; cash paid for purchase of goods and acceptance of labor services amounted to RMB11,361 million, cash paid to and paid for employees amounted to RMB4,511 million, and payment of various taxes amounted to RMB1,850 million.

Daily capital needs of the Group can be financed by internal cash flows. The Group also had adequate credit facilities provided by banks.

(2) During the Reporting Period, net cash used in investing activities amounted to RMB2,525 million. In particular, cash paid for purchase and construction of property, plant and equipment, and other long-term assets amounted to RMB2,298 million.

(3) During the Reporting Period, net cash generated from financing activities amounted to RMB1,471 million. In particular, cash received from bank borrowings amounted to RMB11,234 million, issuance of super short-term commercial paper amounted to RMB850 million, issuance of medium-term note amounted to RMB800 million, cash used for repayment of debts amounted to RMB7,980 million; cash payment of dividend distribution and interest amounted to RMB3,294 million.

The Company will further strengthen and promote the management model characterized by capital intensification and budget, strictly control the exchange rate risks and optimize the capital structure to enhance the security and effectiveness of capital management and ensure the maximization of capital efficiency.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(III) Liquidity and source of capital (Continued)

2. Capital expenditure

Capital expenditure of the Company was mainly used for continuous contribution to new projects and the subsidiaries' transformation and upgrading expenditures. During the Reporting Period, RMB2,298 million in cash was paid for purchase and construction of property, plant and equipment, and other long-term assets. In particular, capital expenditure of Fuyao America's automotive glass projects amounted to approximately RMB271 million, capital expenditure of the Anhui Ancillary Automotive Glass, Anhui Accessory Automotive Glass and Anhui Float projects amounted to approximately RMB643 million, and capital expenditure of the Fujian Ancillary Glass project amounted to approximately RMB309 million.

3. Borrowings

During the Reporting Period, new borrowings amounted to RMB12,884 million, including bank borrowings of RMB11,234 million, super short-term commercial paper of RMB850 million and medium-term note of RMB800 million; repayment of borrowings amounted to RMB7,980 million, consisting of bank borrowings of RMB7,480 million and super short-term commercial paper of RMB500 million. The Company did not utilize any financial instrument for hedging. As of June 30, 2026, interest-bearing debts are set out as follows:

Unit: 100 million Currency: RMB

Type	Amount
Short-term borrowings with fixed interest rates	90.30
Short-term borrowings with floating interest rates	6.32
Long-term borrowings with fixed interest rates due within one year	17.72
Long-term borrowings with floating interest rates due within one year	17.09
Long-term borrowings with fixed interest rates	5.44
Long-term borrowings with floating interest rates	64.20
Super short-term commercial paper	8.50
Medium-term note	8.00
Total	217.57

Note: The information in the above table excludes accrued interest.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(III) Liquidity and source of capital (Continued)

4. Foreign exchange risks and foreign exchange gains or losses

The principal business of the Group is situated within the PRC and is denominated in Renminbi. However, foreign exchange risks still exist for the assets and liabilities in foreign currencies and future foreign currency transactions as recognized by the Group (assets and liabilities in foreign currencies and foreign currency transactions are mainly denominated in US dollar and EUR). The finance department of the headquarters of the Group is responsible for monitoring the scale of foreign currency transactions and assets and liabilities in foreign currencies of the Group to reduce the foreign exchange risks to the largest extent. As such, the Group may avoid foreign exchange risks by ways of intensifying international development; reasonably matching the size of foreign currency assets and liabilities with the expansion of overseas operations; optimizing the currencies in settlement of operations; matching the income with expenses in the same currency; and adopting appropriate exchange instruments such as entering into forward foreign exchange contracts, currency swap, forward foreign exchange call options and other contracts. During the Reporting Period, foreign exchange losses of the Group amounted to RMB803 million, as compared with foreign exchange gains of RMB602 million for the corresponding period last year.

(IV) Capital efficiency

Inventory turnover period during the Reporting Period was 95 days as compared with 84 days of the corresponding period last year. In particular, inventory turnover period for automotive glass was 70 days as compared with 61 days of the corresponding period last year; inventory turnover period for float glass was 96 days as compared with 96 days of the corresponding period last year.

The turnover period of the trade receivables (including notes receivable measured at fair value through other comprehensive income) during the Reporting Period was 97 days as compared with 96 days of the corresponding period last year. The Group established stringent policies for the management of notes receivable and accepts applications only from reputable banks and customers with financial strengths, while the credit risks related to bank-accepted notes are assumed by the customers' banks.

The return on equity during the Reporting Period was 10.40% as compared with 13.47% of the corresponding period last year. The decrease was mainly due to the impact of exchange gains and losses（foreign exchange losses of the Group during the Reporting Period was RMB803 million, as compared with foreign exchange gains of RMB602 million for the corresponding period last year).

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(IV) Capital efficiency (Continued)

Gearing ratio during the Reporting Period is set out as follows:

Unit: '000 Currency: RMB

	As at June 30, 2026	As at December 31, 2025
Total borrowings	22,007,053	16,964,111
Lease liabilities	432,067	524,290
Long-term payables	47,051	53,855
Less: Cash and cash equivalents	–22,127,160	–19,240,786
Net debts	359,011	–1,698,530
Total equity	38,180,649	37,561,203
Total capital	38,539,660	35,862,673
Gearing ratio	0.93%	–4.74%

Note: Gearing ratio = net debts at the end of the period divided by total capital. Net debts were the sum of current and non-current borrowings, lease liabilities and long-term payables less cash and cash equivalents. Total capital was the sum of net debts and total equity.

(V) Commitments

For details, please refer to "26. Commitments" in the Section VIII Financial Report.

(VI) Contingent liabilities

During the Reporting Period, the Company had no material contingent liabilities.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VII) Outlook of the Company for the second half of 2026

In the second half of 2026, the global economy still faces numerous uncertainties. In this regard, Fuyao will uphold the spirit of staying modest and cautious while gathering momentum to pursue new growth and be prudent in every step of its operations:

1 to coordinate multi-regional market layout and implement the dual-drive strategy covering domestic and overseas markets. The Company will continue to deepen customer value management, optimize the full-process supporting service system, and steadily improve customer satisfaction and loyalty.

2 to keep pace with the accelerating industry trend toward intelligent, integrated and functional automotive glass. The Company will break inertial thinking, strengthen research and judgment on market dynamics and cutting-edge technologies, focus on independent innovation of core technologies, and cultivate new business growth drivers enabled by new technologies. Based on core dimensions including acoustics, optics, electronics and wave technology, the Company will develop differentiated and packaged intelligent solutions, achieve comprehensive upgrading from a single component supplier to a smart cockpit system solution provider, expand product scope and enhance product value.

3 to coordinate and integrate the supply chain, systematically sort out costs across procurement, transportation, control and other links, and tap cost-reduction potential item by item in terms of raw material utilization, inventory turnover, energy consumption, logistics expenses and bulk raw material procurement. Meanwhile, the Company will carry out lean improvement on a regular basis, continuously optimize processes, raise yield rates, cut energy consumption and strictly control material wastage. Joint efforts will be made on manufacturing and cost management fronts. Centered on value-oriented transformation, the Company will comprehensively bolster cost competitiveness.

4 to continuously improve the full-coverage quality control system, integrating quality standards into the whole industrial chain including raw material procurement, production processing, finished product inspection and after-sales support. Strict control and pursuit of excellence are implemented in every working procedure to maintain the Company's leading product quality in the industry.

5 to break down internal data silos, build an integrated digital platform and establish a full-link digital system. The Company will accelerate the intelligent upgrading of production lines, continuously expand application scenarios for AI-powered intelligent inspection and digital gauges, and continuously enhance the flexible smart manufacturing capability of production lines.

6 to establish a dual-track talent system consisting of business specialists and AI application specialists, and promote the in-depth embedding of artificial intelligence technologies into core business scenarios such as R&D design, production control, market research and customer service. Supported by intelligent empowerment, professional analysis and technological innovation, the Company will drive high-quality growth.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VII) Outlook of the Company for the second half of 2026 (Continued)

7. to improve the full-process compliance management system and strictly uphold the bottom line of sound and compliant operation. The Company will continuously refine the internal control and supervision mechanism, keep close watch over key links of core businesses, guide all staff to abide by integrity requirements, and jointly foster an open, transparent and clean business ecosystem.

(VIII) Dividend and reduction and exemption of dividend tax

The interim profit distribution plan for the year of 2026 as proposed by the Company is as follows: Based on the total number of shares registered on the record date in respect of the interim equity distribution for the year of 2026, the Company proposes to distribute cash dividends to the holders of A shares and holders of H shares whose names appear on the register of members on the record date in respect of the interim equity distribution for the year of 2026, with a cash dividend of RMB1.00 (tax inclusive) per share, and the remaining undistributed profits of the Company will be carried forward to the second half of 2026. As of June 30, 2026, the total number of shares of the Company was 2,609,743,532, based on which, the total cash dividend proposed to be distributed was RMB2,609,743,532.00 (tax inclusive). The aforesaid amount of cash dividend proposed to be distributed accounted for 65.73% of the net profit attributable to shareholders of ordinary shares of the Company as shown on the consolidated financial statements of the period prepared by the Company in accordance with the China Accounting Standards for Business Enterprises. The Company will not carry out bonus issue and conversion of capital reserve into share capital for the interim period of 2026. Cash dividends distributed by the Company are denominated and declared in RMB and payable in RMB to holders of A shares, and in HKD to holders of H shares.

If the total number of shares of the Company changes between the date of disclosure of such profit distribution plan and the record date for the implementation of equity distribution, the Company proposes to maintain the distribution ratio per share unchanged and make adjustment to the total distribution accordingly. The details of adjustments will be published separately.

The cash dividends will be paid within two months upon approval by the Board of Directors. Based on the existing working schedule of the Company, the dividends are expected to be paid on or before November 6, 2026. In the case of any change in the payment date mentioned above, the Company will make an announcement in a timely manner. The Company will announce the details regarding other specific matters on dividend distribution in due course.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VIII) Dividend and reduction and exemption of dividend tax (Continued)

Holders of A shares

In accordance with the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonus of Listed Companies (Cai Shui [2015] No. 101) (《財政部、國家稅務總局、中國證監會關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號)), for shares of listed companies acquired by individuals from public offerings or transfer of shares in the market, where the holding period exceeds one year, the dividends shall be temporarily exempted from individual income tax; where the holding period is less than one month (inclusive), the full amount of dividends shall be counted as taxable income and where the holding period is more than one month and less than one year (inclusive), 50% of the dividends shall be counted as taxable income on a provisional basis. The individual income tax rate of 20% shall be applicable for all incomes mentioned above. For dividends distributed by listed companies, where the period of individual shareholding is within one year (inclusive), the listed companies shall not withhold the individual income tax temporarily. The tax payable, subject to individual transfer of shares, shall be calculated by China Securities Depository and Clearing Corporation Limited in accordance with the duration of its holding period. Custodian of shares including securities companies will withhold the amount from individual accounts and transfer the tax to China Securities Depository and Clearing Corporation Limited. China Securities Depository and Clearing Corporation Limited shall transfer the tax to the listed companies within 5 working days of the next month, and the listed companies shall declare the tax to the competent tax authorities upon receiving the tax amount within the statutory reporting period of that month.

Resident enterprise shareholders of A shares shall report and pay for the enterprise income tax of dividends by themselves.

For the shareholders who are Qualified Foreign Institutional Investor (QFII), the listed companies shall withhold and pay enterprise income tax at a rate of 10% pursuant to the requirements of the Notice of the State Administration of Taxation Concerning the Relevant Questions on the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII (Guo Shui Han [2009] No. 47) (《國家稅務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函2009[47]號)). QFII shareholders entitled to preferential tax treatment under tax treaties (arrangements) shall apply to the competent taxation authority for tax rebates according to the relevant rules and regulations after they receive the dividends, and tax rebates will be executed under tax treaties upon verification carried out by competent tax authorities.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VIII) Dividend and reduction and exemption of dividend tax (Continued)

Holders of A shares (Continued)

For non-resident enterprise shareholders of A shares except the above-mentioned QFII, listed companies shall withhold and pay enterprise income tax at a rate of 10% pursuant to the requirements of the Tentative Measures for Administration of Withholding at the Source of Income Tax of Non-resident Enterprises (Guo Shui Fa [2009] No. 3) (《非居民企業所得稅源泉扣繳管理暫行辦法》(國稅發[2009]3號)) and the Response of the State Administration of Taxation Concerning Questions on Enterprise Income Tax over Dividend of B-Shares and Other Shares Received by Non-resident Enterprises (Guo Shui Han [2009] No. 394) (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》(國稅函[2009]394號)). Non-resident enterprise shareholders entitled to preferential tax treatment under tax treaties shall make registration in accordance with the relevant provisions of the tax treaties.

Pursuant to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), listed companies shall withhold an income tax at the rate of 10% on dividends from the A shares of the company invested by Hong Kong investors (including enterprises and individuals) through the SSE, and apply for withholding via the competent tax authorities (before the Hong Kong Securities Clearing Company Limited is able to provide details such as investor identities and holding periods to China Securities Depository and Clearing Corporation Limited, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented). For investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authority of the listed company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authority, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

Pursuant to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), listed companies shall withhold an income tax at the rate of 10% on dividends from the A shares of the company invested by Hong Kong investors (including enterprises and individuals) through the Shenzhen Stock Exchange, and apply for withholding via the competent tax authorities (before the Hong Kong Securities Clearing Company Limited is able to provide details such as investor identities and holding periods to China Securities Depository and Clearing Corporation Limited, the policy of differentiated rates of taxation based on holding periods will temporarily not be implemented). For investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authority of the listed company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authority, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VIII) Dividend and reduction and exemption of dividend tax (Continued)

Holders of H shares

In accordance with the requirements of the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the Ministry of Finance and the State Administration of Taxation on May 13, 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. As the Company is a foreign-invested enterprise, the Company will not withhold and pay the individual income tax on behalf of individual shareholders when the Company distributes the interim dividends for the six months ended June 30, 2026 to overseas individual shareholders whose names appear on the register of members of H shares of the Company.

Pursuant to the requirements of the Notice of the State Administration of Taxation on Matters Concerning Withholding Enterprise Income Tax When China Resident Enterprises Distribute Dividends to Foreign Non-resident Enterprise Shareholders of H Shares (Guo Shui Han [2008] No. 897) (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), distributing dividends to foreign non-resident enterprise shareholders of H shares for 2008 and for the years onwards shall be subject to the enterprise income tax withheld at a uniform rate of 10%. Upon receipt of such dividends, an overseas non-resident enterprise shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(VIII) Dividend and reduction and exemption of dividend tax (Continued)

Holders of H shares (Continued)

According to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Concerning the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、中國證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), H-share companies shall withhold an individual income tax at the rate of 20% on dividends from the H shares of the company invested by mainland individual investors on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland securities investment funds from investment through the Shanghai-Hong Kong Stock Connect, individual income tax shall be calculated in accordance with the above requirements. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland enterprise investors from investment through the Shanghai-Hong Kong Stock Connect, H-share companies shall not withhold income tax of dividends, and mainland enterprise investors shall report and pay the tax amount by themselves. In particular, the dividends received by resident enterprises in mainland which hold H shares for at least 12 consecutive months shall be exempted from enterprise income tax according to law.

According to the requirements of the Notice of the Ministry of Finance, the State Administration of Taxation and the CSRC on the Tax Policies Concerning the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《財政部、國家稅務總局、中國證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), H-share companies shall withhold an individual income tax at the rate of 20% on dividends from the H shares of the company invested by mainland individual investors on the Hong Kong Stock Exchange through the Shenzhen-Hong Kong Stock Connect. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland securities investment funds from investment through the Shenzhen-Hong Kong Stock Connect, individual income tax shall be calculated in accordance with the above requirements. For dividends of the shares listed on the Hong Kong Stock Exchange received by mainland enterprise investors from investment through the Shenzhen-Hong Kong Stock Connect, H-share companies shall not withhold income tax of dividends, and mainland enterprise investors shall report and pay the tax amount by themselves. In particular, the dividends received by resident enterprises in mainland which hold H shares for at least 12 consecutive months shall be exempted from enterprise income tax according to law.

The shareholders of the Company shall pay the relevant tax and/or are entitled to tax reliefs in accordance with the above requirements.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(IX) Analysis on investment

1. Overall analysis on external equity investment

(1) The Company incorporated Fuyao Trim (Anhui) Intelligent Technology Co., Ltd. (福耀飾件(安徽)智能科技有限公司) on January, 15 2026 with a registered capital of RMB300 million. The Company holds 100% equity interest in Fuyao Trim (Anhui) Intelligent Technology Co., Ltd., which is principally engaged in the production, sales and R&D of automotive trim parts.

(2) The Company incorporated Anhui Fuyao Mould Technology Co., Ltd. (安徽福耀模具科技有限公司) on April 10, 2026 with a registered capital of RMB100 million. The Company holds 100% equity interest in Anhui Fuyao Mould Technology Co., Ltd., which is principally engaged in the manufacturing, sales and R&D of automotive moulds.

External investment during the same period last year: On March 6, 2025, Fuyao Glass (Suzhou) Co., Ltd. (福耀玻璃(蘇州)有限公司), a wholly-owned subsidiary of the Company, completed a capital increase of RMB28.5 million in Fuyao Technology Development (Suzhou) Co., Ltd. (福耀科技發展(蘇州)有限公司), a wholly-owned subsidiary of the Company. Upon completion of the capital increase, the registered capital of Fuyao Technology Development (Suzhou) Co., Ltd. was RMB50 million. On April 8, 2025, Fuyao Group Automotive Decoration (Shanghai) Co., Ltd. (福耀集團上海汽車飾件有限公司), a wholly-owned subsidiary of the Company, absorbed and merged Shanghai Fuyao Bus Glass Co., Ltd. (上海福耀客車玻璃有限公司). Upon completion of the absorption and merger, the registered capital of Fuyao Group Automotive Decoration (Shanghai) Co., Ltd. was RMB406,281,545. At the same time, Shanghai Fuyao Bus Glass Co., Ltd. was deregistered.

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(IX) Analysis on investment (Continued)

1. Overall analysis on external equity investment (Continued)

(1) Material equity investments

Please refer to the disclosures regarding the incorporation of Fuyao Trim (Anhui) Intelligent Technology Co., Ltd. and Anhui Fuyao Mould Technology Co., Ltd. in the above "Overall analysis on external equity investment".

(2) Financial assets at fair value

Unit: Yuan Currency: RMB

Classification of assets	As at the beginning of the Reporting Period	Gain/(loss) arising from fair value change for the period	Cumulative fair value change accounted for in equity	Impairment provided for during the period	Purchase amount during the period	Selling/ redemption amount during the period	Other changes	As at the end of the Reporting Period
Equity instrument investment-held for trading	10,916,122	−3,389,041	−1,002,900	–	–	–	–	7,527,081
Structured deposits	–	8,195,464	8,195,464	–	1,800,000,000	1,508,189,711	–	300,005,753
Derivative financial instruments	–	32,045,548	32,045,548	–	–	11,416,420	–	20,629,128
Equity of unlisted companies measured at fair value through other comprehensive income	88,338,256	–	–	–	–	–	–	88,338,256
Notes receivable measured at fair value through other comprehensive income	2,922,909,334	−4,478,239	–	–	7,999,054,714	7,968,656,262	–	2,948,829,547
Total	3,022,163,712	32,373,732	39,238,112	–	9,799,054,714	9,488,262,393	–	3,365,329,765

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(IX) Analysis on investment (Continued)

1. Overall analysis on external equity investment (Continued)

(2) Financial assets at fair value (Continued)

Securities investment

Unit: Yuan Currency: RMB

Type of securities	Stock code	Stock name	Initial investment	Capital source	Book value at the beginning of the period	Gain/(loss) arising from fair value change for the period	Cumulative fair value change accounted for in equity	Amount purchased during the period	Amount disposed of during the period	Gain/ (loss) on investments during the period	Book value at the end of the period	Accounting classification
Share	601777	Qianli Technology	3,304,999	Debt restructuring	6,847,899	-1,591,186	1,951,714	–	–	–	5,256,713	Financial assets at fair value through profit or loss
Share	000980	Zotye Automobile	5,224,982	Debt restructuring	4,068,223	-1,797,855	-2,954,614	–	–	–	2,270,368	Financial assets at fair value through profit or loss
Total	/	/	8,529,981	/	10,916,122	-3,389,041	-1,002,900	–	–	–	7,527,081	–

Note: "Qianli Technology" was formerly known as "Lifan Technology".

Section III Management Discussion and Analysis

IV. PRINCIPAL OPERATION RESULTS DURING THE REPORTING PERIOD (CONTINUED)

(X) Analysis of major subsidiaries and investee companies

Major subsidiaries and investee companies affecting 10% or more of the Company's net profit

Unit: '0,000 Currency: RMB

Name of company	Company type	Major business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Fujian Wanda Automobile Glass Industry Co., Ltd. (福建省萬達汽車玻璃工業有限公司)	Subsidiary	Production and sale of automotive glass products	74,514.95	484,965.30	223,908.36	173,341.67	77,362.23	73,864.33
Fuyao Group (Shanghai) Automobile Glass Co., Ltd. (福耀集團(上海)汽車玻璃有限公司)	Manufacturing enterprise	Production and sale of automotive glass products	USD68.0488 million	748,410.82	121,985.94	333,467.78	27,978.18	24,679.17
Tianjin Hongde Auto Glass Co., Ltd. (天津泓德汽車玻璃有限公司)	Manufacturing enterprise	Production and sale of automotive glass products	40,000	392,823.46	98,568.16	254,393.88	31,747.80	28,729.59
Suzhou Fuyao Glass Co., Ltd. (福耀玻璃(蘇州)有限公司)	Manufacturing enterprise	Production and sale of automotive glass products	40,000	456,993.88	104,528.86	254,041.10	43,603.48	38,513.91
Fuyao Glass America Inc. (福耀玻璃美國有限公司)	Subsidiary	Production and sale of automotive glass products	USD1,500	851,267.95	470,209.15	397,541.73	73,415.27	46,729.91

Note: Fuyao Glass America Inc. holds 100% equity interests in each of Fuyao Glass Illinois Inc. (福耀玻璃伊利諾伊有限公司) and Fuyao Asset Management C, LLC (福耀美國C資產公司). The financial figures of Fuyao Glass America Inc. as disclosed in the above table are the figures of its consolidated financial statements.

Acquisition and disposal of subsidiaries during the Reporting Period

Name of company	Methods to acquire and dispose of subsidiaries during the Reporting Period	Impact on the overall production and operation, and operating results
Fuyao Trim (Anhui) Intelligent Technology Co., Ltd. (福耀飾件(安徽)智能科技有限公司)	Invest in incorporation	Nil
Anhui Fuyao Mould Technology Co., Ltd. (安徽福耀模具科技有限公司)	Invest in incorporation	Nil

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES

(I) Potential risks

1. Risks associated with economic, political and social conditions, government policies and wars

About 50% of the Company's revenue is derived from the operations in the PRC and another 50% from overseas operations. Therefore, the operating results, financial status and prospects of the Company are susceptible to changes in, among others, the economy, politics, policies, laws and wars. As the Chinese economy is in the stage of transformation and upgrading, the operations of the Company in the PRC might be affected. In addition, geopolitical conflicts, wars will deepen the impact on the economy and industry. In response, the Company will put more efforts in technological innovation, enhance the organization management, build a new culture of Fuyao, strengthen its position in aftersales service market, consolidate and ensure stable and healthy development in the PRC market and exploit the advantages of its global presence.

2. Risks associated with industry development

The global automobile industry is in the process of transformation and upgrading. Competition in the automobile industry is stretching from the manufacturing field to the service field, and automobile consumers increasingly focus on quality rather than functionality. Intelligent, networking and digital elements will play key roles in the development of the automobile industry. If the Company fails to promptly respond to technological changes, it may fail to cater for customers' demands. If the demand for automobiles fluctuates, the demand for products of the Company would also fluctuate, which might result in an adverse impact on the financial position and operating results of the Company. In light of the above, the Company will enrich product lines, optimize product structure and increase the added value of products, including intelligent panoramic skylight glass, dimmable glass, head-up display glass and ultra-insulating glass, as well as providing more comprehensive product solutions and services to customers worldwide.

3. Risks associated with market competition

Intensified market competition may result in a decrease in the selling prices or demand for part of the Company's products. If the competitors of the Company successfully reduce their costs of products or launch new glass products or materials which could substitute glass, the sales and profit margin of the Company may be adversely affected. In this regard, the Company adopts the strategy of differentiation to strengthen strategic and cooperative relationship with customers, further satisfy market needs at home and abroad, and boost the value and competitiveness of "Fuyao" brand.

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES (CONTINUED)

(I) Potential risks (Continued)

4. Risks associated with cost fluctuations

The costs of automotive glass of the Company mainly comprise of raw materials of float glass, PVB raw materials, labor, electricity and manufacturing costs, while the costs of float glass mainly include quartz sand raw materials, sodium carbonate, natural gas fuel, labor, electricity and manufacturing costs. The Company is exposed to the risk of cost fluctuations due to fluctuations in international commodity prices, changes in supply and demand in the natural gas market, changes in production capacity in the soda ash industry and changes in demand for soda ash from the boom in the glass and alumina industries, and rising labor costs. Given the above, the Company will:

(1) sort out key material suppliers and develop cooperative partnership with them; set up a sound mechanism for rating and incentives of suppliers, and give recognition to outstanding suppliers; set up an iron-triangle management mechanism for suppliers of key materials and import of materials, focusing on areas such as procurement, technique and quality.

(2) enhance the research on the price trend of raw materials and make purchases in a timely manner; expand supply channel to ensure a stable and effective supply.

(3) improve the utilization rate of materials, increase automation, optimize staff allocation, enhance efficiency, conserve energy and reduce consumption, strictly control costs throughout the process, integrate logistics, optimize packaging plans, increase transportation capacity of lorries and containers, reduce costs of packaging and logistics, enhance innovation in research and development and application of research accomplishments, increase productivity, improve management level and achieve overall efficiency.

(4) strengthen customer loyalty and inspire their confidence in placing orders through setting up plants in Europe and the US for production and sale in those regions, and leverage certain of its strengths in the prices of certain materials, natural gas and electricity to avoid risks arising from cost fluctuations.

(5) improve intellectual productivity and create value for the Company by devoting efforts to energy conservation in manufacturing and management, as well as product intelligence.

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES (CONTINUED)

(I) Potential risks (Continued)

5. Risks associated with exchange rate fluctuations

China's reform of the RMB exchange rate mechanism adheres to the principles of proactiveness, gradualism and controllability, implementing a managed floating exchange rate regime based on market supply and demand and adjusted with reference to a basket of currencies. Although the underlying cause of imbalances in international trade lies in the economic structures of individual countries, fluctuations in the global economy, instability in certain countries, growing tensions in certain key areas, and the monetary tightening or loosening measures of various countries will lead to exchange rate fluctuations. The Company's overseas sales account for around 50% of its total sales, and this proportion is growing every year. Significant exchange rate fluctuations would affect the results of the Company. In this regard, (1) the finance department of the headquarters of the Group will strengthen the supervision on the scale of foreign currency transactions as well as foreign currency assets and liabilities of the Group, and manage the potential fluctuations in exchange rates possibly by optimizing the settlement currency of export trades and utilizing exchange rate financial instruments and other proactive preventive measures; (2) the Company will strengthen customer loyalty and inspire their confidence in placing orders through building plants in Europe and the US for production and sale in those regions while avoiding risks arising from the fluctuations in exchange rates, so as to keep the risks at a controllable level.

6. The Company might not be able to respond quickly enough to rapid technological change and evolving standards in the automotive glass industry or in industries where its customers operate

The Company focuses on developing proprietary technologies and new automotive glass products. A long time may be required for the new product development process, potentially leading to mounting expenses. Substantial investment of capital and resources may be necessary before new products contribute to revenue. Investment in the development of new products by the Company may not generate sufficient earnings in the event that competitors release new products to the market more rapidly than the Company does or if alternative technologies and products are preferred by the market. If the Company is unable to predict or respond in a timely manner to changes in technologies or does not succeed in developing new products suited to customer needs, the Company's business activities, business performance and financial condition may be adversely affected. In order to maintain the competitive edge, the Company will increase its investment in research and development, improve its independent innovation capabilities, strengthen the management of research and development projects and establish the market-oriented research and development mechanism. The Company will also directly respond to the demands of the main manufacturers through the product center to establish a strategic cooperative relationship with the customers.

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES (CONTINUED)

(I) Potential risks (Continued)

7. Cyber security risk

With the growing smart manufacturing capacity of the Company, the operation and management of core business are all backed by and realized through information systems. In case of external attack or ransomware virus against the core information network of the Company, corruption of important files and failures in manufacturing execution system and other systems may occur, or production and delivery may be affected. Therefore, the Company will, in accordance with the guidance of the overall information security scheme: (1) establish a crisis awareness, strengthen the promotion of information security awareness among all staff, and constantly guard against cyber fraud and other security risks; (2) continuously optimize the construction of the information security management system, standardize key operational procedures, and reduce the possibility of security risks; (3) continuously improve the Company's information security strategy, and establish control measures for cyber security, host security, terminal security, data security, etc.; (4) regularly carry out information security risk assessment, perform risk identification, risk assessment, risk monitoring and risk response, and establish risk management system and processes for the Company; (5) establish and improve security operation capabilities, build multi-layered and three-dimensional defense system, and proactively detect anomalies and take intelligent measures to enhance the ability to resist and prevent cyber security risks.

8. Data security risk

With the advancement of information-based construction of the Company, information and data have gradually become important bases for the Company's business development. If the Company's information or data is stolen or leaked, it will have an adverse impact on the Company's core competitiveness. To safeguard the data security, the Company has implemented a series of control measures from both management and technical aspects: (1) the Company complies with laws and regulations and compliance requirements related to data security; (2) in terms of management, the Company strengthens the promotion of confidentiality awareness among all staff, standardizes data classification and grading, and strictly controls the scope of data distribution; (3) in terms of technology, the Company controls the whole life cycle of data in storage, processing, circulation and destruction through encryption and other control measures to protect the confidentiality and integrity of data; (4) the Company will continue to invest in upgrading data protection and control measures to prevent data security risks.

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES (CONTINUED)

(I) Potential risks (Continued)

9. Environmental and social risks

As China's policies, plans and standards in respect of environmental governance and management are becoming increasingly detailed and stringent in terms of both depth and breadth, there may be risks that indicators in some aspects or a certain aspect of the Company deviate from new policies and new standards promulgated by the government. Therefore, the Company first upholds the "resource conserving and eco-friendly" concept and has been implementing this concept through innovations in technology, process and equipment, application of new materials and investment in environmental facilities. As a result, the industries of the Company have satisfied the top-notch standards in the world in respect of materials, process, technology, equipment, energy saving, environmental protection and functional performance; second, it carries out propagation and training courses on environmental protection, energy saving and recycling economy with a view to improving the environmental consciousness of the entire staff on a continuous basis; third, the Company exerts strict internal monitoring and assessment of the comprehensive implementation of various measures and objectives for environmental protection work.

(II) Other disclosures

To implement the "Initiative on Conducting the 'Quality Improvement, Efficiency Enhancement, and Focus on Shareholder Returns' Special Action of Companies Listed on the Shanghai Stock Exchange (《關於開展滬市公司"提質增效重回報"專項行動的倡議》)" of the SSE, promote continuous optimization of operations, standardized governance, and active returns to investors, and drive high-quality development through new quality productive forces, the Company, in line with its own development strategy, operational status, and financial condition, and based on confidence in its future prospects and recognition of its value, has taken measures to safeguard the interests of all shareholders, enhance investor confidence, and promote the Company's long-term, healthy, and sustainable development. On April 26, 2024, the Company issued the Action Plan for "Quality Improvement, Efficiency Enhancement, and Focus on Shareholder Returns for 2024" (《2024年度"提質增效重回報"行動方案》) and on April 8, 2025, the Company disclosed the Announcement on the Continuous Implementation of the "Quality Improvement, Efficiency Enhancement, and Focus on Shareholder Returns" Action (《關於持續開展"提質增效重回報"行動的公告》). Since the release of the action plan, the Company has actively carried out related work, remained steadfast in industry, refined its core business, developed new quality productive forces, created high-quality products, maintained standardized operations, emphasized the quality of information disclosure, strengthened investor communication, prioritized investor returns, and enhanced corporate value. The specific assessment report on the action plan is as follows:

1. Adhering to the industry, staying rooted in the real economy, refining core businesses, and leveraging the strengths of scale and agglomeration effects: In the first half of 2026, the global economy was affected by intertwined headwinds including escalating geopolitical conflicts, trade protectionism and tariff protection, divergent domestic and overseas demand, and volatile energy supply chains, resulting in a complex, volatile operating environment marked by heightened uncertainties. The Company has consistently upheld a development strategy centered on professionalism, focus, and dedication, swiftly responding to market changes and providing customers with comprehensive solutions for automotive glass and automotive trim products. During the Reporting Period, the Company achieved revenue of RMB21,971,105 thousand on a consolidated basis, representing a year-on-year increase of 2.44%, outperforming the average industry growth rate. Total profit before tax amounted to

Section III Management Discussion and Analysis

V. OTHER DISCLOSURES (CONTINUED)

(II) Other disclosures (Continued)

RMB4,638,131 thousand, a year-on-year decrease of 19.95%. This was mainly attributable to exchange gains and losses. The Company recorded an exchange loss of RMB802,632 thousand during the Reporting Period, compared with an exchange gain of RMB601,551 thousand in the same period last year. Excluding the impact of the aforesaid factors, total profit before tax for the Reporting Period rose by 4.78% year-on-year.

2. Developing new quality productive forces, creating high-quality products and meeting high-end market demands: During the Reporting Period, the Company closely followed industry trends and strengthened research and judgment on cutting-edge technologies and market movements. Focusing on the core automotive glass business, it allocated concentrated resources to breakthrough new product R&D and process upgrading, accelerated product iteration cycles, and steadily consolidated its leading position in the industry. During the Reporting Period, the proportion of high-value-added products, including smart and panoramic skylight glass, dimmable glass, head-up display glass and ultra-insulation glass, lightweight ultra-thin glass, coated heatable glass, and flush tempered laminated glass, continued to rise, increasing by 8.03 percentage points compared to the same period last year, demonstrating their enhanced value.

3. Prioritizing investor returns and increasing corporate value: The Company implements an active, consistent, and stable profit distribution policy, placing significant emphasis on providing reasonable investment returns to shareholders while balancing the Company's actual operating conditions and sustainable development. The Company proposes to distribute interim profits for 2026. The Company intends to distribute cash dividends to holders of A shares and holders of H shares whose names appear on the register of members on the record date for the 2026 interim equity distribution, based on the total number of shares registered on the record date for the implementation of the 2026 interim equity distribution. The cash dividend per share will be RMB1.00 (tax inclusive). As of June 30, 2026, the total number of shares of the Company was 2,609,743,532, based on which, the total cash dividend proposed to be distributed was RMB2,609,743,532.00 (tax inclusive). The aforesaid amount of cash dividend proposed to be distributed accounted for 65.73% of the net profit attributable to shareholders of ordinary shares of the parent company in the consolidated financial statements of the period prepared by the Company in accordance with the China Accounting Standards for Business Enterprises.

4. Prioritizing the quality of information disclosure and enhancing communication with investors: Information disclosure not only impacts investor interests but also influences the Company's reputation and integrity. To enhance the quality and management of information disclosure and protect investors' legitimate rights, the Company continuously improves its regulatory framework. In compliance with relevant laws and regulations, the Company ensures truthful, accurate, complete, and timely information disclosure, guaranteeing equal access to corporate information for all investors and elevating transparency levels. Regarding investor communication, in the first half of 2026, the Company engaged in diversified and multi-channel investor interactions, including convening general meetings, organizing result presentation meetings, accepting on-site investor research, conducting one-on-one or one-to-many telephone conferences, participating in brokerage strategy conferences, and promptly responding to investor inquiries via hotlines/emails/the SSE e-Interaction platform. These efforts have strengthened effective communication with existing and potential investors, fostering deeper understanding and recognition of the Company while establishing a long-term engagement mechanism between the Company and its investors.

Section IV Corporate Governance, Environment and Society

I. PROPOSED PLAN FOR PROFIT DISTRIBUTION OR CONVERSION OF CAPITAL RESERVES INTO SHARE CAPITAL

Proposed Half-year Plan for Profit Distribution or Conversion of Capital Reserves into Share Capital

Whether making profit distribution or converting surplus reserves into share capital	Yes
Number of bonus shares to be distributed for every ten shares (shares)	0
Amount of dividends to be distributed for every ten shares (Yuan) (including tax)	10.00
Number of shares to be transferred into share capital for every ten shares (shares)	0
Relevant Information on the Proposed Plan for Profit Distribution or Conversion of Capital Reserves into Share Capital	
For details, please refer to"(VIII) Dividend and reduction and exemption of dividend tax" of "Section III Management Discussion and Analysis".	

II. CORPORATE GOVERNANCE

(I) Corporate governance overview

1. Corporate Governance Code

The Company is committed to maintaining a high level of corporate governance in order to increase the shareholders' value and safeguard the interests of the shareholders. The Company has formulated a modernized corporate governance structure and established general meetings, the Board of Directors, special committees of the Board of Directors and senior management with reference to the Company Law, the Guidelines on the Articles of Association of Listed Companies and the Code of Corporate Governance for Listed Companies promulgated by the CSRC, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange issued by the SSE, the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules and other provisions.

During the Reporting Period, the legal entity governance structure was sound and in compliance with the requirements under the Company Law and relevant regulations of the CSRC. The Company has adopted the principles and code provisions set out in the Corporate Governance Code. During the Reporting Period, the Company has complied with all code provisions set out in the Corporate Governance Code.

The Board of Directors will examine the corporate governance and operations of the Company from time to time in order to comply with the relevant requirements under the Hong Kong Listing Rules and safeguard the interests of the shareholders.

Section IV Corporate Governance, Environment and Society

II. CORPORATE GOVERNANCE (CONTINUED)

(I) Corporate governance overview (Continued)

2. Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code")

The Company has adopted the Model Code set out in Appendix C3 to the Hong Kong Listing Rules as the model code on trading the securities of the Company for all directors and relevant employees (as defined in the Corporate Governance Code). According to the specific enquiries made to the directors of the Company, all directors have confirmed that they had strictly complied with the standards stipulated under the Model Code during the Reporting Period. Meanwhile, to the best of the knowledge of the Company, there was no incident of non-compliance of the Model Code by the relevant employees during the Reporting Period.

3. Independent non-executive directors

As at the end of the Reporting Period, the Board of Directors comprised eleven directors, four of whom are independent non-executive directors. Mr. Xue Zuyun, an independent non-executive director, possesses accounting and financial management qualifications. The composition of the Board of Directors is in line with the requirements that "every board of directors of a listed issuer must include at least three independent non-executive directors", "an issuer must appoint independent non-executive directors representing at least one third of the board" and "at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise" as stipulated in Rules 3.10(1), 3.10A and 3.10(2) of the Hong Kong Listing Rules, respectively.

(II) Special committees of the Board of Directors

1. Audit committee

The Company has established an audit committee in accordance with Rules 3.21 and 3.22 of the Hong Kong Listing Rules, as well as the requirements of the CSRC and the SSE. The audit committee is responsible for conducting internal audit and supervision on the financial income and expenses and economic activities and shall report its work and be accountable to the Board of Directors. The audit committee comprises three members, all of whom are non-executive directors of the Company (including two independent non-executive directors). The chairman of the audit committee is Mr. Xue Zuyun, an independent non-executive director who possesses the professional qualifications as required under Rule 3.10(2) of the Hong Kong Listing Rules. The other members of the audit committee are Mr. Dat Dzeng Hao Daniel, an independent non-executive director, and Ms. Zhu Dezhen, a non-executive director. The terms of reference of the audit committee are available on the websites of the Company, the SSE and the Hong Kong Stock Exchange.

Section IV Corporate Governance, Environment and Society

II. CORPORATE GOVERNANCE (CONTINUED)

(II) Special committees of the Board of Directors (Continued)

2. Remuneration and assessment committee

The Company has established a remuneration and assessment committee in accordance with Rules 3.25 and 3.26 of the Hong Kong Listing Rules, as well as the requirements of the CSRC and the SSE. The remuneration and assessment committee is mainly responsible for the formulation, management and assessment of the remuneration system of the directors and the senior management of the Company and making recommendations to the Board of Directors on the remuneration packages of individual executive directors and senior management. The remuneration and assessment committee shall report its work and be accountable to the Board of Directors. The remuneration and assessment committee comprises three members including one executive director and two independent non-executive directors. The chairman of the remuneration and assessment committee is Ms. Liu Xiaozhi, an independent non-executive director, and the other members of the committee are Mr. Cho Tak Wong, an executive director and the honorary chairman for life of the Board of Directors of the Company, and Mr. Xue Zuyun, an independent non-executive director. The terms of reference of the remuneration and assessment committee are available on the websites of the Company, the SSE and the Hong Kong Stock Exchange.

3. Nomination committee

The Company has established a nomination committee in accordance with Rule 3.27A and Rule 3.27B of the Hong Kong Listing Rules, as well as the requirements of the CSRC and the SSE. The nomination committee is mainly responsible for providing opinions or suggestions on the changes of and recommendation of candidates for directors and senior management to the Board of Directors. The nomination committee comprises three members with independent non-executive directors being the majority. The chairman of the nomination committee is Mr. Dat Dzeng Hao Daniel, an independent non-executive director, and the other members are Ms. Liu Xiaozhi, an independent non-executive director, and Mr. Tso Fai, the chairman of the Board of Directors of the Company. The terms of reference of the nomination committee are available on the websites of the Company, the SSE and the Hong Kong Stock Exchange.

4. Strategy and development committee

The Company has established a strategy and development committee in accordance with the requirements of the Code of Corporate Governance for Listed Companies. The strategy and development committee is mainly responsible for feasibility research on the Company's long-term development and strategy plans as well as major strategic investments, and shall report its work to and be accountable to the Board of Directors. The strategy and development committee consists of three members. The chairman of the committee is Mr. Tso Fai, the chairman of the Board of Directors of the Company, and the other members are Mr. Cho Tak Wong, an executive director and the honorary chairman for life of the Board of Directors of the Company, and Mr. Dat Dzeng Hao Daniel, an independent non- executive director. The terms of reference of the strategy and development committee are available on the websites of the Company and the SSE.

Section IV Corporate Governance, Environment and Society

II. CORPORATE GOVERNANCE (CONTINUED)

(III) Purchase, disposal or redemption of the listed securities of the Company

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, disposed of or redeemed any listed securities (including any sale of treasury shares) of the Company.

As at the end of the Reporting Period, the Company had no treasury shares.

(IV) Review by the audit committee of the Board of Directors

The audit committee under the Board of Directors has reviewed the unaudited condensed consolidated interim financial statements, the interim results announcement and the interim report of the Company for the six months ended June 30, 2026 and has discussed with the senior management of the Company on such matters as the accounting policies and practices adopted by the Company.

III. ENVIRONMENTAL INFORMATION ON LISTED COMPANIES AND THEIR MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES WHOSE ENVIRONMENTAL INFORMATION IS DISCLOSED IN ACCORDANCE WITH THE LAW

Number of enterprises included in the list of enterprises whose environmental information has been disclosed in accordance with the law	4

No.	Name of enterprises	Inquiry index of reports on legal disclosure of environmental information
1	Fuyao Glass Industry Group Co., Ltd.	Enterprise Environmental Information Disclosure System in accordance with the Law (Fujian Beta version): http://220.160.52.213:10053/idp-province/#/home
2	Fujian Wanda Automobile Glass Industry Co., Ltd.	Enterprise Environmental Information Disclosure System in accordance with the Law (Fujian Beta version): http://220.160.52.213:10053/idp-province/#/home
3	Fuyao Glass (Suzhou) Co., Ltd.	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=./sps/views/yfpl/views/yfplHomeNew/index.js
4	Tianjin Hongde Auto Glass Co., Ltd.	https://hjxxpl.sthj.tj.gov.cn:10800/#/gkwz/ndpl/index?search=%E6%B3%93%E5%BE%B7

Section V Significant Events

I. PERFORMANCE OF UNDERTAKINGS

(I) Undertakings of the de facto controller of the Company, shareholders, related parties, acquirer and the Company during or subsisting to the Reporting Period

Nature of the undertaking	Type of the undertaking	Undertaking party	Details of the undertaking	Time of the undertaking	Whether there is a term for the undertaking	Term of the undertaking	Whether performed timely and strictly
Other undertakings	Dividend	Fuyao Glass Industry Group Co., Ltd.	For details, please refer to the "Dividend Distribution Plan of Fuyao Glass Industry Group Co., Ltd. for the Shareholders for the Upcoming Three Years (2024–2026)" dated March 16, 2024 published on the Shanghai Securities News, the China Securities Journal and the Securities Times, as well as the websites of the SSE (http://www.sse.com.cn) and the Hong Kong Stock Exchange (http://www.hkexnews.hk).	Date of announcement of the undertaking: March 16, 2024	Yes	January 1, 2024 to December 31, 2026	Yes

II. MATERIAL LITIGATION AND ARBITRATION

The Company was not involved in any material litigation or arbitration during the Reporting Period.

III. THE CREDIT STATUS OF THE COMPANY, ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLER DURING THE REPORTING PERIOD

During the Reporting Period, there has been no refusal to implement effective judgments of a court or failure to meet debt repayments in a relatively large amount by the Company, its controlling shareholders and its de facto controller.

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS

(I) Connected transactions in relation to ordinary business operations

1. Matters that have been disclosed in interim announcements and have no subsequent developments or changes in implementation

Description of the matter	Inquiry index
The Resolution in Relation to the Lease of Properties by Fuyao Europe GmbH, a Wholly-owned Subsidiary of the Company, from Global Cosmos German Limited was considered and approved at the sixteenth meeting of the eighth session of the Board of Directors convened on October 25, 2017. Fuyao Europe GmbH, a wholly-owned subsidiary of the Company, has leased all the standard manufacturing plants with a total area of 57,809.95 square meters (including a road area of 29,518.30 square meters) from Global Cosmos German Limited for a term from January 1, 2018 to December 31, 2029. The annual rent for the first year is €2.9 million (tax inclusive) and from the second year onwards, the annual rent shall increase progressively at 2.5% for each year.	For details, please refer to the Announcement of Fuyao Glass Industry Group Co., Ltd. on Connected Transaction in Relation to Leasing of Property by Its Wholly-Owned Subsidiary dated October 26, 2017 as published on the Shanghai Securities News, the China Securities Journal, the Securities Times and on the website of the SSE (http://www.sse.com.cn), and the Announcement on Continuing Connected Transaction in Relation to Leasing of Production Plant by Fuyao Europe dated October 26, 2017 as published on the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk).
The Resolution in Relation to the Lease of Properties from Fujian Yaohua Industrial Village Development Co., Ltd. by the Company was considered and approved at the sixth meeting of the eleventh session of the Board of Directors of the Company convened on October 17, 2024. The Company has leased the back office facilities including staff dormitory and cafeteria, training center of Districts I and II and the standard manufacturing plant of District I of Fuyao Industrial Zone located at Honglu Town, Fuqing, Fujian Province with a total area of 158,322.97 square meters from Fujian Yaohua Industrial Village Development Co., Ltd. at a monthly rent of RMB2,984,387.98, amounting to an annual rent of RMB35,812,655.81. The term of the lease is four years from January 1, 2025 to December 31, 2028.	For details, please refer to the Announcement of Fuyao Glass Industry Group Co., Ltd. on Connected Transaction in Relation to Leasing of Property by the Company dated October 18, 2024 as published on the Shanghai Securities News, the China Securities Journal, the Securities Times and on the website of the SSE (http://www.sse.com.cn), and the Announcement on the Connected Transaction under the 2024 Lease Contract dated October 17, 2024 as published on the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk).

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

1. Matters that have been disclosed in interim announcements and have no subsequent developments or changes in implementation (Continued)

Description of the matter	Inquiry index
The Resolution in Relation to the Projected Daily Connected Transactions between the Company and Tri-Wall Packaging (Fuzhou) Co., Ltd. for the Year 2026 was considered and approved at the tenth meeting of the eleventh session of the Board of Directors of the Company convened on October 16, 2025.	For details, please refer to the Announcement on the Daily Connected Transactions of Fuyao Glass Industry Group Co., Ltd. dated October 17, 2025 as published on the Shanghai Securities News, the China Securities Journal, the Securities Times and the website of the SSE (http://www.sse.com. cn).

2. Matters disclosed in interim announcements with subsequent developments or changes during implementation

On April 27, 2023, the thirteenth meeting of the tenth session of the Board of Directors of the Company was convened to consider and approve the Resolution in Relation to the Lease of Properties from Fujian Yaohua Industrial Village Development Co., Ltd. by the Company. The Company has leased the newly-built talent apartments of 83,370.29 square meters and the parking space of 25,252.92 square meters of District II of Fuyao Industrial Zone located at Honglu Town, Fuqing, Fujian Province, with a total leased property area of 108,623.21 square meters from Fujian Yaohua Industrial Village Development Co., Ltd. The monthly unit rent is RMB20.00 per square meter (tax inclusive), the monthly rent is RMB2,172,464.20 (tax inclusive), and the annual rent is RMB26,069,570.40 (tax inclusive). The term of the lease is from October 1, 2023 to December 31, 2028. For details, please refer to the Announcement of Fuyao Glass Industry Group Co., Ltd. on Connected Transaction in Relation to Leasing of Property dated April 28, 2023 as published on the Shanghai Securities News, the China Securities Journal, the Securities Times, the Securities Daily and on the website of the SSE (http://www.sse.com.cn), and the Announcement on the Connected Transaction under the New Lease Contract dated April 28, 2023 as published on the website of the Hong Kong Stock Exchange (http://www.hkexnews.hk).

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

2. Matters disclosed in interim announcements with subsequent developments or changes during implementation (Continued)

On September 28, 2023, the Company entered into a supplemental lease contract with Fujian Yaohua Industrial Village Development Co., Ltd. to increase the lease of the 2/F and 3/F of the talent apartments S1# in District II of Fuyao Industrial Zone, with a lease area of 4,990.44 square meters, at a monthly unit rent of RMB20.00 per square meter (tax inclusive), and a monthly rent of RMB99,808.80 (tax inclusive). The annual rent is RMB1,197,705.60 (inclusive of tax), and the term of the lease is from October 1, 2023 to December 31, 2028. As the transaction amount of the supplemental lease contract is relatively small, the transaction is not required to be submitted to the Board of Directors of the Company for consideration according to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association.

On October 25, 2024, the Company entered into a supplemental lease contract (II) with Fujian Yaohua Industrial Village Development Co., Ltd. to adjust the leased area under the lease contracts entered into on April 27, 2023 and September 28, 2023, with a total reduction of 14,088.09 square meters and a total addition of 7,402.29 square meters, resulting in an adjusted leased area of 106,927.85 square meters. The transaction is not required to be submitted to the Board of Directors of the Company for consideration according to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association.

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

2. Matters disclosed in interim announcements with subsequent developments or changes during implementation (Continued)

Connected transactions in relation to ordinary business operations in the first half of 2026 are as below (disclosed in interim announcements):

Unit:'0,000 Currency: RMB

Connected party	Connected relationship	Nature of the connected transaction	Content of the connected transaction	Pricing principle of the connected transaction	Estimated amounts in 2026	Actual amounts in the first half of 2026	Percentage of amount of the same type of transactions *(%)*	Settlement method of the connected transaction
Tri-Wall Packaging (Fuzhou) Co., Ltd.	Joint venture	Purchase of goods	Procurement of raw and auxiliary materials	Market price	17,000.00	7,673.87	100	30 days from the invoice date
Tri-Wall Packaging (Fuzhou) Co., Ltd.	Joint venture	Sales of goods	Sales of raw and auxiliary materials	Market price	20.00	0	0	
Tri-Wall Packaging (Fuzhou) Co., Ltd.	Joint venture	Water, electricity, gas and other utility expenses (sale)	Sales of water and electricity	Agreed price	170.00	71.29	100	30 days from the invoice date
Tri-Wall Packaging (Fuzhou) Co., Ltd.	Joint venture	Provision of labor services to connected persons	Provision of labor services	Agreed price	400.00	177.79	100	30 days from the invoice date

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

2. Matters disclosed in interim announcements with subsequent developments or changes during implementation (Continued)

Connected party	Connected relationship	Nature of the connected transaction	Content of the connected transaction	Pricing principle of the connected transaction	Estimated amounts in 2026	Actual amounts in the first half of 2026	Percentage of amount of the same type of transactions *(%)*	Settlement method of the connected transaction
Fujian Yaohua Industrial Village Development Co., Ltd. *(Note 1)*	Other	Other outflows	Leasehold property	Market price	3,094.11	3,008.16	63.14	See Note 1
Global Cosmos German Limited	Other	Other outflows	Leasehold property	Market price	1,417.89	1,189.28	24.96	Payment before June 30
Total					22,102.00	12,120.39		

Note:

1. The Company and Fujian Yaohua Industrial Village Development Co., Ltd. entered into the Property Lease Contract on October 17, 2024, with a leased area of 158,322.97 square meters at an annual rent of RMB35,812,655.81 (inclusive of tax), for a term of four years from January 1, 2025 to December 31, 2028, with the total rent for the next lease year payable from December of each year to January of the following year. The Company and Fujian Yaohua Industrial Village Development Co., Ltd. entered into the Property Lease Contract on April 27, 2023, with a leased area of 108,623.21 square meters and an annual rent of RMB26,069,600, for a term commencing from October 1, 2023 to December 31, 2028, and the total rent for the lease period is payable within 60 days from the date of signing the contract. On October 25, 2024, the Company entered into the Property Lease Contract – Supplementary Contract (II) with Fujian Yaohua Industrial Village Development Co., Ltd. to adjust the leased area under the lease contracts entered into on April 27, 2023 and September 28, 2023, with a total reduction of 14,088.09 square meters and a total addition of 7,402.29 square meters, and the adjusted leased area was 106,927.85 square meters, and the lease charges were also adjusted.

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

3. Matters not disclosed in interim announcements

Unit: '0,000 Currency: RMB

Connected party	Connected relationship	Nature of the connected transaction	Content of the connected transaction	Pricing principle of the connected transaction	Amounts of the connected transaction	Percentage of amount of the same type of transactions *(%)*	Settlement method of the connected transaction
Fujian Triplex Auto Parts Development Co., Ltd.	Other	Other outflow	Leasehold property	Market price	486.11	10.20	See Note 1
Fujian Triplex Auto Parts Development Co., Ltd.	Other	Water, electricity, gas and other utility expenses (purchase)	Purchase of water and electricity	Market price	16.43	13.56	30 days from the invoice date
Fujian Triplex Auto Parts Development Co., Ltd.	Other	Acceptance of labor services	Acceptance of labor services	Agreed price	5.73	4.94	30 days from the invoice date
Fuyao Group Beijing Futong Safety Glass Co., Ltd.	Joint venture	Acceptance of labor services	Product accessories installation service	Costs plus reasonable profits	110.29	95.06	30 days from the invoice date
Fujian Yaohua Industrial Village Development Co., Ltd.	Other	Other outflow	Leasehold property	Market price	59.89	1.26	Payment of the full rents for the lease period within 60 days from the date of signing the contract
Fujian Yaohua Industrial Village Development Co., Ltd	Other	Water, electricity, gas and other utility expenses (purchase)	Purchase of water and electricity	Market price	104.41	86.19	30 days from the invoice date
Fujian Fuyao University of Science and Technology	Other	Other outflow	Commissioned development and technical services	Agreed price	13.21	100	Installment payment according to progress
Fujian Fuyao University of Science and Technology	Other	Water, electricity, gas and other utility expenses (purchase)	Purchase of water and electricity	Market price	0.30	0.25	Payment due 10 days prior to quarter start
Fujian Fuyao University of Science and Technology	Other	Other outflow	Leasehold property	Market price	21.00	0.44	Payment due 10 days prior to expiry of current
Total				/	817.37	/	

Explanation on the connected transaction	As the amounts of the transactions conducted between the Company, Fuyao Group Beijing Futong Safety Glass Co., Ltd., Fujian Triplex Auto Parts Development Co., Ltd., Fujian Yaohua Industrial Village Development Co., Ltd. and Fujian Fuyao University of Science and Technology are relatively small, such transactions are not required to be submitted to the Board of Directors of the Company for consideration according to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association; these transactions constitute de minimis transactions under Rule 14A.76 of the Hong Kong Listing Rules and are fully exempted from the reporting, annual review, announcement and independent shareholders' approval requirements under the Hong Kong Listing Rules.

Section V Significant Events

IV. SUBSTANTIAL CONNECTED TRANSACTIONS (CONTINUED)

(I) Connected transactions in relation to ordinary business operations (Continued)

3. Matters not disclosed in interim announcements (Continued)

Notes:

1. The Group leased part of its factory buildings, the office building and dormitory located in Yinxi Street, Fuqing City, Fujian Province from Fujian Triplex Auto Parts Development Co., Ltd. controlled by Mr. Tso Fai, the chairman of the Company. The total leased area of the factory building 1 is 20,000 square meters with five-year lease term from July 1, 2021 to June 30, 2026, with a two-month rent-free period. The monthly rent excluding VAT in the first three years is RMB500,000, and the monthly rent increases by 4% from the fourth year. The property management fee (including sanitation management fee) is RMB1.50/month per square meter, and the rent of the current month shall be paid in full on the 1st day of each month; the leased area of factory building 2 is 8,000 square meters with a lease term from May 1, 2024 to June 30, 2026. The monthly rent (including tax) and the property management fee amount to RMB200,000, which shall be paid in full on the 1st day of each month; leased area revised to 2,109.10 sq.m. effective 1 February 2026; workshop 3 leased area: 541.30 square meters and lease term from 1 February 2026 to 30 June 2026. The monthly tax-inclusive rent (including the property management fee) amount to RMB13,500, which shall be paid in full on the 5th day of each month; the leased area of the office building is 638.44 square meters with the lease term from August 7, 2024 to August 6, 2027. The quarterly rent (including tax) is RMB86,200, which shall be paid within 15 working days upon receipt of the invoice; the leased area of the dormitory is approximately 20,256.60 square meters. Multiple contracts involved; earliest lease commences on 1 April 2025, latest lease expires on 14 October 2026 The monthly rent (including tax) is RMB273,700, and the rent for the next quarter shall be paid on or before the 15th day of each quarter upon receipt of the invoice.

2. The Company and Fujian Yaohua Industrial Village Development Co., Ltd. entered into the Supplemental Contract to the Property Lease Contract on September 28, 2023, with a leased area of 4,990.44 square meters and an annual rent of RMB1,197,700, for a term commencing from October 1, 2023 to December 31, 2028, and the total rent for the lease period is payable within 60 days from the date of signing the contract. On October 25, 2024, the Company entered into the Supplemental Contract (II) to the Property Lease Contract with Fujian Yaohua Industrial Village Development Co., Ltd. to adjust the leased area under the lease contracts entered into on April 27, 2023 and September 28, 2023, with a total reduction of 14,088.09 square meters and a total addition of 7,402.29 square meters, resulting in an adjusted leased area of 106,927.85 square meters, and the lease expenses were also adjusted.

3. A wholly-owned subsidiary of the Company entered into a Housing Lease Contract with Fujian Fuyao University of Science and Technology. The wholly-owned subsidiary leases the 15th and 17th floors of the apartment building therefrom, with the term from 1 January 2026 to 31 December 2026, and 1 March 2026 to 28 February 2027, respectively. The monthly rent is RMB21,000, with rent for the subsequent quarter payable 10 days prior to the expiry of the current lease period.

Section VI Changes in Shares and Information of Shareholders

I. CHANGES IN SHARE CAPITAL

(I) Table of changes in shares

1. Table of changes in shares

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

II. PARTICULARS OF SHAREHOLDERS

(I) Total number of shareholders:

As of June 30, 2026, the total number of shareholders of the Company was 139,665, of which, 139,621 were holders of A shares and 44 were holders of H shares.

Total number of shareholders of ordinary shares as at the end of the Reporting Period	139,665
Total number of shareholders of preference shares with voting rights restored as at the end of the Reporting Period	0

(II) Particulars of shareholdings of the top ten shareholders and the top ten shareholders with tradable shares (or shareholders not subject to selling restrictions) as at the end of the Reporting Period

Unit: Share

Particulars of top 10 shareholders (excluding lending of shares through securities financing)

Name of shareholder (Full name)	Increase/ decrease during the Reporting Period	Shareholding at the end of the Reporting Period	Percentage *(%)*	Number of shares held with selling restrictions	Pledged, tagged or moratorium: Status of shares	Pledged, tagged or moratorium: Number	Nature of shareholders
HKSCC NOMINEES LIMITED *(Note)*	0	595,825,494	22.83		Unknown		Unknown
Sanyi Development Limited	0	390,578,816	14.97		Nil		Overseas legal person
Hong Kong Securities Clearing Company Limited	7,047,837	389,578,089	14.93		Unknown		Unknown
Heren Charitable Foundation	0	169,512,888	6.50		Nil		Domestic non-state-owned legal person
Bai Yongli	0	39,499,815	1.51		Unknown		Unknown
Li Haiqing	0	25,785,862	0.99		Unknown		Unknown
Li Fuqing	0	24,291,709	0.93		Unknown		Unknown
Fujian Yaohua Industrial Village Development Co., Ltd.	0	24,077,800	0.92		Nil		Domestic non-state-owned legal person
Agricultural Bank of China Co., Ltd. – Dacheng Gaoxin Equity Securities Investment Fund	10,171,813	23,907,790	0.92		Unknown		Unknown
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 (Shanghai)	4,353,633	20,942,486	0.80		Unknown		Unknown

Section VI Changes in Shares and Information of Shareholders

II. PARTICULARS OF SHAREHOLDERS (CONTINUED)

(II) Particulars of shareholdings of the top ten shareholders and the top ten shareholders with tradable shares (or shareholders not subject to selling restrictions) as at the end of the Reporting Period (Continued)

Shareholding of the top ten shareholders not subject to selling restrictions
(excluding lending of shares through securities financing)

Name of shareholder	Number of tradable shares held without selling restrictions	Type and number of shares: Type	Number
HKSCC NOMINEES LIMITED (Note)	595,825,494	Overseas listed foreign shares	595,825,494
Sanyi Development Limited	390,578,816	Ordinary shares denominated in RMB	390,578,816
Hong Kong Securities Clearing Company Limited	389,578,089	Ordinary shares denominated in RMB	389,578,089
Heren Charitable Foundation	169,512,888	Ordinary shares denominated in RMB	169,512,888
Bai Yongli	39,499,815	Ordinary shares denominated in RMB	39,499,815
Li Haiqing	25,785,862	Ordinary shares denominated in RMB	25,785,862
Li Fuqing	24,291,709	Ordinary shares denominated in RMB	24,291,709
Fujian Yaohua Industrial Village Development Co., Ltd.	24,077,800	Ordinary shares denominated in RMB	24,077,800
Agricultural Bank of China Co., Ltd. – Dacheng Gaoxin Equity Securities Investment Fund	23,907,790	Ordinary shares denominated in RMB	23,907,790
China Life Insurance Company Limited – Traditional – General Insurance Products – 005L – CT001 (Shanghai)	20,942,486	Ordinary shares denominated in RMB	20,942,486
Explanations on the repurchase special account among top 10 shareholders	Nil		
Explanations on proxy votes casted by or on behalf of, or abstention from voting by the above shareholders	Nil		
Explanations on the connected relationship or parties acting in concert among the above shareholders	Sanyi Development Limited and Fujian Yaohua Industrial Village Development Co., Limited are under common control. Excluding the Heren Charitable Foundation, among the other seven unrestricted shareholders, it is uncertain whether there is any connected relationship among the shareholders, and whether such shareholders are parties acting in concert which fall within the meaning under the Measures Governing Acquisitions by Listed Companies.		

Note: HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司). Investors deposit the H shares held by themselves into the Central Clearing and Settlement System under the Hong Kong Stock Exchange and count them by the aggregate number of the H shares registered under the name of HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司), a wholly-owned subsidiary member body of the Hong Kong Stock Exchange.

Section VI Changes in Shares and Information of Shareholders

II. PARTICULARS OF SHAREHOLDERS (CONTINUED)

(III) Interests and short positions of directors and chief executives in shares, underlying shares and debentures

As at June 30, 2026, the interests and short positions of directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, (a) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code set out in Appendix C3 of the Hong Kong Listing Rules, were as follows:

Name	Capacity/nature of interest	Number of shares interested	Percentage of total issued share capital of the relevant class of shares [(3)] *(%)*	Percentage of total issued share capital of the Company [(3)] *(%)*	Class of shares
Cho Tak Wong *(an executive director and the lifetime honorary chairman)* [(1)]	Beneficial owner/interest of controlled corporation	414,971,444(L)	20.72(L)	15.90(L)	A share
Tso Fai *(an executive director and the chairman)* [(2)]	Interest of controlled corporation	12,086,605(L)	0.60(L)	0.46(L)	A share

Notes:

(1) Mr. Cho Tak Wong directly holds 314,828 A shares (L) and indirectly holds 414,656,616 A shares (L) through Sanyi Development Limited.

(2) Mr. Tso Fai indirectly holds 12,086,605 A shares (L) through Homekiu Overseas Holdings Limited.

(3) The percentage is calculated based on the number of the relevant class of issued shares or the total issued shares of the Company as at June 30, 2026.

(4) (L) – long position.

Save as disclosed above, as at June 30, 2026, none of directors and chief executives of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

Section VI Changes in Shares and Information of Shareholders

II. PARTICULARS OF SHAREHOLDERS (CONTINUED)

(IV) Interests and short positions of substantial shareholders in shares and underlying shares

As at June 30, 2026, the Company was notified of the following persons, other than directors or chief executive of the Company, who had 5% or more interests or short positions in the issued shares and underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

Name	Capacity/nature of interest	Number of shares interested	Percentage of total issued share capital of the relevant class of shares (6) *(%)*	Percentage of total issued share capital of the Company (6) *(%)*	Class of shares
Chan Fung Ying (1)	Spouse interest/interest of controlled corporation	414,971,444(L)	20.72(L)	15.90(L)	A share
Sanyi Development Limited	Beneficial owner/interest of controlled corporation	390,578,816(L)	19.50(L)	14.97(L)	A share
Heren Charitable Foundation	Beneficial owner	169,512,888(L)	8.46(L)	6.50(L)	A share
BlackRock, Inc. (2)	Interest of controlled corporation	43,527,383(L) 1,804,800(S)	7.17(L) 0.30(S)	1.67(L) 0.07(S)	H share
JPMorgan Chase & Co. (3)	Beneficial owner/investment manager/ secured equity holders/approved lending agent	86,357,753(L) 3,130,138(S) 18,343,445(P)	14.23(L) 0.51(S) 3.02(P)	3.31(L) 0.12(S) 0.70(P)	H share
Citigroup Inc. (4)	Interest of controlled corporation/approved lending agent	38,389,374(L) 3,147,345(S) 34,868,640(P)	6.32(L) 0.51(S) 5.74(P)	1.47(L) 0.12(S) 1.34(P)	H share
Mitsubishi UFJ Financial Group, Inc. (5)	Interest of controlled corporation	35,259,600(L) 96,400(P)	5.81(L) 0.01(P)	1.35(L) 0.00(P)	H share

Notes:

(1) Ms. Chan Fung Ying is Mr. Cho Tak Wong's spouse and was therefore deemed to be interested in 414,971,444 A shares (L) held by Mr. Cho Tak Wong.

(2) BlackRock, Inc. holds 43,527,383 H shares (L) and 1,804,800 H shares (S) of the Company through several controlled entities, of which 4,749,200 H shares (L) and 1,804,800 H shares (S) were related to the unlisted derivatives – cash settled.

(3) JPMorgan Chase & Co. holds 86,357,753 H shares (L), 3,130,138 H shares (S) and 18,343,445 H shares (P) of the Company through several controlled entities, of which, 165,869 H shares (L) and 331,738 H shares (S) were related to the unlisted derivatives – settled in kind, and 1,170,000 H shares (L) and 1,947,200 H shares (S) were related to the unlisted derivatives – cash settled.

(4) Citigroup Inc. held 38,389,374 H shares (L), 3,147,345 H shares (S) and 34,868,640 H shares (P) of the Company through several controlled entities, of which, 1,076,000 H shares (L) and 398,000 H shares (S) were related to the unlisted derivatives – cash settled.

(5) Mitsubishi UFJ Financial Group, Inc. holds 35,259,600 H shares (L) and 96,400 H Shares (P) of the Company through several controlled entities.

(6) The percentage is calculated based on the number of the relevant class of issued shares or the total issued shares of the Company as at June 30, 2026.

(7) (L) – long position, (S) – short position, (P) – lending pool.

Save as disclosed above, as at June 30, 2026, there was no person having interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Section VI Changes in Shares and Information of Shareholders

III. DIRECTORS AND SENIOR MANAGEMENT

(I) Changes in shareholding of current directors and senior management and those resigned during the Reporting Period

Unit: Share

Name	Position	Number of shares held at the beginning of the period	Number of shares held at the end of the period	Changes in shares held for the Reporting Period	Reason for changes
Cho Tak Wong	Executive Director, Lifetime Honorary Chairman	314,828	314,828	0	
Tso Fai	Executive Director, Chairman of the Board of Directors	–	–	–	
Ye Shu	Executive Director, President	–	–	–	
Chen Xiangming	Executive Director, Joint Company Secretary, Chief Financial Officer	–	–	–	
Zhang Haiyan	Employee Director, Director of HR Management Center	–	–	–	
Wu Shinong	Non-executive Director	–	–	–	
Zhu Dezhen	Non-executive Director	–	–	–	
Liu Xiaozhi	Independent Non-executive Director	–	–	–	
Cheng Yan	Independent Non-executive Director	–	–	–	
Xue Zuyun	Independent Non-executive Director	–	–	–	
Dat Dzeng Hao	Independent Non-executive Director	–	–	–	
He Shimeng	Vice President	33,633	33,633	0	
Chen Juli	Vice President	–	–	–	
Huang Xianqian	Vice President	–	–	–	
Lin Yong	Vice President	–	–	–	
Wu Lide	Vice President	–	–	–	
Li Xiaoxi	Secretary to the Board of Directors	365,600	365,600	0	

Note: Ms. Li Xiaoxi holds H shares of the Company while the others hold A shares of the Company.

IV. CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules of Hong Kong, the changes to the particulars of the Directors of the Company are set out below:

Mr. Wu Shinong, a non-executive Director, was appointed as an independent non-executive director of China Resources New Energy Holdings Limited (which was listed on the Shenzhen Stock Exchange on 2 July 2026, stock code: 001248) with effect from 30 June 2023.

Save for the disclosures set out above, the Company is not aware of any changes in information of directors which need to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules during the Reporting Period.

Section VII Relevant Information on Bonds

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES

(I) Debt financing instruments of non-financial enterprises in the interbank bond market

1. Basic information on debt financing instruments of non-financial enterprises

Unit: 100 million Currency: RMB

Name of bond	Abbreviation	Code	Date of issuance	Value date	Maturity date	Balance of bonds	Interest rate (%)	Method of repayment of principal and interest	Trading venue	Trading mechanism	Whether there is risk of termination of trading on market
Fuyao Glass Industry Group Co., Ltd. First Tranche of 2026 Super Short-term Commercial Paper	26 Fuyao Glass SCP001	012680838	March 31, 2026	April 1, 2026	December 25, 2026	5.5	1.49	One-time repayment of principal and interest upon maturity	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. Second Tranche of 2026 Super Short-term Commercial Paper	26 Fuyao Glass SCP002	012680967	April 14, 2026	April 15, 2026	December 22, 2026	3	1.48	One-time repayment of principal and interest upon maturity	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. First Tranche of 2026 Medium-Term Notes	26 Fuyao Glass MTN001	102681580	April 22, 2026	April 23, 2026	April 23, 2029	3	1.77	Interest shall be paid annually, and the last installment of interest shall be paid together with the principal	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. Second Tranche of 2026 Medium-Term Notes	26 Fuyao Glass MTN002	102682019	June 3, 2026	June 5, 2026	June 5, 2029	5	1.70	Interest shall be paid annually, and the last installment of interest shall be paid together with the principal	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. Third Tranche of 2026 Science and Technology Innovation Notes	26 Fuyao Glass MTN003 (Science and Technology Innovation Notes)	102682436	July 3, 2026	July 6, 2026	July 6, 2029	4	1.69	Interest shall be paid annually, and the last installment of interest shall be paid together with the principal	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. Fourth Tranche of 2026 Medium-Term Notes	26 Fuyao Glass MTN004	102682683	July 21, 2026	July 22, 2026	July 22, 2029	3	1.68	Interest shall be paid annually, and the last installment of interest shall be paid together with the principal	Interbank bond market	Trading on market	No
Fuyao Glass Industry Group Co., Ltd. Third Tranche of 2026 Super Short-term Commercial Paper	26 Fuyao Glass SCP003	012682027	August 12, 2026	August 13, 2026	May 7, 2027	5	1.45	One-time repayment of principal and interest upon maturity	Interbank bond market	Trading on market	No

Section VII Relevant Information on Bonds

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES (CONTINUED)

(II) Key accounting data and financial indicators (prepared in accordance with the China Accounting Standards for Business Enterprises)

Unit: Yuan Currency: RMB

Main indicators	At the end of the Reporting Period	At the end of last year	Increase/decrease at the end of the Reporting Period as compared with the end of last year *(%)*	Reason for changes
Current ratio [1]	1.72	1.54	11.69	
Quick ratio [2]	1.44	1.27	13.39	
Gearing ratio *(%)* [3]	48.38	46.40	1.98	

	During the Reporting Period (January – June)	Corresponding period last year	Increase/decrease of the Reporting Period as compared with the corresponding period last year *(%)*	Reason for changes
Net profit after non-recurring profit or loss	3,879,167,099	4,706,682,555	-17.58	
Total debt to EBITDA ratio [4]	0.25	0.36	-30.56	Due to a decrease in profits before interest and tax during the Reporting Period.
Interest coverage ratio [5]	28.89	29.74	-2.86	
Cash interest coverage ratio [6]	36.36	32.48	11.95	
EBITDA interest coverage ratio [7]	38.96	37.13	4.93	
Loan repayment ratio *(%)* [8]	100.00	100.00	0	
Interest repayment ratio *(%)* [9]	100.00	100.00	0	

Section VII Relevant Information on Bonds

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND DEBT FINANCING INSTRUMENTS OF NON-FINANCIAL ENTERPRISES (CONTINUED)

(II) Key accounting data and financial indicators (prepared in accordance with the China Accounting Standards for Business Enterprises) (Continued)

(1) Current ratio = current assets/current liabilities

(2) Quick ratio = (current assets – inventories)/current liabilities

(3) Gearing ratio=(total liabilities/total assets) × 100%

(4) Total debt to EBITDA ratio = EBITDA/total debts, in particular, total debts = long-term borrowings + bonds payable + short-term borrowings + financial liabilities at fair value through profit or loss + notes payable + short-term bonds payable (other current liabilities) + non-current liabilities due within one year + lease liabilities + long-term payables

(5) Interest coverage ratio = profit before interest and tax/(interest expenses recognized in finance costs + capitalized interest expenses)

(6) Cash interest coverage ratio = (net cash flows from operating activities + cash interest expenses + income tax paid in cash)/cash interest expenses

(7) EBITDA interest coverage ratio = EBITDA/(interest expenses recognized in finance costs + capitalized interest expenses)

(8) Loan repayment ratio = actual amount of loan repayment/loan amount repayable × 100%

(9) Interest repayment ratio = interests actually paid/interests payable × 100%

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Interim Balance Sheet

	Note	As at June 30, 2026 *RMB'000* (Unaudited)	As at December 31, 2025 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment	6	28,110,112	27,237,905
Right-of-use assets	7	499,960	575,777
Land use rights	8	1,378,364	1,396,553
Intangible assets	9	558,223	494,927
Investments in joint ventures	10	374,973	393,048
Investments in an associate	10	22,180	19,880
Financial assets at fair value through other comprehensive income	13	88,338	88,338
Deferred income tax assets	11	531,265	488,197
Long-term receivables	12	31,975	31,352
Total Non-Current Assets		31,595,390	30,725,977
Current assets			
Inventories		7,039,888	6,799,041
Contract assets	12	9,863,255	10,338,814
Receivables, prepayments and other current assets		26,078	
Financial assets at fair value through profit or loss	13	307,533	10,916
Financial assets at fair value through other comprehensive income	13	2,948,830	2,922,909
Derivative financial instruments	13	20,629	
Restricted cash		31,146	32,954
Cash and cash equivalents		22,127,160	19,240,786
Total Current Assets		42,364,519	39,345,420
Total assets		73,959,909	70,071,397
Current liabilities			
Account payables and other payables	19	9,108,503	10,692,397
Contract liabilities		712,703	718,192
Current tax liabilities		388,799	709,115
Borrowings	16	14,242,810	13,295,066
Lease liabilities	7	131,210	145,729
Other non-current liabilities due within one year		5,823	5,690
Total current liabilities		24,589,848	25,566,189

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Balance Sheet (Continued)

	Note	As at June 30, 2026 *RMB'000* (Unaudited)	As at December 31, 2025 *RMB'000* (Audited)
NET CURRENT ASSETS		17,774,671	13,779,231
TOTAL ASSETS LESS CURRENT LIABILITIES		49,370,061	44,505,208
TOTAL ASSETS LESS CURRENT LIABILITIES		49,370,061	44,505,208
Non-current liabilities			
Borrowings	16	7,764,243	3,669,045
Lease liabilities	7	300,857	378,561
Other non-current liabilities	17	967,260	836,894
Deferred tax liabilities	11	1,188,153	1,094,688
Deferred income	18	968,899	964,817
Total non-current liabilities		11,189,412	6,944,005
Net assets		38,180,649	37,561,203
EQUITY			
Equity attributable to owners of the Company			
Share capital	14	2,609,744	2,609,744
Share premium	15	9,683,007	9,680,392
Other reserves	15	4,753,538	4,976,800
Retained earnings		21,136,964	20,298,572
		38,183,253	37,565,508
Non-controlling interests		(2,604)	(4,305)
Total equity		38,180,649	37,561,203

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Income Statement

	Note	Accumulated in June 2026 *RMB'000* (Unaudited)	Accumulated in June 2025 *RMB'000* (Unaudited)
Revenue	20	21,971,105	21,447,392
Cost of sales	20	(13,550,222)	(13,600,077)
Gross profit		8,420,883	7,847,315
Distribution costs and selling expenses		(649,339)	(625,336)
Administrative expenses		(1,721,846)	(1,597,792)
Research and development expenses		(1,033,054)	(882,847)
Other income		188,167	172,499
Other (losses)/gains – net	21	(856,195)	614,716
Net impairment losses on financial assets		(5,195)	(641)
Operating profit	22	4,343,421	5,527,914
Finance income		434,300	456,420
Finance costs		(128,550)	(177,181)
Finance costs – net		305,750	279,239
Share of net profit of joint venture/associate		(11,040)	(13,120)
Profit before tax		4,638,131	5,794,033
Income tax expense	23	(666,346)	(986,617)
Profit for the period		3,971,785	4,807,416
Profit attributable to:			
Owners of the Company		3,970,084	4,804,424
Non-controlling interests		1,701	2,992
Profit for the period		3,971,785	4,807,416
Earnings per share attributable to the ordinary equity holders of the Company during the period			
—Basic and diluted earnings per share *(expressed in RMB per share)*	24	1.52	1.84

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Statement of Comprehensive Income

	Note	Accumulated in June 2026 *RMB'000* (Unaudited)	Accumulated in June 2025 *RMB'000* (Unaudited)
Profit for the period		3,971,785	4,807,416
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	15	(223,262)	(150,824)
Other comprehensive income for the period, net of tax		(223,262)	(150,824)
Total comprehensive income for the period		3,748,523	4,656,592
Total comprehensive income attributable to:			
Owners of the Company		3,746,822	4,653,600
Non-controlling interests		1,701	2,992
Total comprehensive income for the period		3,748,523	4,656,592

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to owners of the Company						
	Share capital *RMB'000*	Share premium *RMB'000*	Other reserves *RMB'000*	Retained earnings *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
As at January 1, 2026	2,609,744	9,680,392	4,976,800	20,298,572	37,565,508	(4,305)	37,561,203
Comprehensive income:							
Profit for the period	–	–	–	3,970,084	3,970,084	1,701	3,971,785
Other comprehensive income:							
Currency translation differences	–	–	(223,262)	–	(223,262)	–	(223,262)
Total comprehensive income	–	–	(223,262)	3,970,084	3,746,822	1,701	3,748,523
Total transaction with equity holders:							
Dividends declared for 2025	–	–	–	(3,131,692)	(3,131,692)	–	(3,131,692)
Total transaction with equity holders, recognized directly in equity	–	–	–	(3,131,692)	(3,131,692)	–	(3,131,692)
Appropriation to statutory reserve	–	–	–	–	–	–	–
Other changes in equity		2,615			2,615		2,615
As at June 30, 2026	2,609,744	9,683,007	4,753,538	21,136,964	38,183,253	(2,604)	38,180,649

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Statement of Changes in Equity (Continued)

	Attributable to owners of the Company						
	Share capital *RMB'000*	Share premium *RMB'000*	Other reserves *RMB'000*	Retained earnings *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
As at January 1, 2025	2,609,744	9,680,392	4,778,234	18,635,469	35,703,839	(8,797)	35,695,042
Comprehensive income:							
Profit for the period	–	–	–	4,804,424	4,804,424	2,992	4,807,416
Other comprehensive income:							
Currency translation differences	–	–	(150,824)	–	(150,824)	–	(150,824)
Total comprehensive income	–	–	(150,824)	4,804,424	4,653,600	2,992	4,656,592
Total transaction with equity holders:							
Dividends declared for 2024	–	–	–	(4,697,538)	(4,697,538)	–	(4,697,538)
Total transaction with equity holders, recognized directly in equity	–	–	–	(4,697,538)	(4,697,538)	–	(4,697,538)
Appropriation to statutory reserve	–	–	–	–	–	–	–
As at June 30, 2025	2,609,744	9,680,392	4,627,410	18,742,355	35,659,901	(5,805)	35,654,096

Section VIII Financial Report

I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

Condensed Consolidated Interim Cash Flow Statement

	Note	Accumulated in June 2026 *RMB'000* (Unaudited)	Accumulated in June 2025 *RMB'000* (Unaudited)
Cash flow from operating activities			
Cash generated from operations		5,423,987	6,056,265
Income taxes paid		(873,041)	(701,789)
Net cash generated from operating activities		4,550,946	5,354,476
Cash flow from investing activities			
Proceeds from disposal of property, plant and equipment		44,096	45,757
Proceeds from disposal of intangible assets and land use rights		–	338
Purchases of property, plant and equipment		(2,195,841)	(2,821,896)
Purchase of intangible assets		(101,744)	(39,363)
Proceeds from disposal of derivative financial instruments		11,416	–
Dividends received		7,350	7,350
Decrease in restricted cash		1,808	18,858
Redemption of structured principal deposits and related interest		1,508,190	–
Payments for purchase of structured deposits		(1,800,000)	–
Net cash used in investing activities		(2,524,725)	(2,788,956)
Cash flow from financing activities			
Proceeds from borrowings		12,884,382	7,291,458
Repayments of borrowings		(7,980,488)	(5,444,392)
Dividends paid to the Company's shareholders Interest paid		(3,140,752)	(4,583,140)
Interest paid		(153,388)	(192,386)
Payment of lease liabilities and long-term payables		(139,045)	(114,712)
Net cash generated from/(used in) financing activities		1,470,709	(3,043,172)
Net decrease in cash and cash equivalents		3,496,930	(477,652)
Cash and cash equivalents at the beginning of the period		19,240,786	18,733,774
Exchange differences on cash and cash equivalents		(610,556)	20,325
Cash and cash equivalents at the end of the period		22,127,160	18,276,447

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. General Information

Fuyao Glass Industry Group Co., Ltd. (the "Company") was restructured in 1991 and incorporated in Fuzhou City, Fujian Province, People's Republic of China (the "PRC") in June 1992. Its headquarters is located in Fuqing City, Fujian Province.

The Company's shares have been listed on both the Shanghai Stock Exchange ("A shares") and the Main Board of the Hong Kong Stock Exchange ("H shares"). As at June 30, 2026, the Company had 2,002,986,332 A shares and 606,757,200 H shares in total, among which, Mr. Cho Tak Wong (曹德旺), the largest shareholder, together with his spouse held 15.90% equity interests in the Company.

The address of the Company's registered office is Fuyao Industrial Zone, Rongqiao Economic & Technological Development Zone, Fuqing City, Fujian Province, the PRC. The Company and its subsidiaries (together, the "Group") are principally engaged in the manufacturing and sale of glass products for automobile and float glass.

Unless otherwise stated, the condensed consolidated interim financial statements are presented in thousands of Renminbi.

The condensed consolidated interim financial statements are unaudited, and were approved to be issued by the Board of Directors on August 18, 2026.

2. Accounting Policies

2.1 Basis of presentation

The condensed consolidated interim financial statements of the Group have been prepared in accordance with IFRS Accounting Standards, which include International Accounting Standards ("**IASs**") and Interpretations as issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and fair value through other comprehensive income, which have been measured at fair value.

During the Reporting Period, save as described in 2.2 Changes in accounting policies, the accounting policies adopted by the Group are consistent with those used for and described in the annual consolidated financial statements of the Group for the year ended December 31, 2025. The Group has not early adopted any new accounting and financial reporting standards, amendments and improvements to existing standards which have been issued but are not yet effective for the financial year ended December 31, 2026.

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

2. Accounting Policies (Continued)

2.2 Changes in accounting policies

During the Reporting Period, the Group has adopted the following amendments to the standards:

- Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

The above amendments to the standards are effective for annual periods beginning on or after January 1, 2026. The adoption of such amendments will not have a material impact on the Group.

2.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3. Financial Risk Management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management policy is administrated by the management and focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Condensed Consolidated Interim Financial Statements do not include all the information on financial risk management and disclosure required to be disclosed in the annual financial statements. There have been no changes in the risk management department or in any risk management policies since year end 2025.

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

3. Financial Risk Management (Continued)

3.2 Liquidity risk

The Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. At the same time, the Group maintains sufficient cash and capital resources through the committed facilities, and maintains sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. The Group expected to fund the future cash flow needs through internally generated cash flows from operations, borrowings from financial institutions and issuing debt instruments, as necessary.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity date grouping based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Between 2 and 5 years *RMB'000*	More than 5 years *RMB'000*	Total *RMB'000*
As at June 30, 2026					
Borrowings, including interest payables	14,469,261	3,398,232	4,559,212	–	22,426,705
Long-term payables	8,026	8,026	24,078	16,053	56,183
Lease liabilities	132,259	132,016	155,480	54,106	473,861
Financial liabilities included in trade payables and other payables	8,163,168	–	–	–	8,163,168
	22,772,714	3,538,274	4,738,770	70,159	31,119,917

	Less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Between 2 and 5 years *RMB'000*	More than 5 years *RMB'000*	Total *RMB'000*
As at December 31, 2025					
Borrowings, including interest payables	13,439,794	2,940,593	799,807	–	17,180,194
Long-term payables	8,026	8,026	24,078	24,078	64,208
Lease liabilities	149,645	131,751	208,404	81,315	571,115
Financial liabilities included in account payables and other payables	9,337,092	–	–	–	9,337,092
	22,934,557	3,080,370	1,032,289	105,393	27,152,609

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

3. Financial Risk Management (Continued)

3.3 Fair value estimation

(a) The table below analyses the Group's financial instruments carried at fair value as at June 30, 2026 and December 31, 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices (Level 1) that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data, and such asset or liability is the third level.

	Level 1 *RMB'000*	Level 2 *RMB'000*	Level 3 *RMB'000*	Total *RMB'000*
As at June 30, 2026				
Assets				
Financial assets at fair value through profit or loss				
– Held-for-trading equity instrument investment *(note 13)*	7,527	–	–	7,527
– *Structured deposits (note 13)*	–	300,006	–	300,006
Derivative financial instruments				
– Forward foreign exchange contracts *(note 13)*	–	242	–	242
– Currency swap contracts *(note 13)*	–	20,387	–	20,387
Financial assets at fair value through other comprehensive income				
– Notes receivable *(note 13)*	–	–	2,948,830	2,948,830
– Unlisted equity securities *(note 13)*	–	–	88,338	88,338
	7,527	320,635	3,037,168	3,365,330

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

3. Financial Risk Management (Continued)

3.3 Fair value estimation (Continued)

(a) The table below analyses the Group's financial instruments carried at fair value as at June 30, 2026 and December 31, 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows: (Continued)

	Level 1 *RMB'000*	Level 2 *RMB'000*	Level 3 *RMB'000*	Total *RMB'000*
As at December 31, 2025				
Financial assets				
Financial assets at fair value through profit or loss				
–Held-for-trading equity instrument investment *(note 13)*	10,916	–	–	10,916
Financial assets at fair value through other comprehensive income				
–Notes receivable *(note 13)*	–	–	2,922,909	2,922,909
–Unlisted equity securities *(note 13)*	–	–	88,338	88,338
	10,916	–	3,011,247	3,022,163

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

3. Financial Risk Management (Continued)

3.3 Fair value estimation (Continued)

(b) Financial instruments in level 3

	Note receivable at fair value through other comprehensive income *RMB'000*	Unlisted equity securities at fair value through other comprehensive income *RMB'000*	Total *RMB'000*
Opening balance	2,922,909	88,338	3,011,247
Acquisitions	7,999,055	–	7,999,055
Disposals	(7,968,656)	–	(7,968,656)
Recognised in other losses – net	(4,478)	–	(4,478)
Recognised in other comprehensive income	–	–	–
Closing balance	2,948,830	88,338	3,037,168

(c) Fair value of financial assets and liabilities measured at amortised cost

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Short-term borrowings;
- Accounts and other receivables (excluding prepayments and prepaid current tax or value-added tax recoverable);
- Cash and cash equivalents (including restricted cash);
- Accounts and other payables (excluding staff salaries payables and other tax payables); and
- Long-term accounts receivable and payables

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

4. Critical Accounting Estimates and Judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Estimated useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives and residual values of property, plant and equipment, mainly based on the historical experience of the actual useful lives of property, plant and equipment with similar nature and functions. Management will revise the depreciation charges where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expense in future periods.

(b) Net realisable value of inventories

Net realisable value of inventory is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of technical innovations, and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

(c) Current and deferred income tax

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and current income tax charges.

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

4. Critical Accounting Estimates and Judgements (Continued)

(d) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Impairment of non-financial assets

The Group's management judgement is required on the balance sheet date in the area of asset impairment particularly in assessing long-term assets which include property, plant and equipment, right-of-use assets and intangible assets, etc. The recoverable amount is the higher of fair value less costs to sell and net present value of future cash flows which are estimated based upon the continued use of the asset in the business. The recoverable amount is estimated based on best available information in order to reflect the payment (or the disposal cost to be deducted) of fair trade between informed voluntary parties at the balance sheet date or continuous cash generated by the use of the assets. The revalued recoverable amount may be adjusted on each impairment test.

The Group conducts an impairment test on goodwill every year. The recoverable amount of the asset group or combination of asset groups containing goodwill is the higher of the net amount of the fair value of the asset group or combination of asset groups minus the disposal expenses and the present value of the estimated future cash flow, and its calculation needs to adopt accounting estimates.

(f) Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

5. Segment Information

The Group operates as a single operating segment. The operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors that make strategic decisions.

None of the revenue derived from any single external customer amounted for more than 10% of the Group's revenue during the Reporting Period.

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

6. Plant, Equipment and Property

	Buildings and freehold land *RMB'000*	Machinery and equipment *RMB'000*	Electronic and office equipment *RMB'000*	Tools, moulds, vehicles and others *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
For the six-month period ended June 30, 2026						
Opening net book amount as at January 1, 2026	5,444,950	9,502,375	3,115,340	878,463	8,296,777	27,237,905
Transfer	235,267	1,120,162	336,230	13,570	(1,705,229)	–
Other additions	10,105	63,245	280,303	316,138	2,051,507	2,721,298
Disposals	(3,317)	(11,440)	(17,246)	(29,751)	–	(61,754)
Transfer to construction in progress	(589)	(22,276)	–	–	22,865	–
Depreciation	(199,124)	(691,438)	(415,294)	(209,536)	–	(1,515,392)
Currency translation difference	(71,017)	(95,240)	(17,851)	(10,901)	(76,936)	(271,945)
Closing net book amount as at June 30, 2026	5,416,275	9,865,388	3,281,482	957,983	8,588,984	28,110,112

	Buildings and freehold land *RMB'000*	Machinery and equipment *RMB'000*	Electronic and office equipment *RMB'000*	Tools, moulds, vehicles and others *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
For the six-month period ended June 30, 2025						
Opening net book amount as at January 1, 2025	5,094,078	8,784,805	2,526,635	788,391	6,509,671	23,703,580
Transfer	477,216	1,227,196	365,048	1,766	(2,071,226)	–
Other additions	29,239	43,653	152,578	202,157	2,573,941	3,001,568
Disposals	(5,256)	(12,660)	(10,296)	(3,844)	–	(32,056)
Depreciation	(198,713)	(627,266)	(311,283)	(205,305)	–	(1,342,567)
Currency translation difference	43,267	54,616	12,053	1,209	15,025	126,170
Closing net book amount as at June 30, 2025	5,439,831	9,470,344	2,734,735	784,374	7,027,411	25,456,695

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

7. Leases

(1) The right-of-use assets relating to leases recognised by the Group:

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Opening net book amount	575,777	532,127
Additions	31,547	225,729
Depreciation	(91,466)	(93,122)
Disposal	(595)	(16,429)
Currency translation difference	(15,303)	25,525
Closing net book value	499,960	673,830

(2) The lease liabilities relating to leases recognised by the Group:

	As at June 30, 2026	As at December 31, 2025
	RMB'000	*RMB'000*
Current portion	131,210	145,729
Non-current portion	300,857	378,561
	432,067	524,290

8. Land Use Rights

The Group obtain relevant land use rights mainly through land use arrangement with mainland China government.

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Opening net book amount	1,396,553	1,200,145
Currency translation difference	(468)	(230)
Amortisation charges	(17,721)	(15,504)
Closing net book value	1,378,364	1,184,411

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

9. Intangible Assets

	Goodwill *RMB'000*	Patents *RMB'000*	License fee *RMB'000*	Computer software *RMB'000*	Mining rights *RMB'000*	Others *RMB'000*	Total *RMB'000*
For the six-month period ended June 30, 2026							
Opening net book amount as at January 1, 2026	153,708	6,469	6,615	93,087	83,866	151,182	494,927
Currency translation difference	–	(186)	(200)	(231)	–	–	(617)
Additions	–	–	622	16,576	2,080	82,466	101,744
Amortisation charges	–	(534)	(1,745)	(19,237)	(4,567)	(11,748)	(37,831)
Closing net book amount as at June 30, 2026	153,708	5,749	5,292	90,195	81,379	221,900	558,223

	Goodwill *RMB'000*	Patents *RMB'000*	License fee *RMB'000*	Computer software *RMB'000*	Mining rights *RMB'000*	Others *RMB'000*	Total *RMB'000*
For the six-month period ended June 30, 2025							
Opening net book amount as at January 1, 2025	153,708	7,713	10,374	65,686	91,336	166,553	495,370
Currency translation difference	–	(29)	(38)	264	–	–	197
Additions	–	–	–	38,523	–	840	39,363
Amortisation charges	–	(551)	(1,803)	(18,769)	(4,548)	(8,163)	(33,834)
Closing net book amount as at June 30, 2025	153,708	7,133	8,533	85,704	86,788	159,230	501,096

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

10. Investments Under the Equity Method

	For the period ended June 30, 2026	
	Joint Venture *RMB'000*	Associate *RMB'000*
Opening balance	393,048	19,880
Share of results	(10,725)	(315)
Dividends received	(7,350)	–
Other changes in equity	–	2,615
Closing balance	374,973	22,180

	For the period ended June 30, 2025	
	Joint Venture *RMB'000*	Associate *RMB'000*
Opening balance	421,356	20,139
Share of results	(12,951)	(169)
Dividends received	(7,350)	–
Closing balance	401,055	19,970

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

11. Deferred Income Tax Assets and Liabilities

Movement in deferred income tax assets and liabilities during the Relevant Periods is as follows:

	Deferred income tax assets *RMB'000*	Deferred income tax liabilities *RMB'000*
As at January 1, 2026	1,166,469	1,772,960
Recognised in the consolidated income statement	974	62,168
Effect of movements in exchange rates	(9,278)	(20,075)
As at June 30, 2026	1,158,165	1,815,053
Offsetting deferred income tax liabilities/deferred income tax assets	(626,900)	(626,900)
Net balance after offsetting as at June 30, 2026	531,265	1,188,153

	Deferred income tax assets *RMB'000*	Deferred income tax liabilities *RMB'000*
As at January 1, 2025	1,126,633	1,456,338
Recognised in the consolidated income statement	33,074	229,395
Effect of movements in exchange rates	4,007	(1,717)
As at June 30, 2025	1,163,714	1,684,016
Offsetting deferred income tax liabilities/deferred income tax assets	(710,179)	(710,179)
Net balance after offsetting as at June 30, 2025	453,535	973,837

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

12. Receivables, prepayments and other current assets

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Trade receivables due from third parties *(Note(a))*:		
Notes receivables	705,764	433,990
Trade receivables	7,763,935	8,509,309
Less: Provision for impairment	(34,399)	(31,923)
Trade receivables – net	8,435,300	8,911,376
Other receivables due from third parties:		
Other receivables	220,195	194,367
Amount due from related parties *(Note 27(c))*:		
Other receivables *(Note 27(c) (i))*	1,995	1,905
Prepayments *(Note 27(c) (ii))*	63	184
	2,058	2,089
Others:		
Prepayments	433,869	343,870
Prepaid current income tax and value-added tax recoverable and refundable	803,808	918,464
	1,237,677	1,262,334
Receivables, prepayments and other current assets	9,895,230	10,370,166
Less: Non-current portion of amount of other receivables *(i)*	(31,975)	(31,352)
Receivables, prepayments and other current assets – net	9,863,255	10,338,814

(i) Fuyao (Hong Kong) Limited, a wholly-owned subsidiary of the Company, ceased to hold the equity of Jinken Glass Industry Shuangliao Co., Ltd. after the disposal of 25% equity interests in such associate in 2023. According to the equity transfer agreement, the first instalment of the equity transfer payment was collected in 2023 with the remaining consideration of RMB35,000,000 (present value of RMB31,975,000 as at the end of the period) will be recovered within three years.

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

12. Receivables, prepayments and other current assets (Continued)

(a) Receivables, including notes receivables and receivables, are arising from sales of products. The credit period granted to customers is ranging from 1 month to 4 months. No interest is charged on the overdue trade receivables. The ageing analysis of receivables based on invoice date before provision for impairment as at June 30, 2026 and December 31, 2025 was as follows:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Trade receivables – gross		
Within 3 months	7,846,748	8,532,125
3 to 6 months	574,594	317,096
6 to 12 months	20,409	69,368
Over 1 year	27,948	24,710
Total	8,469,699	8,943,299

13. Financial Assets at Fair Value through Profit or Loss, Financial Assets at Fair Value through Other Comprehensive Income and Derivative Financial Instruments

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Financial assets at fair value through profit or loss		
Current assets		
– Equity instrument investment – held for trading *(a)*	7,527	10,916
– Structured deposits *(b)*	300,006	–
	307,533	10,916
Derivative financial instruments		
– Forward foreign exchange contracts *(c)*	242	–
– Currency swap contracts *(d)*	20,387	–
	20,629	–
Financial assets at fair value through other comprehensive income		
Non-current assets		
– Unlisted equity securities *(e)*	88,338	88,338
Current assets		
– Note receivable *(f)*	2,948,830	2,922,909

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

13. Financial Assets at Fair Value through Profit or Loss, Financial Assets at Fair Value through Other Comprehensive Income and Derivative Financial Instruments (Continued)

(a) The held-for-trading equity instrument investment shares are the distribution of customer debt restructuring obtained, and the fair value of the held-for-trading equity instrument investment were determined based on the closing price of the shares on the last trading day of the year on the Shanghai Stock Exchange or Shenzhen Stock Exchange.

(b) As at the end of the current period, the Group held principal-protected structured deposits with a principal amount of RMB300,000,000 linked to interest rates and the exchange rate of Euro against US Dollar. Such structured deposits will mature on September 30, 2026.

(c) As at the end of the reporting period, in respect of the forward foreign exchange contracts signed between the Group and banks which have not yet matured:(1) The aggregate notional amount for HKD versus USD contracts amounted to USD3,248,000. The contracted maturity exchange rates range from 7.7816 to 7.8165, and the contracts will mature between September 21, 2026 and October 14, 2026; (2) The aggregate notional amount for JPY versus USD contracts amounted to USD1,039,000. The contracted maturity exchange rates range from 156.4050 to 157.2950, and the contracts will mature between October 16, 2026 and October 29, 2026.

(d) As at the end of the reporting period, in respect of the currency swap contracts signed between the Group and banks which have not yet matured:(1) The aggregate notional amount for HKD versus USD contracts amounted to USD201,449,000. The contracted maturity exchange rates range from 7.7797 to 7.7816, and the contracts will mature between 21 September 2026 and 14 October 2026;(2) The aggregate notional amount for JPY versus USD contracts amounted to USD132,003,000. The contracted maturity exchange rates range from 156.4050 to 157.2950, and the contracts will mature between 16 October 2026 and 29 October 2026.

(e) The unlisted equity securities is the Group's subscription of 4.55% of the equity interests of China National Automobile (Beijing) Intelligent Connected Vehicle Research Institute Co., Ltd. The Group has no significant influence on such investee. Such equity interests are non-trading equity instruments held for strategic purposes, and are designated and accounted as "financial assets at fair value through other comprehensive income".

(f) The Group discounted and endorsed part of bank acceptance notes and terminated their recognition according to its daily fund management needs. Therefore, for the current year, the Group classified and presented bank acceptance notes as financial assets at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and selling.

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

14. Share Capital

Ordinary shares, issued and fully paid:

	Number of A shares *Thousands*	Number of H shares *Thousands*	A shares of RMB1 each *RMB'000*	H shares of RMB1 each *RMB'000*	Total share capital *RMB'000*
As at January 1, 2026 and June 30, 2026	2,002,986	606,758	2,002,986	606,758	2,609,744
As at January 1, 2025 and June 30, 2025	2,002,986	606,758	2,002,986	606,758	2,609,744

15. Share Premium and Other Reserves

		Other reserves				
	Share premium *RMB'000*	Statutory reserves *RMB'000*	Currency translation difference *RMB'000*	Financial assets measured at fair value through other comprehensive income *RMB'000*	Capital reserve *RMB'000*	Total *RMB'000*
As at January 1, 2026	9,680,392	5,020,531	(78,353)	14,263	20,359	4,976,800
Currency translation difference	–	–	(223,262)	–	–	(223,262)
Other changes in equity	2,615	–	–	–	–	–
As at June 30, 2026	9,683,007	5,020,531	(301,615)	14,263	20,359	4,753,538
As at January 1, 2025	9,680,392	4,418,068	329,786	10,021	20,359	4,778,234
Currency translation difference	–	–	(150,824)	–	–	(150,824)
As at June 30, 2025	9,680,392	4,418,068	178,962	10,021	20,359	4,627,410

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

16. Borrowings

(1) The balance of the borrowings is as follows:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Non-current	7,764,243	3,669,045
Current	14,242,810	13,295,066
Total borrowings	22,007,053	16,964,111

(2) Movement in borrowings is analysed as follows:

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Opening net book amount	16,964,111	14,687,439
Additions	13,176,818	7,492,509
Deduction	(8,133,876)	(5,636,778)
Closing net book amount	22,007,053	16,543,170

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

17. Other non-current liabilities

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Contract liabilities[a]	922,557	783,696
Long-term payables[b]	41,229	48,165
Reserves[c]	3,474	5,033
Total	967,260	836,894

(a) Contract liabilities represent payments received in advance with obligations that are expected to be fulfilled after one year.

(b) Details of long-term payables are as follows:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Payables for proceeds from transfer of mining rights	47,052	53,855
Less: long-term payables maturing within one year	(5,823)	(5,690)
	41,229	48,165

According to the Interim Measures for the Administration of the Collection of Mining Right Transfer Profits, the Group's quartz sand mine mining rights in Wenchang City, Hainan Province are required to levy transfer proceeds on annual instalments until 2034. During the Reporting Period, the Group received the payment notice and paid RMB8,026,000 in 2025 (the same period in 2025: RMB8,026,000).

(c) Our subsidiary FYSAM Auto Decorative evaluated the expected sales of related products based on the contract terms agreed upon with customers, and recognized estimated liabilities for contracts that may result in economic losses due to fulfilling obligations.

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

18. Deferred Income on Government Grants

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Opening balance	964,817	819,352
Government grants received during the period[a]	69,274	51,500
Credited to the consolidated income statement	(65,192)	(57,030)
Foreign currency statement translation	–	(10)
Closing balance	968,899	813,812

(a) These mainly represented government grants received from certain municipal governments of the PRC as an incentive to the Group for the purchase of property, plant and equipment and land use rights.

19. Trade and Other Payables

	As at June 30, 2026	As at December 31, 2025
	RMB'000	*RMB'000*
Notes payable to third parties	2,884,098	4,145,608
Payables to third parties	2,790,483	3,046,241
Staff salaries and welfare payables	795,009	1,183,629
Payables for purchasing of property, plant and equipment	341,141	323,814
Freight payable	372,162	347,473
Rebate payable	816,989	529,422
Amount due to related parties *(Note 27(c))*	87,775	102,501
Accrued tax *(excluding income tax)*	150,326	171,676
Other payables and accruals	870,520	842,033
	9,108,503	10,692,397

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

19. Trade and Other Payables (Continued)

(1) Ageing analysis of the notes payable and payables to third parties based on invoice date at the respective balances sheet dates are as follows:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Within 3 months	4,093,175	5,107,627
3 to 6 months	1,506,059	2,032,244
6 to 12 months	63,418	40,645
Over 1 year	11,929	11,333
	5,674,581	7,191,849

20. Revenue and Cost of Sales

	For the period ended June 30			
	2026		2025	
	Income *RMB'000*	Cost *RMB'000*	Income *RMB'000*	Cost *RMB'000*
Automobile glasses	20,270,178	13,779,600	19,538,352	13,573,123
Float glasses	3,160,754	1,866,921	3,095,515	1,897,962
Other	2,463,272	1,740,587	2,583,658	1,821,238
Sub-total	25,894,204	17,387,108	25,217,525	17,292,323
Less: Intra-group sales	(3,923,099)	(3,836,886)	(3,770,133)	(3,692,246)
	21,971,105	13,550,222	21,447,392	13,600,077

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

21. Other (Losses)/Gains – Net

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Foreign exchange (losses)/gains	(802,632)	601,551
Gains arising from disposal of financial assets at fair value through profit or loss and derivative financial instruments	13,968	–
Changes in fair value of financial assets at fair value through profit or loss and derivative financial instruments	22,884	207
Loss on disposal of note receivable at fair value through other comprehensive income	(4,478)	(9,157)
Loss on disposal of property, plant and equipment	(13,594)	3,473
Loss on disposal of intangible assets	–	338
Donation	(2,362)	(136)
Net gain on claim	59,479	17,959
Extraordinary losses	(135,357)	–
Other	5,897	481
	(856,195)	614,716

22. Operating Profit

The following items have been charged to the operating profit during the period:	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Employee benefit expenses	4,122,229	3,886,308
Depreciation of property, plant and equipment *(Note 6)*	1,515,392	1,342,567
Packing expenses	340,963	315,294
Storage and distribution expenses	217,521	171,622
Depreciation of right of use assets *(Note 7)*	91,466	93,122
Amortisation of intangible assets *(Note 9)*	37,831	33,834
Amortisation of land use rights *(Note 8)*	17,721	15,504
Write-down inventories to net realisable value	2,481	(2,981)

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

23. Income tax expenses

The amounts of income tax expense charged to the consolidated income statement represent:

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Current income tax	605,152	790,296
Deferred income tax *(Note 11)*	61,194	196,321
Income tax expenses	666,346	986,617

(a) PRC corporate income tax

The corporate income tax ("CIT") is calculated based on the statutory profit of subsidiaries established in the PRC and the applicable tax rate in accordance with the PRC tax laws and regulations, after adjustments on certain income and expense items, which are not assessable or deductible for income tax purposes.

In accordance with the PRC tax laws, standard corporate income tax rate is 25%. Certain subsidiaries are qualified for new/high-tech technology enterprises status or Chinese western development enterprises status and enjoyed preferential income tax rate of 15% during the Reporting Period.

(b) Hong Kong profits tax

Applicable profit tax rates of the Group's subsidiaries in Hong Kong are 16.5% and 25% for different subsidiaries respectively.

(1) Applicable profit tax rate of Fuyao Group (Hong Kong) Limited and Yung Tak Investment Limited is 16.5% (the same period in 2025: 16.5%).

(2) Fuyao (Hong Kong) Limited and Meadland Limited are resident enterprises with actual management body in Mainland China for tax purpose, and are subject to the applicable profit tax rate of 25% (the same period in 2025: 25%).

Section VIII Financial Report

II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

23. Income tax expenses (Continued)

(c) American profits tax

Applicable profit tax rates of the Group's subsidiaries in the United States of America range from 24.25% to 26.81% with details as follows:

(1) Fuyao North America Glass Industry Co., Ltd. calculates profits tax at a rate of 26.81% on the estimated assessable profits during the Reporting Period (the same period in 2025: 26.81%);

(2) Fuyao Glass America Co., Ltd., Fuyao Glass Illinois Co., Ltd., Fuyao America C Assets Co., Ltd. and Fuyao Glass South Carolina, Inc. jointly filed the federal income tax and state tax in accordance with the relevant United States tax laws, at a federal tax rate of 21%, a consolidated state tax rate of 4.36%, and the total rate of 25.36%. Income tax was paid at the applicable tax rate during the Reporting Period (the same period in 2025: 25.20%).

(3) Fuyao Automotive North America, Inc. and Fuyao Asset Management A, LLC jointly filed the federal income tax and state tax in accordance with the relevant United States tax laws, at a federal tax rate of 21%, a consolidated state tax rate of 3.25%, and the total rate of 24.25%. Income tax was paid at the applicable tax rate during the Reporting Period (the same period in 2025: Income tax was paid at a rate of 24.57% based on the taxable profits after making up the losses).

(d) Russia profits tax

According to the Russian income tax law, the federal tax rate is 8%, with the local tax rate of 17% and the total rate of 20%. In the current period, 50% of the estimated assessable profits for the current period is used to make up the accumulated losses, and the remaining 50% is subject to profit tax at the applicable profit tax rate (2025: 50% of the taxable income was used to offset deductible losses, and income tax was paid at the applicable tax rate (the same period in 2025: same as the Reporting Period)).

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

23. Income tax expenses (Continued)

(e) German profits tax

The profits tax rates applicable to the Group's two subsidiaries in German are 28.43% and 28.78% respectively. Among them, Fuyao Europe GmbH, apart from the other subsidiaries, has achieved a profit, and paid profit tax at the applicable tax rate after deducting part of the deductible losses of previous years from the taxable income. No profit tax has been provided by FYSAM Auto Decorative GmbH (FYSAM汽車飾件有限公司) due to accumulated losses during the period.

The tax on the Group's profit before tax differs from the theoretical amount that could arise from using the statutory tax rates of 9% to 39.50% applicable as follows:

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Profit before tax	4,638,131	5,794,033
Tax calculated at the applicable income tax rate	1,229,121	1,396,124
Tax impact:		
Preferential income tax rate	(397,966)	(473,219)
Expenses not deductible for tax purpose	4,667	5,224
Income not subject to income tax	(1,049)	(1,273)
Unrecognised deductible temporary differences	11,379	–
Unrecognised tax losses carried forward	52,181	84,291
Utilisation of previously unrecognised tax losses	(55,926)	(28,967)
Utilisation of previously unrecognised deductible temporary differences	(115)	(4,063)
Withholding taxation on unremitted earnings of certain subsidiaries	(19,547)	170,103
Adjustments for current income tax of prior periods after tax annual filing	15,918	14,979
Additional tax deduction on research and development expenses	(172,317)	(176,582)
Income tax expense	666,346	986,617

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

24. Earnings per share

a) Basic earnings per share is calculated by dividing the profit for the Reporting Period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the relevant period.

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Profit for the Reporting Period attributable to owners of the Company *(RMB'000)*	3,970,084	4,804,424
Weighted average number of ordinary shares in issue *(thousand)*	2,609,744	2,609,744
Basic earnings per share *(RMB)*	1.52	1.84

b) The diluted earnings per share are same as the basic earnings per share as there was no dilutive right shares existed during the Relevant Periods.

25. Dividends

On August 18, 2026, the Board of Directors of the Company proposed the following interim profit distribution plan for 2026 Based on the total number of shares registered as of the record date for the 2026 interim equity distribution, cash dividends will be distributed to the Company's A-share shareholders and H-share shareholders registered as of the record date for the 2026 interim equity distribution, with a cash dividend of RMB1.00 per share (tax inclusive). The remaining undistributed profits of the Company will be carried forward to the second half of 2026. If there are changes in the total number of shares outstanding prior to the record date for the rights distribution, the Company intends to maintain the same distribution ratio per share and adjust the total distribution amount accordingly. The above matters have not been recognised as liabilities in these financial statements.

26. Commitments

As at June 30, 2026 and December 31, 2025, capital expenditure contracted for but not recognised in the balance sheet are set out below:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Property, plant and equipment	4,677,945	5,122,420

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business and balances arising from related party transactions during the period ended June 30, 2026 and 2025:

(a) Name of and relationship with related parties

Name of related parties	Relationship
Mr. Cho Tak Wong (曹德旺)	Single largest shareholder
Fujian Yaohua Industrial Village Development Co., Ltd. (福建省耀華工業村開發有限公司)	Controlled by the single largest shareholder
Tri-Wall Packaging (Fuzhou) Co., Ltd. (特耐王包裝(福州)有限公司)	An associate of the Group
Global Cosmos German Co., Ltd. (環創德國有限公司)	Controlled by the single largest shareholder
Fuyao Group Beijing Futong Safety Glass Co., Ltd. (福耀集團北京福通安全玻璃有限公司)	An associate of the Group
Fujian Triplex Auto Parts Development Co., Ltd. (福建三鋒汽配開發有限公司)	Controlled by the directors of the Company
Fuyao University of Science and Technology (福建福耀科技大學)	A director of the Company serves as a trustee of the university

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions (Continued)

(b) The following transactions were carried out with related parties:

I. Sales of goods, provision of services

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Tri-Wall Packaging (Fuzhou) Co., Ltd.	2,491	2,721
Fujian Yaohua Industrial Village Development Co., Ltd.*	–	583
	2,491	3,304

II. Purchase of goods, services

	For the period ended June 30	
	2026 *RMB'000*	2025 *RMB'000*
Tri-Wall Packaging (Fuzhou) Co., Ltd.	76,739	82,907
Fuyao Group Beijing Futong Safety Glass Co., Ltd.	1,103	1,620
Fujian Yaohua Industrial Village Development Co., Ltd.*	1,044	1,303
Fujian Triplex Auto Parts Development Co., Ltd.*	222	238
Fuyao University of Science and Technology*	135	142
	79,243	86,210

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions (Continued)

(b) The following transactions were carried out with related parties (Continued):

III. Increased right-of-use assets as a lessee

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Fujian Yaohua Industrial Village Development Co., Ltd. *	–	135,070
	–	135,070

IV. Interest expense on lease liabilities borne by the Group as a lessee in the current period

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Fujian Yaohua Industrial Village Development Co., Ltd. *	1,046	1,546
Global Cosmos German Co., Ltd.*	546	707
Fujian Triplex Auto Parts Development Co., Ltd.*	52	245
	1,644	2,498

V. Key management compensation

	For the period ended June 30	
	2026	2025
	RMB'000	*RMB'000*
Salaries, wages and short-term employee benefits	36,653	28,415
Post-employment benefits	336	246
	36,989	28,661

Note: (*) Also a connected person under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), and all related party transactions comply with the disclosure requirements set out in Chapter 14A of the Hong Kong Listing Rules.

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions (Continued)

(C) Balances with related parties

Amount due from related parties:

	Balance of transactions	
	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Other receivables *(i)*	1,995	1,905
Prepayments *(ii)*	63	184
Total	2,058	2,089

(i) Other receivables

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Fujian Triplex Auto Parts Development Co., Ltd.	1,500	1,500
Tri-Wall Packaging (Fuzhou) Co., Ltd.	453	405
Fuyao University of Science and Technology	42	–
	1,995	1,905

(ii) Prepayments:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Fuyao University of Science and Technology	63	184

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions (Continued)

(C) Balances with related parties (Continued)

Amount due to related parties:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Trade payables *(i)*	18,861	12,460
Notes payable *(ii)*	34,745	54,324
Other payables *(iii)*	34,169	35,717
Lease liabilities *(iv)*	140,631	207,164
	228,406	309,665

(i) Accounts payable:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Tri-Wall Packaging (Fuzhou) Co., Ltd.	18,861	12,460

Ageing analysis of trade payables due to related parties is as follows:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Within 3 months	18,861	12,460

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II. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (CONTINUED)

27. Related Party Transactions (Continued)

(C) Balances with related parties (Continued):

Amount due to related parties (continued):

(ii) Notes payable:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Tri-Wall Packaging (Fuzhou) Co., Ltd.	34,745	54,324

(iii) Other payables to related parties:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Fuyao Group Beijing Futong Safety Glass Co., Ltd.	34,156	35,714
Fujian Triplex Auto Parts Development Co., Ltd.	13	3
	34,169	35,717

(iv) Lease liabilities:

	As at June 30, 2026 *RMB'000*	As at December 31, 2025 *RMB'000*
Global Cosmos German Co., Ltd.	71,088	99,267
Fujian Yaohua Industrial Village Development Co., Ltd.	68,550	102,833
Fujian Triplex Auto Parts Development Co., Ltd.	993	5,064
	140,631	207,164