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DA MING INTERNATIONAL HOLDINGS LIMITED

大明國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1090)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	
	RMB'000	RMB'000	% change
Revenue	21,902,726	21,198,384	+3.3%
Gross profit	559,541	553,697	+1.1%
Total comprehensive income for the period	34,035	22,767	+49.5%

OPERATING HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	% change
Stainless steel			
Sales volume (tonnes)	996,197	995,500	+0.1%
Processing volume (tonnes)	1,512,105	1,521,769	-0.6%
Processing multiple (<i>note</i>)	1.52	1.53	
Carbon steel			
Sales volume (tonnes)	2,378,873	2,390,742	-0.5%
Processing volume (tonnes)	2,502,784	2,444,372	+2.4%
Processing multiple (<i>note</i>)	1.05	1.02	

Note: Processing multiple = Processing volume/Sales volume

INTERIM RESULTS

The board of directors (the “Board”) of Da Ming International Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2026 together with comparative figures for the six months ended 30 June 2025, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	<i>Note</i>	RMB'000	RMB'000
Revenue	6	21,902,726	21,198,384
Cost of sales	7	(21,343,185)	(20,644,687)
Gross profit		559,541	553,697
Other income		8,378	9,891
Other expenses		(9,516)	(1,535)
Distribution costs	7	(250,798)	(233,427)
Administrative expenses	7	(154,118)	(184,604)
Operating profit		153,487	144,022
Finance income	8	20,809	26,696
Finance costs	8	(120,595)	(137,151)
Finance costs – net	8	(99,786)	(110,455)
Profit before income tax		53,701	33,567
Income tax expense	9	(19,666)	(10,800)
Profit and total comprehensive income for the period		34,035	22,767
Attributable to:			
Equity holders of the Company		23,820	7,579
Non-controlling interests		10,215	15,188
		34,035	22,767
Earnings per share for profit attributable to equity holders of the Company during the period (expressed in RMB per share)			
– basic earnings per share	10	1.87 cents	0.59 cents
– diluted earnings per share	10	1.87 cents	0.59 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
	Note		
ASSETS			
Non-current assets			
Property, plant and equipment		4,909,691	4,900,870
Right-of-use assets		518,787	515,316
Investment properties		1,676	1,371
Intangible assets		12,858	15,899
Deferred income tax assets		275,506	261,934
Trade receivables and contract assets	12	2,629	4,814
Other non-current assets		31,818	55,970
		<u>5,752,965</u>	<u>5,756,174</u>
Current assets			
Inventories		3,463,449	3,597,406
Trade receivables and contract assets	12	616,302	552,859
Prepayments, deposits and other receivables		984,897	1,051,031
Financial assets at fair value through other comprehensive income		30,310	55,887
Restricted bank deposits		5,146,983	1,306,737
Cash and cash equivalents		194,501	109,181
		<u>10,436,442</u>	<u>6,673,101</u>
Total assets		<u><u>16,189,407</u></u>	<u><u>12,429,275</u></u>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		109,041	109,041
Reserves		2,407,596	2,383,776
		<u>2,516,637</u>	<u>2,492,817</u>
Non-controlling interests		<u>357,926</u>	<u>347,711</u>
Total equity		<u><u>2,874,563</u></u>	<u><u>2,840,528</u></u>

		As at 30 June 2026 <i>RMB'000</i>	As at 31 December 2025 <i>RMB'000</i>
	<i>Note</i>		
LIABILITIES			
Non-current liabilities			
Borrowings		1,101,883	1,411,115
Deferred government grants		108,044	114,804
Deferred income tax liabilities		33,216	23,187
Lease liabilities		1,582	1,582
Long-term payables		187,314	30,826
		<u>1,432,039</u>	<u>1,581,514</u>
Current liabilities			
Trade payables	13	1,046,150	1,130,891
Accruals and other current liabilities		685,826	450,383
Contract liabilities		753,605	970,287
Current income tax liabilities		83,348	31,564
Borrowings		9,313,876	5,395,576
Lease liabilities		–	532
Dividends payable		–	28,000
		<u>11,882,805</u>	<u>8,007,233</u>
Total liabilities		<u>13,314,844</u>	<u>9,588,747</u>
Total equity and liabilities		<u><u>16,189,407</u></u>	<u><u>12,429,275</u></u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to equity holders of the Company		Non- controlling interests	Total equity
	Share Capital	Reserves		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2025	109,041	2,418,872	336,885	2,864,798
Comprehensive income				
(Loss)/Profit for the year	—	(35,559)	47,795	12,236
Transactions with owners				
Acquisition of non-controlling interest	—	463	(8,969)	(8,506)
Dividends	—	—	(28,000)	(28,000)
Total transaction with owners	—	463	(36,969)	(36,506)
Balance at 31 December 2025	109,041	2,383,776	347,711	2,840,528
	Attributable to equity holders of the Company		Non- controlling interests	Total equity
	Share Capital	Reserves		
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2026	109,041	2,383,776	347,711	2,840,528
Comprehensive income				
Profit for the period	—	23,820	10,215	34,035
Balance at 30 June 2026	109,041	2,407,596	357,926	2,874,563

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Cash flows from operating activities		
Cash flows from operations	543,260	254,961
Interest received	20,809	26,696
Interest paid	(120,595)	(137,112)
Income tax paid	(23,880)	(9,348)
	<u>419,594</u>	<u>135,197</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(242,034)	(89,284)
Other investing cash flow	166,938	(32,024)
	<u>(75,096)</u>	<u>(121,308)</u>
Cash flows from financing activities		
Net change in borrowings	3,609,068	4,340,753
Net change in restricted bank deposits	(3,840,246)	(4,121,174)
Dividend paid to non-controlling shareholders	(28,000)	—
	<u>(259,178)</u>	<u>219,579</u>
Net change in cash and cash equivalents	85,320	233,468
Cash and cash equivalents at beginning of the period	<u>109,181</u>	<u>153,891</u>
Cash and cash equivalents at end of the period	<u>194,501</u>	<u>387,359</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 14 February 2007 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1 December 2010.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These unaudited condensed consolidated financial statements have not been reviewed by external auditors but have been reviewed by the Company's audit committee.

Going Concern

As at 30 June 2026, the Group's current liabilities exceeded its current assets by approximately RMB1,446,363,000. This financial condition may cast significant doubt upon the Group's ability to continue as a going concern.

The Group meets its day-to-day working capital requirements mainly through its operating cash flows and bank borrowings. In preparing the financial statements, the Directors of the Company have given a careful consideration to the projected needs for liquidity, operating results and the available financial resources of the Group in evaluating whether the Group will have sufficient financial resources to continue as a going concern. Management's plan has included a number of measures to mitigate the liquidity pressure and to improve the financial position and operating results:

- (i) the Group will continue to make efforts to improve its operating results and cash flows, including but not limited to increasing sales volume, improving working capital turnover by enhancing inventory level management and trade receivables collection, and controlling operating expenditures;
- (ii) the Group will continue to maintain ongoing relationships with banks and other financial institutions to secure sufficient available bank credit quota, and manage financing from bank borrowings to pursue renewal or refinancing of existing bank borrowings upon maturity; and
- (iii) the Group will continue to manage its capital expenditures in line with the available funding from operating and financing activities and sufficiency of liquidity.

Having considered the above, the Directors of the Company believe that the Group will have adequate liquidity to fulfill its financial obligations when fall due, and to continue operations for the foreseeable future of not less than twelve months from period end date of these financial statements. The Directors, therefore, are of the opinion that it is appropriate to adopt the going concern basis in preparing the Group's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2025, as described in those annual financial statements.

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

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual financial period commencing 1 January 2026:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	The Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026

(b) New and amended standards not yet effective for the current reporting period

The following new interpretations and amendments to standards and interpretations have been issued but were not mandatory for interim reporting periods ended on 30 June 2026 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and Amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKAS 21	Amendment to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is assessing the full impact of the new standards, new interpretations and amendments to standards and interpretations.

4. ESTIMATES

The preparation of unaudited condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and fair value interest rate risk), credit risk, and liquidity risk.

The unaudited condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2025.

There have been no changes in the risk management department since year end or in any risk management policies.

5.2 Fair value estimation

There are no financial assets/liabilities carried at fair value determined by valuation method. The carrying value of cash and cash equivalents, restricted bank deposits, trade and other receivables and financial liabilities including trade and other payables and borrowings are assumed to approximate their fair values.

6. REVENUE AND SEGMENT INFORMATION

The result of its sales from external customers in different countries and regions was as follows:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Mainland China	21,375,755	20,630,565
Hong Kong and other overseas countries and regions (i)	526,971	567,819
Total sales	21,902,726	21,198,384

- (i) Other overseas countries and regions mainly represented Australia, United States of America, South Korea, Japan, Europe, South America and Southeast Asia.

The segment results for the six months ended 30 June 2026:

	Processing RMB'000	Manufacturing RMB'000	Elimination RMB'000	Total RMB'000
Sales to external customers	21,255,319	647,407	–	21,902,726
Intra-group sales	330,615	63,072	(393,687)	–
Segment revenue	<u>21,585,934</u>	<u>710,479</u>	<u>(393,687)</u>	<u>21,902,726</u>
Segment results	257,474	(96,167)	(6,682)	154,625
Other income and expenses				(1,138)
Finance costs – net				<u>(99,786)</u>
Profit before income tax				53,701
Income tax expense				<u>(19,666)</u>
Profit for the period				<u>34,035</u>

Items included in profit and loss:

Depreciation and amortisation	<u>150,395</u>	<u>69,109</u>	<u>–</u>	<u>219,504</u>
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The segment results for the six months ended 30 June 2025:

	Processing RMB'000	Manufacturing RMB'000	Elimination RMB'000	Total RMB'000
Sales to external customers	20,473,474	724,910	–	21,198,384
Intra-group sales	372,119	82,477	(454,596)	–
Segment revenue	<u>20,845,593</u>	<u>807,387</u>	<u>(454,596)</u>	<u>21,198,384</u>
Segment results	172,059	(26,849)	(9,544)	135,666
Other income and expenses				8,356
Finance costs – net				<u>(110,455)</u>
Profit before income tax				33,567
Income tax expense				<u>(10,800)</u>
Profit for the period				<u>22,767</u>

Items included in profit and loss:

Depreciation and amortisation	<u>163,167</u>	<u>70,047</u>	<u>–</u>	<u>233,213</u>
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7. EXPENSES BY NATURE

Expenses included in cost of sales, distribution costs and administrative expenses were analysed as follows:

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Changes in inventories of finished goods	65,455	92,412
Raw materials consumed	20,609,166	19,902,014
Stamp duty, property tax and other surcharges	48,509	49,773
Transportation costs	131,758	125,237
Employee benefit expenses, including directors' emoluments	553,319	510,027
Depreciation and amortisation	219,504	233,213
Operating lease rental for buildings	7,226	4,441
Utilities charges	42,173	43,337
Reversal of write-down of inventories	(8,173)	(59,729)
Entertainment and travelling expenses	22,709	28,678
Professional service expenses	8,094	7,619
Others	48,361	125,696
	<u>21,748,101</u>	<u>21,062,718</u>

8. FINANCE COSTS – NET

	Six months ended 30 June	
	2026	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Interest expenses on bank borrowings	75,854	90,568
Interest expenses on bank/commercial acceptance notes and letters of credit	38,090	47,952
Exchange loss/(gain), net	6,651	(1,369)
	<u>120,595</u>	<u>137,151</u>
Total finance costs	120,595	137,151
Interest income	(20,809)	(26,696)
	<u>99,786</u>	<u>110,455</u>

9. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Current income tax expense		
– Mainland China corporate income tax	23,880	17,612
Deferred income tax	(4,214)	(6,812)
	<u>19,666</u>	<u>10,800</u>

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

The subsidiary incorporated in British Virgin Islands under the International Business Companies Acts of the British Virgin Islands is exempted from payment of British Virgin Islands income tax.

Subsidiaries incorporated in Hong Kong are subject to income tax at the prevailing rates of 16.5% (2025: 16.5%). Hong Kong profits tax has not been provided as there is no estimated assessable profit arising in or derived from Hong Kong during the financial periods.

The PRC Corporate Income Tax (“CIT”) is calculated based on the statutory profit of subsidiaries incorporated in the PRC 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. All of the subsidiaries of the Group in Mainland China are subject to corporate income tax rate of 25% (2025: 25%), except for certain subsidiaries which are entitled to certain preferential income tax rates of 15% to 20%.

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
Profit attributable to equity holders of the Company (RMB'000)	23,820	7,579
Weighted average number of ordinary shares in issue (thousands)	1,274,528	1,274,528
Basic earnings per share (RMB)	1.87 cents	0.59 cents

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 30 June 2026, there was no dilutive potential ordinary shares for the Company. Accordingly, diluted earnings per share for the six months ended 30 June 2026 and 2025 are the same as basic earnings per share for the periods.

11. INTERIM DIVIDENDS

The board of directors does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2026 (2025: nil).

12. TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 30 June 2026			As at 31 December 2025		
	Current <i>RMB'000</i>	Non- Current <i>RMB'000</i>	Total <i>RMB'000</i>	Current <i>RMB'000</i>	Non- Current <i>RMB'000</i>	Total <i>RMB'000</i>
Contract assets	37,963	2,760	40,723	38,876	5,054	43,930
Notes receivable	–	–	–	44,308	–	44,308
Accounts receivable	623,528	–	623,528	513,755	–	513,755
	661,491	2,760	664,251	596,939	5,054	601,993
Less: provision for impairment	(45,189)	(131)	(45,320)	(44,080)	(240)	(44,320)
	616,302	2,629	618,931	552,859	4,814	557,673

The carrying amounts of trade receivables and contract assets approximate their fair value as at the balance sheet date.

Majority of the Group's sales are made on (i) cash on delivery, (ii) receipt of bank or commercial acceptance. Credit terms within 180 days are granted to certain long term customers with good credit history. The aging analysis of trade receivables was as follows:

	As at 30 June 2026 <i>RMB'000</i>	As at 31 December 2025 <i>RMB'000</i>
Accounts receivable		
– within 30 days	474,545	351,696
– 30 days to 3 months	55,910	85,812
– 3 months to 6 months	16,666	33,517
– 6 months to 1 year	27,134	10,501
– 1 year to 2 years	18,811	13,968
– over 2 years	30,462	18,261
	<u>623,528</u>	<u>513,755</u>

13. TRADE PAYABLES

	As at 30 June 2026 <i>RMB'000</i>	As at 31 December 2025 <i>RMB'000</i>
Accounts payable	679,850	646,643
Notes payable	366,300	484,248
	<u>1,046,150</u>	<u>1,130,891</u>

The ageing analysis of the trade payable was as follows:

	As at 30 June 2026 <i>RMB'000</i>	As at 31 December 2025 <i>RMB'000</i>
Within 6 months	1,019,938	1,089,934
6 months to 1 year	12,487	33,822
1 year to 2 years	8,377	5,271
More than 2 years	5,348	1,864
	<u>1,046,150</u>	<u>1,130,891</u>

BUSINESS REVIEW

1. Daming Heavy Industry Successfully Exported Condenser Project Serving Nigeria

Large-scale circular condensers manufactured by Daming Heavy Industry as supporting equipment for an energy project of a world-renowned enterprise have been successfully completed and dispatched. This signifies a continuous upgrade in Daming's service capability in the field of high-efficiency heat exchanger exports, laying a solid foundation for securing further global high-end energy equipment projects in the future.

2. 260-Tonne Mining Truck Bodies Manufactured by Daming Heavy Industry Batch-Dispatched Overseas

On the eve of the Spring Festival, Model XDE260 mining truck bodies custom-manufactured by Daming Heavy Industry's construction machinery team for a leading industry client completed manufacturing and were batch-dispatched from Daming's Yangtze River Port to key international markets, including South Africa, Australia, and Papua New Guinea. The 260-tonne mining truck bodies delivered in batches will serve large-scale overseas open-pit copper, gold, and silver mining projects, facilitating efficient and safe large-scale transport operations within the mining areas.

3. Shandong Daming Successfully Delivered High-End Wear-Resistant Steel Drum Project

Shandong Daming has achieved a major industry breakthrough by overcoming long-standing processing bottlenecks in multi-material composite welding, successfully completing the full-process manufacturing and smoothly delivering the NM400 wear-resistant steel drum project. This marks a pivotal breakthrough for the Company in the field of customized processing for high-end wear-resistant drums.

4. Daming Dispatched Multiple Sets of Grinding Mills in Dense Succession to Serve South American Mining Sector

As the first batch of grinding mill components in 2026 successfully completed hoisting and barging at Daming's Yangtze River Port, the project involving multiple sets of large-scale grinding mills manufactured by Daming Heavy Industry for export to Peru officially entered the delivery phase. This represents another important achievement of Daming in deeply cultivating the global high-end mining equipment market, and demonstrates the robust delivery capabilities of "Made in China" in the heavy industry sector.

5. Daming Successfully Delivered Its First Project of 700 m³ Marine LNG Fuel Tanks

Daming Heavy Industry Energy Equipment Company undertook the manufacturing for the domestic classification society's first LNG power system design project for LNG carriers, where the first set of 700 m³ marine LNG fuel tanks manufactured for Zhejiang Hailida Environmental Technology was smoothly loaded onto vessels and dispatched from Daming's Yangtze River Port.

6. Daming Served Another Overseas High-End Oil and Gas Engineering Project

Zhejiang Daming Hanwa has achieved a major breakthrough in the field of overseas oil and gas engineering. Through the collaborative efforts of the company's dedicated team and the Group's project company, the first batch of goods under the ADNOC GAS EPC storage project undertaken by the company was smoothly dispatched overseas, officially entering the critical phase of staged delivery and realizing a brand-new breakthrough in Middle East oil and gas engineering export business.

7. Shandong Daming Secured Another Batch Processing Order for Oil Tanks

The first batch of non-pressure oil tank test pieces undertaken by Shandong Daming successfully passed the client's comprehensive and rigorous testing. With excellent product quality and efficient, professional service capabilities, Shandong Daming won the client's full recognition. Consequently, the client placed an additional batch production order for 60 sets.

8. Hubei Daming Supported High-Quality and Efficient Construction of Large Chemical Storage Tank Project

After arriving at the project site, the large-scale chemical storage tanks supplied through Hubei Daming's "one-stop" service are actively driving subsequent construction forward, with the main structures of multiple vertical steel storage tanks smoothly taking shape. Hubei Daming custom-produced supporting profiles such as channel steels and steel plates according to requirements, guaranteeing stable and timely supply. Meanwhile, drawing on years of service experience, Hubei Daming gave full play to its complete equipment advantages and strictly controlled full-process process details, from raw materials to curved tank plates and structural components, laying a solid foundation for the high-standard construction of the project.

BUSINESS DEVELOPMENT

Connected Transaction – Deemed Disposal of 25% Equity Interest in a Subsidiary

On 26 June 2026, 江蘇大明工業科技集團有限公司 (Jiangsu Daming Industrial Technology Group Co., Ltd.*) (“Jiangsu Daming”), an indirect wholly-owned subsidiary of the Company, entered into an investment agreement (“Investment Agreement”) with Chongqing Iron & Steel Company Limited (“Chongqing Iron”), Chongqing Changshou Port International Logistics Co., Ltd. (“Independent Investor”), and 重慶大明金屬科技有限公司 (Chongqing Daming Metal Technology Co., Ltd.*) (“Chongqing Daming”) (which is a subsidiary of the Company), pursuant to which Chongqing Iron and Independent Investor conditionally agreed to pay Chongqing Daming RMB24,733,884.61 and RMB9,893,553.85, respectively, for the subscription of the registered capital in Chongqing Daming in the amount of RMB25,000,000 and RMB10,000,000, respectively (“Transactions”). Upon completion of the Transactions, the Company’s indirect beneficial interest in Chongqing Daming held through Jiangsu Daming will be diluted from 100% to 65%, and Chongqing Daming will be owned as to 25% by Chongqing Iron and 10% by Independent Investor.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Transactions was more than 0.1% but less than 5%, the Transactions did not constitute a disclosable transaction under Chapter 14 of the Listing Rules.

As at the date of the Investment Agreement, (i) Chongqing Iron was held by China Baowu Steel Group Company Limited (中國寶武鋼鐵集團有限公司) (“China Baowu”) and its associates as to approximately 35.07%; and (ii) China Baowu indirectly held approximately 16.28% of the total number of issued shares of the Company. Therefore, Chongqing Iron was a connected person of the Company and the proposed cash subscription for the registered capital in Chongqing Daming in the amount of RMB25,000,000 by Chongqing Iron pursuant to the Investment Agreement (“Chongqing Iron Transaction”) constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Chongqing Iron Transaction exceeded 0.1% but was less than 5%, the Chongqing Iron Transaction was subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but was exempt from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

Chongqing Iron and Independent Investor will pay Chongqing Daming RMB24,733,884.61 and RMB9,893,553.85, respectively. The consideration for the capital increases was determined by the parties on arm's length negotiations, taking into account factors including (1) the appraised net asset value of Chongqing Daming by an independent valuer as at 30 June 2025 in the amount of RMB64,308,010.01 as set out in the Investment Agreement, (2) the actual situation (including (i) the fact that Chongqing Iron had to go through its internal approval process(es) and obtain approval(s) from China Baowu and China Baowu's subsidiary 寶武集團中南鋼鐵有限公司 (Baowu Group Zhongnan Iron & Steel Co., Ltd.*) ("Zhongnan Iron") which has been authorized by China Baowu to manage China Baowu's investment in Chongqing Iron (to the best of the Directors' knowledge, information and belief, each of Chongqing Iron, Zhongnan Iron and China Baowu's approval processes involved confirmation from the relevant departments, followed by approval from the president's office and the Party Committee) in relation to the Chongqing Iron Transaction, and therefore the Investment Agreement could only be executed on 26 June 2026 after all the approval processes notwithstanding that the valuation date fell on 30 June 2025; and (ii) notwithstanding that the valuation date was 30 June 2025, the valuation report was only issued on 9 Feb 2026 after numerous approval processes), and (3) operational needs of Chongqing Daming (since Chongqing Daming has been a loss-making company, the introduction of additional shareholders can enhance Chongqing Daming's capital strength, which would in turn contribute to its sustainable development). As such, the Directors (including the non-executive Directors) are of the view that the consideration for the capital increases is fair and reasonable and in the interest of the Company and its shareholders as a whole. The parties agreed that Chongqing Iron and Independent Investor shall pay the consideration to Chongqing Daming in cash in a single lump sum within 30 days after all registration requirements are fulfilled.

Through this collaboration, Jiangsu Daming and Chongqing Iron will integrate their production capacity, technology, capital, and market resources, as well as leveraging the professional advantages and resource integration capabilities of Independent Investor in relation to ports and logistics, and together the parties intend to create a competitive metal processing business environment, promote regional economic development, and enhance industrial competitiveness via their collaboration through their respective holdings of equity interest in Chongqing Daming.

Independent Investor is owned as to 100% by 長壽經濟技術開發區管理委員會 (The Administrative committee of the Changshou Economic and Technological Development Zone*) (the "Committee"). To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Committee is an organisation under the Chongqing Changshou District People's Government.

For details of the Transactions, please refer to the announcement of the Company dated 26 June 2026.

The valuation of Chongqing Daming

The valuation of net asset value of Chongqing Daming was performed by China Assets Appraisal Co Ltd. (中資資產評估有限公司) (“Valuer”). The Valuer has assessed the total equity value of Chongqing Daming as at 30 June 2025. The valuation method(s) selected by the Valuer, the reasons for such selection, valuation assumptions and the valuation results and conclusions as set out in the valuation report of the Valuer are summarized below.

The valuation method(s) selected by the Valuer and the reasons for such selection

According to the valuation report of the Valuer, the asset-based approach and the income approach are adopted by the Valuer for valuation.

The asset-based approach is a valuation method that determines the value of the subject asset by reasonably assessing the value of all on-balance-sheet and off-balance-sheet assets and liabilities based on the balance sheet. Considering the circumstances of the assessment, the entity being assessed can provide, and the appraiser can also externally collect, the information required for the asset-based approach. A comprehensive assessment of the assets and liabilities of the entity being assessed can be conducted. Therefore, the asset-based approach was applicable to the assessment according to the valuation report of the Valuer.

The income approach is based on the expected utility theory in economics, meaning that for investors, the value of an enterprise lies in the expected income it can generate in the future. Although the income approach does not directly use reference objects from the real market to indicate the current fair market value of the subject asset, it evaluates the asset from the perspective of its expected profitability – the fundamental basis determining its current fair market value. It can fully reflect the overall value of the enterprise, and its valuation conclusions possess good reliability and persuasiveness. Regarding the applicability conditions of the income approach, since the enterprise has independent profit-generating capability and the management of the entity being assessed has provided profit forecast data for future year(s), the future profitability level of the enterprise can be reasonably estimated based on its historical operating data and internal/external operating environment, and the risk of future income can be reasonably quantified. Therefore, the income approach was applicable to the assessment according to the valuation report of the Valuer.

In relation to income approach, the assessment is based on the going concern assumption, meaning the income period is an infinite operating period under the premise of the going concern assumption.

Valuation assumptions

(i) Basic assumptions

1. Transaction assumption

It is assumed that all assets to be appraised are already in the process of a transaction. The appraiser values them by simulating a market based on the transaction conditions of the assets to be appraised.

2. Open market assumption

An open market refers to a fully developed market with perfect market condition(s). It is a competitive market with voluntary buyers and sellers. In this market, the positions of buyers and sellers are equal, both have the opportunity and time to obtain sufficient market information, and the transactions between both parties are conducted under voluntary, rational, and non-compulsory or unrestricted conditions.

3. Continued use assumption

This assumption first assumes that the assets being appraised are in a state of use, including assets currently in use and standby assets. Secondly, based on relevant data and information, it assumes that these assets in a state of use will continue to be used. Under the continued use assumption, asset use conversion or optimal utilization conditions are not considered.

4. Going concern assumption

It is assumed that the entity being appraised, based on its existing assets and resource conditions, with its management being responsible and capable of undertaking responsibilities, will not cease operations for any reason in the foreseeable future, but will continue to operate legally and sustainably.

(ii) Valuation-specific assumptions

1. It is assumed that the entity being appraised will maintain a going concern status, its existing business scope will not undergo significant changes, and the conduct and operation of its existing business will not be significantly altered due to future changes in industry policies, etc.

2. The entity being appraised periodically invests a certain amount of capital expenditure and maintenance costs to ensure the normal use of assets. The valuation is conducted under the basic assumption that the enterprise can continue to operate and maintain its profitability through continuous self-compensation and renewal.

3. The accounting policies adopted during the forecast period are consistent in all material respects with those used by the entity being appraised in previous years and at the time of preparing the valuation report.

4. It is assumed that the current industry's industrial policies and existing legal environment will not undergo significant changes.
5. Relevant loan interest rates, exchange rates, tax bases and rates, and policy-related charges, etc., will not undergo significant changes.
6. Future business revenues can basically be collected as planned, and no significant bad debt situation will occur.
7. It is assumed that the entity being appraised receives net cash flow evenly within the year.
8. The major assets of the entity being appraised do not experience significant unforeseen events during their useful life.
9. When the entity being appraised requires funding support during its future operations, it can obtain sufficient funds in a timely manner.
10. The entity being appraised will not encounter large-scale staff changes during its future operating period that would affect the normal production and business activities of the enterprise.

The valuation conclusions in the valuation report are valid on the valuation date under the aforementioned assumptions. When the aforementioned assumptions change significantly, the signing asset appraiser and the Valuer do not bear responsibility for different valuation conclusions as a result of changes in the assumptions.

Asset-based approach

As of the valuation date, the book value of the net assets of Chongqing Daming was RMB64,255,900 and the appraised net assets were RMB64,308,100, with the value increase amount being RMB52,200, and the value increase rate being 0.08%. See the table below:

Summary Table of Asset Valuation Results (asset-based approach)

<i>Unit of Amount: RMB ten thousand</i>				
Item	Book Value	Appraised value	Increase/ Decrease in Value	Value Increase Rate %
Current assets	5,363.49	5,363.49	—	—
Non-current assets	5,577.45	5,582.67	5.22	0.09
of which: Bond Investment	—	—	—	
Other Bond Investment	—	—	—	
Long-term Receivables	—	—	—	
Long-term Equity Investment	—	—	—	
Other Equity Instrument Investment	—	—	—	
Other non-current financial assets	—	—	—	
Investment property	—	—	—	
Fixed assets	39.12	44.34	5.22	13.34
Construction in progress	5,437.97	5,437.97	—	—
Productive biological assets	—	—	—	
Oil and gas assets	—	—	—	
Right-of-use assets	—	—	—	
Intangible assets	—	—	—	
Development expenditure	—	—	—	
Goodwill	—	—	—	
Long-term prepaid expenses	—	—	—	
Deferred tax assets	24.81	24.81	—	—
Other non-current assets	75.55	75.55	—	—
Total assets	10,940.94	10,946.16	5.22	0.05
Current Liabilities	4,515.35	4,515.35	—	—
Non-current Liabilities	—	—	—	
Total Liabilities	4,515.35	4,515.35	—	—
Net Assets (Owner's Equity)	6,425.59	6,430.81	5.22	0.08

Valuation results

The total equity value obtained from the asset-based approach valuation is RMB64,308,100, while the total equity value obtained from the income approach valuation is RMB65,413,000. The difference between the results of the two methods is RMB1,104,900, representing a difference of 1.72%. The reasons for the difference are as follows:

The technical rationale of the asset-based approach is to derive a valuation conclusion based on the enterprise's objectively existing assets and liabilities as of the valuation date, evaluated item by item. It indirectly assesses the fair market value of assets from the perspective of asset replacement cost. It determines the enterprise value from the perspective of the present value of the enterprise's assets, allowing report users to intuitively understand the value composition of the enterprise's existing assets.

The income approach valuation uses the expected returns of assets as the value standard. The valuation result of the income approach reflects the market value of a composite entity formed by multiple individual assets with complete production and operation capabilities, with its focus on the enterprise's future profitability.

The asset-based approach reflects the fair market value of assets from the perspective of asset replacement cost. Considering the circumstances of this valuation, the subject entity has provided detailed information on its assets and liabilities, and the appraiser has also collected external information sufficient for the asset-based approach, enabling a comprehensive assessment of the subject entity's assets and liabilities. Considering the subject entity, the purpose of the valuation, and the applicable value type, after comparative analysis, the subject entity belongs to the hot-rolled steel industry. The hot-rolled steel industry is influenced by multiple factors such as macroeconomics, steel prices, and supply-demand relationships, resulting in relatively strong profit volatility. Furthermore, as of the valuation date, the subject entity was in its initial construction phase and had not yet entered the operational period, making future revenue forecasts relatively subjective. Compared to general commercial enterprises, the hot-rolled steel industry is a typical heavy-asset industry, where intangible assets account for a relatively small proportion of the total enterprise value. The asset-based approach can avoid prediction errors associated with unstable earnings and can better reflect the current condition and replacement cost of the assets. Simultaneously, considering that the purpose of valuation is capital increase and share subscription, and the status of various assets within the valuation scope as of the valuation date is relatively clear and verifiable, the asset-based approach involves less subjective judgment in the valuation process compared to other methods, making the valuation results more objective and certain. Therefore, according to the valuation report, it is believed that, relative to the income approach, the asset-based approach better reflects the value of the subject assets for the purpose of the valuation and considering the reality of the enterprise's asset structure. Consequently, the valuation report adopts the valuation result from the asset-based approach as the valuation conclusion:

On the premise of going concern, the appraised total equity value of Chongqing Daming as of the valuation date of 30 June 2025, is RMB64,308,100.

Comparison of Valuation Conclusion with Book Value: Changes and Reasons

- (i) The total asset valuation for Chongqing Daming is RMB109,461,600, representing an increase of RMB52,200 or 0.05% compared to the book value. The analysis of the reasons for the increase is as follows:

Fixed Assets – Equipment category: Value increase amount is RMB52,200, value increase rate is 0.05%. The analysis of the reasons for increase is as follows:

1. The appreciation in the assessed original value of machinery and equipment is due to some equipment being recorded at second-hand prices. This valuation confirms the assessed original value based on the replacement cost as of the valuation date, which is higher than the recorded value; the enterprise's accounting depreciation period is shorter than the machinery and equipment's economic life, resulting in appreciation of the assessed net value.
 2. The decrease in vehicle replacement cost leads to a reduction in the assessed original value of vehicles; the vehicles were purchased in the same month as the valuation date, and the enterprise had not yet begun to accrue depreciation. The valuation considers the vehicle's economic useful life, accumulated mileage, and the inspected remaining useful life rate, leading to a reduction in the assessed net value.
 3. Rounding of the replacement cost for electronic equipment assessment leads to a slight appreciation in the assessed original value. For some equipment, considering that the economic useful life is longer than the enterprise's accounting depreciation period, this results in appreciation of the assessed net value.
- (ii) The book value of liabilities is RMB45,153,500, and the assessed value is RMB45,153,500, with no valuation increase or decrease.
- (iii) The assessed net asset value is RMB64,308,100, representing an appreciation of RMB52,200 or 0.08% compared to the book value.

* *for identification purpose only*

STRATEGIC COOPERATION

1. Daming Entered into Equipment Cooperation Agreement with Genertec Qiqihar No.2 Machine Tool

Daming entered into an equipment cooperation agreement on site with Genertec Qiqihar No.2 Machine Tool for fields including large-scale nuclear power, hydropower, and mining equipment. Both parties expressed that they are highly aligned in terms of equipment upgrade requirements and technical advantages, with broad space for cooperation in supply chain synergy, technical adaptation, and joint capacity building. They unanimously expressed the desire to make their respective contributions to promoting major engineering construction and the localization process of high-end equipment. Moving forward, both parties will accelerate the refinement of cooperation details and strive to put the equipment into production as early as possible, so as to better provide high-quality services to downstream clients.

2. Daming Entered into Equipment Procurement Agreement with Genertec Kunming Machine Tool

Leaders of Genertec Kunming Machine Tool visited Daming International and entered into an equipment cooperation agreement. Both parties will exert full efforts to promote the early implementation, commissioning, and full-capacity operation of the contracted equipment, thereby enhancing Daming's core competitiveness in the field of high-end equipment manufacturing.

Operating results

The Group recorded a net profit of approximately RMB34.0 million for the six months ended 30 June 2026 representing an increase of approximately 49.5% as compared with the net profit of approximately RMB22.8 million for the six months ended 30 June 2025.

The sales volume of our stainless steel processing business remained at approximately 996,000 tonnes for both of the six months ended 30 June 2026 and the six months ended 30 June 2025. The processing volume decreased from approximately 1,522,000 tonnes for the six months ended 30 June 2025 to approximately 1,512,000 tonnes for the six months ended 30 June 2026 representing a decrease of approximately 0.6%.

The sales volume of our carbon steel processing business decreased from approximately 2,391,000 tonnes for the six months ended 30 June 2025 to approximately 2,379,000 tonnes for the six months ended 30 June 2026 representing a decrease of approximately 0.5%. The processing volume increased from approximately 2,444,000 tonnes for the six months ended 30 June 2025 to approximately 2,503,000 tonnes for the six months ended 30 June 2026 representing an increase of approximately 2.4%.

The sales volume and processing volume of our processing centres for the six months ended 30 June 2026 and the corresponding period in 2025 were as follows:

Stainless steel

	Six months ended 30 June		
	2026	2025	
	<i>Tonnes</i>	<i>Tonnes</i>	<i>% change</i>
Sales volume			
Wuxi	409,965	416,567	-1.6%
Hangzhou	107,092	115,552	-7.3%
Tianjin	126,442	122,547	+3.2%
Taiyuan	69,144	75,177	-8.0%
Wuhan	61,608	58,664	+5.0%
Jingjiang	81,590	80,194	+1.7%
Shandong	95,464	92,297	+3.4%
Jiaxing	44,892	34,502	+30.1%
Total	996,197	995,500	+0.1%
Processing volume			
Wuxi	646,808	637,475	+1.5%
Hangzhou	137,463	144,082	-4.6%
Tianjin	118,757	124,865	-4.9%
Taiyuan	256,037	269,082	-4.8%
Wuhan	76,650	66,497	+15.3%
Jingjiang	139,732	134,115	+4.2%
Shandong	71,812	80,914	-11.2%
Jiaxing	64,846	64,739	+0.2%
Total	1,512,105	1,521,769	-0.6%

Carbon steel

	Six months ended 30 June		
	2026	2025	% change
	<i>tonnes</i>	<i>tonnes</i>	
Sales volume			
Wuxi	393,090	436,481	-9.9%
Hangzhou	31,249	25,705	+21.6%
Tianjin	287,111	287,630	-0.2%
Taiyuan	151,469	156,072	-2.9%
Wuhan	312,260	324,875	-3.9%
Jingjiang	439,310	449,573	-2.3%
Shandong	329,504	329,887	-0.1%
Jiaxing	357,482	378,364	-5.5%
Chongqing	77,398	2,155	+3,491.6%
Total	2,378,873	2,390,742	-0.5%
Processing volume			
Wuxi	366,638	365,590	+0.3%
Hangzhou	30,878	26,709	+15.6%
Tianjin	279,411	236,814	+18.0%
Taiyuan	198,994	224,173	-11.2%
Wuhan	322,159	389,393	-17.3%
Jingjiang	519,536	571,029	-9.0%
Shandong	314,098	292,621	+7.3%
Jiaxing	364,641	338,043	+7.9%
Chongqing	106,429	—	—
Total	2,502,784	2,444,372	+2.4%

FINANCIAL REVIEW AND ANALYSIS

During the six months ended 30 June 2026, we recorded a revenue of approximately RMB21,903 million, gross profit of approximately RMB560 million and profit attributable to equity holders of the Company of approximately RMB24 million. Total assets of the Group as at 30 June 2026 amounted to approximately RMB16,189 million while equity attributable to equity holders of the Company amounted to approximately RMB2,517 million.

Revenue

Our revenue for the six months ended 30 June 2026 amounted to approximately RMB21,903 million comprising approximately RMB21,193 million from our processing business and approximately RMB710 million from our manufacturing business. As compared with the revenue for the six months ended 30 June 2025 of approximately RMB21,198 million, it represented an increase of approximately 3.3%.

The sales volume of our stainless steel processing business increased from 995,500 tonnes for the six months ended 30 June 2025 to 996,197 tonnes for the six months ended 30 June 2026 representing an increase of approximately 0.1%. The sales volume of our carbon steel processing business decreased from 2,390,742 tonnes for the six months ended 30 June 2025 to 2,378,873 tonnes for the six months ended 30 June 2026 representing a decrease of approximately 0.5%.

The processing volume of our stainless steel processing business decreased from 1,521,769 tonnes for the six months ended 30 June 2025 to 1,512,105 tonnes for the six months ended 30 June 2026 representing a decrease of approximately 0.6%. The processing volume of our carbon steel processing business increased from 2,444,372 tonnes for the six months ended 30 June 2025 to 2,502,784 tonnes for the six months ended 30 June 2026 representing an increase of approximately 2.4%.

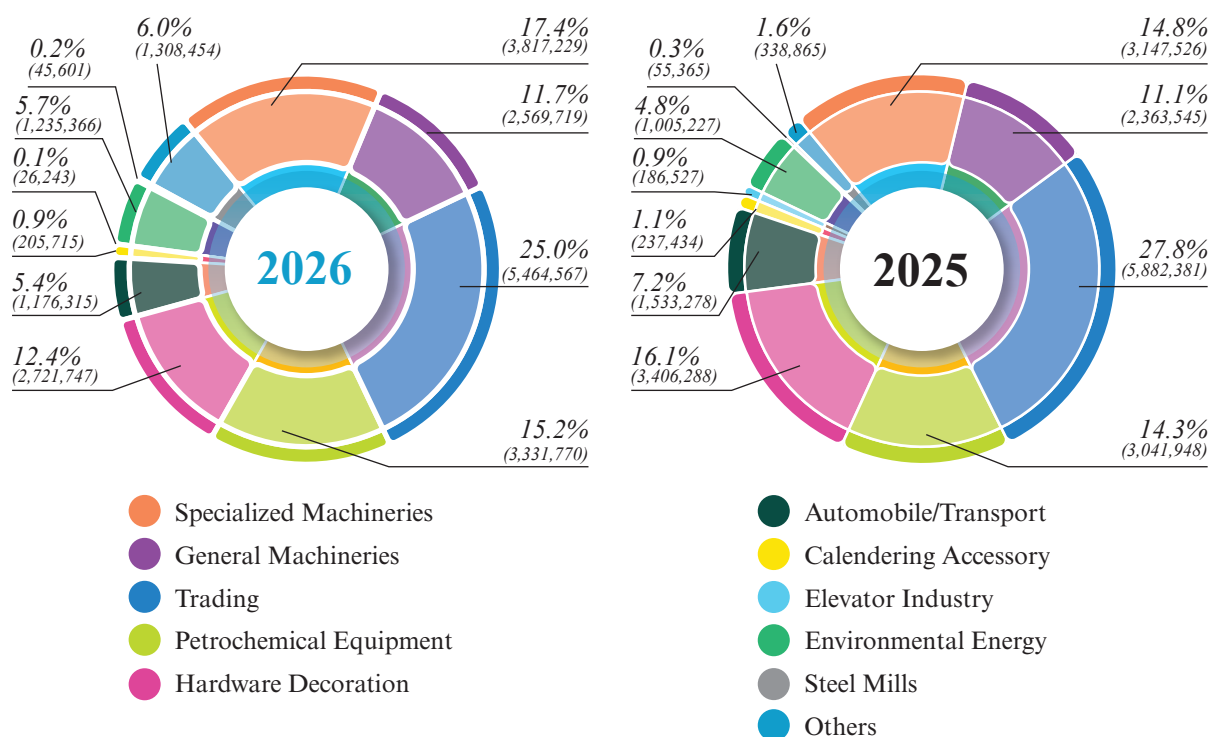
Analysis of revenue by key industry segments

During the six months ended 30 June 2026 and the corresponding period in 2025, our revenue by key industry segments were shown below:

Revenue

Industry	Six months ended 30 June			
	2026		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Specialized Machineries	3,817,229	17.4	3,147,526	14.8
General Machineries	2,569,719	11.7	2,363,545	11.1
Trading	5,464,567	25.0	5,882,381	27.8
Petrochemical Equipment	3,331,770	15.2	3,041,948	14.3
Hardware Decoration	2,721,747	12.4	3,406,288	16.1
Automobile/Transport	1,176,315	5.4	1,533,278	7.2
Calendering Accessory	205,715	0.9	237,434	1.1
Elevator Industry	26,243	0.1	186,527	0.9
Environmental Energy	1,235,366	5.7	1,005,227	4.8
Steel Mills	45,601	0.2	55,365	0.3
Others	1,308,454	6.0	338,865	1.6
Total	<u>21,902,726</u>	<u>100.0</u>	<u>21,198,384</u>	<u>100.0</u>

RMB'000

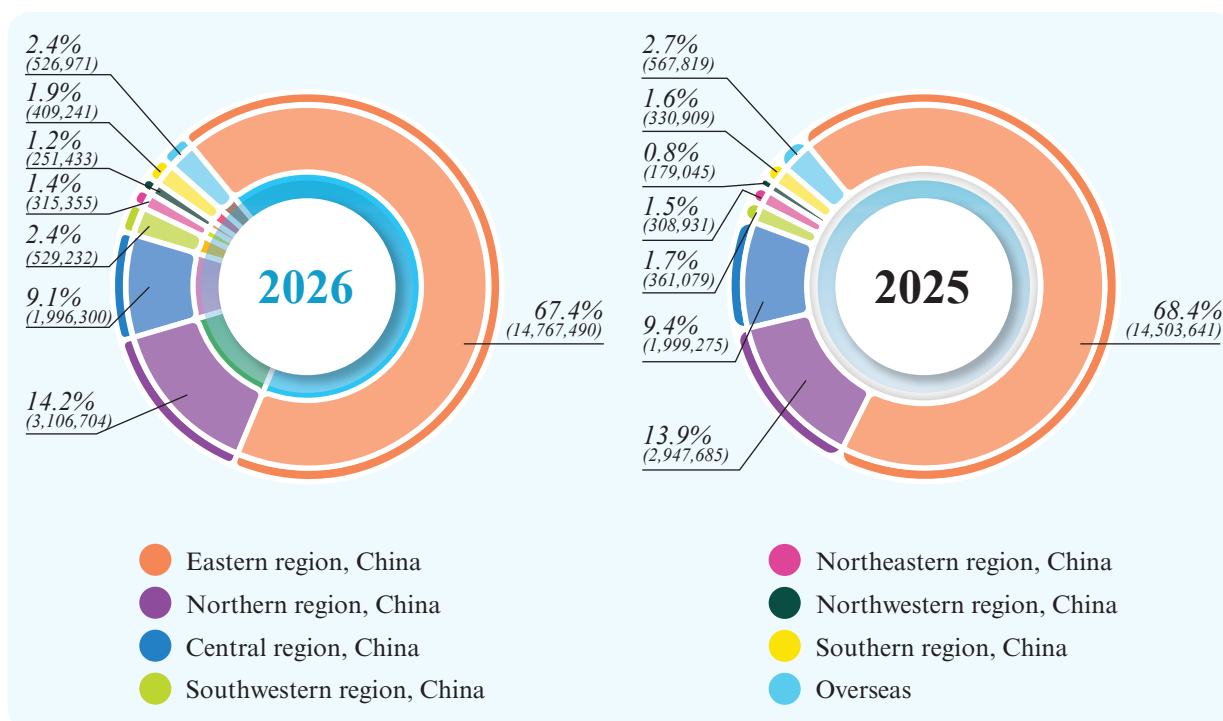


Analysis of revenue by geographical regions

During the six months ended 30 June 2026 and the corresponding period in 2025, our revenue by geographical regions were shown below:

Region	Six months ended 30 June			
	2026		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Eastern region, China	14,767,490	67.4	14,503,641	68.4
Northern region, China	3,106,704	14.2	2,947,685	13.9
Central region, China	1,996,300	9.1	1,999,275	9.4
Southwestern region, China	529,232	2.4	361,079	1.7
Northeastern region, China	315,355	1.4	308,931	1.5
Northwestern region, China	251,433	1.2	179,045	0.8
Southern region, China	409,241	1.9	330,909	1.6
Overseas	526,971	2.4	567,819	2.7
Total	<u>21,902,726</u>	<u>100.0</u>	<u>21,198,384</u>	<u>100.0</u>

RMB'000



Gross profit

Gross profit increased from approximately RMB553.7 million for the six months ended 30 June 2025 to approximately RMB559.5 million for the six months ended 30 June 2026 mainly due to the increase in revenue.

Other income

Other income decreased from approximately RMB9.9 million for the six months ended 30 June 2025 to approximately RMB8.4 million for the six months ended 30 June 2026 mainly due to the decrease in government grants received during the current period.

Distribution costs

Distribution costs increased from approximately RMB233.4 million for the six months ended 30 June 2025 to approximately RMB250.8 million for the six months ended 30 June 2026. Such increase was mainly due to the increase in transportation costs.

Administrative expenses

Administrative expenses decreased from approximately RMB184.6 million for the six months ended 30 June 2025 to approximately RMB154.1 million for the six months ended 30 June 2026. Such decrease was mainly due to the decrease in entertainment and travelling expenses.

Finance costs

Finance costs decreased from approximately RMB110.5 million for the six months ended 30 June 2025 to approximately RMB99.8 million for the six months ended 30 June 2026. Such decrease was mainly due to the decrease in interest expenses on bank borrowings.

Income tax expense

The income tax expense increased from approximately RMB10.8 million for the six months ended 30 June 2025 to approximately RMB19.7 million for the six months ended 30 June 2026 due to the increase in profit.

Profit for the period

The Group recorded a net profit of approximately RMB34.0 million for the six months ended 30 June 2026 as compared with a net profit of approximately RMB22.8 million for the six months ended 30 June 2025.

Foreign exchange risk management

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. However, the Group has certain trade receivables, restricted bank balances, cash and cash equivalents, trade payables, other payables and borrowings denominated in foreign currencies, mainly United States Dollar, Euro, Hong Kong Dollar and Japanese Yen, which are exposed to foreign currency translation risk.

The management will closely monitor the exchange rate fluctuations to ensure sufficient precautionary measures against any adverse impacts.

LIQUIDITY, CAPITAL STRUCTURE AND FINANCIAL RESOURCES

As at 30 June 2026, the borrowings of the Group amounted to approximately RMB10,416 million. Notes payable amounted to approximately RMB366 million while the bank balances were approximately RMB5,341 million of which approximately RMB5,147 million were restricted bank deposits for bank financing facilities for issuing letter of credit and notes payable.

As at 30 June 2026, the Group recorded a net current liabilities of approximately RMB1,446 million.

The gearing ratios as at 30 June 2026 and 31 December 2025 were 78.05% and 70.22% respectively. The ratios are calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents while total capital is calculated as total equity plus net debt.

EVENTS AFTER THE REPORTING PERIOD

From 30 June 2026 to the date of this announcement, there were no significant events after the reporting period which have material effect on the Group.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities.

CORPORATE GOVERNANCE

The Company is committed to ensuring high standards of corporate governance in enhancing shareholders' value and safeguarding interests of shareholders and other stakeholders.

The Company has complied with the Corporate Governance Code (the "CG Code") set out in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the six months ended 30 June 2026. The Company adopted the CG Code as its own code of corporate governance.

INTERIM DIVIDEND

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

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

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries during the six months ended 30 June 2026.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has discussed with the management and reviewed the unaudited interim results, including the unaudited condensed consolidated financial statements, of the Group for the six months ended 30 June 2026 and considered that the Company has complied with all applicable accounting standards and requirements.

INTERIM REPORT

The 2026 Interim Report will be dispatched to shareholders of the Company and will be available on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.dmscc.net) in due course.

By order of the Board of
Da Ming International Holdings Limited
Zhou Keming
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, the executive Directors are Mr. Zhou Keming (Chairman), Ms. Xu Xia, Mr. Zou Xiaoping, Mr. Liang Zongren and Mr. Ni Chen; the non-executive Directors are Mr. Lu Jian and Mr. Lu Gang; and the independent non-executive Directors are Mr. Cheuk Wa Pang, Mr. Hu Xuefa, Prof. Chen Xin and Mr. Wang Liuqi.