濰柴動力股份有限公司

WEICHAI POWER CO., LTD.

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

(Stock Code: 2338)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Revenue amounted to approximately RMB123,163 million, an increase of approximately 8.8%.
- Net profit attributable to the shareholders of the parent amounted to approximately RMB7,701 million, an increase of approximately 36.5%.
- Basic earnings per share was approximately RMB0.89, an increase of approximately 36.9%.

(Important notice: This announcement is published in Chinese and English versions. In case of inconsistency, the Chinese version shall prevail.)

The board of directors (the “Board”) of Weichai Power Co., Ltd. (the “Company”) is pleased to announce the reviewed consolidated financial statements of the Company and its subsidiaries (the “Group”) prepared in accordance with the China Accounting Standards for Business Enterprises for the six months ended 30 June 2026 (the “Period”), together with comparative figures for the corresponding period of 2025 as follows:

CONSOLIDATED INCOME STATEMENT

1 January to 30 June 2026
(Expressed in Renminbi Yuan)

	Notes	**From 1 January 2026 to 30 June 2026 (Unaudited)**	From 1 January 2025 to 30 June 2025 (Unaudited)
I. Revenue	*7*	**123,162,965,227.85**	113,151,788,107.77
Less: Cost of sales	*7*	**96,727,360,476.53**	88,055,161,052.54
Taxes and surcharges	*8*	**476,695,271.27**	401,358,207.70
Distribution and selling expenses		**6,027,105,903.94**	6,626,890,187.59
General and administrative expenses		**5,496,125,750.00**	6,780,853,695.84
Research & development expenses		**3,979,263,301.01**	4,135,379,959.96
Finance expenses/(income), net		**646,477,518.75**	(468,822,610.78)
Incl: Interest expenses		**1,627,520,323.96**	1,852,072,397.41
Interest income		**1,745,997,257.34**	1,772,204,867.60
Add: Other income		**403,377,570.68**	828,247,949.63
Investment income		**1,513,651,767.35**	230,833,785.96
Incl: Investment income/(loss) from associates and joint ventures		**112,702,164.09**	(42,299,619.26)
Profit/(loss) on change of fair value		**233,804,522.88**	(308,292,117.67)
Impairment loss of credit		**(247,938,717.82)**	(317,412,298.56)
Impairment loss of assets		**(557,992,978.09)**	(786,848,692.38)
Gain on disposal of assets		**15,083,661.74**	23,779,654.48
II. Operating profit		**11,169,922,833.09**	7,291,275,896.38
Add: Non-operating income		**281,161,301.43**	164,315,308.25
Less: Non-operating expenses		**75,951,968.04**	65,200,268.30
III. Total profit		**11,375,132,166.48**	7,390,390,936.33
Less: Income tax expenses	*9*	**1,835,590,782.01**	826,907,570.00
IV. Net profit		**9,539,541,384.47**	6,563,483,366.33
(I) Breakdown by continuity of operations:			
1. Net profit from continuing operations		**9,539,541,384.47**	6,563,483,366.33
(II) Breakdown by attributable interests:			
1. Net profit attributable to shareholders of the parent		**7,701,265,423.95**	5,643,452,988.90
2. Minority interests		**1,838,275,960.52**	920,030,377.43

	Notes	From 1 January 2026 to 30 June 2026 (Unaudited)	From 1 January 2025 to 30 June 2025 (Unaudited)
V. Net other comprehensive income after tax		**(2,135,964,369.38)**	1,347,313,266.87
Net other comprehensive income attributable to shareholders of the parent after tax	*11*	**(1,573,099,517.98)**	217,532,630.64
(I) Those other comprehensive income not to be reclassified into profit or loss			
1. Changes arising from re-measuring of defined benefit plan		**90,558,483.44**	180,053,188.51
2. Other comprehensive income not to be reclassified into profit or loss using the equity method		**(8,457,181.02)**	(897,703.12)
3. Change in fair value of investment in other equity instruments		**(1,506,539,335.52)**	(96,951,935.06)
(II) Those other comprehensive income to be reclassified into profit or loss			
1. Other comprehensive income to be reclassified into profit or loss using the equity method		**44,301,734.18**	3,260,943.90
2. Cashflow hedging reserve		**7,299,233.24**	49,226,233.54
3. Exchange differences on foreign currency translation		**(200,262,452.30)**	82,841,902.87
Net other comprehensive income attributable to minority interests after tax		**(562,864,851.40)**	1,129,780,636.23
VI. Total comprehensive income		**7,403,577,015.09**	7,910,796,633.20
Total comprehensive income attributable to the shareholders of the parent		**6,128,165,905.97**	5,860,985,619.54
Total comprehensive income attributable to minority interests		**1,275,411,109.12**	2,049,811,013.66
VII. Earnings per share	*10*		
(I) Basic earnings per share		**0.89**	0.65
(II) Diluted earnings per share		**0.89**	0.65

CONSOLIDATED BALANCE SHEET

30 June 2026
(Expressed in Renminbi Yuan)

Assets	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Current assets			
Cash at bank and on hand		**77,543,045,480.91**	68,712,656,654.45
Incl.: Amount deposited in financial institution		**35,670,344,586.74**	28,550,885,836.09
Financial assets held for trading		**15,604,437,362.71**	14,791,671,486.18
Notes receivable	*3*	**458,741,475.85**	628,664,506.91
Accounts receivable	*4*	**40,745,049,405.70**	34,355,085,460.01
Receivable financing		**13,158,489,411.15**	15,521,610,222.50
Prepayments		**1,780,162,788.62**	1,645,311,135.28
Other receivables		**1,702,402,273.56**	1,412,445,050.01
Inventories		**39,289,668,633.96**	35,235,655,086.13
Contract assets		**3,215,252,509.34**	2,314,409,992.10
Assets held for sale		**269,241.92**	348,027.65
Non-current assets due within one year		**6,373,961,875.60**	6,482,104,401.50
Other current assets		**5,604,918,457.21**	5,423,936,062.81
Total current assets		**205,476,398,916.53**	186,523,898,085.53
Non-current assets			
Long-term receivables		**19,015,063,317.30**	19,349,156,912.39
Long-term equity investments		**5,956,348,096.14**	5,435,158,558.53
Investment in other equity instruments		**6,488,620,913.60**	8,276,069,148.55
Other non-current financial assets		**460,122,046.01**	314,744,339.00
Investment property		**461,569,171.25**	651,742,247.17
Fixed assets		**52,586,041,145.06**	53,670,234,544.94
Construction in progress		**4,425,156,183.23**	4,668,142,790.84
Right-of-use assets		**6,109,417,540.22**	6,372,720,088.15
Intangible assets		**20,595,987,855.10**	22,063,340,288.62
Development expenditure		**424,062,002.74**	274,837,160.72
Goodwill		**24,280,646,962.61**	25,268,780,487.65
Long-term prepaid expenses		**331,080,147.34**	326,118,985.38
Deferred tax assets		**5,762,359,387.58**	5,690,820,620.89
Other non-current assets		**27,790,718,482.43**	28,589,832,415.30
Total non-current assets		**174,687,193,250.61**	180,951,698,588.13
Total assets		**380,163,592,167.14**	367,475,596,673.66

Liabilities and shareholders' equity	*Notes*	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Current liabilities			
Short-term loans		**1,545,637,157.55**	2,872,538,288.49
Financial liabilities held for trading		**219,560,584.69**	151,104,954.00
Notes payable	*5*	**44,200,653,180.86**	36,120,055,432.40
Accounts payable	*6*	**73,921,815,506.23**	68,036,629,987.10
Contract liabilities		**15,370,466,479.52**	13,064,065,942.59
Payroll payable		**6,986,237,287.16**	8,232,633,056.43
Taxes payable		**2,344,935,708.99**	2,673,737,210.27
Other payables		**10,152,204,534.10**	8,359,226,336.57
Non-current liabilities due within one year		**10,745,372,343.21**	13,042,068,173.43
Other current liabilities		**9,393,825,324.55**	8,982,176,956.98
Total current liabilities		**174,880,708,106.86**	161,534,236,338.26
Non-current liabilities			
Long-term borrowings		**9,805,151,550.56**	11,052,401,055.89
Bonds payable		**10,414,679,144.10**	7,195,545,766.50
Lease liabilities		**5,129,534,008.49**	5,346,222,316.27
Long-term payables		**10,529,071,637.80**	11,548,169,161.00
Long-term payroll payable		**6,031,938,264.16**	7,261,829,705.52
Accruals and provisions		**1,034,363,884.71**	1,054,419,352.35
Deferred income		**4,325,181,755.07**	4,494,450,726.98
Deferred tax liabilities		**3,211,824,250.05**	3,598,808,891.19
Other non-current liabilities		**19,800,493,415.22**	23,327,497,641.82
Total non-current liabilities		**70,282,237,910.16**	74,879,344,617.52
Total liabilities		**245,162,946,017.02**	236,413,580,955.78
Shareholders' equity			
Share capital		**8,662,144,621.00**	8,713,581,296.00
Capital reserve		**11,083,561,209.11**	11,777,569,431.25
Less: Treasury shares		**280,584,524.44**	1,049,495,352.37
Other comprehensive income	*11*	**2,737,747,604.74**	4,310,847,122.72
Special reserve		**205,375,067.32**	214,107,389.19
Surplus reserve		**5,425,893,134.46**	5,425,893,134.46
Retained earnings		**68,267,531,409.47**	63,797,708,497.77
Total equity attributable to the shareholders of the parent		**96,101,668,521.66**	93,190,211,519.02
Minority interests		**38,898,977,628.46**	37,871,804,198.86
Total shareholders' equity		**135,000,646,150.12**	131,062,015,717.88
Total liabilities and shareholders' equity		**380,163,592,167.14**	367,475,596,673.66

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2026

1. SIGNIFICANT ACCOUNTING POLICIES

a. Preparation Basis of the Financial Statements

Preparation basis

These interim financial statements have been prepared in accordance with Accounting Standards for Business Enterprises – No. 32 Interim Financial Reporting issued by the Ministry of Finance.

In addition, the Group also disclosed relevant financial information in accordance with relevant disclosure requirements of Compilation Rules No. 15 for Information Disclosure by Companies Offering Securities to the Public – General Requirements for Financial Reporting (2023 Revision) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These interim financial statements include selected explanatory notes, which are provided for easy understanding of the Group's important events and transactions leading to its financial position and change of results of operations since the financial statements for the year 2025. These selected notes do not include all information and disclosures required under the Accounting Standards for Business Enterprises for a full set of financial statements. As such, these statements shall be read in conjunction with the financial statements of the Group for the year 2025.

Continuing operations

The interim financial statements are presented on a going concern basis.

Basis of book-keeping and principle of measurement

The Group adopts the accrual basis as the basis of book-keeping in accounting. Other than certain financial instruments, these financial statements have been prepared at historical costs. A disposal group held-for-sale is carried at the lower of carrying amount or the net value of fair value less selling expenses. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant provisions.

Under historical cost method, the amount of assets was measured at the fair value of cash or cash equivalents or consideration paid at the time of purchase. Liabilities were measured at the amount of money or assets due to the current obligations actually received, or a present obligation of the contract amount, or the measurement of cash or cash equivalents in accordance with daily activities to repay the liabilities of the amount expected to be paid.

The fair value refers to the amount, at which both willing parties engaged to an orderly transaction who are familiar with the condition sell their assets or transfer their liabilities. Whether the fair value is observable or measured by valuation techniques, the measurement and disclosure of the fair value in these financial statements were all based on it.

For financial assets with transaction prices as the fair value upon initial recognition and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals to the transaction price.

Fair value measurements are categorised into three levels based on the degree to which the inputs of the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs for the asset or liability.

b. The accounting treatment of business combinations involving enterprises under common control and business combinations involving enterprises not under common control

Business combinations include business combinations involving enterprises under common control and business combinations involving enterprises not under common control.

Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities that are obtained in a business combination shall be measured at the carrying amounts on the financial statements of the acquiree as at the combination date. The difference between the share of the carrying amount of the net assets obtained by the acquirer and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) shall be adjusted to share premium under capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess is offset with the surplus reserve and then the retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss when incurred.

Business combinations involving enterprises not under common control and goodwill

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

Combination cost refers to the fair value of assets paid, liabilities incurred or assumed and equity instruments issued by the acquirer for acquiring control of the acquiree. For business combinations of enterprises not under common control achieved in stages through multiple transactions, the combination cost shall be the sum of the consideration paid on the date of acquisition and the fair value, as at the date of acquisition, of the equity interests in the acquiree held prior to the date of acquisition.

The fees paid to intermediaries including audit, legal services, appraisal and so forth and other related administrative expenses incurred by the acquirer for the business combination are charged to profit or loss for the current period when incurred.

The identifiable assets, liabilities and contingent liabilities of acquiree qualifying for the conditions of recognition acquired by the acquirer in the business combination are measured at fair value on the date of acquisition. When the business combination contract provides that, upon the occurrence of multiple future contingencies, the acquirer shall require the return of consideration paid for the business combination, such contingent consideration as set out in the contract shall be recognised as an asset by the Group as a part of the aggregate consideration transferred in the business combination, and be included in the cost of combination at the fair value at the date of acquisition. Within twelve months after the acquisition, if the contingent consideration needs to be adjusted as new or further evidences are obtained in respect of circumstances existed as of the date of acquisition, the amount previously included in the goodwill shall be adjusted. A change in or adjustment to the contingent consideration under other circumstances shall be measured in accordance with Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No. 13 – Contingencies. Any change or adjustment is included in profit or loss for the current period.

Where the combination cost is larger than the portion of fair value of net identifiable assets of acquiree acquired in the business combination, the difference is recognised as goodwill as an asset, and initially measured at cost after considering the related deferred income tax effect. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in the business combination, re-verification is first carried out on the measurement of the fair value of all identifiable assets, liabilities and contingent liabilities as well as the combination cost. For those with combination cost lower than the portion of fair value of net identifiable assets of acquiree acquired in the business combination after re-verification, they are charged to profit or loss for the current period.

If either the fair values of identifiable assets, liabilities and contingent liabilities acquired in a combination or the cost of business combination can be determined only provisionally by the end of the period in which the business combination was effected, the acquirer recognises and measures the combination using those provisional values. Any adjustments to those provisional values within 12 months after the acquisition date are treated as if they had been recognised and measured on the acquisition date.

Goodwill arising from the business combination shall be recognised separately in the consolidated financial statements and measured at cost less accumulated impairment losses.

c. Judgment criteria for control and basis for preparation of consolidated financial statements

The consolidation scope of consolidated financial statements is determined on the basis of control. Control refers to the power of an investor over an investee, and exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of its returns. Once the relevant facts and situation which alters the elements that define control change, the Group shall perform re-evaluation.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the date of acquisition (the date when the control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

The effect of all intra-group transactions between the Company and its subsidiaries and among subsidiaries on the consolidated financial statements is eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries attributable to minority interests is presented as "minority interests" in the consolidated income statement below the net profit line item.

Where the amount of losses of a subsidiary attributable to the minority shareholders exceeds their share of the opening balance of owner's equity of the subsidiary, the excess shall be allocated against minority interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as an equity transaction. The carrying amounts of the interests attributable to the parent and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

2. SEGMENT REPORTING

Operating segments

The Group organises and manages its operating business in accordance with the nature of business and provision of products and services. Each operating segment of the Group is one operating group, providing products and services with risks and rewards different from those of other operating segments.

The details of operating segments are as follows:

(a) manufacturing and sale of engines and related parts ("Engines");

(b) manufacturing and sale of automobiles and automobile components other than Engines ("Automobiles and automobile components");

(c) forklift trucks production, warehousing technology and intelligent automation solution services ("Intelligent logistics");

(d) manufacturing and sale of agricultural equipment (complete machineries), agricultural machineries, agricultural vehicles and related parts ("Agricultural equipment").

Management monitors the results of operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reported segment profit, which is a measure of adjusted total profits. The adjusted total profits are measured consistently with the Group's total profits, except that finance expenses, investment income, profit or loss on change of fair value as well as other unallocated income or expense are excluded from such measurement.

Segment assets exclude cash and bank, derivative instruments, dividends receivable, interests receivable, investment in other equity instruments, deferred tax assets and other unallocated head office assets.

Segment liabilities exclude derivative instruments, borrowings, income tax payable, deferred tax liabilities and other unallocated head office liabilities.

Inter-segment transfers are transacted with reference to the prices used in the transactions carried out with third parties.

Item	Engines	Automobiles and automobile components	Agricultural equipment	Intelligent logistics	Inter-segment elimination	Total
Incurred during this period						
Segment revenue:						
Sale to external customers	31,215,057,433.85	35,399,285,780.65	10,865,064,764.41	45,683,557,248.94	–	123,162,965,227.85
Inter-segment sale	6,094,714,274.50	974,460,378.59	268,345,481.54	–	(7,337,520,134.63)	–
Total	37,309,771,708.35	36,373,746,159.24	11,133,410,245.95	45,683,557,248.94	(7,337,520,134.63)	123,162,965,227.85
Segment results	5,437,489,437.11	1,402,820,980.94	696,443,417.73	3,009,555,628.40	(477,365,402.57)	10,068,944,061.61
Adjustment:						
Interest income	–	–	–	–	–	1,745,997,257.34
Dividend income and unallocated income	–	–	–	–	–	2,028,617,591.66
Corporate and other unallocated expenses	–	–	–	–	–	(75,951,968.04)
Finance expenses	–	–	–	–	–	(2,392,474,776.09)
Profit before tax	–	–	–	–	–	11,375,132,166.48
30 June 2026						
Segment assets	70,858,720,288.59	59,673,475,424.39	12,323,821,050.76	127,442,835,765.63	(22,547,994,386.27)	247,750,858,143.10
Adjustment:						
Corporate and other unallocated assets	–	–	–	–	–	132,412,734,024.04
Total assets	–	–	–	–	–	380,163,592,167.14
Segment liabilities	50,554,460,210.31	76,125,194,520.61	16,470,379,904.85	72,007,595,733.70	(7,522,071,636.17)	207,635,558,733.30
Adjustment:						
Corporate and other unallocated liabilities	–	–	–	–	–	37,527,387,283.72
Total liabilities	–	–	–	–	–	245,162,946,017.02
Incurred in this period						
Other segment information:						
Share of profit and loss from:						
Gain/(loss) from associates and joint ventures	24,859,623.56	46,868,709.68	(2,220,970.35)	43,194,801.20	–	112,702,164.09
Loss of impairment of inventories	(139,283,961.88)	(268,206,494.67)	(19,238,544.11)	(114,364,538.35)	–	(541,093,539.01)
Loss of credit impairment of receivables and lease receivable	(86,781,502.21)	(25,354,526.42)	(33,066,055.39)	(102,736,633.80)	–	(247,938,717.82)
Loss of impairment of assets	–	(2,991,968.63)	–	(13,907,470.45)	–	(16,899,439.08)
Depreciation and amortisation	(1,146,526,979.68)	(732,376,509.96)	(184,340,032.30)	(4,838,943,195.75)	–	(6,902,186,717.69)
(Loss)/gain from disposal of fixed assets	(1,477,282.02)	(4,287,802.72)	2,866,332.98	17,982,413.50	–	15,083,661.74
Investment in associates and joint ventures	3,241,277,811.02	1,455,124,997.88	10,071,742.62	1,249,873,544.62	–	5,956,348,096.14
Capital expenditure	1,231,777,259.91	680,993,209.71	136,982,977.48	6,048,804,895.60	–	8,098,558,342.70

Item	Engines	Automobiles and automobile components	Agricultural equipment	Intelligent logistics	Inter-segment elimination	Total
Incurred in the previous period						
Segment revenue:						
Sale to external customers	25,704,534,833.02	33,966,054,559.84	10,298,632,782.46	43,182,565,932.45	–	113,151,788,107.77
Inter-segment sale	6,767,081,665.24	1,046,825,546.94	175,390,411.97	–	(7,989,297,624.15)	–
Total	32,471,616,498.26	35,012,880,106.78	10,474,023,194.43	43,182,565,932.45	(7,989,297,624.15)	113,151,788,107.77
Segment results	5,554,652,138.03	252,210,375.95	538,131,650.37	960,169,815.11	(405,252,362.15)	6,899,911,617.31
Adjustment:						
Interest income						1,772,204,867.60
Dividend income and unallocated income						86,856,976.54
Corporate and other unallocated expenses						(65,200,268.30)
Finance expenses						(1,303,382,256.82)
Profit before tax						7,390,390,936.33
31 December 2025						
Segment assets	84,651,318,270.51	57,169,449,537.18	11,184,476,574.70	129,255,303,675.94	(40,161,239,185.09)	242,099,308,873.24
Adjustment:						
Corporate and other unallocated assets	–	–	–	–	–	125,376,287,800.42
Total assets	–	–	–	–	–	367,475,596,673.66
Segment liabilities	43,672,187,028.43	67,388,679,345.47	16,799,617,149.98	77,645,101,079.00	(8,095,966,844.65)	197,409,617,758.23
Adjustment:						
Corporate and other unallocated liabilities	–	–	–	–	–	39,003,963,197.55
Total liabilities	–	–	–	–	–	236,413,580,955.78
Incurred in the previous period						
Other segment information:						
Share of profit and loss from:						
(Loss)/gain from associates and joint ventures	(3,227,309.70)	(69,917,932.07)	(19,196,433.49)	50,042,056.00	–	(42,299,619.26)
Gain/(loss) of impairment of inventories	(39,768,702.75)	(548,860,203.68)	(5,399,355.60)	(182,431,700.45)	–	(776,459,962.48)
Loss of credit impairment of receivables and lease receivable	(86,708,050.30)	(77,956,127.34)	(34,174,861.02)	(118,573,259.90)	–	(317,412,298.56)
Loss of impairment of assets	–	(8,448.85)	–	(10,380,281.05)	–	(10,388,729.90)
Depreciation and amortisation	(1,006,371,167.71)	(784,017,950.87)	(142,426,440.72)	(4,778,259,890.10)	–	(6,711,075,449.40)
Gain/(loss) from disposal of fixed assets	4,338,494.15	273,655.09	(74,609.36)	19,242,114.60	–	23,779,654.48
Investment in associates and joint ventures	3,157,894,617.37	1,543,646,555.14	18,260,608.26	988,531,403.75	–	5,708,333,184.52
Capital expenditure	1,773,149,194.07	712,439,102.49	729,678,804.31	5,889,356,460.00	–	9,104,623,560.87

Group information

Information about products and services

Revenue from external transactions

Item	**From 1 January 2026 to 30 June 2026**	From 1 January 2025 to 30 June 2025
Powertrain, complete vehicles and machinery and key components	**51,631,319,353.99**	47,932,214,952.35
Other components	**8,234,266,247.54**	6,742,026,300.63
Intelligent logistics	**45,683,557,248.94**	43,182,565,932.45
Agricultural equipment	**10,865,064,764.41**	10,298,632,782.46
Others	**6,748,757,612.97**	4,996,348,139.88
Total	**123,162,965,227.85**	113,151,788,107.77

Geographic information

Revenue from external transactions

Item	**From 1 January 2026 to 30 June 2026**	From 1 January 2025 to 30 June 2025
Chinese Mainland	**60,167,389,855.21**	55,660,427,411.05
Other countries and regions	**62,995,575,372.64**	57,491,360,696.72
Total	**123,162,965,227.85**	113,151,788,107.77

Revenue from external transactions is attributable to the areas where customers are located.

Total non-current assets

Item	**30 June 2026**	31 December 2025
Chinese Mainland	**35,005,877,392.30**	34,904,897,928.44
Other countries and regions	**81,260,826,087.81**	84,925,292,748.68
Total	**116,266,703,480.11**	119,830,190,677.12

Non-current assets are attributable to the areas where the assets are located, excluding lease receivables, financial assets and deferred tax assets.

3. NOTES RECEIVABLE

(1) Classification of notes receivable

Item	30 June 2026	31 December 2025
Bank acceptance bills	**2,513,170.45**	660,000.00
Commercial acceptance bills	**456,458,590.10**	628,099,806.91
Subtotal	**458,971,760.55**	628,759,806.91
Less: Provision for bad debts	**230,284.70**	95,300.00
Total	**458,741,475.85**	628,664,506.91

All of the above notes receivable are due within one year.

(2) As at 30 June 2026, the Group had no pledged notes receivable (31 December 2025: Nil).

(3) As at 30 June 2026, the Group's notes receivable that have been endorsed or discounted and were not yet due at the balance sheet date:

	30 June 2026		31 December 2025	
	Derecognised	**Not derecognised**	Derecognised	Not derecognised
Bank acceptance bills	**–**	**2,443,000.00**	–	660,000.00
Commercial acceptance bills	**–**	**393,399,372.00**	–	564,836,500.00

As at 30 June 2026, the Group had not transferred any notes into accounts receivable due to issuers' failure in performance (31 December 2025: Nil).

As the Group considered that the credit rating of the bank acceptance bills was relatively high and the credit quality of acceptors of all commercial acceptance bills held by it was good, there was no significant credit risk or material losses due to a default by the bank.

4. ACCOUNTS RECEIVABLE

The Group trades with its customers primarily on credit terms, and generally requires prepayments or cash on delivery for new customers. Credit period for credit customers is generally one to twelve months. Accounts receivable is non-interest bearing.

(1) An aging analysis of accounts receivable based on invoice dates is presented as follows:

Age	30 June 2026	31 December 2025
Within 1 year	**39,079,085,647.18**	32,364,776,568.32
1 to 2 years	**2,836,153,230.68**	2,972,293,629.50
2 to 3 years	**368,012,101.80**	356,681,812.40
Over 3 years	**2,001,504,371.42**	2,027,346,765.69
Sub-total	**44,284,755,351.08**	37,721,098,775.91
Less: Provision for bad debts	**3,539,705,945.38**	3,366,013,315.90
Total	**40,745,049,405.70**	34,355,085,460.01

(2) Disclosure of accounts receivable by category of provision for bad debts

	30 June 2026				
	Gross carrying amount		Provision for bad debts		Carrying amount
Category	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Provision for bad debts on an individual basis	4,451,334,431.50	10.05	2,070,450,808.82	46.51	2,380,883,622.68
Provision for bad debts on a collective basis	39,833,420,919.58	89.95	1,469,255,136.56	3.69	38,364,165,783.02
– credit losses are provided for using impairment matrix based on aging analysis	19,407,195,245.39	43.82	1,241,150,991.12	6.40	18,166,044,254.27
– credit losses are provided for using overdue ages as credit risk characteristics	14,140,805,054.26	31.93	135,343,592.46	0.96	14,005,461,461.80
– accounts receivable portfolio with good credit history	6,285,420,619.93	14.20	92,760,552.98	1.48	6,192,660,066.95
Total	44,284,755,351.08	100.00	3,539,705,945.38	7.99	40,745,049,405.70

Category	31 December 2025				
	Gross carrying amount		Provision for bad debts		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Provision for bad debts on an individual basis	4,043,996,945.38	10.72	1,936,851,186.85	47.89	2,107,145,758.53
Provision for bad debts on a collective basis	33,677,101,830.53	89.28	1,429,162,129.05	4.24	32,247,939,701.48
– credit losses are provided for using impairment matrix based on aging analysis	15,771,233,331.77	41.81	1,233,135,784.30	7.82	14,538,097,547.47
– credit losses are provided for using overdue ages as credit risk characteristics	13,615,462,965.63	36.10	136,045,830.24	1.00	13,479,417,135.39
– accounts receivable portfolio with good credit history	4,290,405,533.13	11.37	59,980,514.51	1.40	4,230,425,018.62
Total	37,721,098,775.91	100.00	3,366,013,315.90	8.92	34,355,085,460.01

(a) As at 30 June 2026, the Group's accounts receivable assessed for expected credit losses individually are presented as follows:

Customer	**Gross carrying amount**	**Provision for bad debts**	**Percentage of provision** (%)	**Reasons**
Customer 1	269,336,019.91	16,083,437.96	5.97	Provision for maximum risk exposure
Customer 2	210,323,669.61	183,408,527.53	87.20	Bad repayment ability
Customer 3	185,471,272.15	181,937,286.50	98.09	Bad repayment ability
Customer 4	146,663,818.76	25,666,168.28	17.50	Risk category
Customer 5	111,028,396.88	111,028,396.88	100.00	Bad repayment ability
Customer 6	79,809,465.51	9,347,142.02	11.71	Risk category
Customer 7	75,871,191.17	75,871,191.17	100.00	Bad repayment ability
Customer 8	71,263,504.30	35,659,102.59	50.04	Bad repayment ability
Customer 9	56,927,140.00	56,927,140.00	100.00	Long credit age
Others	3,244,639,953.21	1,374,522,415.89	42.36	Long credit age, etc.
Total	4,451,334,431.50	2,070,450,808.82	46.51	

(b) As at 30 June 2026, the Group's accounts receivable for which credit losses are provided for using impairment matrix based on aging analysis are presented as follows:

	30 June 2026		
Age	**Gross carrying amount**	**Lifetime expected credit loss**	**Expected credit loss rate** *(%)*
Within 1 year	**16,870,440,477.23**	**471,064,482.23**	**2.79**
1 to 2 years	**1,990,873,291.20**	**316,020,472.66**	**15.87**
2 to 3 years	**125,872,210.89**	**46,442,219.41**	**36.90**
3 to 4 years	**33,243,880.09**	**22,793,081.95**	**68.56**
4 to 5 years	**31,254,834.65**	**29,310,630.54**	**93.78**
Over 5 years	**355,510,551.33**	**355,520,104.33**	**100.00**
Total	**19,407,195,245.39**	**1,241,150,991.12**	**6.40**

(c) As at 30 June 2026, the Group's accounts receivable for which credit losses are provided for using overdue ages as credit risk characteristics are presented as follows:

	30 June 2026		
Overdue ages	**Gross carrying amount**	**Lifetime expected credit loss**	**Expected credit loss rate** *(%)*
Not yet overdue or overdue for less than 90 days	**13,200,938,681.39**	**83,925,230.87**	**0.64**
Overdue for more than 90 days but less than 180 days	**486,115,858.02**	**20,542,074.22**	**4.23**
Overdue for more than 180 days	**453,750,514.85**	**30,876,287.37**	**6.80**
Total	**14,140,805,054.26**	**135,343,592.46**	**0.96**

(d) As at 30 June 2026, provisions for credit losses for the Group's accounts receivable portfolio with good credit history are presented as follows:

	30 June 2026		
Item	**Gross carrying amount**	**Lifetime expected credit loss**	**Expected credit loss rate** *(%)*
Accounts receivable portfolio with good credit history	**6,285,420,619.93**	**92,760,552.98**	**1.48**

(3) Movements in provision for bad debts:

Provision for bad debts	Lifetime expected credit loss (without impairment of credit)	Lifetime expected credit loss (with impairment of credit)	Total
Balance as at 31 December 2025	**1,429,162,129.05**	**1,936,851,186.85**	**3,366,013,315.90**
– Transferred to receivables with impairment of credit	**(13,801,401.97)**	**13,801,401.97**	**–**
Provision for the period	**269,611,366.26**	**217,317,196.04**	**486,928,562.30**
Reversal during the period	**(209,567,920.80)**	**(29,524,252.72)**	**(239,092,173.52)**
Other increases	**3,705,163.43**	**–**	**3,705,163.43**
Adjustment for exchange differences	**(9,854,199.41)**	**(67,994,723.32)**	**(77,848,922.73)**
Balance as at 30 June 2026	**1,469,255,136.56**	**2,070,450,808.82**	**3,539,705,945.38**

(4) As at 30 June 2026, the top five balances in respect of accounts receivable by closing balance are presented as follows:

Name of entity	Gross carrying amount of accounts receivable	Gross carrying amount of contract assets	Proportion *(%)*	Provision for credit losses
First place	**1,934,952,319.56**	**972,453,119.32**	**6.12**	**–**
Second place	**1,471,734,815.12**	**–**	**3.10**	**22,069,311.23**
Third place	**1,265,843,717.33**	**–**	**2.66**	**5,025,575.71**
Fourth place	**1,160,056,834.80**	**–**	**2.44**	**16,820,744.36**
Fifth place	**669,325,828.99**	**–**	**1.41**	**106,958,267.47**
Total	**6,501,913,515.80**	**972,453,119.32**	**15.73**	**150,873,898.77**

As at 30 June 2026, the Group had no restricted accounts receivable (31 December 2025: Nil).

5. NOTES PAYABLE

Item	**30 June 2026**	31 December 2025
Bank acceptance bills	**43,467,120,147.37**	35,123,091,326.42
Commercial acceptance bills	**65,197,599.57**	15,442,455.62
Acceptance bills of finance companies	**668,335,433.92**	981,521,650.36
Total	**44,200,653,180.86**	36,120,055,432.40

As at 30 June 2026, the Group had no outstanding notes payable which were due (31 December 2025: Nil).

6. ACCOUNTS PAYABLE

An aging analysis of accounts payable based on billing dates is presented as follows:

Item	**30 June 2026**	31 December 2025
Within 1 year	**72,665,559,515.53**	66,421,430,898.58
Over 1 year	**1,256,255,990.70**	1,615,199,088.52
Total	**73,921,815,506.23**	68,036,629,987.10

Accounts payable are non-interest bearing, and are generally settled within three to six months.

As at 30 June 2026, there was no accounts payable which was material and aged over one year (31 December 2025: Nil).

7. REVENUE AND COST OF SALES

(1) Revenue and cost of sales

Item	**1 January 2026 to 30 June 2026**		1 January 2025 to 30 June 2025	
	Revenue	**Cost**	Revenue	Cost
Principal operations	**121,951,916,186.88**	**95,924,042,141.35**	112,331,489,788.30	87,574,844,769.52
Other operations	**1,211,049,040.97**	**803,318,335.18**	820,298,319.47	480,316,283.02
Total	**123,162,965,227.85**	**96,727,360,476.53**	113,151,788,107.77	88,055,161,052.54

(2) Reporting segment

Item	Engines and automobiles and automobile components		Intelligent logistics		Agricultural equipment		Total	
	Revenue	Cost of sales	Revenue	Cost of sales	Revenue	Cost of sales	Revenue	Cost of sales
Classified by major regions of operation								
Including: Mainland China	48,347,916,042.21	37,972,657,930.55	2,579,346,003.20	1,919,739,244.88	9,240,127,809.80	7,800,815,699.46	60,167,389,855.21	47,693,212,874.89
Other countries and regions	18,266,427,172.29	15,612,307,398.23	43,104,211,245.74	32,100,200,428.76	1,624,936,954.61	1,321,639,774.65	62,995,575,372.64	49,034,147,601.64
Total	66,614,343,214.50	53,584,965,328.78	45,683,557,248.94	34,019,939,673.64	10,865,064,764.41	9,122,455,474.11	123,162,965,227.85	96,727,360,476.53
Classified by time for recognition of revenue								
Including: Transferred at a certain point of time	66,477,964,088.30	53,500,484,218.61	26,102,234,912.39	19,446,077,574.70	10,854,168,497.14	9,120,236,298.63	103,434,367,497.83	82,066,798,091.94
Provided over a certain period of time	64,750,527.21	43,060,183.09	14,575,504,101.20	10,848,163,527.59	–	–	14,640,254,628.41	10,891,223,710.68
Sub-total of revenue arising from the contracts with customers	66,542,714,615.51	53,543,544,401.70	40,677,739,013.59	30,294,241,102.29	10,854,168,497.14	9,120,236,298.63	118,074,622,126.24	92,958,021,802.62
Revenue under the Standard on Lease	71,628,598.99	41,420,927.08	5,005,818,235.35	3,725,698,571.35	10,896,267.27	2,219,175.48	5,088,343,101.61	3,769,338,673.91
Total	66,614,343,214.50	53,584,965,328.78	45,683,557,248.94	34,019,939,673.64	10,865,064,764.41	9,122,455,474.11	123,162,965,227.85	96,727,360,476.53

(3) Performance of obligations

The intelligent automation solution services provided by the Group belong to the performance obligation satisfied over a certain period of time. The performance costs actually incurred on a cumulative basis as a percentage of estimated total costs is used to ascertain progress of performance of intelligent automation solution services contracts. As at 30 June 2026, some of the Group's intelligent automation solution services contracts were still in the process of performance, the transaction price allocated to the outstanding (or partially unperformed) performance obligations is related to the performance progress of each intelligent automation solution services contract, and will be recognised as revenue in the future performance period of each intelligent automation solution services contracts based on the performance progress.

8. TAXES AND SURCHARGES

Item	**1 January 2026 to 30 June 2026**	1 January 2025 to 30 June 2025
City maintenance and construction tax	**94,682,789.16**	74,625,902.41
Educational surtax	**74,240,750.52**	53,539,884.56
Property tax	**156,505,180.24**	147,533,870.90
Stamp duty	**72,840,706.55**	64,630,379.46
Others	**78,425,844.80**	61,028,170.37
Total	**476,695,271.27**	401,358,207.70

9. INCOME TAX EXPENSES

Item	**1 January 2026 to 30 June 2026**	1 January 2025 to 30 June 2025
Current tax expenses	**2,140,611,898.13**	1,123,191,914.91
Reconciliation differences	**(2,272,540.84)**	40,474,423.86
Deferred tax expenses	**(302,748,575.28)**	(336,758,768.77)
Total	**1,835,590,782.01**	826,907,570.00

The relationship between income tax expenses and the total profit is listed as follows:

Item	**1 January 2026 to 30 June 2026**	1 January 2025 to 30 June 2025
Total profit	**11,375,132,166.48**	7,390,390,936.33
Tax at statutory tax rate *(Note 1)*	**2,843,783,041.62**	1,847,597,734.08
Effect of different tax rates applicable to the Company and some subsidiaries *(Note 2)*	**(750,745,983.18)**	(631,650,623.75)
Effect of tax rate change on opening balance of deferred income tax	**(19,876,674.27)**	–
Adjustments to current tax of previous periods	**(2,272,540.84)**	40,474,423.87
Effect of profits and losses attributable to associates and joint ventures	**(18,312,134.68)**	17,714,292.04
Effect of income not subject to tax	**(225,451,724.12)**	(25,585,330.96)
Effect of expenses not deductible for tax	**199,371,289.12**	113,845,815.51
Effect of tax incentives on eligible expenditures	**(375,095,588.43)**	(450,028,451.29)
Effect of utilisation of deductible losses and deductible temporary difference of unrecognised deferred tax assets from prior years	**(16,364,753.96)**	(208,235,827.91)
Effect of unrecognised deductible losses and deductible temporary difference	**200,555,850.75**	122,775,538.41
Tax expense at the Group's effective tax rate	**1,835,590,782.01**	826,907,570.00

Note 1: The Company is subject to a statutory tax rate of 25%.

Note 2: The PRC income tax of the Group is calculated based on the estimated taxable income gained in the PRC and applicable tax rate. Tax arising from the taxable income in other regions is calculated at applicable tax rate according to existing laws, interpretations and practices of the country in which the Group operates.

10. EARNINGS PER SHARE (EPS)

The basic EPS is calculated by dividing the net profit of the current period attributable to the ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares.

The calculation of basic EPS is detailed as follows:

Item	**1 January 2026 to 30 June 2026**	1 January 2025 to 30 June 2025
Earnings		
Net profit of the current period attributable to ordinary shareholders of the Company	**7,701,265,423.95**	5,643,452,988.90
Shares		
Weighted average number of the ordinary shares outstanding of the Company	**8,610,988,621.00**	8,638,202,266.83
Basic EPS (RMB/share)	**0.89**	0.65

The Group holds no potential shares that are significantly dilutive.

11. OTHER COMPREHENSIVE INCOME

Other comprehensive income, on a cumulative basis, attributable to the parent as shown in the consolidated balance sheet is as follows:

Item	31 December 2025	Incurred during the period: Incurred before the income tax for the current period	Incurred during the period: Less: Amount recognised in other comprehensive income in previous period and recognised in profit or loss in current period	Incurred during the period: Less: Income tax expenses	Incurred during the period: Attributable to parent company after tax	Incurred during the period: Attributable to minority interests after tax	Less: Amount recognised in other comprehensive income in previous period and recognised in retained earnings in current period	**30 June 2026**
I. Those other comprehensive income not to be reclassified into profit or loss	5,299,757,825.00	(1,501,506,315.36)	–	(156,989,488.52)	(1,424,438,033.10)	79,921,206.26	–	**3,875,319,791.90**
Changes arising from re-measuring of defined benefit plan	844,517,557.38	272,571,207.20	–	91,088,700.69	90,558,483.44	90,924,023.07	–	**935,076,040.82**
Other comprehensive income not to be reclassified into profit or loss using the equity method	(120,407,624.78)	4,701,367.50	–	–	(8,457,181.02)	13,158,548.52	–	**(128,864,805.80)**
Change in fair value of investment in other equity instruments	4,575,647,892.40	(1,778,778,890.06)	–	(248,078,189.21)	(1,506,539,335.52)	(24,161,365.33)	–	**3,069,108,556.88**
II. Those other comprehensive income to be reclassified into profit or loss	(988,910,702.28)	(786,019,759.57)	1,254,934.22	4,172,848.75	(148,661,484.88)	(642,786,057.66)	–	**(1,137,572,187.16)**
Other comprehensive income to be reclassified into profit or loss using the equity method	(66,356,747.43)	42,185,789.65	–	–	44,301,734.18	(2,115,944.53)	–	**(22,055,013.25)**
Cashflow hedging reserve	18,262,456.35	21,118,310.16	1,254,934.22	4,172,848.75	7,299,233.24	8,391,293.95	–	**25,561,689.59**
Exchange differences on foreign currency translation	(940,816,411.20)	(849,323,859.38)	–	–	(200,262,452.30)	(649,061,407.08)	–	**(1,141,078,863.50)**
Total of other comprehensive income	4,310,847,122.72	(2,287,526,074.93)	1,254,934.22	(152,816,639.77)	(1,573,099,517.98)	(562,864,851.40)	–	**2,737,747,604.74**

The initial recognized amount of the Group's cashflow hedging reserve transferred out to be included in inventories during the period was RMB6,767,405.98.

12. DIVIDENDS

On 27 August 2026, the Company passed a board resolution to distribute to all shareholders a cash dividend of RMB5.17 (including tax) for every 10 shares held, without bonus shares or any capitalisation of reserve, based on 8,640,220,621 shares currently eligible for profit distribution. Please refer to the further announcement to be issued by the Company for details on the closure of registers of members in determining the shareholders who are eligible for the interim dividend for 2026.

The interim dividend distribution for 2026 has been pre-authorised at the annual general meeting held on 22 June 2026, and will be implemented after the Board has considered and approved the dividend distribution plan.

MANAGEMENT DISCUSSION AND ANALYSIS

The Directors are pleased to present a management discussion and analysis of the results of operations of the Group for the six months ended 30 June 2026 (the "Period" or the "reporting period") as follows:

I. Industry Analysis

The Company is one of the vehicle and equipment manufacturing conglomerates in the PRC with the best comprehensive strengths. Our development vision is to build a technology-leading, green and world-class multinational group of high-end equipment. Over the years, the Company has been dedicated to product management and capital operation and striving to develop competitive products in terms of four key aspects: technology, quality, cost-effectiveness and services, thereby developing a new landscape of synergetic development among industries including powertrains, commercial vehicles, agricultural equipment, intelligent logistics and power energy.

1. Commercial Vehicles, Construction Machinery and Agricultural Equipment Industries

In the first half of 2026, the global economy exhibited a pattern of "low growth, high volatility, and pronounced divergence". Geopolitical conflicts, inflationary pressures, and diverging monetary policies continued to constrain the global recovery. The domestic economy, however, maintained an overall stable and upward trajectory. In the first half of the year, China's GDP reached RMB69.6 trillion, representing a year-on-year increase of 4.7%. Sales in the global heavy-duty truck industry continued its growth momentum, with the new energy penetration achieving rapid breakthroughs. The construction machinery industry witnessed coordinated growth in both domestic and external demand, with electrified products scaling up rapidly. The agricultural equipment industry operated steadily overall, featuring significant structural differentiation, as large, high-end, and intelligent products maintained relatively rapid growth. The construction of computing power infrastructure has accelerated comprehensively, driving rapid growth in demand for high-power backup generator sets and gas distributed energy systems, propelling the generator engine market into a period of high-speed growth.

2. Industrial Trucks and Intelligent Automation Solutions

The official figures (World Industrial Truck Statistics, July 2026) show a strong rise in global order volumes in the first quarter of 2026. New orders in the EMEA region increased significantly compared with the corresponding period in the prior year. Strong increases were also recorded in the APAC and Americas regions. Worldwide order volumes in the counterbalance truck market increased significantly year-on-year. Warehouse trucks registered significant growth despite a marginal decrease in demand for entry-level models. As the average price of warehouse trucks is lower than that of counterbalance trucks, the increase in global order volumes is not reflected in the change in the value of the market (World

Industrial Truck Statistics, July 2026). The growth in value of the overall market for industrial trucks (as measured by order volume) was therefore below the growth in order volumes during the reporting period.

Supported by data from market research institute Interact Analysis, the global market for warehouse automation solutions (measured by project business order volume) expanded noticeably in the first half of 2026. Increased capital expenditure on automated distribution centres and warehouse capacity, along with the modernisation of existing storage facilities, had a positive impact on demand. Projects postponed from the previous year gradually materialised in the form of new orders, accompanied by a greater willingness to invest. At the same time, growing geopolitical uncertainties stemming from the Iran war led to delayed investment decisions and a decline in project activities in the region affected by the conflict (Interact Analysis, June 2026).

II. The Group's Business

During the reporting period, the Company maintained stable and robust operational momentum. We deepened the implementation of our green, global, digital-intelligent, and ecological transformation, leveraging technological empowerment and innovation while continuously optimising our business structure to steadily enhance our core competitiveness. Synergies across all business segments drove structural growth. In the first half of the year, the Company's revenue amounted to approximately RMB123,163 million, representing an increase of approximately 8.8% as compared with that in the corresponding period of 2025. Net profit attributable to the shareholders of the Company amounted to approximately RMB7,701 million, representing an increase of approximately 36.5% as compared with that in the corresponding period of 2025. Basic earnings per share was RMB0.89, representing an increase of approximately 36.9% as compared with that in the corresponding period of 2025. An analysis of the Group's business segments is set out in Note 2 to the consolidated financial statements. The following is an overview of the operating conditions of the major products of the Group:

1. Power System Business

The Company remained committed to an innovation-driven development strategy, focusing on two core areas of upgrading traditional powertrains and pioneering new energy powertrains to drive synergistic growth, which has fueled continuous upgrades of key products, generated breakthroughs in core technologies, and further consolidated our industry-leading position. **In the traditional power sector, the Company advanced both technological breakthroughs and market expansion in parallel.** By focusing on mastering critical core technologies for high-end diesel engines, the Company won a Second Prize of the National Science and Technology Progress Award for its project "Key Technologies and Applications of High Performance Diesel Engines". Furthermore, artificial intelligence has been deeply integrated across R&D, production, supply, sales, and service, driving our digital and intelligent transformation. Notably, the "Joint Body for High Quality Dataset Construction in Power Equipment" initiative, led by the Company, was selected for the inaugural batch of pilot projects for high-quality industry dataset construction by the Ministry of Industry and Information Technology. We also continuously optimised our manufacturing and quality management systems. Meanwhile, we were included in the inaugural batch of the National Quality Standards Laboratory development list and established the industry's first zero-carbon factory. The competitiveness of our products in terms of technology, quality, cost effectiveness, and services has steadily strengthened. Our market expansion achieved breakthroughs in multiple areas, and we secured partnerships with top express delivery logistics customers and deepened cooperation with leading enterprises. **In the new energy power sector, we accelerated the commercialisation of our technological innovations.** The Company has built a comprehensive industrial system that integrates hydrogen power, fuel cells, and power batteries. Several core new energy "three electric" products have been launched, while China's first National VI emission regulatory certification for a hydrogen internal combustion engine was completed.

In the first half of 2026, the Company maintained its leading market position across its product portfolio, with an increasingly optimised product sales structure and strong growth in strategic businesses. Engine sales reached 415,000 units, among which sales of the high-value-added M-series large-bore engines exceeded 6,700 units, representing a year-on-year increase of 31.5%; sales of new energy power batteries amounted to 4.7 GWh, representing an increase of 103% year-on-year; sales of transmissions reached 481,000 units, representing a year-on-year increase of 3.9%; and sales of axles reached 567,000 units, representing a year-on-year increase of 17.7%.

2. *Commercial Vehicle Business*

The Company adhered to its strategy of leading with complete vehicles and machinery, continuously enhancing its product competitiveness and promoting the synergistic upgrade of the industrial chain. Shaanxi Heavy-duty Motor Company Limited ("Shaanxi Zhongqi"), a subsidiary of the Company, achieved vehicle sales of 76,000 units in the first half of the year, representing a year-on-year increase of 5.1%, of which export sales reached 31,000 units, hitting a record high for the same period and representing a year-on-year increase of 16%. **The product structure in the domestic market continued to be optimised.** The sales volume of new-energy heavy-duty trucks increased by 45% year-on-year. The product matrix exerted its full strength, becoming a core engine driving high-quality development. In the special-purpose vehicle market, the Company seized incremental opportunities and deepened strategic cooperation with body builders. Consequently, sales volume in the first half of the year surged 41% year-on-year, with market share increasing by 1.4 percentage points year-on-year. Meanwhile, the Company deepened its exploration of the demands of market segments, built differentiated competitive advantages, and rolled out a range of fuel-powered and new-energy vehicle models designed specifically for long-haul trunk routes, cargo transport in Southwest China, green-channel less-than-truckload logistics, and bulk material transportation, further refining its product matrix and precisely covering diverse market demands. **Breakthroughs were achieved in the diversification of export markets.** The Company focused its efforts on key growth markets, resulting in the number of markets with sales exceeding 1,000 units rising to 14 in the first half of the year, and sales in various markets including Vietnam nearly doubling year-on-year.

3. *Agricultural Equipment Business*

The Company actively integrated into and served the national strategies of food security, rural revitalisation, and agricultural modernisation. Our subsidiary Weichai Lovol Intelligent Agricultural Technology Co., Ltd. unswervingly implemented its four major strategies of business focus, innovation-driven development, quality upgrade, and globalisation. These initiatives accelerated its high-end transformation and upgrade, promoted green development of the industry, and speeded up the building of a world-class agricultural machinery equipment enterprise. **The quality and efficiency of corporate governance and management steadily improved, driving steady growth in operating performance.** The market share of major products steadily increased, with the product mix optimising as the sales proportions of high-horsepower tractors, GM-series wheat harvesters, and the RG Gold Label version of crawler harvesters rose significantly year-on-year. **Achievements of technological innovations continued to emerge, and the technical competitiveness of our products was continually strengthened.** The Company released China's first fully independent and controllable 410-horsepower new-energy ECVT tractor, and launched the 2026-model Lovol Gushen CF and CE series corn harvesters, which deliver high efficiency and fuel savings. The Company ranked top among Chinese agricultural machinery enterprises for three consecutive years. **Customer service capabilities were comprehensively upgraded, empowering increased grain yields and bumper harvests across all dimensions.** Our self-developed AI large model was deployed on a large scale application for the first time during the 'Three Summers' farming season, accurately predicting optimal harvest windows. 11 products, including tractors and harvesters, were selected into the 18th User-Satisfied Agricultural Machinery Brand list, and construction has commenced on a new plant for large-scale harvesting machinery, with a focus on providing uncompromisingly high-quality products.

4. *Intelligent Logistics Business*

In the first half of 2026, KION Group AG ("KION"), our overseas subsidiary based in Germany, achieved a revenue of EUR5.69 billion, representing a year-on-year increase of 3.5%. Among which, its industrial trucks and service business realised a revenue of EUR4.08 billion, and its intelligent automation solution business realised a revenue of EUR1.63 billion, representing a year-on-year increase of 17.6%. Overall, it realised a net profit of EUR208 million, representing a substantial year-on-year increase. The Company continued to advance the practical application of cutting-edge technologies such as artificial intelligence, robotics, and digital twins, while deepening global industrial synergies and refining its intelligent warehousing ecosystem layout, to build an intelligent, efficient, and sustainable modern warehousing operation system. **Overseas technology pilots yielded breakthroughs, unlocking scenario-based applications for**

physical AI. Through deeper industrial collaboration, the Company deployed AI-empowered autonomous industrial vehicle pilots in GXO logistics warehouses, driving physical AI technology from the simulation development stage into actual operational scenarios. **With digital twin technology deployed in Europe, the resilience of warehousing operations has been steadily enhanced.** The Company pioneered the application of digital twin construction platforms in Europe, continuously strengthening its simulation and optimisation capabilities of warehousing equipment, systems, and full processes, and comprehensively enhancing operational efficiency and risk resilience. **The industrial ecosystem layout continued to be strengthened, driving iterative upgrades of intelligent warehousing solutions.** Through strategic investment in Zikoo Smart Technology Co., Ltd., the Company jointly launched the "AI Smart Warehouse" integrated solution, further consolidating the layout in core areas such as high-density pallet storage, warehousing robots, and intelligent software platforms, providing solid support for building a smarter, more efficient, and more sustainable modern warehousing operation system.

5. Power Energy Business

The Company's power generation products are widely applied in fields such as data centres, communication systems, oil and gas fields, and power stations, focusing on providing global customers with efficient, reliable, and green integrated power energy solutions. The Company actively seized opportunities arising from the global AI computing power infrastructure boom, achieving all-round breakthroughs. Sales of power generation products reached 65,000 units, representing a year-on-year growth of 31.3%. Among which, sales volume of data centre power generation products in the first half of the year surpassed the total volume of the full year 2025, successfully penetrating the core supply chain of top global data centres and leading cloud service providers. Meanwhile, the Company accelerated the industrialisation of its SOFC products and launched commercial applications with multiple customers, including commercial buildings and industrial parks. Leveraging overseas industrial platforms such as PSI, the Company continued to deepen its global layout. As a result, the internationalisation and commercialisation of the power energy segment comprehensively accelerated, evolving into the core growth curve supporting the Company's high-quality development.

III. Financial Review

1. The Group's Results of Operations

a. Revenue

In the first half of 2026, the Group's revenue amounted to approximately RMB123,163 million, representing an increase of approximately RMB10,011 million or approximately 8.8% from approximately RMB113,152 million in the corresponding period in 2025. In the domestic business segment, all products maintained a leading market position. Benefiting from the combined effects of the "trade-in" policy for old trucks and the policy promoting new energy heavy-duty trucks, demand for new heavy-duty truck purchases was effectively stimulated, leading to sales growth across major products including powertrain, complete vehicles and key components. Meanwhile, the global wave of data centre construction has increased demand for emergency generator sets, further driving revenue growth. In the overseas business segment, during the Period, KION Group AG achieved revenue of EUR5.69 billion and an overall growth in sales, especially with the sales of intelligent automation solutions surging by approximately 17.6%. Revenue from principal operations amounted to approximately RMB121,952 million, representing an increase of approximately RMB9,621 million or approximately 8.6% from approximately RMB112,331 million in the corresponding period last year.

b. Gross Operating Margin

During the Period, the Group's gross operating margin was approximately 21.5%, representing a slight decrease as compared with that of the corresponding period last year, primarily attributable to increased costs resulting from competition in the domestic market and higher prices for upstream raw materials.

c. Distribution and Selling Expenses

The distribution and selling expenses decreased by approximately RMB600 million or 9.1% from approximately RMB6,627 million in the corresponding period of 2025 to approximately RMB6,027 million during the Period, among which, freight and packaging expenses decreased by approximately RMB574 million compared with that of the corresponding period last year, which was mainly attributable to the reclassification of distribution freight expenses into cost of sales by KION, a subsidiary of the Company, during the Period, thereby resulting in a significant decrease in freight expenses compared to the previous period. During the Period, the proportion of distribution and selling expenses to revenue was approximately 4.9%, representing a decrease of 1 percentage point as compared with that of the corresponding period last year.

d. *General and Administrative Expenses*

General and administrative expenses decreased by approximately RMB1,285 million or 18.9% from approximately RMB6,781 million in the corresponding period of 2025 to approximately RMB5,496 million during the Period. Among which, staff costs under general and administrative expenses decreased by approximately RMB1,633 million compared with that of the corresponding period last year, primarily attributable to the provision made by KION, a subsidiary of the Company, for the relevant expenses for its efficiency programme during the corresponding period last year, which resulted in substantial staff costs for that period whereas the absence of such impact during the Period led to a significant year-on-year decline in staff costs compared with that of the corresponding period last year. During the Period, the proportion of general and administrative expenses to revenue was approximately 4.5%, representing a decrease of approximately 1.5 percentage points as compared with approximately 6.0% in the corresponding period last year.

e. *Earnings before Interest and Tax (EBIT)*

During the Period, the Group's EBIT was approximately RMB13,003 million, representing an increase of approximately RMB3,760 million or 40.7% from approximately RMB9,242 million in the corresponding period last year, which was attributable, on the one hand, to the growth in sales revenue, and, on the other hand, to the reduction in general and administrative expenses by approximately RMB1,285 million as compared with the corresponding period last year, which was due to the provision made by KION, a subsidiary of the Company, for relevant expenses in connection with its efficiency programme in the corresponding period last year.

f. *Finance Expenses*

During the Period, finance expenses shifted from a net income of approximately RMB469 million in the corresponding period last year to a net expense of approximately RMB646 million, which was primarily attributable to foreign exchange gains and losses arising from exchange rate fluctuations.

g. *Provision for Impairment*

In accordance with the Accounting Standards for Business Enterprises, Stock Listing Rules of the Shenzhen Stock Exchange and the relevant provisions of the Company's accounting policies, based on the principle of prudence, the Company has conducted impairment tests on its assets with indicators of impairment within the scope of the consolidated financial statements as at 30 June 2026 and made corresponding impairment provisions for assets with indicators of impairment. According to the test results, provision made for the impairment by the Company during the Period amounted to approximately RMB806 million, of which the provision for credit losses amounted to approximately RMB248 million, provision for decline in value of inventories amounted to approximately RMB541 million and provision for impairment of fixed assets, intangible assets, right-of-use assets and contract assets amounted to approximately RMB17 million.

h. Income Tax Expenses

The Group's income tax expenses increased from approximately RMB827 million in the corresponding period in 2025 to approximately RMB1,836 million during the Period, representing a year-on-year increase of approximately 121.98%, which was mainly attributable to the increase in total profit year-on-year. The Group's average effective tax rate increased from approximately 11.2% in the corresponding period last year to approximately 16.1% during the Period, which was mainly attributable to the increase in the proportion of profit from the overseas subsidiary subject to higher tax rates during the year.

i. Net Profit and Net Profit Margin

The Group's net profit for the Period was approximately RMB9,540 million, representing an increase of approximately RMB2,977 million or 45.3% from approximately RMB6,563 million in the corresponding period last year. Net profit margin for the Period was approximately 7.7%, which increased by approximately 1.9 percentage points from approximately 5.8% in the corresponding period last year.

j. Liquidity and Cash Flow

During the Period, net cash inflows generated from the Group's operating activities amounted to approximately RMB11,349 million, representing a year-on-year increase of approximately RMB4,512 million. During the reporting period, the amounts received from sales of goods or rendering of services increased by approximately RMB22,230 million year-on-year, whilst amounts paid for goods and services, paid to employees and paid for all types of taxes increased by approximately RMB15,517 million year-on-year.

During the Period, net cash outflows generated from investing activities amounted to approximately RMB12,602 million, representing an increase in expense of approximately RMB3,590 million compared to the corresponding period last year. During the Period, amounts received by the Group from return of investments increased by approximately RMB5,214 million year-on-year, and amounts paid for investments increased by approximately RMB9,412 million year-on-year.

During the Period, net cash outflows from financing activities amounted to approximately RMB1,064 million, representing a decrease in expense of approximately RMB1,831 million compared to the corresponding period last year. During the Period, cash received from the issue of bonds increased by approximately RMB4,001 million year-on-year, while cash paid for repayment of bonds increased by approximately RMB2,762 million year-on-year.

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB46,487 million (as at 31 December 2025: RMB49,117 million). The cash and cash equivalents held by the Group were mainly denominated in Renminbi, USD and Euro.

As at 30 June 2026, the Group's debt-to-asset ratio (total liabilities/total assets) was approximately 64.5% (as at 31 December 2025: 64.3%), and the gearing ratio (interest-bearing liabilities/(shareholders' equity + interest-bearing liabilities)) was approximately 27.45% (as at 31 December 2025: approximately 29.88%).

2. *Financial Position*

a. *Assets and Liabilities*

As at 30 June 2026, the Group had total assets of approximately RMB380,164 million, of which approximately RMB205,476 million were current assets. As at 30 June 2026, the Group had cash at bank and on hand of approximately RMB77,543 million (as at 31 December 2025: approximately RMB68,713 million). As at the same date, the Group's total liabilities amounted to approximately RMB245,163 million, of which approximately RMB174,881 million were current liabilities. The current ratio was approximately 1.17x (as at 31 December 2025: 1.15x).

b. *Capital Structure*

As at 30 June 2026, the Group had total equity of approximately RMB135,001 million, of which approximately RMB96,102 million was attributable to equity holders of the Company and the remaining balance was minority interests.

The interest-bearing liabilities of the Group as at 30 June 2026 amounted to approximately RMB51,088 million (as at 31 December 2025: RMB55,838 million), which included bonds of approximately RMB10,733 million, bank borrowings of approximately RMB11,964 million and other current liabilities and other non-current liabilities of approximately RMB28,391 million.

The bank borrowings included fixed interest rate bank borrowings of approximately RMB1,007 million and floating interest rate bank borrowings of approximately RMB10,957 million. The bonds payable included fixed interest rate bonds payable of approximately RMB7,700 million and floating interest rate bonds payable of approximately RMB3,033 million.

Bank borrowings repayable within a period not exceeding one year or on demand were approximately RMB2,159 million, bank borrowings repayable within a period of more than one year but not exceeding two years were approximately RMB1,584 million, bank borrowings repayable within a period of more than two years but not exceeding five years were approximately RMB8,208 million, and bank borrowings repayable within a period of more than five years were approximately RMB13 million; bonds payable within a period not exceeding one year were approximately RMB318 million, and bonds payable within a period of more than two years but not exceeding five years were approximately RMB10,415 million. Other than Euro-denominated borrowings and USD-denominated borrowings equivalent to approximately RMB9,677 million and approximately RMB1,167 million respectively, other bank borrowings were Renminbi-denominated borrowings.

The revenue of the Group is mainly denominated in Renminbi and Euro and the Group does not consider its currency risk significant. The key objectives of the Group's capital management are to maintain the Group's going concern and a sound capital ratio so as to support business development and maximise the value to shareholders. The Group's overall strategy remains unchanged from prior years.

c. *Pledge of Assets*

As at 30 June 2026, cash at bank and on hand and receivable financing of approximately RMB13,534 million (as at 31 December 2025: approximately RMB13,562 million) were pledged to banks to secure the Group's notes payable, letters of guarantee, acceptance bills, letters of credit and bank borrowings, etc. issued by banks. The pledged cash at bank and on hand carry prevailing bank interest rates, such pledge will be released upon the settlement of the relevant bank borrowings. As at the balance sheet date, the fair value of cash at bank and on hand was approximately the same as the carrying amount. Fixed assets, long-term receivables and other non-current assets amounting to approximately RMB27,635 million (as at 31 December 2025: approximately RMB25,405 million) were also pledged by the Group to secure bank borrowings, guarantee its obligations under the staff retirement benefits and for use in asset securitisation financing, etc.

d. *Contingencies*

As at 30 June 2026, the Group provided certain distributors and agents with bank guarantees amounting to approximately RMB372 million (as at 31 December 2025: approximately RMB655 million) to secure their obtaining and use of banking facilities.

As at 30 June 2026, the Group provided buy-back guarantee in respect of potential failure of the lessees under finance leases to settle instalment payments plus interest with a risk exposure of buy-back guarantee liability amounted to approximately RMB2,498 million (as at 31 December 2025: approximately RMB2,495 million).

e. *Commitments*

As at 30 June 2026, the Group had capital commitments of approximately RMB3,048 million (as at 31 December 2025: approximately RMB2,717 million), principally for the capital expenditure in respect of acquisition of property, plant and equipment. The capital expenditure will be financed by internal resources.

As at 30 June 2026, the Group had no external investment commitments (as at 31 December 2025: nil).

f. *Intangible assets*

As at 30 June 2026, the Group's total intangible assets amounted to approximately RMB20,596 million, of which land use rights amounted to approximately RMB2,710 million, trademark rights amounted to approximately RMB8,133 million, customer relationships amounted to approximately RMB2,266 million, technology know-hows amounted to approximately RMB872 million, and licences and software etc. amounted to approximately RMB6,615 million. Intangible assets arising from in-house research and development as at the end of the Period accounted for 26.40% of the balance of intangible assets.

g. *Hedging arrangements*

Cash flow hedging

KION, a subsidiary of the Company, conducted cash flow hedging on forward currency contracts designated to the multi-currency exchange rate risk of forecast sales, forecast purchases and firm commitments. The total cash flow of the hedged item amounted to RMB4,058,911,311.68 (EUR522,577,449.97), of which the amount due within 1 year was RMB589,956,331.14 (EUR75,955,804.76), and the remaining portion will mature in 2028. The hedged items would affect profit or loss from 2026 to 2028. There was no material hedge ineffectiveness during the Period. During the period from 1 January to 30 June 2026, the loss on fair value changes of the hedging instrument included in the other comprehensive income amounted to RMB33,236,509.28 (EUR4,317,000.00) and loss transferred to profit or loss for the Period amounted to RMB14,027,546.89 (EUR1,822,000.00).

KION, a subsidiary of the Company, designated a part of its amortising interest rate swap contracts as hedging instruments, and designated the future cash flows from certain leasing institutions' borrowings subject to floating interest rates as hedged items, to conduct cash flow hedging. The total cash flow of the hedged item amounted to RMB10,592,241,806.72 (EUR1,363,731,869.90), of which the amount due within 1 year was RMB314,672,383.40 (EUR40,513,497.11), and the remaining portion will become due in 2027 and onwards. The hedged items would affect profit or loss for the period of 2026 and onwards. There was no material hedge ineffectiveness during the Period. During the period from 1 January to 30 June 2026, the gain on fair value changes of the hedging instrument included in the other comprehensive income amounted to RMB47,587,413.46 (EUR6,181,000.00) and the gain transferred to profit or loss for the Period amounted to RMB12,772,612.67 (EUR1,659,000.00).

Fair value hedging

In March 2026, KION, a subsidiary of the Company, entered into interest rate swap contracts to conduct fair value hedging on the interest rate risk of fixed-rate corporate bonds issued with par value of EUR500,000,000.00. As at 30 June 2026, the abovementioned hedged items of the Group were accounted for in the financial statements as bonds payable with a carrying amount of RMB3,837,941,588.80 (EUR494,128,000.00), which will mature in 2031, and the cumulative adjustment of the fair value change of the hedged item included in the carrying amount of the hedged item amounted to RMB-6,982,622.90 (EUR-899,000.00). The change in fair value of the ineffective portion of the hedged item during the Period amounted to RMB6,982,622.90 (EUR899,000.00).

KION, a subsidiary of the Company, conducted fair value hedging of the interest rate risk of lease receivables by entering into an amortising interest rate swap contract. The interest rate swap contract as a hedging instrument reflects the notional amount and maturity of the portfolio of hedged items and will mature in 2034. Overall, the fair value hedging exposes the lease receivables to a variable interest rate consistent with its relevant currency zone. Therefore, from an economic perspective, the variable rate is equivalent to the variable rate for refinancing the portfolio of hedged items. As at 30 June 2026, the abovementioned hedged items of the Group were presented in the financial statements as long-term receivables and non-current assets due within one year, with a carrying amount of RMB25,387,768,305.90 (EUR3,268,629,000.00), and the cumulative adjustment of the fair value change of the hedged item included in the carrying amount of the hedged item amounted to RMB-33,817,953.40 (EUR-4,354,000.00). The change in fair value of the ineffective portion of the hedged item during the period amounted to RMB80,301,589.16 (EUR9,855,000.00).

3. Other Financial Information

a. Employees

As at 30 June 2026, the Group had approximately 99,000 employees (including approximately 42,000 employees of KION). During the Period, the Group paid remuneration of approximately RMB19,977 million. The Group has established and refined a remuneration incentive policy to promote the high quality and rapid development of the enterprise by evaluating the value of various types of personnel and referencing the market remuneration levels, setting competitive remuneration standards, reasonably setting personnel remuneration levels, determining the salary scale based on position and performance, and adjusting salary based on performance appraisals. During the Period, training expenses of approximately RMB18 million in total were incurred.

For the purpose of improving the long-term incentive mechanism of the Company, attracting and retaining talents, motivating the core and key employees and effectively aligning the interests of the shareholders, the Company and its employees, the Company has adopted a restricted share incentive scheme (the "Incentive Scheme") of A Shares at its extraordinary general meeting convened on 13 November 2023. The Incentive Scheme is funded by existing A Shares of the Company repurchased from the secondary market by the Company, and the eligible incentive participants include directors, senior management officers, middle management officers, and core technology (business) staff of the Group. The number of shares to be granted to each of the incentive participants is fixed at the time of the grant, which represents the maximum entitlement of each participant upon fulfillment of the unlocking conditions upon expiry of the unlocking period. For details of the Incentive Scheme, please refer to the Company's announcements dated 24 October 2023, 13 November 2023, 8 December 2023 and 20 December 2023, the Company's circular dated 27 October 2023, the Company's annual report for the year ended 31 December 2024 and the Company's annual report for the year ended 31 December 2025.

b. Major Investment, Acquisition and Disposal

The Group did not have any major investment, acquisition or disposal during the Period.

c. Subsequent Events

On 27 August 2026, the Board of the Company considered and approved, based on 8,640,220,621 shares currently eligible for profit distribution, the distribution to all shareholders a cash dividend of RMB5.17 (including tax) for every 10 shares held, without bonus shares or any capitalisation of reserve.

d. Use of proceeds

Reference is made to the announcements of the Company dated 24 December 2020, 25 January 2021, 26 January 2021, 29 January 2021, 12 April 2021, 23 April 2021 and 26 May 2021, and the circular (the "Circular") of the Company dated 11 January 2021, in respect of, inter alia, the non-public issuance of A Shares of the Company ("A Shares").

The reasons for the non-public issuance of A Shares include raising funds for the specific investment projects detailed in the table below and replenishing working capital, which will strengthen the capital capability of the Group and lay a sound foundation for the Group's further expansion of its operations, and, in turn, enable it to realise a breakthrough in its development and enhance its competitive strength.

The non-public issuance of A Shares of the Company was completed on 31 May 2021 and the relevant new A Shares were listed on the Shenzhen Stock Exchange on 1 June 2021. A total of 792,682,926 A Shares of RMB1.00 each (with an aggregate nominal value of RMB792,682,926) were issued to 25 subscribers which are in compliance with the relevant requirements of the "Measures for Administration of Issuance of Securities by Listed Companies" (《上市公司證券發行管理辦法》) and the "Implementation Rules for the Non-public Issuance of Shares by Listed Companies" (《上市公司非公開發行股票實施細則》) and are third parties independent of the Company and its connected persons at the issue price of RMB16.40 (and net price of approximately RMB16.38) per A Share.

The issue price of RMB16.40 per A Share represents a premium of approximately 9.26% to the benchmarked price of HK$18.02 (equivalent to approximately RMB15.01), such benchmarked price being the closing price of H Shares on the date of the Company's acceptance of the subscriptions involving the non-public issuance of A Shares under the relevant general mandate. The total proceeds of the non-public issuance of A Shares amounted to RMB12,999,999,986.40. The status of the use of such proceeds as at 30 June 2026 is set out below:

RMB million

Name of investment project		Total amount of proceeds proposed to be applied to the relevant project	Total amount of proceeds applied as of 30 June 2026	Amount of unutilised proceeds ("Unutilised Proceeds") as of 30 June 2026	Application plan of Unutilised Proceeds (Note 1)	
Name of project	Name of subproject				1 July 2026 to 31 December 2026	Year 2027
(1) Fuel Cell Industry Chain Development Project	(a) Hydrogen-fueled cell and key components industrialisation project	500.00	351.32	148.68	68.63	42.21
	(b) Solid oxide fuel cell and key components industrialisation project	500.00	220.73	279.27	41.10	46.38
	(c) Key components of fuel cell powertrain research and development and construction capabilities project	1,000.00	705.94	294.06	37.12	47.32
(2) Full Series of H Platform High-end Road-going Engines of China VI or above Emission Standards Project	(a) New million units digitalised power industry base stage I project	3,000.00	1,924.36	1,075.64	507.85	209.79
	(b) H platform engines intelligent manufacturing upgrade project	1,000.00	1,000.00 (Note 1(1))	–	–	–
(3) Large Diameter High-end Engine Industrialisation Project	(a) Large diameter high-end engine laboratory project	1,075.00	885.43 (Note 1(2))	189.57	112.43	72.89
	(b) High efficiency and high speed self-owned brand engine industrialisation project	685.00	685.00 (Note 1(3))	–	–	–
	(c) Large diameter high-end engine development project	1,740.00 (Note 3)	1,066.12	673.88	309.07	364.81
(4) Full Series hydraulic pressure powertrain and large-scale continuously variable transmission (CVT) powertrain industrialisation project		2,000.00 (Note 3)	1,694.89	305.11	305.11	–
(5) Replenishment of working capital		1,500.00 (Note 3)	800.72	699.28	*Expected to be fully utilised by the end of 2027*	
Total		**13,000.00**	**9,334.50**	**3,665.50** (Note 2)		

Notes:

1. The application plan of Unutilised Proceeds as disclosed herein reflects the adjusted timeline for the application of proceeds from the non-public issuance of A Shares that was approved by the Board on 30 March 2023 and the change in use of part of proceeds as approved by the general meeting held on 22 June 2026.

   (1) The H platform engines intelligent manufacturing upgrade project was ready for its intended use in May 2026. The project's committed investment amount was RMB1,000 million. As at 30 June 2026, a total of RMB999.9988 million was applied, and the ratio of proceeds applied reached 100%.

   (2) The large diameter high-end engine laboratory project was ready for its intended use at the end of June 2025. The project's committed investment amount was RMB1,075 million. As at 30 June 2026, a total of RMB885.4318 million was applied, and the ratio of proceeds applied reached 82.37%. The amount of unutilised proceeds was RMB189.5682 million, mainly attributable to the fact that part of the contract sum was not yet due at the time of project completion and commencement of production. The project has no remaining balance of proceeds, and the Company will make payment for any surplus not covered by the proceeds with its own funds.

   (3) The committed investment amount of the high-efficiency and high-speed self-owned brand engine industrialisation project is RMB685 million. As at 30 June 2026, a total of RMB684.9989 million was applied, and the ratio of proceeds applied reached 100%.

   (4) In light of the progress of the implementation of the relevant investment projects mentioned above, the actual amount to be utilised for each of 2026 and 2027 is expected to be adjusted slightly, and the Board further confirms that:

      - the proceeds proposed to be applied to the projects numbered (1)(a), (1)(b), (1)(c), (2)(a) and (3)(c) above are expected to be fully utilised by the end of 2027;

      - the proceeds proposed to be applied to the project numbered (4) above are expected to be fully utilised by the end of 2026.

2. Taking into account the expenses for the non-public issuance of A Shares (including the sponsor and underwriting fees, accounting and capital verification fees etc.) which amounted to RMB11.94 million, the total Unutilised Proceeds net of such expenses amounted to RMB3,653.56 million.

3. The Company convened a Board meeting on 29 April 2026 and convened the 2025 annual general meeting on 22 June 2026, and considered and approved the resolution on the change in use of part of proceeds. Based on the Company's strategic planning, operational development needs and the progress of hydraulic project, to further advance the development of electric power energy business, enhance product competitiveness, and improve the efficiency of proceeds utilisation, after prudent study and analytical deliberation, the Company reduced the amount of proceeds to be applied to the full series hydraulic pressure powertrain and large-scale continuously variable transmission (CVT) powertrain industrialisation project by RMB1,000.00 million. Of this amount, RMB500.00 million will be reallocated to increase the investment in the large diameter high-end engine development project, and the remaining RMB500.00 million will be used for the permanent replenishment of working capital. Corresponding adjustments will be made to the internal investment structure and investment plan of the relevant projects, while the total amount of proceeds to be applied by the Company to the investment projects remains unchanged. The amount of proceeds with changed use accounts for 7.70% of the net proceeds actually raised from the Company's Non-Public Issuance of A Shares.

It is expected that the remaining proceeds, being approximately RMB4.538 billion in aggregate (including accumulated interest received from bank deposits and wealth management income net of bank handling fees), would continue to be used for the relevant investment projects as set out above and any shortfall in the investment amounts for such projects will be made up by utilising the internal funds of the Company or through other financing methods. The Board considers that the proceeds from the issuance of A Shares had been and will be applied in accordance with the specific uses and timeline of proposed use of proceeds as disclosed in the Circular (with adjusted timeline approved by the Board on 30 March 2022 and 30 March 2023 and with the change in use of part of proceeds approved by the general meeting held on 22 June 2026).

IV. Outlook and Prospects

Looking ahead to the second half of 2026, the global macro environment remains volatile and complex, presenting unprecedented challenges to the Company's overseas operations and globalisation layout. At the same time, global industrial chains and supply chains are undergoing deep restructuring, creating valuable opportunities for the Company to penetrate the supply chains of leading overseas enterprises. Emerging technologies such as artificial intelligence and new energy are driving industrial transformation, making high-end, intelligent, and green development the core development trend of the equipment manufacturing industry. The pace of structural adjustment in the traditional power industry is accelerating, with new energy business, overseas supporting operations, and domestic substitution gaining momentum, opening up new growth space for the Company.

In the second half of the year, the Company will intensify market expansion, focus on developing strategic emerging businesses and strengthen innovation-driven growth. By positioning ourselves to leverage emerging trends, we will continuously consolidate our competitive advantages, and resolutely achieve our full-year targets.

We will remain firmly committed to our full-year targets and resolutely win the battle for market share. We will deepen our presence in core product segments and consolidate our competitive advantages in the domestic market, while accelerating overseas channel layout and service system upgrading, continuously increasing the proportion of high-end product exports. We will improve the global operation and management system, enhance our ability to operate in compliance overseas, precisely prevent and resolve various overseas operational risks, and strive to fulfil annual development tasks. **We will unswervingly advance strategic transformation and upgrade, activating the endogenous driving force for high-quality development.** We will focus on the three core tracks of power energy, new energy, and aftermarket services, to accelerate the cultivation of new growth curves, and consolidate the long-term development momentum. We will deepen organisational structure reform, build an agile and efficient corporate architecture, and coordinate the promotion of green, digital and intelligent transformations to propel the enterprise towards sustainable, steady, and high-quality development. **We will maintain unwavering commitment to innovation-driven growth, consolidating the foundation for transformation with technological breakthroughs.** We will make all-out efforts to achieve breakthroughs in "three-electric" core self-developed technologies, while advancing the R&D and industrialisation of cutting-edge technologies such as hydrogen internal combustion engines and SOFC. We will accelerate the release of power battery production capacity and increase our supporting rates, thereby addressing critical gaps in green transformation, and continuously enhancing core product competitiveness. **We will also remain steadfast in deepening full-scale cost reduction and efficiency enhancement, and forge robust momentum for sustained profitability.** We will implement precise, benchmarking-based, and synergistic cost reduction measures, strengthen rigid expense control and budget constraints, and strictly control various expenditure items. We will deeply tap operational potential to enhance overall quality and efficiency, concentrate our resources to safeguard core strategic investments, and comprehensively improve our profitability and cost competitiveness.

OTHER INFORMATION

Directors' Interests in Shares and Underlying Shares

As at 30 June 2026, the interests and short position (if any) of the directors and the chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code"), were as follows:

Name of Director	Capacity	Number of "A" shares held	Number of "H" shares held	Percentage of the issued share capital of the Company
Wang Decheng	Beneficial owner	800,000	–	0.01%
Yuan Hongming	Beneficial owner	1,000,440	–	0.011%
	Interest held by spouse	444	–	0.000005%
		1,000,884	–	0.011%

Notes:

1. All the shareholding interests listed in the above table are "long" position.

2. The percentage shareholding is calculated on the basis of 8,662,144,621 issued shares of the Company as at 30 June 2026 (comprising 6,719,104,621 "A" shares and 1,943,040,000 "H" shares).

Interests in the shares of associated corporations of the Company

Name of director	Name of associated corporation	Nature of interest	Class and number of securities interested or deemed to be interested	Approximate percentage interest in the entire issued share capital of associated corporation
Richard Robinson Smith	KION Group AG ("KION")	Beneficial owner	50,000 ordinary shares	0.04%

Save as disclosed above, as at 30 June 2026, none of the Directors nor the chief executive had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code.

Details of Changes in Share Capital and Substantial Shareholders' Shareholdings

(I) Changes in share capital

Changes in share capital (as at 30 June 2026)

		Before the movement		Increase/decrease in the movement (+, –)					After the movement	
		No. of shares	Percentage	New shares issued	Bonus Issue	Transfer of surplus to capital	Others	Sub-total	No. of shares	Percentage
I.	Restricted circulating shares	1,763,620,349	20.24%				2,262,475	2,262,475	1,765,882,824	20.39%
	1. State-owned legal person shares	1,642,531,008	18.85%						1,642,531,008	18.96%
	2. Shares held by other domestic entities	120,970,341	1.39%				2,262,475	2,262,475	123,232,816	1.42%
	Incl.: Shares held by domestic natural persons	120,970,341	1.39%				2,262,475	2,262,475	123,232,816	1.42%
	3. Shares held by foreign entities	119,000	0.00%						119,000	0.00%
	Incl.: Shares held by foreign natural persons	119,000	0.00%						119,000	0.00%
II.	Non-restricted circulating shares	6,949,960,947	79.76%				–53,699,150	–53,699,150	6,896,261,797	79.61%
	1. RMB ordinary shares	5,006,920,947	57.46%				–53,699,150	–53,699,150	4,953,221,797	57.18%
	2. Overseas listed foreign shares	1,943,040,000	22.30%						1,943,040,000	22.43%
III.	Total number of shares	8,713,581,296	100.00%				–51,436,675	–51,436,675	8,662,144,621	100.00%

(II) Shareholdings of the Substantial Shareholders (as at 30 June 2026)

Total number of Shareholders The number of shareholders is 166,412 among which 166,131 are shareholders of "A" shares and 281 are shareholders of "H" shares.

Shareholdings of the top ten shareholders

Name of shareholder	Type of Shareholder	Percentage of shares held	Total number of shares held	Number of restricted shares held	Number of shares pledged or frozen
HKSCC Nominees Limited	Foreign shareholder	22.39%	1,939,031,455		
Weichai Group Holdings Limited	State-owned legal person	16.42%	1,422,550,620	1,345,905,600	
Hong Kong Securities Clearing Company Limited	Overseas legal person	13.78%	1,193,652,714		
Weifang Investment Group Co., Ltd	State-owned legal person	3.42%	296,625,408	296,625,408	
China Life Insurance Company Limited – Traditional – General insurance product – 005L – CT001 Hu	Funds, wealth management products, etc.	1.28%	110,628,813		
IVM Technical Consultants Wien Gesellschaft m.b.H.	Overseas legal person	1.16%	100,833,100		
Tan Xuguang	Domestic natural person	0.68%	58,842,596	44,131,947	
BNP Paribas – proprietary fund	Overseas legal person	0.63%	54,664,443		
CITIGROUP GLOBAL MARKETS LIMITED	Overseas legal person	0.56%	48,290,732		
Hu Zhongxiang	Domestic natural person	0.54%	46,404,356		

Shareholdings of the top ten non-restricted shareholders

Name of shareholder	Number of the non-restricted shares held	Types of shares
HKSCC Nominees Limited	1,939,031,455	Overseas listed foreign shares
Hong Kong Securities Clearing Company Limited	1,193,652,714	RMB ordinary shares
China Life Insurance Company Limited – Traditional – General insurance product – 005L – CT001 Hu	110,628,813	RMB ordinary shares
IVM Technical Consultants Wien Gesellschaft m.b.H.	100,833,100	RMB ordinary shares
Weichai Group Holdings Limited	76,645,020	RMB ordinary shares
BNP Paribas – proprietary fund	54,664,443	RMB ordinary shares
CITIGROUP GLOBAL MARKETS LIMITED	48,290,732	RMB ordinary shares
Hu Zhongxiang	46,404,356	RMB ordinary shares
Shandong Enterprise Trust Operation Company Limited	42,197,600	RMB ordinary shares
China Pacific Life Insurance Co., Ltd. – Traditional Insurance High-Dividend Stock Managed Portfolio	35,842,804	RMB ordinary shares

Notes:

1. It is not certain whether there is any connected relationship among the top ten shareholders and the other top ten non-restricted shareholders or whether there is any acting in concert relationship among them.

Substantial Shareholders

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO (including interests filed with the Hong Kong Stock Exchange) shows that as at 30 June 2026, the following persons (other than the directors and chief executive) had the following interests and the short positions (if any) in the shares and underlying shares of the Company:

Name	Capacity	Long/Short position	Number of A shares	Percentage of share capital comprising only A shares	Number of H shares	Percentage of share capital comprising only H shares	Percentage of total issued share capital
Weichai Group Holdings Limited	Beneficial owner	Long	1,422,550,620	21.17%	–	–	16.42%
Shandong Heavy Industry Group Co., Ltd. *(Note 1)*	Interest of corporation controlled by you	Long	1,422,550,620	21.17%	–	–	16.42%
Brandes Investment Partners, LP *(Note 3)*	Investment manager	Long	–	–	78,578,612	16.18%	3.63%
Lazard Emerging Markets Equity Portfolio *(Note 4)*	Investment manager	Long	–	–	23,707,500	5.86%	1.31%
Barclays PLC *(Note 3)*	Person having a security interest in shares	Long	–	–	525,552	0.11%	0.02%
	Interest of corporation controlled by you	Long	–	–	25,453,050	5.24%	1.18%
					25,978,602	5.35%	1.20%
	Interest of corporation controlled by you	Short	–	–	24,102,475	4.96%	1.11%
Morgan Stanley *(Note 2)*	Interest of corporation controlled by you	Long	–	–	49,335,508	5.08%	1.14%
	Interest of corporation controlled by you	Short	–	–	42,078,545	4.33%	0.97%

Name	Capacity	Long/Short position	Number of A shares	Percentage of share capital comprising only A shares	Number of H shares	Percentage of share capital comprising only H shares	Percentage of total issued share capital
JPMorgan Chase & Co.	Beneficial owner	Long	–	–	30,986,324	1.59%	0.36%
	Investment manager	Long	–	–	43,194,933	2.22%	0.50%
	Person having a security interest in shares	Long	–	–	2,259,500	0.12%	0.03%
	Approved lending agent	Long	–	–	105,434,431	5.43%	1.22%
			–	–	181,875,188	9.36%	2.10%
	Beneficial owner	Short	–	–	27,825,915	1.43%	0.32%
	Investment manager	Short	–	–	11,000	0.00%	0.00%
					27,836,915	1.43%	0.32%
BlackRock, Inc	Interest of corporation controlled by you	Long	–	–	124,303,394	6.40%	1.44%
	Interest of corporation controlled by you	Short	–	–	9,133,000	0.47%	0.11%
Wellington Management Group LLP	Investment manager	Long	–	–	115,550,856	5.95%	1.33%

Notes:

1. Shandong Heavy Industry Group Co., Ltd., being a subsidiary of the State-owned Assets Supervision and Administration Commission of Shandong Province, held the entire share capital of Weichai Group Holdings Limited (formerly known as Weifang Diesel Engine Works).

2. The number of H shares (and the relevant shareholding percentages) reported above by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 21 July 2017 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.

3. The number of H shares (and the relevant shareholding percentages) reported above by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 21 July 2017 and 20 August 2015 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.

4. The number of H shares (and the relevant shareholding percentages) reported above by the relevant substantial shareholder does not take into consideration the Company's bonus share issuance on 21 July 2017, 20 August 2015 and 17 August 2012 as there is no disclosure of interest obligation under the SFO where there is no change in percentage of shareholdings for a substantial shareholder.

Save as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2026.

EMOLUMENT POLICY

The Group is strictly in compliance with laws and regulations such as the Labour Law and the Labour Contract Law of the PRC, and formulates a remuneration system and incentive policies that suit the actual situation of the enterprise by combining the development strategy of the enterprise, the characteristics of the industry and the ability to pay for labour costs.

The Group adopts a differentiated and standardised annual salary system and a non-annual salary system according to different job positions such as management, research and development and production, where the non-annual salary system is subdivided into salary systems such as performance-based salary system, piece-rate (hourly) salary system and shift production daily salary system.

By evaluating the position value of all kinds of personnel and referencing the market remuneration level, we have set the salary standard with competitive advantages by reasonably setting the salary level hierarchy of personnel, determining the salary level by position and the salary distribution plan by performance, and adjusting the salary according to the performance appraisal, increasing the incentives for talents in key positions such as research and development, marketing and technical staffs. At the same time, we have implemented incentive mechanisms for innovation projects, patent specialisation, management innovation and other subsidies for overseas positions and staff housing, and established a sound salary incentive policy to promote high-quality and rapid development of enterprises.

The remuneration plan for directors is formulated by the Remuneration Committee of the Board and submitted to the Board and the general meeting for consideration and approval. For executive directors and employee representative director who hold other positions in the Company in addition to their role as directors, their remuneration is determined on a comprehensive basis taking into account their specific management positions, actual work performance, and the Company's annual operating results. For non-executive directors and independent non-executive directors who do not hold any other positions in the Company, their allowances are determined based on the responsibilities they assume in performing their duties, their contribution to the Company's decision-making, and with reference to market standards of listed companies in the same industry.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Period was the Company and any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

Repurchases made under the Restricted Share Incentive Scheme of A Shares

On 19 May 2022, the Board of the Company approved the A Share Repurchase Plan, and the implementation of the repurchase plan was completed on 11 October 2022. During the period from 24 May 2022 to 11 October 2022, a total of 87,265,525 ordinary A shares were repurchased but not cancelled. On 8 December 2023, the Company granted 78,270,000 repurchased A shares to 693 incentive participants at the price of RMB6.264 per A Share under the restricted share incentive scheme of A shares (the "Incentive Scheme"). Such grant was completed on 20 December 2023. For details, please refer to the announcement of the Company dated 20 December 2023.

Reference is made to the Company's announcements dated 19 December 2025 and 26 March 2026. During the Period, the Company repurchased certain granted but not unlocked restricted shares held by certain incentive participants pursuant to the terms of the Incentive Scheme, as the incentive participants had been subject to certain circumstances as specified in the Incentive Scheme such as re-designation, retirement, resignation, being unable to reach the unlocking conditions for appraisal at individual level and not fulfilling the performance appraisal targets at the Company level etc.

On 19 December 2025, the Board of the Company approved the repurchase and cancellation of all of the granted but not unlocked A shares held by 34 incentive participants pursuant to the relevant terms of the Incentive Scheme in the total number of 1,184,200 Shares pursuant to the authorisation of the shareholders at the general meeting and class meetings held on 10 February 2025. All of such shares were repurchased and cancelled on 16 March 2026. The aggregated price paid to repurchase these shares on the Shenzhen Stock Exchange was RMB6,026,203.70 (inclusive of corresponding interests accrued with reference to the bank deposit rate for the same period).

Pursuant to the authorisation of the shareholders at the general meeting and class meetings held on 10 February 2025, on 26 March 2026, the Board of the Company approved the repurchase and cancellation of the granted but not unlocked restricted shares that have been held by 664 incentive participants corresponding to the second unlocking period in the total number of 21,924,000 Shares. All of such A Shares were repurchased and cancelled on 14 July 2026. The aggregated price paid for the repurchase of such restricted shares was RMB107,296,056.

Repurchases made under the 2025 A shares repurchase plan

Reference is made to the Company's announcement dated 29 April 2025. On 29 April 2025, the Board approved the A Share Repurchase Plan in respect of the A shares of the Company, pursuant to which the Company will apply RMB500 million to RMB1,000 million to repurchase not less than 2,121.34 ten thousand and not more than 4,242.68 ten thousand A shares of the Company (calculated based on the cap of the price of the A share repurchase) through centralised price bidding on the trading system of the Shenzhen Stock Exchange. The repurchased shares shall be cancelled to reduce the registered capital of the Company. Such repurchase plan was formulated based on the confidence in the Company's future development prospects and in recognition of the Company's value, for the purpose of protecting the interests of the shareholders as a whole and strengthening market confidence. During the period from 23 June 2025 to 4 September 2025, the Company had cumulatively repurchased 50,252,475 A shares through its securities account designated for repurchased shares, with an aggregated price of RMB761,492,999.13 (excluding transaction fees).

Reference is also made to the announcement of the Company dated 19 May 2026 in respect of the implementation results of the repurchase of A shares through centralised price bidding. On 26 May 2026, the 50,252,475 A shares repurchased during the period 23 June 2025 to 4 September 2025 pursuant to the A Share Repurchase Plan were cancelled.

Other than as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the PRC, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

DIVIDENDS AND CAPITALISATION OF RESERVE

On 22 June 2026, the Company's 2025 annual general meeting considered and approved the 2025 profit distribution plan of the Company to distribute to all shareholders a cash dividend of RMB3.74 (including tax) for every 10 shares held, without bonus shares or any capitalisation of reserve, based on 8,662,144,621 shares eligible for profit distribution.

During the period from the disclosure to the implementation of the 2025 profit distribution plan, the Company's total share capital underwent changes. Upon disclosure of the distribution plan, the number of shares eligible for profit distribution was 8,662,144,621 shares (being the Company's total share capital of 8,712,397,096 shares less 50,252,475 shares held in the securities account designated for repurchased shares). On 26 May 2026, the Company completed the cancellation of the 50,252,475 A shares held in the securities account designated for repurchased shares, reducing the total share capital from 8,712,397,096 shares to 8,662,144,621 shares. On 14 July 2026, the Company completed the repurchase and cancellation of 21,924,000 restricted A shares under the 2023 Restricted A Share Incentive Scheme, further reducing the total share capital from 8,662,144,621 Shares to 8,640,220,621 Shares. Accordingly, in accordance with the principle that "the distribution proportion shall remain unchanged", the Company adjusted the total dividend amount and distributed cash dividends of RMB3.74 (including tax) for every 10 shares on the basis of the then total share capital of 8,640,220,621 shares under the 2025 dividend distribution plan.

On 27 August 2026, pursuant to the authority granted by the shareholders' meeting of the Company, the Board intended to distribute to all shareholders a cash dividend of RMB5.17 (including tax) for every 10 shares held, without bonus shares or any capitalisation of reserve, based on 8,640,220,621 shares currently eligible for profit distribution. Upon the implementation of the 2026 interim dividends distribution plan, if there is a change in the total amount of shares eligible for profit distribution, the Company will adjust the total amount of profit distribution in accordance with the principle that "the distribution proportion shall remain unchanged" on the basis of the total number of shares eligible for profit distribution as at the record date for the implementation of the distribution plan for A shares. Please refer to the further announcement to be issued by the Company for details on the closure of registers of members in determining the shareholders who are eligible for the 2026 interim dividends.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises five independent non-executive Directors of the Company. The Chairman of the Audit Committee is Ms. Zhang Bo, an independent non-executive Director. Ms. Zhang has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules for the purpose of this appointment. During the Period, the Audit Committee discharged its responsibilities, reviewed and discussed the financial results and internal control matters of the Company. In accordance with the requirements of Appendix D2 to the Listing Rules, the Audit Committee has reviewed with the Company's auditors the reviewed consolidated financial statements for the Period.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE IN APPENDIX C1 OF THE LISTING RULES

Throughout the Period, other than certain directors of the Company not being able to attend the Company's annual general meeting or extraordinary general meeting(s) held during the Period due to other essential business engagements, the Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

During the Period, the Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the required standard set out in the Model Code and the aforementioned code of conduct of the Company for the Period.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained the prescribed public float under the Listing Rules as at the date of this announcement.

APPROVAL OF THE FINANCIAL STATEMENTS

The reviewed consolidated financial statements for the Period were approved by the Board on 27 August 2026.

PUBLICATION OF THE INTERIM REPORT ON THE WEBSITES OF THE HONG KONG STOCK EXCHANGE AND THE COMPANY

The 2026 interim report will be despatched to the shareholders as well as made available on the Hong Kong Stock Exchange's website at www.hkexnews.hk and the Company's website at www.weichaipower.com in due course.

Ma Changhai
Chairman

Hong Kong, 27 August 2026

As at the date of this announcement, the executive Directors of the Company are Mr. Ma Changhai, Mr. Wang Decheng and Mr. Ma Xuyao; the employee representative Director of the Company is Mr. Huang Weibiao; the non-executive Directors of the Company are Mr. Wang Yanlei, Mr. Zhang Liangfu, Mr. Richard Robinson Smith and Mr. Michael Martin Macht; and the independent non-executive Directors of the Company are Mr. Chi Deqiang, Mr. Xu Bing, Mr. Tao Huaan, Ms. Zhang Weili and Ms. Zhang Bo.