CNBM

China National Building Material Company Limited *

中國建材股份有限公司

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

(Stock Code: 3323)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The Group's unaudited revenue amounted to RMB81,483 million for the six months ended 30 June 2026, representing a decrease of 2.2% as compared to the same period of 2025.

The unaudited loss attributable to owners of the Company was RMB829 million, and the profit attributable to owners of the Company for the same period of 2025 was RMB1,360 million.

Basic loss per share was RMB0.109, and the basic earnings per share for the same period of 2025 was RMB0.172. The Board does not recommend the payment of an interim dividend.

The Board announces the unaudited consolidated results of the Group for the six months ended 30 June 2026 and the Group's consolidated financial position as at 30 June 2026, together with its consolidated results for the six months ended 30 June 2025 and consolidated financial position as at 31 December 2025 for comparison.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been reviewed by the independent auditor, the Board and the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	3	**81,482,841**	83,279,904
Cost of sales		**(68,264,407)**	(67,299,968)
Gross profit		**13,218,434**	15,979,936
Investment and other income, net	4	**2,084,391**	2,053,943
Selling and distribution costs		**(1,826,911)**	(1,929,612)
Administrative expenses		**(9,781,478)**	(8,934,012)
Finance costs, net	5	**(1,975,588)**	(2,286,152)
Share of results of associates		**858,286**	680,218
Share of results of joint ventures		**(8,850)**	(5,510)
Impairment loss under expected credit loss model, net		**(1,119,470)**	(433,358)
Profit before income tax	6	**1,448,814**	5,125,453
Income tax expense	7	**(1,163,840)**	(1,160,642)
Profit for the period		**284,974**	3,964,811
(Loss)/profit for the period attributable to:			
Owners of the Company		**(829,474)**	1,360,196
Holders of perpetual capital instruments		**168,280**	216,671
Non-controlling interests		**946,168**	2,387,944
Profit for the period		**284,974**	3,964,811
(Loss)/earnings per share			
– Basic and diluted (RMB)	9	**(0.109)**	0.172

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**284,974**	3,964,811
Other comprehensive (expense)/income, net of tax:		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(236,123)**	85,489
Share of associates' other comprehensive expense	**(125,746)**	(1,456)
Changes in fair value on hedging instruments designated as cash flow hedges	**–**	1,946
Other comprehensive (expense)/income for the period, net of tax	**(361,869)**	85,979
Total comprehensive (expense)/income for the period	**(76,895)**	4,050,790
Total comprehensive (expense)/income attributable to:		
Owners of the Company	**(1,038,121)**	1,384,674
Holders of perpetual capital instruments	**168,280**	216,671
Non-controlling interests	**792,946**	2,449,445
Total comprehensive (expense)/income for the period	**(76,895)**	4,050,790

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		**193,804,869**	201,214,614
Right-of-use assets		**24,685,389**	25,541,993
Investment properties		**1,342,968**	1,385,297
Goodwill		**31,715,577**	31,829,274
Intangible assets		**38,305,696**	33,239,810
Interests in associates		**34,096,880**	33,690,425
Interests in joint ventures		**462,021**	530,267
Financial assets at fair value through profit or loss		**4,025,156**	3,692,657
Financial assets at fair value through other comprehensive income		**42,906**	42,906
Deposits		**1,929,209**	2,177,808
Trade and other receivables	*10*	**3,890,528**	2,436,008
Deferred income tax assets		**9,259,721**	9,283,654
		343,560,920	345,064,713
Current assets			
Inventories		**21,577,638**	18,053,972
Trade and other receivables	*10*	**97,226,594**	90,499,100
Financial assets at fair value through profit or loss		**3,684,097**	6,502,508
Derivative financial instruments		**382**	1,076
Amounts due from related parties		**2,967,363**	2,340,909
Pledged bank deposits		**3,343,918**	3,188,476
Cash and cash equivalents		**29,024,049**	23,842,002
		157,824,041	144,428,043
Assets classified as held for sale		**44,590**	49,753
		157,868,631	144,477,796

	Notes	**30 June 2026** *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Current liabilities			
Trade and other payables	*11*	**95,440,465**	93,602,946
Amounts due to related parties		**5,443,464**	5,997,446
Borrowings – amount due within one year		**94,805,169**	90,626,589
Lease liabilities		**295,806**	396,976
Employee benefits payable		**31,262**	22,454
Current income tax liabilities		**969,612**	1,348,034
Dividends payable to non-controlling interests		**474,514**	593,001
		197,460,292	192,587,446
Net current liabilities		**(39,591,661)**	(48,109,650)
Total assets less current liabilities		**303,969,259**	296,955,063
Non-current liabilities			
Borrowings – amount due after one year		**114,935,040**	102,417,559
Deferred income		**2,215,629**	2,350,352
Lease liabilities		**1,758,055**	1,934,278
Employee benefits payable		**296,223**	321,851
Deferred income tax liabilities		**3,423,253**	3,516,629
		122,628,200	110,540,669
Net assets		**181,341,059**	186,414,394

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Capital and reserves			
Share capital		**7,593,021**	7,593,021
Reserves		**85,021,507**	87,123,307
Equity attributable to:			
Owners of the Company		**92,614,528**	94,716,328
Holders of perpetual capital instruments		**13,946,917**	15,951,177
Non-controlling interests		**74,779,614**	75,746,889
Total equity		**181,341,059**	186,414,394

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company was established as a joint stock company with limited liability in the PRC on 28 March 2005. On 23 March 2006, the Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited.

The address of registered office and principal place of business of the Company is Tower 2 (Building B), Guohai Plaza, 17 Fuxing Road, Haidian District, Beijing, the PRC.

The Company's Parent is a state-owned enterprise established on 3 January 1984 under the laws of the PRC.

The Company is an investment holding company. The principal activities of its subsidiaries are mainly engaged in the production and sale of basic building material and new materials, and provision of engineering technology services businesses. Hereinafter, the Company and its subsidiaries are collectively referred to as the "Group".

The condensed consolidated financial statements are presented in RMB which is the functional currency of the Company, unless otherwise stated.

The condensed consolidated financial statements have not been audited.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and in compliance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting". These condensed consolidated financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (the "**IASB**").

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

The accounting policies used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

For management purposes, the Group was organised into five major operating divisions during the period – cement, concrete, new materials, engineering technology services and others. These activities are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Cement	–	Production and sale of cement
Concrete	–	Production and sale of concrete
New materials	–	Production and sale of fiberglass, composite and light building materials
Engineering technology services	–	Provision of engineering technology services to glass and cement manufacturers and equipment procurement
Others	–	Merchandise trading business and others

No information about geographic location of the Group's operations and assets is presented as such information is not regularly provided to management for resource allocation and performance assessment purposes.

The segment result is disclosed as EBITDA/(LBITDA), i.e. the profit/(loss) earned by each segment without allocation of depreciation and amortisation, net other income, certain administrative expenses, unallocated finance costs, share of results of associates, share of results of joint ventures and income tax expense. This is the measure reported to the management for the purpose of resource allocation and assessment of segment performance. Management views the combination of these measures, in combination with other reported measures, as providing a better understanding for management and investors of the operating results of its business segments for the year under evaluation compared to relying on one of the measures.

The Group generally experiences higher cement demands in the second half of the year compared to the first half of the year. As a result, the Group typically reports lower revenue and results in the first half of the year.

(a) For the six months ended 30 June 2026:

	Cement *RMB'000*	Concrete *RMB'000*	New materials *RMB'000*	Engineering technology services *RMB'000*	Others *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Condensed consolidated statement of profit or loss							
Revenue							
External sales							
At a point of time	22,079,741	8,447,689	28,657,157	3,568,015	3,619,931	–	66,372,533
Over time	–	–	253,617	14,856,691	–	–	15,110,308
	22,079,741	8,447,689	28,910,774	18,424,706	3,619,931	–	81,482,841
Inter-segment sales *(Note)*	423,853	28,721	56,147	2,562,918	3,701,774	(6,773,413)	–
	22,503,594	8,476,410	28,966,921	20,987,624	7,321,705	(6,773,413)	81,482,841
Adjusted EBITDA/(LBITDA) (unaudited)	3,278,294	504,335	5,994,574	1,292,903	(424,613)	–	10,645,493
Depreciation and amortisation	(5,130,032)	(459,791)	(2,135,446)	(339,565)	(107,468)	–	(8,172,302)
Unallocated other income, net							126,555
Unallocated administrative expenses							(24,780)
Share of results of associates	20,479	1,808	69,797	80,388	685,814	–	858,286
Share of results of joint ventures	(6,124)	–	(2,726)	–	–	–	(8,850)
Finance costs, net	(1,334,606)	(358,155)	(207,051)	129,466	(325,607)	–	(2,095,953)
Unallocated finance costs, net							120,365
Profit before income tax							1,448,814
Income tax expense							(1,163,840)
Profit for the period (unaudited)							284,974

Note: The inter-segment sales were carried out with reference to market prices.

(b) As at 30 June 2026:

Segment assets include all tangible assets, intangible assets and current assets with the exception of other corporate assets and deferred tax assets. Segment liabilities include trade creditors, accruals and bills payable attributable to sales activities of each segment with the exception of corporate expense payables and deferred tax liabilities.

	Cement	**Concrete**	**New materials**	**Engineering technology services**	**Others**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Condensed consolidated statement of financial position						
Assets						
Segment assets	**222,453,607**	**41,602,147**	**100,849,889**	**43,116,253**	**7,367,563**	**415,389,459**
Interests in associates	**5,005,723**	**501,544**	**3,271,789**	**2,745,611**	**22,572,213**	**34,096,880**
Interests in joint ventures	**429,035**	**–**	**32,986**	**–**	**–**	**462,021**
Unallocated assets						**51,481,191**
Total consolidated assets (unaudited)						**501,429,551**
Liabilities						
Segment liabilities	**143,526,878**	**20,601,410**	**47,856,193**	**36,234,050**	**7,216,511**	**255,435,042**
Unallocated liabilities						**64,653,450**
Total consolidated liabilities (unaudited)						**320,088,492**

(c) For the six months ended 30 June 2025:

	Cement *RMB'000*	Concrete *RMB'000*	New materials *RMB'000*	Engineering technology services *RMB'000*	Others *RMB'000*	Eliminations *RMB'000*	Total *RMB'000*
Condensed consolidated statement of profit or loss							
Revenue							
External sales							
At a point of time	26,470,904	10,470,899	26,262,315	2,308,977	2,290,520	–	67,803,615
Over time	–	–	420,950	15,055,339	–	–	15,476,289
	26,470,904	10,470,899	26,683,265	17,364,316	2,290,520	–	83,279,904
Inter-segment sales *(Note)*	244,156	4,655	73,079	3,941,544	4,460,649	(8,724,083)	–
	26,715,060	10,475,554	26,756,344	21,305,860	6,751,169	(8,724,083)	83,279,904
Adjusted EBITDA (unaudited)	6,114,992	699,716	5,567,788	2,003,782	126,220	–	14,512,498
Depreciation and amortisation	(5,317,434)	(402,102)	(1,755,025)	(303,989)	(122,323)	–	(7,900,873)
Unallocated other income, net							151,674
Unallocated administrative expenses							(26,402)
Share of results of associates	38,539	11,797	14,858	43,117	571,907	–	680,218
Share of results of joint ventures	2,905	–	(8,662)	–	247	–	(5,510)
Finance costs, net	(1,501,413)	(394,867)	(189,730)	(584)	(280,536)	–	(2,367,130)
Unallocated finance costs, net							80,978
Profit before income tax							5,125,453
Income tax expense							(1,160,642)
Profit for the period (unaudited)							3,964,811

Note: The inter-segment sales were carried out with reference to market prices.

(d) As at 31 December 2025:

	Cement *RMB'000*	Concrete *RMB'000*	New materials *RMB'000*	Engineering technology services *RMB'000*	Others *RMB'000*	Total *RMB'000*
Condensed consolidated statement of financial position						
Assets						
Segment assets	222,434,915	43,780,629	92,877,884	41,303,286	6,727,827	407,124,541
Interests in associates	5,125,021	499,736	3,312,029	2,713,886	22,039,753	33,690,425
Interests in joint ventures	435,160	–	95,107	–	–	530,267
Unallocated assets						48,197,276
Total consolidated assets (audited)						489,542,509
Liabilities						
Segment liabilities	134,405,562	20,791,722	41,979,527	34,354,859	6,954,731	238,486,401
Unallocated liabilities						64,641,714
Total consolidated liabilities (audited)						303,128,115

(e) A reconciliation of total adjusted profit before finance costs, income tax expense, depreciation and amortisation and corporate items is provided as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Adjusted EBITDA for reportable segments	**11,070,106**	14,386,278
Adjusted (LBITDA)/EBITDA for other segments	**(424,613)**	126,220
Total segments profit	**10,645,493**	14,512,498
Depreciation of property, plant and equipment	**(6,052,149)**	(5,936,502)
Depreciation of right-of-use assets	**(1,071,641)**	(1,013,843)
Amortisation of intangible assets	**(1,048,512)**	(950,528)
Corporate items	**101,775**	125,272
Operating profit	**2,574,966**	6,736,897
Finance costs, net	**(1,975,588)**	(2,286,152)
Share of results of associates	**858,286**	680,218
Share of results of joint ventures	**(8,850)**	(5,510)
Profit before income tax	**1,448,814**	5,125,453

4. INVESTMENT AND OTHER INCOME, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Discount on acquisition of interests in subsidiaries	**16,475**	–
Government subsidies:		
– VAT refunds *(Note (a))*	**302,687**	359,073
– Government grants *(Note (b))*	**423,330**	636,194
– Interest subsidy	**3,365**	1,737
Gain on disposal of a subsidiary	**–**	16,425
Gain on disposal of interest in an associate	**22,173**	–
Gain on disposal of partial interest in an associate	**61,048**	51,987
Gain/(loss) on disposal of investment property, net	**92,176**	(133)
(Loss)/gain on disposal of other investments	**(57,603)**	75,068
Gain on lease modification	**30,378**	–
Increase/(decrease) in fair value of financial assets at fair value through profit or loss, net	**189,423**	(10,120)
(Decrease)/increase in fair value of derivative financial instruments, net	**(2,102)**	602
Dividend income from financial assets at fair value through profit or loss	**49,510**	115,074
Net rental income from:		
– Investment properties	**25,004**	26,736
– Land and buildings	**18,603**	47,218
– Equipment	**82,948**	77,720
Gain on disposal of property, plant and equipment	**31,239**	60,365
Gain on disposal of intangible assets	**15,436**	35,099
Technical and other service income	**381,306**	393,045
Claims received	**34,969**	30,810
Waiver of payables	**38,335**	46,844
Sale of carbon emission allowances *(Note (c))*	**62,283**	306
Transfer of cement clinker production quota *(Note (d))*	**160,019**	–
Others	**103,389**	89,893
	2,084,391	2,053,943

Notes:

(a) The State Council of the PRC issued a "Notice Encouraging Comprehensive Utilisation of Natural Resources" (the "**Notice**") in 1996 to encourage and support enterprises, through incentive policies, to comprehensively utilise natural resources. Pursuant to the Notice, the Ministry of Finance and the State Administration of Taxation of the PRC enacted several regulations providing incentives in form of VAT refund for certain environmentally friendly products, including products that utilise industrial waste as part of their raw materials. Under the Notice and such regulations, the Group is entitled to receive immediate or future refund on any paid VAT with respect to any eligible products as income after it receives approvals from the relevant government authorities.

(b) Government grants are awarded to the Group by the local government agencies as incentives primarily to encourage the development of the Group and the contribution to the local economic development.

(c) During the six months ended 30 June 2026, certain subsidiaries of the Group disposed of their surplus carbon emission allowances at a consideration of approximately RMB62.28 million (2025: RMB0.30 million) through China's national carbon emission trading market.

(d) During the six months ended 30 June 2026, certain subsidiaries of the Group transferred their cement clinker production quota by way of public listing, giving rise to a net gain of approximately RMB160.02 million (2025: RMBnil).

5. FINANCE COSTS, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest expenses:		
– Interest on bank borrowings	**1,710,978**	1,877,673
– Interest on lease liabilities	**66,217**	57,835
– Interest on bonds and other borrowings	**687,290**	812,321
Less: interest capitalised to construction in progress	**(107,847)**	(152,909)
	2,356,638	2,594,920
Interest income:		
– Interest on bank deposits	**(171,757)**	(203,624)
– Interest on loans receivables	**(209,293)**	(105,144)
	(381,050)	(308,768)
Finance costs, net	**1,975,588**	2,286,152

6. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Depreciation of:		
Property, plant and equipment	**6,052,149**	5,936,502
Investment properties	**24,780**	26,402
Right-of-use assets	**1,071,641**	1,013,843
	7,148,570	6,976,747
Amortisation of intangible assets	**1,048,512**	950,528
Total depreciation and amortisation	**8,197,082**	7,927,275
Impairment loss on goodwill*	**87,709**	–
Impairment loss on property, plant and equipment*	**586,749**	15,063
Impairment loss on intangible assets*	**24,028**	–
Cost of inventories recognised as expenses	**52,568,881**	54,405,964
Staff costs	**10,655,504**	10,312,502
Loss on goodwill from deregistration of a subsidiary	**3,968**	–
Write down/(reversal of write down) of inventories, net	**107,800**	(31,643)
Net foreign exchange loss/(gain)	**251,868**	(155,628)

* These impairment losses are included in administrative expenses in the condensed consolidated statement of profit or loss.

6A. IMPAIRMENT ASSESSMENT

Cement

Some production lines of cement segment of the Group have been suspended during the six months ended 30 June 2026 or to be suspended in the near future. The management of the Group performed impairment assessments on property, plant and equipment, right-of-use assets, intangible assets and goodwill allocated to certain cash-generating units ("**CGUs**"). Moreover, during the six months ended 30 June 2026, losses have been incurred by certain CGUs of cement segment. The management of the Group assessed the recoverable amounts of these CGUs with reference to calculations of fair value less costs of disposal determined by the management with the assistance of independent professional valuers not connected with the Group.

The recoverable amounts of these CGUs are less than their respective carrying amounts as at the end of the reporting period prior to the recognition of impairment loss for the period. The Group recognised impairment loss of approximately RMB87.71 million (2025: RMBnil) in relation to goodwill allocated to the CGUs of cement segment. Impairment loss on property, plant and equipment of approximately RMB507.16 million (2025: RMBnil) had been recognised for the period ended 30 June 2026 in respect of those assets.

New materials

During the six months ended 30 June 2026, the Group has identified certain property, plant and equipment and intangible assets of new materials segment with impairment indicators, and the recoverable amounts of these assets are less than their respective carrying amounts as at the end of the reporting period prior to the recognition of impairment loss for the period. Impairment loss on property, plant and equipment of approximately RMB7.89 million (2025: RMB15.06 million) and intangible assets of approximately RMB24.03 million (2025: RMBnil) had been recognised for the period ended 30 June 2026 in respect of those assets respectively.

Engineering technology services

During the six months ended 30 June 2026, the Group has identified certain property, plant and equipment of engineering technology services segment with impairment indicators and the recoverable amounts of these assets are less than their respective carrying amounts as at the end of the reporting period prior to the recognition of impairment loss for the period. Impairment loss on property, plant and equipment of approximately RMB71.70 million (2025: RMBnil) had been recognised for the period ended 30 June 2026 in respect of those assets.

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Current income tax expense	**1,238,245**	1,266,671
Deferred income tax credit	**(74,405)**	(106,029)
	1,163,840	1,160,642

PRC income tax is calculated at 25% (2025: 25%) of the estimated assessable profit of the Group as determined in accordance with relevant tax rules and regulations in the PRC for both periods, except for certain subsidiaries of the Company, which are exempted or taxed at preferential rate of 15% (2025: 15%) entitled by the subsidiaries in accordance with relevant tax rules and regulations in the PRC or approvals obtained from the tax bureaus in the PRC.

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective/enacted but not effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

Taxation on profits outside the PRC has been calculated on the estimated assessable profits for the six months ended 30 June 2026 and 2025 at the rates of taxation prevailing in the countries in which the Group operates.

8. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Dividends	**1,138,953**	1,199,697

During the six months ended 30 June 2026, dividend of RMB0.150 per share amounting to approximately RMB1,138.95 million in aggregate (2025: RMB0.158 per share amounting to approximately RMB1,199.70 million in aggregate) was announced as the final dividend for the immediate preceding financial year.

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

9. (LOSS)/EARNINGS PER SHARE – BASIC AND DILUTED

The calculation of the basic and diluted (loss)/earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
(Loss)/profit attributable to owners of the Company	**(829,474)**	1,360,196
Effect of dilutive potential ordinary shares:		
- share options granted by a subsidiary	**(3)**	–
(Loss)/profit for the purpose of diluted (loss)/earnings per share	**(829,477)**	1,360,196

	Six months ended 30 June	
	2026	2025
	'000	*'000*
	(unaudited)	(unaudited)
Weighted average number of ordinary shares in issue	**7,593,021**	7,918,560

10. TRADE AND OTHER RECEIVABLES

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Trade receivables, net of allowance for credit losses *(Note (a))*	**52,698,098**	46,669,054
Bills receivable	**11,781,033**	12,978,294
Contract assets	**9,967,410**	9,943,462
Other receivables and deposits	**16,336,824**	15,195,189
Prepayments	**10,333,757**	8,149,109
	101,117,122	92,935,108
Analysed for reporting purposes:		
Non-current portion	**3,890,528**	2,436,008
Current portion	**97,226,594**	90,499,100
	101,117,122	92,935,108

Note:

(a) The Group normally allowed an average of credit periods of 60 to 180 days to its trade customers except for customers of engineering technology services segment, where credit periods normally ranging from 1 to 2 years.

The ageing analysis of trade receivables, net of allowance, for credit losses presented based on the invoice date is as follows:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Within two months	**14,153,357**	9,619,765
More than two months but within one year	**18,452,535**	18,645,524
Between one and two years	**10,396,782**	9,400,382
Between two and three years	**5,070,152**	4,750,883
Over three years	**4,625,272**	4,252,500
	52,698,098	46,669,054

The carrying amounts of trade and other receivables approximate to their fair values. The bills receivable are aged within six months.

As at 30 June 2026, bills receivable with carrying amounts of approximately RMB222.36 million (31 December 2025: approximately RMB397.10 million) are pledged to secure borrowings granted to the Group.

11. TRADE AND OTHER PAYABLES

The ageing analysis of trade and other payables, based on invoice date, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Within two months	**15,745,547**	14,485,438
More than two months but within one year	**19,998,836**	20,475,091
Between one and two years	**6,087,108**	5,202,905
Between two and three years	**2,219,455**	1,841,271
Over three years	**3,343,836**	2,725,472
Trade payables	**47,394,782**	44,730,177
Bills payable	**13,438,493**	16,063,208
Contract liabilities	**13,076,526**	11,186,645
Other payables	**21,530,664**	21,622,916
	95,440,465	93,602,946

The credit period on purchase of goods and services provided from suppliers is 30 to 365 days. Bills payable are aged within six months.

The carrying amounts of trade and other payables approximate to their fair values.

12. EVENT AFTER THE REPORTING PERIOD

On 7 August 2026, the China Securities Regulatory Commission approved the registration of Sinoma Science & Technology's issue of up to 503,437,075 A shares to raise gross proceeds up to RMB4,481.15 million. As at the date of this announcement, the issue has not been completed. Assuming the maximum number of shares is issued in full, the Company's equity interest in Sinoma Science & Technology will be diluted from 60.24% to 46.34%. With consideration of the Group's practical ability to direct the relevant activities of Sinoma Science & Technology unilaterally, the directors concluded that the Group will still have a sufficiently dominant voting interest to direct the relevant activities of Sinoma Science & Technology and therefore the Group will still maintain control over Sinoma Science & Technology after the private placement.

BUSINESS HIGHLIGHTS

The major business highlights of each segment of the Group for the six months ended 30 June 2026 and 30 June 2025 are set out below:

BASIC BUILDING MATERIALS SEGMENT

	For the six months ended 30 June		
	2026	2025	Growth rate
Sales volume – cement *(in thousand tonnes)*	**88,994**	87,268	2.0%
Sales volume – clinker *(in thousand tonnes)*	**8,999**	10,511	-14.4%
Total sales volume of cement and clinker *(in thousand tonnes)*	**97,993**	97,779	0.2%
Average selling price – cement *(RMB per tonne)*	**209.9**	253.5	-17.2%
Average selling price – clinker *(RMB per tonne)*	**189.8**	219.4	-13.5%
Average selling price of cement and clinker *(RMB per tonne)*	**208.1**	249.8	-16.7%
Sales volume – commercial concrete *(in thousand m^3)*	**33,361**	35,133	-5.0%
Average selling price – commercial concrete *(RMB per m^3)*	**254.1**	298.2	-14.8%
Sales volume – aggregate *(in thousand tonnes)*	**65,682**	62,965	4.3%
Average selling price – aggregate *(RMB per tonne)*	**32.2**	36.3	-11.3%

NEW MATERIALS SEGMENT

	For the six months ended 30 June		
	2026	2025	Growth rate
Fiberglass			
Sales volume *(in thousand tonnes)*	**2,208**	2,032	8.7%
Average selling price *(RMB per tonne)*	**4,761**	4,547	4.7%
Gypsum board			
Sales volume *(in million m^2)*	**980.9**	1,156.3	-15.2%
Average selling price *(RMB per m^2)*	**5.71**	5.61	1.8%
Wind power blade			
Sales volume *(MW)*	**15,519**	15,260	1.7%
Average selling price *(RMB per MW)*	**360,100**	340,777	5.7%
Coating			
Sales volume *(in thousand tonnes)*	**660.86**	594.26	11.2%
Average selling price *(RMB per tonne)*	**3,098**	3,380	-8.3%
Waterproofing membrane			
Sales volume *(in million m^2)*	**131.0**	126.8	3.3%
Average selling price *(RMB per m^2)*	**13.57**	13.57	0.0%
Lithium battery separator			
Sales volume *(in million m^2)*	**2,770.2**	1,299.7	113.1%
Average selling price *(RMB per m^2)*	**0.79**	0.71	11.3%
Carbon fiber			
Sales volume *(in thousand tonnes)*	**12.74**	10.43	22.1%
Average selling price *(RMB per tonne)*	**89,957**	86,890	3.5%

ENGINEERING TECHNOLOGY SERVICES SEGMENT

	For the six months ended 30 June		
	2026	2025	Growth rate
Engineering service income *(RMB in millions)*	**20,987.6**	21,305.9	-1.5%

OVERVIEW OF THE FIRST HALF OF THE YEAR

DEVELOPMENT ENVIRONMENT

In the first half of 2026, the Chinese government implemented more proactive macroeconomic policies and promoted the development of new quality productive forces in accordance with local conditions. The economy continued to show an overall stable development trend, with momentum shifting towards new drivers and structure improving. GDP grew by 4.7% year-on-year, with new drivers contributing more than 40% directly to economic growth, laying a solid foundation for the achievement of the main annual targets, particularly the growth target. However, the international landscape remained complex and volatile, with global economic growth slowing overall and inflationary pressures rising significantly in most countries. Domestically, new challenges were intertwined with long-standing issues, whilst both investment and consumption in the domestic demand sector remained at low levels; as a result, the Chinese economy continued to face difficulties and challenges.

The Chinese government has accelerated the construction of a modern industrial system, with scientific and technological innovation and industrial innovation becoming deeply integrated. New quality productive forces were rapidly cultivated and expanded. The transformation and upgrading of traditional industries were accelerated. The pace of the green and low-carbon transformation continued to gather momentum. The new energy security strategy was implemented in greater depth. These brought new opportunities and challenges for the Company's sustainable development.

OPERATION IN THE FIRST HALF OF 2026

Basic building materials segment

In the first half of 2026, fixed asset investment nationwide decreased by 5.7% year-on-year, while real estate development investment fell by 18.0% year-on-year, with both indicators continuing to widen. Infrastructure investment growth turned from positive to negative, recording a year-on-year decrease of 2.4%. National cement output reached only 736 million tonnes, marking the lowest level for the same period in nearly 17 years, representing a year-on-year decrease of 8%, with the rate of decline widening by 3.7 percentage points compared with the same period last year. The industry has transitioned from a phase of competition for existing demand to one characterised by competition amid declining demand, with industry profitability turning negative.

The Group's basic building materials segment proactively responded to these operational challenges. **Externally**, we firmly led industry ecosystem development, promoted production in accordance with regulated capacity and normalized staggered peak production, and thoroughly implemented supply-side structural reform. **Internally**, we continued to enhance our operational competitiveness.

- **We are intensifying efforts to reduce costs, cut expenses, and control spending**. Comparable production costs for cement, commercial concrete, and aggregates decreased year-on-year by RMB12 per tonne, RMB41 per cubic meter, and RMB2 per tonne, respectively. Adhering to the "price-cost-profit" business philosophy, we promoted standardised production capacity, deepened cooperation with strategic clients, supported major national infrastructure projects, optimised sales models and structures, and stabilised market share whilst adjusting our business structure.

- **We are actively advancing our transformation and upgrading efforts**. We are actively integrating internal resources and accelerating the construction of a specialised cement production base. The sales of offshore engineering cement have risen significantly year-on-year, whilst oil well cement has been exported to several countries. The sales of high-margin expansive agents have doubled year-on-year. We are also moving forward with projects involving fluidized-bed calcination, calcium aluminate powder, and lithium mica roasting.

- **Income from overseas continued to grow steadily**. The Tunisia project has seen a reduction in production costs, improved quality consistency and a steady rise in customer satisfaction. It has achieved a significant leap from market entry to deep localisation, whilst continuously enhancing its capabilities in cross-border operations and resource integration. The construction of the 3,500 tonnes-per-day clinker cement production line project in Kazakhstan is proceeding according to plan. The companies in Zambia and Tunisia are further developing business models integrating "cement + commercial concrete" and "cement + aggregates" overseas cement sales rose by 57%, whilst revenue increased by 69% year-on-year.

New materials segment

The Group's business segment structure continued to optimize, with the new materials segment achieving "double growth" in both revenue and profit.

Fiberglass

In the first half of 2026, the structural divergence within the fiberglass industry became more pronounced. Driven by robust demand from AI computing power and high-frequency communications, electronic-grade fiberglass yarn and electronic fabrics maintained a high level of profitability, emerging as the core drivers of industry growth. In terms of roving, downstream demand from new energy vehicles and exports provided support, with certain high-end market segments such as thermoplastic yarn achieving growth in both volume and price. Leading industry enterprises, leveraging their high-end product portfolios and global production capacity advantages, sustained their momentum for growth in profit.

- The Group's fiberglass business **strengthened its advantageous industrial clusters and enhanced its competitiveness in specialized segments**. Seizing the window of structural growth in demand, we captured the high-end market and consolidated our comprehensive leading advantages across technology, scale, cost, and quality. By solidifying the foundation for volume growth and price recovery in fiberglass roving and electronic substrates, the business achieved simultaneous increases in both volume and price.

- The Group **strengthened its technology leadership and accelerated technology-driven development**. Focusing on high-end product R&D, breakthroughs were achieved in the iteration of a number of key technologies and products, including high-strength high-modulus fiber, thermoplastic LFT yarn, low-dielectric, low-expansion, and ultra-low-loss variants. In terms of digital intelligence, the Group piloted the integration and upgrading of "AI + fiberglass". The Sinoma Science & Technology special fiber private placement project obtained approval for registration from the China Securities Regulatory Commission.

- The Group **continued to consolidate its industry leadership and accelerated the layout of mature and advantageous industries**. The production line project at Jushi Huai'an Zero-Carbon Smart Manufacturing Base, with an annual output of 100,000 tonnes of electronic-grade fiberglass yarn and 390 million metres of electronic fabric, commenced operations successfully. Construction preparations were initiated for the Huai'an production line project with an annual output of 50,000 tonnes of electronic-grade fiberglass yarn and 320 million metres of electronic fabric, as well as the Tongxiang base production line project with an annual output of 250 million metres of electronic fabric. Meanwhile, the Taishan Fiberglass Zoucheng low-dielectric fiberglass fabric project is progressing as scheduled.

Gypsum board

In the first half of 2026, against a backdrop of continued strengthening of policies on green building materials and the steady expansion of the urban regeneration and old-property refurbishment markets, demand in the gypsum board industry remained at cyclical lows; small and medium-sized production capacities continued to be phased out; market concentration and business models underwent continuous optimisation and iteration; and the market influence of leading enterprises was further consolidated.

- **The Group's gypsum board business has further integrated operations across its business clusters**. It has comprehensively addressed bottlenecks in technology, production and marketing, strengthened joint channel development and sharing, and enhanced overall operational efficiency.

- **We will accelerate business expansion and transformation**. We will continue to deepen the "Four Transformations" strategy—"from commercial to residential fit-outs, from cities to counties and rural areas, from base materials to surface finishes, and from products to services"—accelerate the roll-out of our residential construction business, drive the expansion of our distribution network into county and rural markets, and further expand the coverage of our service outlets.

- **Lean management has driven a recovery in profitability**. We have continued to implement the "one cent" cost-saving programme in depth, maintained a dynamic balance between "price-cost-profit" and "volume-cost-profit", and promoted sustained price recovery through product innovation and alternative solutions.

Wind power blade

In the first half of 2026, the wind power industry experienced a phased decline against the high base of installation rush in 2025, with newly installed capacity decreasing year-on-year. Despite short-term pressure, the long-term positive outlook for the wind power industry remains unchanged, driven by policy support, market demand, and technological advancements. Offshore wind power and overseas markets are expected to bring incremental profits.

- The Group's wind power blade business **enhanced cooperation with leading customers and consolidated its global leadership position**. This business increased order volume, enhanced delivery and contract performance efficiency, implemented targeted customer plans, and consolidated and expanded its market share.

- The Group **focused on R&D and innovation, upholding self-reliance and self-strengthening in science and technology**. The independently developed and designed 103-metre next-generation high-performance blade for the international market successfully rolled off the production line. The development and manufacturing of the 20MW-147-metre offshore ultra-large blade was completed, with its installation and grid connection achieved.

- The Group **enhanced its presence in international markets and accelerated the layout of its two offshore bases**. The Brazil base operated steadily, while the construction of the Central Asia base project was accelerated to capture incremental overseas wind power installations.

Other businesses

- **Coating business** adhered to a dual-engine growth strategy of "organic growth and external expansion", leveraging the combined efforts of product innovation and channel expansion to consolidate the foundations for organic growth; it also stepped up the reorganisation of Sangruisi to enhance powder coatings supply capacity and realise synergies from external expansion, resulting in a steady improvement in the quality and efficiency of operations.

- **Waterproofing membrane business** accelerated its transition to a new "existing stock refurbishment + diversified growth drivers" model, actively expanding into new sectors and cultivating new business formats; it continued to deepen cooperation with leading key clients, broadening the scope and depth of these partnerships; it made solid progress in implementing the restructuring of Yuanda Hongyu, further strengthening its strategic market positioning in North China; and it drove comprehensive improvements in the scale, profitability and quality of its waterproofing operations.

- **Lithium battery separator business** maintained strategic focus, achieving year-on-year growth in sales volume, revenue, and total profit, whilst strengthening full-lifecycle cost reduction. We enhanced cooperation with key strategic customers and captured market share in the premium high-end segment, with sales of high-value-added 5μm ultra-thin base film products reaching 690 million square metres. In addition, we vigorously promoted new product development and accelerated equipment technology iteration, completing the development of separators for solid-liquid hybrid batteries and their customer-side cell testing and application.

- **The graphite new materials business** recorded steady growth in operating performance, achieving a total profit of RMB120 million in the first half of 2026, representing a year-on-year increase of 169%. Production and sales volumes of graphite powder grew in tandem, with production capacity reaching a new milestone of 150,000 tonnes, placing the Company amongst the top three in the industry; through the advancement of process upgrades and the strengthening of equipment lifecycle management, capacity utilisation rates for graphitisation and customised anode production rose significantly, with sales volumes increasing by 124% year-on-year, becoming a key driver of performance growth.

- **The hydrogen energy cylinders business** continued to maintain its industry leadership, with the number of hydrogen cylinder vehicle model announcements ranking first in the industry. The 70MPa large-volume Type IV hydrogen storage cylinders facilitated the successful maiden flight of the world's first megawatt-class hydrogen-fueled aviation engine.

- **Carbon Fiber business** achieved a major breakthrough in key technologies, successfully launching the SYT80 (T1200-grade) ultra-high-strength carbon fibre, a cutting-edge product. It became the first in the world to master the engineering technology for the production of ultra-high-strength carbon fibre on a 100-tonne scale, and this achievement was listed as a major innovation by the Ministry of Industry and Information Technology. At Lianyungang Shenying's 30,000-tonne facility, production lines for high-performance carbon fibres—including high-strength SYT70 (T1100 grade), high-modulus SYM40 grade and above, and 48K large-tow dry-jet-wet-spun fibres—were brought online simultaneously. This has effectively filled the gap in the high-value-added carbon fibre production capacity.

Engineering Technology Services Segment

In the first half of 2026, the global cement industry is undergoing profound transformation characterised by a reshaping of the industry landscape, adjustments to regulations and a shift in growth drivers. Tighter carbon constraints, the accelerating penetration of digitalisation and heightened regional market divergence are evident, while infrastructure projects in "Belt and Road" countries such as Africa, the Middle East and South-East Asia are driving new growth; in Europe, demand for low-carbon technologies, smart equipment and the circular economy continues to grow; capacity rationalisation in the domestic cement industry is accelerating, while demand is shifting towards the deep integration of digital and intelligent technologies with green transformation.

- The Group's engineering technology services segment **maintained its solid core business advantages**. Newly signed cement and mining engineering service contracts grew by 11% year-on-year. The segment secured a new full-line project in Canada, achieving a strategic breakthrough in the North American market. Leveraging its integrated one-stop services across the entire industrial chain and digital intelligence empowerment, newly signed production and operation service contracts increased by 22% year-on-year.

- The Group **continued to cultivate its "second curve" of growth** by optimizing the international and non-core industry deployment of the high-end equipment. Newly signed contracts in non-core industries grew by 18% year-on-year, with revenue from non-core industries accounting for 45%. We accelerated the development of a "large-scale mining" system, leveraging industrial chain extensions to achieve breakthroughs in overseas underground mining operations and mining operation and maintenance services for key international clients. Enhancing global local operations and industrial synergies in overseas expansion, newly signed overseas contracts grew by 12% year-on-year, with their proportion increasing to 70%, facilitating the accelerated implementation of the Group's "Overseas Re-engineering" strategy.

- The Group **continued to enhance its digital intelligence and green empowerment capabilities**. The Group vigorously promoted standardised technical solutions for intelligent operations and maintenance, achieving a 75% reduction in manual inspections at overseas pilot projects for intelligent operations and maintenance, and commissioned the green smart mine autonomous driving system at 4 sites. The cultivation of green productivity has accelerated, with newly signed overseas green energy and environmental protection engineering contracts increasing by nearly 1.9 times year-on-year. The Xuzhou Zhonglian "photovoltaic-storage integration" green demonstration project has officially commenced operations, establishing a complete "photovoltaic power generation + hybrid energy storage" green energy chain, whilst the supply of alternative fuels has nearly doubled year-on-year.

ENHANCING AND STRENGTHENING REFORM EMPOWERMENT

- The equity incentive plans of China Jushi and Sinoma Science & Technology received approval, with coverage of R&D personnel exceeding 50%;

- Sinoma International and Beijing Composite were rated as "Benchmark" enterprises in the "Science and Technology Reform and Double Hundred Action" assessments;

- The construction of world-class specialized leading enterprises progressed steadily, with BNBM, Sinoma International, and Sinoma Blade selected as "Cultivation Enterprises".

ACCELERATING THE DELIVERY OF INNOVATION OUTCOMES

Strengthening the top-level design of technological innovation:

- Collaborated with the Parent to convene the Science and Technology Innovation Conference and the Science and Technology Committee Working Meeting to study and deploy key tasks for the "15th Five-Year Plan" period;

- Deeply integrated into the national innovation system, participated in the formulation of national science and technology innovation plans in relevant fields for the "15th Five-Year Plan".

Strengthening the supply of high-quality outcomes:

- T1200 grade ultra-high-strength carbon fiber was selected as one of the "Top Ten Landmark Achievements" of the source of innovation. Breakthroughs in specialty fiber composition design and ultra-low-loss fiberglass surface treatment reached internationally leading levels, while achievements such as kilometre-class composite pressure hulls reached internationally advanced levels;

- The Group received 1 second-class National Technological Invention Award and 2 China Patent Excellence Awards. A total of 452 new invention patents and 40 international patents were authorized, bringing the cumulative total of valid invention patents to over 6,200. The Group led the formulation of 1 international standard.

Strengthening the integration of technology and industrial innovation:

- Low-heat cement was supplied in the first batch for major national projects. Large-volume hydrogen storage cylinders supported the maiden flight of the world's first megawatt-class hydrogen-fueled aviation engine. High-temperature-resistant water-based coating technology for lithium battery separators was introduced to the market. Landmark achievements such as desulfurization gypsum resource utilization technology, wind power blade coatings, and gypsum fiberboard were accelerated in their transformation into industrial products and tangible productive forces;

- The Group added 2 new national-level key specialized and sophisticated "Little Giant" enterprises. Cumulatively, the Group now has 11 national "Champion Enterprises in a Niche Manufacturing Sector", 21 specialized and sophisticated "Little Giant" enterprises, and 262 national high-tech enterprises.

SYSTEMATICALLY ADVANCING DIGITAL TRANSFORMATION

- **Comprehensive advancement of the supporting system construction**

  Defined economic targets and development initiatives for the digital services industry during the "15th Five-Year Plan" period; Focused on the "1254" digital transformation blueprint; Conducted initiatives to establish "production-sales-service" process systems for 251 processes across 3 subsidiary companies; Systematically advanced AI application implementation and forming an initial development path of "computing power + platform + application + ecosystem".

- **Enhancing the application of intelligent transformation and digital empowerment**

  Tianshan Cement's "Project No.1" achieved the full rollout of its comprehensive platform; Shutong BNBM completed the construction of full-level business performance dashboards, with AI-driven coating formula R&D accuracy improving to 93.8%; Sinoma Intelligent Technology's intelligent operation and maintenance project in Iraq reduced manual inspection workloads by 75% and saved over 3% in electricity consumption; The autonomous driving system for green and intelligent mines of Sinoma Mining was officially launched; The Gradient Cultivation Plan for Smart Factories: cumulatively, 8 Excellent-level smart factories, 60 Advanced-level smart factories, and 103 Foundation-level smart factories have been completed.

ACCELERATING THE IMPLEMENTATION OF GREEN AND LOW-CARBON TRANSITION

- **Comprehensively enhancing green production**

  A cumulative total of 148 ultra-low emission clinker production lines have been completed; CO2, NOx, and SO2 emissions decreased by 2.49%, 14.49%, and 6.64% year-on-year, respectively; Installed capacity of waste heat power generation reached 1,744 MW, generating 2.583 billion kWh of electricity in the first half of the year, reducing CO2 emissions by 830,000 tonnes; Newly added installed capacity from "Photovoltaic+" projects reached 51 MW, with cumulative installed capacity reaching 871 MW. Green power generation and consumption amounted to 497,259,200 kWh; 10 new green factories were added, bringing the cumulative total to 162 green mines, 285 green factories, and 28 zero-waste factories.

- **Accelerating the implementation of dual carbon goals**

  The proportion of cement clinker production capacity achieving Tier 1 energy efficiency reached 62%, an increase of 8 percentage points compared to the beginning of the year; The proportion of cement kiln production lines equipped with alternative fuel systems reached 61%, an increase of 3 percentage points compared to the beginning of the year; The alternative fuel thermal substitution rate for cement of 7.43%; an increase of 0.93 percentage points compared to the beginning of the year; Comprehensive energy consumption per unit of cement clinker decreased by 2.92% year-on-year; Ningxia Saima obtained the industry's first carbon footprint certification certificate for the cement industry; The photovoltaic power station of the Zambia Industrial Park's "Zero External Electricity Purchase" project was successfully connected to the grid for power generation.

OUTLOOK FOR THE SECOND HALF OF THE YEAR

From an international perspective, the global economic recovery remains sluggish, with uncertainties such as geopolitical conflicts and trade barriers on the rise. However, the accelerated intelligent, green, and integrated transformation of global industrial chains has created favorable conditions for advantageous industries to expand into emerging markets. On the domestic perspective, as more proactive and effective policies are implemented and begin to deliver tangible results, the conditions and support for achieving the annual economic growth targets are falling into place. From an industry standpoint, the consensus and policy push against "involution" have further progressed. The industry is steadily transitioning into a new phase of structural differentiation and optimization-driven upgrading, where the window for industrial transformation coincides with a cycle of technological iteration. Traditional building materials are accelerating their shift from volume-driven to quality-driven growth, while high-growth segments within the new materials sector are well-positioned to sustain their upward momentum.

We must face our difficulties squarely while maintaining strategic focus, and take a balanced and dialectical view of the challenges and opportunities ahead. The Group will leverage the implementation of the "15th Five-Year Plan" as its overarching framework to drive continuous improvements in value creation, industrial optimization, innovation-driven growth, reform empowerment, and value realization, as we strive to build a world-class materials enterprise.

1. **With a strengthened goal orientation, we will give our best to stabilize operations and enhance both quality and efficiency**. We will uphold quality first and efficiency priority, closely tracking macroeconomic conditions, industry trends, market dynamics, and price movements. We will enhance the development of the industry ecosystem, rigorously implement measures to improve quality, boost efficiency, and sustain growth, relentlessly tap into internal potential, dynamically fine-tune business strategies, and comprehensively strengthen our value creation capabilities. In doing so, we aim to effectively mitigate the impact of various uncertainties and cyclical fluctuations.

2. **Through a multi-pronged approach to optimizing our business portfolio and structural mix, we will sharpen the core competitiveness of our industries**. We will forge a new paradigm for value enhancement in basic building materials, dynamically optimize resource allocation, reinforce synergies across the industrial chain, and enhance differentiated competitiveness by expanding into new business frontiers. We will accelerate the scaled development of emerging pillar industries, increase resource input to consolidate the industry foundation, strengthen our leading industrial clusters, and sharpen our edge in specialized market segments. Our engineering technology services business will further strengthen its commercial mindset, excel in global operation and maintenance and aftermarket value-added services, and accelerate its transition into a comprehensive service provider covering the entire industrial chain. We will drive high-quality international expansion, empower the global expansion of basic building materials through coordinated efforts, and accelerate the overseas deployment of our mature and competitive industries.

3. **We will continue to reinforce technological innovation and expedite the digital, green, and low-carbon transition**. We will improve diversified and multi-tiered funding mechanisms, bolster original innovation and breakthroughs in core technologies, accelerate the deep integration of the innovation and industrial chains, and systematically enhance the innovation ecosystem. In addition, we will enhance the application and security safeguards of "AI+" empowerment, refine our green manufacturing system, intensify energy structure adjustments, and accelerate the development of our dual-carbon core competitiveness.

4. **Remaining committed to reform-driven empowerment, we will effectively unlock vitality and efficiency**. We will improve market-oriented operating mechanisms and formulate and implement a new round of reform task lists with high quality. Moreover, we will expand medium- and long-term incentive schemes with a particular focus on technological innovation. Meanwhile, we will continue to elevate corporate governance standards, proactively build a governance system that champions development, enables efficient decision-making, and delivers value-added benefits, while further improving the modern enterprise system with Chinese characteristics.

5. **We will strengthen value management to solidify the framework for market value realization**. Building on value creation, we will continuously refine our market value management mechanisms and enhance returns to investors. In addition, we will further reinforce the strategic role of ESG, develop a science-based "15th Five-Year Plan" sustainable development strategic action plan, and elevate our ESG governance and practices to a higher level.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2026.

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

During the six months ended 30 June 2026, the Company and its subsidiaries had no purchase, sale or redemption of listed securities (including sale or transfer of treasury shares) ("securities" and "treasury shares", having the meanings ascribed by the Listing Rules) of the Company. As at 30 June 2026, the Company did not have any treasury shares.

CORPORATE GOVERNANCE CODE

Except for Code Provisions B.2.2, B.3.5 and C.2.1 of the CG Code as set out in Appendix C1 to the Listing Rules, the Company complied with all other code provisions of the Code from 1 January 2026 up to the date of this announcement. All the Directors of the current session of the Board elected on 19 November 2021 were subject to retirement by rotation by 19 November 2024, according to Code Provision B.2.2, which states that every Director should be subject to retirement by rotation at least once every three years. In order to ensure the smooth continuation of the senior management of the Company and to facilitate the proposed amendments to the Articles of Association in accordance with the new Chinese Company Law, with the exception of the following Directors, the remaining Directors of the current session of the Board have not retired by rotation.

The former Director, Mr. Fu Jinguang, resigned as an executive Director on 20 September 2022 due to work adjustment. Mr. Liu Yan was appointed as an executive Director upon consideration and approval at the second extraordinary shareholders' meeting of 2022 convened on 19 December 2022. Later, Mr. Liu Yan resigned as an executive Director due to work adjustments on 16 January 2025. The former Director, Mr. Peng Shou, tendered his resignation as a non-executive Director due to work adjustment. Mr. Wei Rushan was appointed as an executive Director upon consideration and approval at the second extraordinary shareholders' meeting of 2022 convened on 19 December 2022. At the eighth meeting of the fifth Board of Directors convened on 27 October 2023, the Company approved the re-designation of the Director, Mr. Xiao Jiaxiang, from an executive Director to a non-executive Director. Later, Mr. Xiao Jiaxiang tendered his resignation as a non-executive Director on 16 January 2025. The former Director, Ms. Fan Xiaoyan, resigned as a non-executive Director due to work adjustment, which took effect upon consideration and approval at the 2023 Annual General Meeting convened on 29 April 2024 for the appointment of Mr. Chen Shaolong as a non-executive Director. In addition, on 28 August 2024, Mr. Chang Zhangli resigned as a non-executive director of the Company due to work adjustment; on 25 October 2024, Mr. Li Xinhua resigned as a non-executive Director due to retirement. Ms. Miao Xiaoling was appointed as an executive Director upon consideration and approval at the extraordinary shareholders' meeting convened on 19 February 2025. On 21 October 2025, the Company received the resignation of Mr. Shen Yungang. As China Cinda no longer holds any shares in the Company, Mr. Shen Yungang has resigned as a non-executive Director. Mr. Zhou Yuxian resigned as the Chairman of the Board and an executive Director of the Company with effect from 27 August 2026.

Code provision B.3.5 of the CG Code requires that the Company should appoint at least one director of a different gender to the nomination committee. However, as at the date of this announcement, the nomination committee of the Company comprises three Directors, Mr. Wei Rushan, Mr. Sun Yanjun and Mr. Liu Jianwen. Leveraging on the existing nomination and diversity policies, the Board considered the current nomination committee could effectively reduce cognitive biases and expand the committee's pipelines for recruitment so as to promote greater diversity in the Board.

The Board will regularly consider if the appointment of one director of a different gender to the nomination committee is necessary by reviewing the effectiveness of the nomination committee and the relevant policies.

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Following the resignation of Mr. Zhou Yuxian as the chairman of the Board and an executive Director of the Company with effect from 27 August 2026, Mr. Wei Rushan, the President of the Company, has been authorised to exercise the powers of the Board chairman with effect from the same date. Accordingly, Mr. Wei concurrently performs the roles of the President and is authorised to exercise the powers of the Board chairman, which constitutes a deviation from Code provision C.2.1 of the CG Code. However, this arrangement is intended to be temporary. The Company believes that vesting powers of both roles in Mr. Wei during this interim period will not adversely affect the implementation of the Group's business strategies or its operational efficiency. Accordingly, the Board considers that the deviation from Code provision C.2.1 of the CG Code is appropriate in the circumstances

SPECIAL COMMITTEES UNDER THE BOARD

The Strategic Steering Committee

The Company has established a strategic steering committee. The Strategic Steering Committee of the Company comprises two Directors, including one executive Director and one independent non-executive Director. The Strategic Steering Committee is responsible for studying and reviewing the Company's operation objectives and long-term development strategies, business and organizational development proposals, major investing and financing plans and other material matters that will affect the development of the Company; supervising and inspecting the implementation of the annual operation plan and investing plans under the authorization of the Board; and making recommendations to the Board. During the Reporting Period, the Strategic Steering Committee has reviewed the proposal on Company's investment plan for the year of 2026, the proposal on Company's 2026 budget, the proposals for the plan of the Company to apply for credit facilities from banks and other financial institutions, the proposals for the plan of the Company and subsidiaries at all levels to issue debt financing instruments, the proposals for the plan of the Company and subsidiaries at all levels to provide financing guarantees, the proposals for the plan of the Company and subsidiaries at all levels for internal borrowing, the operation of the Company for the year of 2025, the proposals relating to the working arrangement in 2026, and the proposal in relation to the amendment to the 2026 investment plan of the Company.

Nomination Committee

The Company has established a nomination committee. The Nomination Committee of the Company comprises three Directors, including one executive Director and two independent non-executive Directors. Save as disclosed above, the terms of reference adopted by the Nomination Committee are in compliance with the provisions of the CG Code. The Nomination Committee is responsible for formulating procedures and standards for electing the Directors of the Company, senior management members as well as members of the Remuneration and Performance Appraisal Committee, the Audit Committee, the Strategic Steering Committee and the Environmental, Social and Governance Committee; conducting preliminary review on the qualifications and conditions of the Directors of the Company, senior management members as well as members of the Remuneration and Performance Appraisal Committee, the Audit Committee, the Strategic Steering Committee and the Environmental, Social and Governance Committee; assisting the chairman of the Board on reporting relevant matters to the Board; reviewing the board diversity policy and the director nomination policy. During the Reporting Period, the Nomination Committee has discussed and reviewed the structure, size and composition of the Board and the special committees, diversity of the Board as well as the independence of the independent non-executive Directors. Save for the above matters to be considered, the Nomination Committee also reviewed the resolutions in relation to the appointment of the secretary of the Board and the joint company secretary of the Company.

The Nomination Committee has reviewed the diversity policy and its effectiveness of the Board. The current members of the Board of the Company are in line with the diversity policy in terms of gender, age, cultural and educational background, professional experience and skills, in line with the Company's current business development needs, and is conducive to improving corporate governance and standardized operation. The Board currently includes two female members, which complies with the relevant requirements under Rule 13.92 of the Listing Rules. The Nomination Committee submitted the above review results to the Board meeting. The Board carefully considered and agreed with the above conclusions made by the Nomination Committee on the review of the diversity of the Board.

Remuneration and Performance Appraisal Committee

The Company has established a remuneration and performance appraisal committee. The Remuneration and Performance Appraisal Committee comprises three Directors, including one executive Director and two independent non-executive Directors. The terms of reference adopted by the Remuneration and Performance Appraisal Committee are in compliance with the provisions of the CG Code. The Remuneration and Performance Appraisal Committee is responsible for recommending the specific remuneration and reviewing the performance of the Directors and senior management of the Company, based on the remuneration and performance appraisal management policies and framework pertaining to Directors and senior management which have been formulated by the Board.

Audit Committee

The Company has established an audit committee. The Audit Committee of the Company comprises three Directors, including three independent non-executive Directors, one of whom possesses the appropriate professional qualification and accounting and related financial management experience. The terms of reference adopted by the Audit Committee are in compliance with the provisions of the CG Code. The Audit Committee is responsible for monitoring the Company's external auditors and their work, the Company's financial reporting procedures, internal control, risk management and internal control, reviewing the Company's internal audit plan and results reports, and formulating and reviewing the Company's corporate governance policies and their compliance and disclosure.

As of the date of this announcement, the Audit Committee has reviewed the proposals regarding the determination of audit fees for the year 2025, the appointment of auditors for the year 2026 and the 2026 interim report. Save for the above matters to be considered, the Audit Committee was also briefed by the Audit Department on the report on the internal audit work summary of the Company for the year 2025 and the internal audit work plan of the Company for the year 2026, by the legal compliance department on the report of Company's major operation risk forecast and assessment report for the year 2026, the compliance management report for the year 2025 and the internal control system work report for the year 2025, by the auditors on the audit of the financial report for 2025, and by the management on the operation report for the year 2025.

Environmental, Social and Governance Committee

The Company has established an environmental, social and governance committee. The Environmental, Social and Governance Committee of the Company comprises three Directors, including one executive Director and two independent non-executive Directors. The Environmental, Social and Governance Committee is responsible for researching and formulating the Company's overall ESG management goals, management strategies and management guidelines, and regularly evaluating the adequacy and effectiveness of the Company's ESG structure; monitoring and reviewing the Company's ESG policies and practices; evaluating and determining the Company and all its subsidiaries' ESG (including climate change) risks and opportunities to ensure that the Company establishes appropriate and effective ESG (including climate change) risk management and internal control systems; and reviewing major ESG management matters. During the Reporting Period, the Environmental, Social and Governance Committee has reviewed the proposal on the Company's ESG Report for the year 2025, discussed the development trends of ESG and been briefed on the progress of specific measures taken in response to the new regulations during their first year of implementation and the progress of ESG strategy and work tasks.

THE MODEL CODE

The Company has adopted a set of code no less exacting than the standards set out in the Model Code as its own code of conduct regarding securities transactions by Directors. The standard also applies to the Supervisors. Having made specific enquiry with all Directors and Supervisors, the Company confirms that each of the Directors and Supervisors has complied with the standards of the securities transactions by Directors as required by the Model Code and the Code for Securities Transactions of China National Building Material Company Limited during the Reporting Period.

SUBSEQUENT EVENTS

On 7 August 2026, the China Securities Regulatory Commission approved the registration of Sinoma Science & Technology's issue of up to 503,437,075 A shares to raise gross proceeds up to RMB4,481.15 million. As of the date of this announcement, the issue has not been completed.

CONNECTED TRANSACTION IN RELATION TO THE CAPITAL CONTRIBUTION IN SINOMA ADVANCED

Reference is made to the Company's announcement dated 14 August 2026 regarding the connected transaction in relation to the Capital Contribution in Sinoma Advanced. The Company hereby provides the following supplementary information in relation to the consideration and the basis of determination of the consideration for the connected transaction (with added disclosure underlined):

The total consideration of Capital Contribution is approximately <u>RMB990.27 million for subscribing the registered capital of approximately</u> RMB98.34 million, among which the consideration payable by the Company is RMB55 million for subscribing the registered capital of approximately RMB5.46 million in Sinoma Advanced with the premium part being recorded as capital reserve.

The Capital Contribution price for each share is RMB10.07 per share, determined based on the Appraised Value (which was agreed by the parties with reference to the Valuation Report), being approximately RMB5,064.17 million <u>(equivalent to RMB10.07 per share)</u> (as base price <u>(being RMB10.07 per share)</u> for the Listing), and after taking into account of the bidding results <u>(being RMB10.07 per share)</u> on the Shanghai United Assets and Equity Exchange.

DEFINITIONS

"BNBM"	北新集團建材股份有限公司 (Beijing New Building Materials Public Limited Company)
"Board"	the board of directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules

"China Cinda"	中國信達資產管理股份有限公司 (China Cinda Asset Management Co., Ltd.)
"China Jushi"	中國巨石股份有限公司 (China Jushi Co., Ltd.) (previously known as 中國玻纖股份有限公司 China Fiberglass Company Limited)
"Company" or "CNBM"	中國建材股份有限公司 (China National Building Material Company Limited*)
"Director(s)"	the director(s) of the Company
"Domestic Shares"	the ordinary shares with a nominal value of RMB1.00 each in the registered capital of the Company, which are subscribed for in RMB
"Group"	the Company and, except where the context otherwise requires, all its subsidiaries
"H Share(s)"	the overseas listed foreign shares with a nominal value of RMB1.00 each in the registered capital of the Company, which are listed on the Stock Exchange and subscribed for and traded in HKD
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Parent"	中國建材集團有限公司 (China National Building Material Group Co., Ltd.*) (previously known as 中國建築材料集團有限公司 China National Building Materials Group Corporation)
"PRC" or "China"	the People's Republic of China
"Reporting Period"	from 1 January 2026 to 30 June 2026
"RMB" or "Renminbi"	Renminbi yuan, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
"Share(s)"	ordinary shares of the Company with a nominal value of RMB1.00 each, comprising Domestic Shares and H Shares

"Shareholder(s)"	holder(s) of Share(s)
"Sinoma International"	中國中材國際工程股份有限公司 (Sinoma International Engineering Co., Ltd.)
"Sinoma Science & Technology"	中材科技股份有限公司 (Sinoma Science & Technology Co., Ltd.)
"State" or "PRC Government"	the government of the PRC including all political subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	the member(s) of the Supervisory Committee
"Supervisory Committee"	the supervisory committee of the Company
"Tianshan Cement"	天山材料股份有限公司 (Tianshan Material Co., Ltd.) (previously known as 新疆天山水泥股份有限公司 Xinjiang Tianshan Cement Co., Ltd.)

By Order of the Board
China National Building Material Company Limited*
Wei Rushan
President
(authorised to exercise the powers of the Chairman of the Board)

Beijing, the PRC
27 August 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. Wei Rushan, Mr. Wang Bing and Ms. Miao Xiaoling as executive directors, Mr. Wang Yumeng and Mr. Chen Shaolong as non-executive directors and Mr. Sun Yanjun, Mr. Liu Jianwen, Mr. Zhou Fangsheng, Mr. Li Jun and Ms. Xia Xue as independent non-executive directors.

* *For identification purposes only*