5100 Xizang Glacier Company Limited
5100藏冰川有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1115)

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

The Group as a whole has maintained its momentum of strong performance

- The Group's total revenue was approximately RMB221 million, representing a period-on-period increase of approximately 31.2%
- The Group's operating profit was approximately RMB75 million, representing a period-on-period increase of approximately 71.4%
- Water business segment: Gross profit margin achieved approximately 61.3%
- Beer business segment: Gross profit margin achieved approximately 48.8%
- The Group's profit for the period was approximately RMB71 million, representing a period-on-period increase of approximately 97.2%

We are standing at a historical juncture of the re-evaluation of global water resource value. Looking ahead, the Company will adhere to scarce water sources, anchor its high-end positioning, driven by a global vision and scientific research innovation, and steadily achieve the leap from "**Xizang's benchmark premium water**" to "**a world-class high-end water brand**". "**Xizang Water • World-class Quality**". We firmly believe that with the joint efforts of all colleagues, 5100 Xizang Glacier Company Limited will create long-term value for shareholders and become a national brand going global.

Future Strategic Objectives: Establish a benchmark for domestic high-end water brands and resolutely advance the globalisation strategy

- Strengthen strategic fulcrums for overseas markets
- Collaborate with multiple professional institutions to drive research-empowered development
- Precisely enter the new track of high-end infant-related products

FINANCIAL HIGHLIGHTS

	Six months ended 30 June 2026 *(RMB'000)*	2025 *(RMB'000)*	Change %
Revenue	**221,101**	168,511	↑ **31.2%**
Adjusted EBITDA*	**86,286**	57,574	↑ **49.9%**
Profit for the period attributable to owners of the Company	**71,375**	36,191	↑ **97.2%**
Earnings per share			
- Basic (RMB cents)	**1.28**	0.79	↑ **62.0%**
- Diluted (RMB cents)	**1.25**	0.79	↑ **58.2%**

	As at 30 June 2026 *(RMB'000)*	As at 31 December 2025 *(RMB'000)*
Total assets	**3,910,967**	3,748,041
Equity attributable to owners of the Company	**2,955,609**	2,873,513

* Adjusted EBITDA is not an accounting measure under International Financial Reporting Standards ("**IFRSs**") which should be read in conjunction with Note 4(b).

A Letter to Shareholders

Dear Shareholders,

The Board of Directors has reviewed and approved the Company's half-year results announcement. On behalf of the Board of Directors and the management team, I would like to extend sincere gratitude to all shareholders who have long cared for and supported 5100 Xizang Glacier. In the first half of 2026, the Company maintained rapid growth, with continuous optimisation of its overall financial position, business structure and operational efficiency, laying a solid foundation for the high-quality development of the Company.

I. Analysis of Global Landscape: Scarcity of Water and Grain and the Re-evaluation of Value of Essential-need Resources

The world today is undergoing profound restructuring. With frequent geopolitical conflicts and aggravated supply-chain disruptions, food and water-resource security has escalated from a regional issue into a global survival proposition. At present, shipping through the Strait of Hormuz is disrupted and grain exports from Russia and Ukraine have sharply declined. Global food inflation is rising, and the global food-security situation remains under pressure and faces severe challenges. Meanwhile, the combined impact of climate warming and super-El Niño has triggered frequent droughts and floods, which continuously damage agricultural production and infrastructure. United Nations reports indicate that 2 billion people worldwide lack access to safe drinking water and 3.6 billion people are deprived of basic sanitation protection — the dual scarcity of water and grain has become a focal point requiring long-term attention.

Such changes are profoundly reshaping the logic of capital markets. Over the past three decades, capital has chased technology and growth. Future investment focus may shift towards core assets essential for human survival such as grain and clean water resources. Scarce and rigid-demand water resources are bound to undergo systematic value re-evaluation. In the meantime, the traditional pattern of water consumption has also upgraded from "quenching thirst and replenishing water" to "health empowerment". Consumers will pay greater attention to water-source ecology, mineral-function and life-nurturing value. This has opened an unprecedented strategic window for high-end glacial-water brands.

II. Business Review: Notable Achievements of the Company's Strategy

In the first half of 2026, amid the complex external environment and numerous pressures and challenges, the Company focused on its core strategy and demonstrated resilience in business development. Its net profit grew to approximately RMB71 million, representing a year-on-year increase of over 90%. Specific breakthroughs are reflected in three aspects:

First, both sales volume and prices rose, and substantial growth was recorded in both the "**water plus beer**" business tracks. As the growth engine of the Company, the water business delivered steady sales growth through continuous optimisation of product mix and upgrading of pricing system. Adhering to the high-end route, the beer business made targeted arrangements for quality upgrading and brand rejuvenation, and its market share in Xizang region increased substantially. Through product-mix optimisation and refined channel operation, it achieved growth in both sales volume and prices. It complements the core water business and they jointly form the Company's diversified product matrix.

Second, reconstruct diversified channels to explore new room for growth. We have completely broken reliance on a single channel, comprehensively promoted the "breakthrough and reconstruction" of channels, and established a multi-channel coordinated development pattern. On the one hand, we further cultivated special access channels including JD Daojia, aviation, cinemas and hotels, and initial results have been achieved in the layout of core markets such as Guangdong-Hong-Kong-Macao. On the other hand, we innovatively launched the "Tonne Tonne" water redemption card model, which caters to both high-net-worth groups and lower-tier markets, locks in long-term household users, boosts repurchase rate and customer loyalty, and validates the business model of "mass-market reach for high-end products".

Third, deepen development in Hong Kong and conduct pilot exploration in Southeast Asia to expand sales footprint. We take Hong Kong as the first stop and core hub for our globalisation strategy. Leveraging its high-end consumer market and international trade advantages, we accelerated the deployment of high-end supermarkets, star-rated hotels and corporate customisation channels. With the support of customs facilitation policies, customs clearance efficiency has been greatly improved and logistics costs reduced. The Hong Kong market has become a stable overseas growth driver. Meanwhile, the Company expanded into the Southeast Asian market with Malaysia as the pilot location. It completed product compliance certification, channel access and contract signing with a local partner. Relying on differentiated strengths of "Xizang glacial source, low-deuterium small-molecule and natural weak-alkaline properties", it precisely entered the local high-end healthy beverage market. The first batch of products have been launched and user verification completed, laying a foundation for scaled-up development in the region.

Looking back on the past year, we have always upheld the mission of "**enabling more people to drink Xizang premium water**", and firmly promoted national high-end mineral water to go global. The Company's vision of becoming "**a world-class high-end water brand**" is being realised step by step.

III. Future Strategic Objectives: Establish a Benchmark for Domestic High-end Water Brands and Resolutely Advance the Globalisation Strategy

First, strengthen strategic fulcrums for overseas markets. In the Hong Kong and Macao markets, in July 2026, we formally granted the general agency for Hong Kong and Macao to Ms. Cally Kwong, a Deputy to the National People's Congress for the Hong Kong Region, and leveraged her top-tier high-end commercial resources to forge in-depth ties with high-end social circles. In the same period, we fully sponsored the Miss Hong Kong Pageant 2026 to bring the water-source culture of Xizang snow-covered land to public attention. In Southeast Asia, taking Malaysia as the bridgehead, we obtained Halal certification in May 2026 and signed contract with the Malaysian general-agent in August 2026, formally commencing scaled-up regional operations. Going forward, we will accelerate our market deployment in the Middle East, Europe and America, and steadily push forward brand internationalisation.

Second, drive research-empowered development in collaboration with multiple professional institutions. In March 2026, the Company entered into cooperation with the research team led by Professor Yibin FENG from the School of Chinese Medicine, the University of Hong Kong, to conduct systematic clinical research on the efficacy of 5100 Xizang Glacier Mineral Water in regulating uric acid and nourishing kidneys, so as to consolidate the great-health value of the product with authoritative scientific research. In future, we will further cooperate with multiple domestic and foreign research institutes to carry out multi-dimensional research on the effects of glacial water on human metabolism, immunity and other aspects, build differentiated competitive barriers with scientific data, and enhance professional trust in the brand.

Third, precisely enter the new track of high-end infant-related products. We are acquiring a rare water-source site in Shannan, Xizang, and plan to construct a dedicated maternal-and-infant water base with an annual output of 400,000 tonnes, formally foraying into the high-end infant drinking-water market. This track imposes extremely high requirements on water-source purity, mineral balance and safety standards, which are highly consistent with the natural endowments of 5100. Meanwhile, we will accelerate the deployment of aluminium-can products, enrich the product matrix covering business, travel, household, maternal-and-infant and other scenarios, and cover segmented demands with a comprehensive product system.

Dear Shareholders and Partners, we are standing at a historical juncture of the re-evaluation of global water resource value. Looking ahead, the Company will uphold scarce water sources, anchor its high-end positioning, driven by a global vision and scientific-research innovation, and steadily achieve the leap from "**Xizang's benchmark premium water**" to "**a world-class high-end water brand**". "**Xizang Water • World-class Quality**". We firmly believe that with the joint efforts of all colleagues, 5100 Xizang Glacier will create long-term value for shareholders and become a national brand going global.

Chen Di
Chairman and Non-executive Director

Hong Kong, 31 August 2026

INTERIM RESULTS

The board of directors (the "**Directors**") (the "**Board**") of 5100 Xizang Glacier Company Limited. (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026. These interim results have been reviewed by the Company's audit committee (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Unaudited	
		Six months ended 30 June	
	Note	**2026**	2025
		RMB'000	*RMB'000*
Revenue	5	**221,101**	168,511
Cost of sales		**(97,003)**	(93,654)
Gross profit		**124,098**	74,857
Selling and distribution costs		**(41,411)**	(14,767)
Administrative expenses		**(33,137)**	(30,780)
Allowance for expected credit loss ("**ECL**") on financial assets		**(1,556)**	(3,887)
Other gains, net	6	**27,172**	18,432
Operating profit		**75,166**	43,855
Finance income/(cost), net		**6,128**	(4,751)
Share of result on investments accounted for using the equity method	10	**(4,242)**	(2,731)
Profit before income tax		**77,052**	36,373
Income tax expense	8	**(5,677)**	(182)
Profit for the period	7	**71,375**	36,191
Profit/(loss) for the period attributable to:			
Owners of the Company		**71,378**	36,191
Non-controlling interests		**(3)**	—
		71,375	36,191
Earnings per share attributable to owners of the Company			
– Basic (RMB cents per share)	9	**1.28**	0.79
– Diluted (RMB cents per share)	9	**1.25**	0.79

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit for the period	**71,375**	36,191
Other comprehensive (loss)/income:		
Items that will not be reclassified subsequently to profit or loss		
Exchange differences on translation from functional currency to presentation currency	**(21,254)**	1,281
Other comprehensive (loss)/income for the period, net of tax	**(21,254)**	1,281
Total comprehensive income for the period	**50,121**	37,472
Total comprehensive income/(loss) attributable to:		
Owners of the Company for the period	**50,306**	37,472
Non-controlling interests	**(185)**	—
	50,121	37,472

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**Unaudited 30 June 2026** *RMB'000*	Audited 31 December 2025 *RMB'000*
Non-current assets			
Right-of-use assets		**42,466**	44,100
Property, plant and equipment ("**PP&E**")		**282,299**	292,209
Intangible assets		**16,687**	18,285
Goodwill		**721,139**	721,139
Investments accounted for using the equity method	10	**764,125**	768,367
Financial assets at fair value through profit or loss ("**FVTPL**")	12	**92,615**	92,615
Deferred tax assets		**2,064**	2,021
Total non-current assets		**1,921,395**	1,938,736
Current assets			
Inventories		**83,952**	82,667
Trade receivables	11	**300,533**	204,769
Loan receivables		**—**	2,760
Prepayments		**378,225**	229,304
Other financial assets at amortised cost		**1,179,753**	1,097,454
Derivative financial instruments	14	**39,535**	45,316
Financial assets at FVTPL	12	**—**	50,289
Cash and cash equivalents		**7,574**	96,746
Total current assets		**1,989,572**	1,809,305
Current liabilities			
Trade and notes payables	13	**22,790**	128,639
Deferred revenue		**704**	704
Contract liabilities		**35,196**	31,845
Tax payable		**36,964**	34,951
Accruals and other payables		**153,473**	107,877
Bank borrowings		**349,000**	202,000
Convertible bonds - liability component	14	**193,797**	215,287
Lease liabilities		**1,697**	1,846
Total current liabilities		**793,621**	723,149
Net current assets		**1,195,951**	1,086,156
Total assets less current liabilities		**3,117,346**	3,024,892

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	**Unaudited 30 June 2026** *RMB'000*	Audited 31 December 2025 *RMB'000*
Non-current liabilities			
Bank borrowings		**131,000**	119,000
Deferred revenue		**7,048**	7,400
Deferred tax liabilities		**5,257**	5,593
Lease liabilities		**18,149**	18,918
Total non-current liabilities		**161,454**	150,911
Net assets		**2,955,892**	2,873,981
Capital and reserves			
Share capital	15	**48,480**	48,121
Reserves		**2,907,129**	2,825,392
Equity attributable to owners of the Company		**2,955,609**	2,873,513
Non-controlling interests		**283**	468
Total equity		**2,955,892**	2,873,981

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Notes to the condensed consolidated financial statements

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 8 November 2010. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Group is engaged in production and sales of water products and beer products in the People's Republic of China (the "**PRC**"). The Group also provides lending services to third parties in Hong Kong Special Administrative Region with relevant license.

The Company's shares have been listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 30 June 2011.

The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is different from the Company's functional currency Hong Kong Dollar ("**HKD**"). The Directors adopted RMB as presentation currency as the operational entities are located in the PRC.

2 BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of Appendix D2 to the Listing Rules. The condensed consolidated financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period. It was authorised for issue on 31 August 2026.

3 ACCOUNTING POLICIES

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

3.1 Application of amendments to IFRS Accounting Standards

Other than additional accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation 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.

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 periods 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
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7

3 ACCOUNTING POLICIES (CONTINUED)

3.1 Application of amendments to IFRS Accounting Standards (continued)

The application of the amendments to IFRS Accounting Standards and the early application of the amendment 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.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company, being the chief operating decision maker ("**CODM**") that are used to make strategic decisions.

(a) Description of segments and principal activities

(i) Water business segment

The principal activities of the Group are manufacturing and selling a range of water products through wholesales in the PRC, selling raw materials and consumables to associates and third parties, leasing production lines to associates.

(ii) Beer business segment

The Group manufactures and sells a range of beer products mainly in the PRC through wholesales, licensing and distributions.

(b) Segment information disclosures

Sales between segments are based on the agreed terms between both segments. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the condensed consolidated statement of profit or loss.

The amounts provided to the CODM with respect to total assets and total liabilities are measured in a manner consistent with that of the condensed consolidated financial statements.

4 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and as at 30 June 2026 is as follows:

	Unaudited Six months ended 30 June 2026			
	Water business segment *RMB'000*	**Beer business segment** *RMB'000*	**Corporate and others** *RMB'000*	**Total** *RMB'000*
Total segment revenue	**129,432**	**91,669**	**—**	**221,101**
Cost of sales	**(50,053)**	**(46,950)**	**—**	**(97,003)**
Gross profit	**79,379**	**44,719**	**—**	**124,098**
Share of result on investments accounted for using the equity method	**(4,242)**	**—**	**—**	**(4,242)**
(Allowance for)/reversal of allowance for ECL on financial assets	**7,055**	**(7,970)**	**(641)**	**(1,556)**
Adjusted EBITDA*	**56,401**	**24,400**	**5,485**	**86,286**
Finance income	**9,998**	**7,446**	**270**	**17,714**
Finance costs	**(3,282)**	**(2,165)**	**(6,139)**	**(11,586)**
Depreciation and amortisation	**(8,713)**	**(6,439)**	**(210)**	**(15,362)**
Profit/(loss) before tax	**54,404**	**23,242**	**(594)**	**77,052**
Income tax (expenses)/ credit	**(2,930)**	**(2,845)**	**98**	**(5,677)**
Profit/(loss) for the period	**51,474**	**20,397**	**(496)**	**71,375**

	Unaudited As at 30 June 2026		
	Water business segment *RMB'000*	**Beer business segment** *RMB'000*	**Total** *RMB'000*
Segment total assets	**2,317,323**	**1,437,897**	**3,755,220**
– Investments accounted for using the equity method	**764,125**	**—**	**764,125**
Unallocated			
Deferred tax assets			**2,064**
Assets of corporate and others			**153,683**
Total assets			**3,910,967**
Segment total liabilities	**684,261**	**240,068**	**924,329**
Unallocated			
Deferred tax liabilities			**5,257**
Liabilities of corporate and others			**25,489**
Total liabilities			**955,075**

4 **SEGMENT INFORMATION (CONTINUED)**

(b) Segment information disclosures (continued)

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2025 and as at 31 December 2025 is as follows:

	Unaudited Six months ended 30 June 2025			
	Water business segment *RMB'000*	Beer business segment *RMB'000*	Corporate and others *RMB'000*	Total *RMB'000*
Total segment revenue	118,147	50,258	106	168,511
Cost of sales	(52,826)	(40,828)	—	(93,654)
Gross profit	65,321	9,430	106	74,857
Share of result on investments accounted for using the equity method	(2,731)	—	—	(2,731)
(Allowance)/reversal of allowance for ECL on financial assets	(3,893)	—	6	(3,887)
Adjusted EBITDA*	51,941	11,602	(5,969)	57,574
Finance income	10,360	5,251	467	16,078
Finance costs	(3,409)	(1,343)	(16,077)	(20,829)
Depreciation and amortisation	(8,101)	(7,798)	(551)	(16,450)
Profit/(loss) before tax	50,791	7,712	(22,130)	36,373
Income tax (expenses)/ credit	1	(147)	(36)	(182)
Profit/(loss) for the period	50,792	7,565	(22,166)	36,191

* Adjusted EBITDA is a key financial measure regularly monitored by CODM in managing the Group's performance. Adjusted EBITDA is calculated by excluding the following effects from the profit/(loss) for the period: (i) finance income/(cost), net; (ii) depreciation and amortisation; and (iii) income tax (expenses)/credit.

Adjusted EBITDA is not an accounting measure under IFRS Accounting Standards and should not be considered as an alternative to the profit/(loss) for the period as a measure of operational performance. Adjusted EBITDA does not have a standard calculation method and the Group's definition of adjusted EBITDA may not be comparable to that of other companies.

4 SEGMENT INFORMATION (CONTINUED)

(b) Segment information disclosures (continued)

	Audited As at 31 December 2025 Water business segment *RMB'000*	Beer business segment *RMB'000*	Total *RMB'000*
Segment total assets	2,212,972	1,407,680	3,620,652
– Investments accounted for using the equity method	768,367	—	768,367
Unallocated			
Deferred tax assets			2,021
Assets of corporate and others			125,368
Total assets			3,748,041
Segment total liabilities	352,091	278,697	630,788
Unallocated			
Deferred tax liabilities			5,593
Liabilities of corporate and others			237,679
Total liabilities			874,060

5 REVENUE

Revenue from external customers is mainly derived from the sales of water products, beer products, licensing income and interest income from lending services provided. The Group also sells raw materials and consumables to associates and third parties and leases production lines and equipment to associates. Breakdown of the revenue is as follows:

	Unaudited Six months ended 30 June 2026 ***RMB'000***	2025 *RMB'000*
Revenue from contracts with customers:		
Recognised at a point in time		
Sales of water products	**126,858**	115,572
Sales of beer products	**87,368**	50,258
	214,226	165,830
Recognised over time:		
Licensing income	**4,300**	—
Revenue from other sources:		
Rental income	**2,575**	2,575
Interest income from lending service	**—**	106
	6,875	2,681
	221,101	168,511

6 OTHER GAINS, NET

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Government grants (note)	**5,709**	8,002
Loss on disposal of FVTPL financial assets	**(992)**	—
Loss on disposal of subsidiaries	**—**	(65)
Exchange gains, net	**22,295**	6,599
Others	**160**	3,896
	27,172	18,432

note:

During the current interim period, the Group recognised government grants of RMB5,709,000 (six months ended 30 June 2025: RMB8,002,000) in respect of government subsidies granted to the Group by the local government authorities in the PRC. These grants are generally made for business support and awarded to enterprises on a discretionary basis.

7 PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Raw materials and consumables used	**75,331**	65,466
Transportation costs	**15,079**	10,542
Depreciation of PP&E	**12,142**	14,012
Depreciation of right-of-use assets	**1,621**	839
Amortisation of intangible assets	**1,599**	1,599
Employee benefit expenses (note a)	**34,041**	33,825
Legal and other consulting service fee	**3,229**	1,113
Advertising and marketing expenditure (note a)	**20,789**	1,316
City construction tax and education surcharge	**1,473**	1,281
Electricity and other utility expenses	**3,348**	3,823
Short-term lease expenses	**123**	332
Allowance for ECL on financial assets		
– Trade receivables	**11**	3,887
– Other financial assets at amortised cost	**1,545**	—

note a:

For the six months ended 30 June 2026, equity-settled share-based payment expenses of approximately RMB16,281,000 arising from the grant of share options to distributors were recognised during the period and included under advertising and marketing expenditure.

For the six months ended 30 June 2025, equity-settled share-based payment expenses of approximately RMB4,241,000 arising from the grant of share options to staff were recognised during the period and included under employee benefit expenses.

8 INCOME TAX EXPENSE

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Enterprise Income Tax:		
– Current income tax	**6,057**	147
– Deferred tax	**(380)**	35
Income tax expense	**5,677**	182

9 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share for the six months ended 30 June 2026 and 2025 are based on the following data:

	Unaudited Six months ended 30 June	
	2026	2025
Profit attributable to owners of the Company (RMB'000)	**71,375**	36,191
Weighted average number of ordinary shares in issue (thousands)	**5,558,653**	4,566,684
Basic earnings per share (RMB cents)	**1.28**	0.79

(b) Diluted earnings per share

	Unaudited Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Profit attributable to owners of the Company for the purpose of calculating diluted earnings per share	**71,375**	36,191

	Unaudited Six months ended 30 June	
	2026	2025
Weighted average number of ordinary shares in issue (thousands)	**5,558,653**	4,566,684
Effect of dilutive potential ordinary shares:		
Share option scheme (thousands)	**151,536**	—
Weighted average number of ordinary shares for the purpose of diluted earnings per share (thousands)	**5,710,189**	4,566,684

9 EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share (CONTINUED)

The computation of diluted earnings per share does not assume the conversion of the Company's outstanding convertible bonds because the conversion price of those outstanding convertible bonds was higher than the average market price for shares for the six months ended 30 June 2026.

10 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	*Audited*
At the beginning of the period	**768,367**	741,527
Additions (note)	**—**	29,400
Share of results	**(4,242)**	(2,560)
At the end of the period	**764,125**	768,367

note:

In 2025, the Group acquired 49% equity interest in a company incorporated in the PRC at a consideration of RMB29,400,000. Upon completion of the acquisition, the Group held a 49% equity interest in that company, which became an associate of the Group.

11 TRADE RECEIVABLES

The credit period is generally 90 to 180 days. The aging analysis of trade receivables based on invoice dates is as follows:

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	*Audited*
Within 6 months	**202,068**	114,003
Over 6 months but within 1 year	**85,993**	56,104
Over 1 year but within 2 years	**50,444**	33,269
Over 2 years	**41,813**	96,570
	380,318	299,946
Less: allowance for ECL	**(79,785)**	(95,177)
	300,533	204,769

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	*Audited*
Equity securities listed in Hong Kong (note a)	**—**	50,289
Unlisted equity securities in the PRC (note b)	**92,400**	92,400
Unlisted equity securities in Hong Kong	**215**	215
	92,615	142,904
Analysed for reporting purposes at:		
Current assets	**—**	50,289
Non-current assets	**92,615**	92,615
	92,615	142,904

note a:

The fair value of the listed equity securities was determined based on the quoted market closing prices available on the Hong Kong Stock Exchange. These investments are held for trading and were fully disposed in the first half of 2026.

note b:

In 2025, the Group acquired 28% equity interest in a company incorporated in the PRC. The acquisition was completed in December 2025. This company has obtained approval of water extraction rights from a water source in Tibet Autonomous Region in Shannan City.

13 TRADE AND NOTES PAYABLES

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	*Audited*
Trade payables	**22,790**	26,983
Notes payables	**—**	101,656
	22,790	128,639

13 TRADE AND NOTES PAYABLES (CONTINUED)

As at 30 June 2026 and 31 December 2025, the aging analysis of trade payables based on invoice dates is as follows:

	As at	
	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	Unaudited	*Audited*
Within 3 months	**9,288**	11,342
Over 3 months but within 6 months	**1,326**	2,597
Over 6 months but within 1 year	**3,431**	1,544
Over 1 year but within 2 years	**2,431**	5,619
Over 2 years	**6,314**	5,881
	22,790	26,983

As at 30 June 2026 and 31 December 2025, the Group's trade payables were all denominated in RMB and were not interest bearing.

The credit period on trade payables is generally within 90 days.

As at 30 June 2026, no bank acceptance notes were guaranteed by bank deposits (31 December 2025: bank acceptance notes amounting to approximately RMB101,656,000 were guaranteed by bank deposits of approximately RMB10,166,000).

14 CONVERTIBLE BONDS – LIABILITY COMPONENT

On 21 January 2025, the Company completed the issue of 8% convertible bonds in the aggregate principal amount of HKD165,000,000 (the "**2025 Convertible Bonds I**"). The bonds bore interest on their outstanding principal amount from and including the issue date and payable in one lump sum on the maturity date or upon conversion in accordance with the terms and conditions of the bonds. The bonds were convertible into shares at the initial conversion price of HKD0.33 (subject to adjustments in the manner provided in the bonds documents). The bonds could be early redeemed upon certain events at the option of the bondholder or the issuer. If the bonds had not been converted or redeemed, they shall be redeemed on 9 December 2025 at par value plus accrued interest. Further details were set out in the announcements of the Company dated 12 December 2024, 20 December 2024 and 21 January 2025 respectively.

At initial recognition, the fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is presented in equity heading "other reserve". The early redemption option is considered as closely related to the host debt. The effective interest rate of the liability component is 9.11%.

During the year ended 31 December 2025, the 2025 Convertible Bonds I with the principal amount of HKD165,000,000 (equivalent to RMB149,028,000) were converted into 499,999,998 new shares of the Company at a conversion price of HKD0.33 per share. The conversion shares rank pari passu in all respects with shares of the Company.

14 CONVERTIBLE BONDS – LIABILITY COMPONENT (CONTINUED)

On 18 March 2025, the Company completed another issue of 8% convertible bonds in the aggregate principal amount of HKD138,000,000 (the "**2025 Convertible Bonds II**"). Interest for the first 3 months from the issue date was payable in advance on the issue date. The remaining interest was payable in one lump sum on the maturity date. The bonds were convertible into shares at the initial conversion price of HKD0.345 (subject to adjustments in the manner provided in the bonds documents). The bonds could be early redeemed upon certain events at the option of the bondholder or the issuer. If the bonds had not been converted or redeemed, they shall be redeemed on 1 December 2025 at par value plus accrued interest. Further details were set out in the announcements of the Company dated 13 February 2025 and 18 March 2025 respectively.

At initial recognition, the fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is presented in equity heading "other reserve". The early redemption option is considered as closely related to the host debt. The effective interest rate of the liability component is 10.12%.

During the year ended 31 December 2025, the 2025 Convertible Bonds II with the principal amount of HKD138,000,000 (equivalent to RMB124,641,000) were converted into 400,000,000 new shares of the Company at a conversion price of HKD0.345 per share. The conversion shares rank pari passu in all respects with shares of the Company.

On 17 October 2025, the Company completed the placing of 5% convertible bonds in the aggregate principal amount of HKD297,000,000 (the "**2025 Convertible Bonds III**"). The bonds bear interest on their outstanding principal amount from and including the issue date and payable in one lump sum on the maturity date or upon conversion in accordance with the terms and conditions of the bonds. The bonds will be convertible into shares at the initial conversion price of HKD0.55 (subject to adjustments in the manner provided in the bonds documents). The bonds can be early redeemed upon certain events at the option of the bondholder or the issuer. If the bonds have not been converted or redeemed, they will be redeemed on 5 October 2026 at par value plus accrued interest. Further details were set out in the announcements of the Company dated 17 September 2025 and 17 October 2025 respectively.

Pursuant to the terms of the 2025 Convertible Bonds III, the Company has the right (but not the obligation) to redeem all or part of the bonds held by any bondholder at any time and from time to time prior to the maturity date at their early redemption amount. The management considers the fair value of the option is significant. The effective interest rate of the liability component is 5.53%.

The 2025 Convertible Bonds III contain the redemption rights that allow the Company as the issuer to redeem the bonds at par together with accrued interests at any time during the life of the bonds. At initial recognition, the redemption rights are not considered to be "closely related" to the liability component of the bonds, and the redemption right is therefore to be separately recognised as derivative components at FVTPL from the liability component of the bonds. The conversion option is recognised as equity component of the bonds.

At initial recognition, the fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without derivatives; and this amount is carried as a financial liabilities on the amortised cost basis until extinguished on conversion or redemption.

During the period ended 30 June 2026, the 2025 Convertible Bonds III with the principal amount of HKD22,000,000 (equivalent to RMB19,379,800) were converted into 40,000,000 new shares of the Company at a conversion price of HKD0.55 per share. The conversion shares rank pari passu in all respects with shares of the Company.

14 CONVERTIBLE BONDS – LIABILITY COMPONENT (CONTINUED)

Up to 30 June 2026, the 2025 Convertible Bonds III with the principal amount of HKD82,000,000 (equivalent to RMB71,225,200) were converted into 149,090,903 new shares of the Company at a conversion price of HKD0.55 per share. The conversion shares rank pari passu in all respects with shares of the Company.

The movement of the debt and derivative components of the 2025 Convertible Bonds III is set out as below:

	Liability Components *RMB'000*	Derivative Components *RMB'000*
2025 Convertible Bonds III		
Liability/derivative component at the issuance date	266,683	66,679
Interest expenses	2,541	—
Conversion	(53,901)	(13,047)
Loss in changes of fair value	—	(8,435)
Exchange realignment	(36)	119
As at 1 January 2026 and 31 December 2025	215,287	45,316
Interest expenses	**6,120**	**—**
Conversion	**(19,936)**	**(4,045)**
Exchange realignment	**(7,674)**	**(1,736)**
As at 30 June 2026	**193,797**	**39,535**

Binomial option pricing model is used for valuation of the derivative component, with certain parameter included expected volatility.

The 2025 Convertible Bonds I and 2025 Convertible Bonds II have been split into the liability and equity components as follows:

	RMB'000
2025 Convertible Bonds I and 2025 Convertible Bonds II	
As at issue date	267,804
Interest paid	(2,565)
Interest expenses	22,340
Conversion	(287,579)
Liability component as at 31 December 2025	—

15 SHARE CAPITAL

	Number of ordinary shares *(thousands)*	Unaudited Nominal value of ordinary shares ***HKD'000***	Equivalent nominal value of ordinary shares ***RMB'000***
Ordinary shares of HKD0.01 each, Issued and fully paid			
Balance as at 1 January 2025 (Audited)	4,579,188	45,792	38,929
Conversion of convertible bonds (Note 14)	1,009,091	10,091	9,192
Balance as at 31 December 2025 (Audited) and 1 January 2026 (Audited)	5,588,279	55,883	48,121
Conversion of convertible bonds (Note 14)	**40,000**	**400**	**359**
Balance as at 30 June 2026 (Unaudited)	**5,628,279**	**56,283**	**48,480**

16 DIVIDENDS

No dividends were paid, declared, or proposed during the period ended 30 June 2026 (six months ended 30 June 2025: Nil). The directors of the Company have determined that no dividend will be paid in respect of the period ended 30 June 2026 (six months ended 30 June 2025: Nil).

17 EVENTS AFTER THE REPORTING PERIOD

As disclosed in the announcement of the Company dated 25 June 2026, the Company has entered into a sale and purchase agreement to acquire the entire issued share capital of Nyenchen Tanglha Investment Co., Limited (the "**Target Company**"), which is in turn holding 72% equity interest in Xizang Life Water Development Co., Ltd. (西藏生命之水發展有限公司) (the "**PRC Company**"). Upon completion, both the Target Company and the PRC Company will become wholly-owned subsidiaries of the Company. The acquisition is expected to substantially enhance the Group's production capacity and open new market opportunities. The total consideration of RMB237,600,000 will be satisfied by the allotment and issue of 380,000,000 consideration shares. For further details, please refer to the Company's announcements dated 25 June 2026 and 15 July 2026.

As at the date of this announcement, the transaction has yet to be completed.

18 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period presentation. These reclassifications have no impact on the Group's total equity as at 30 June 2026 and 2025, or on the Group's profit for the period ended 30 June 2026 and the period ended 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2026, the Group continued to be committed to the development of the water resources industry and the beer industry in Tibet, striving to enhance the user experience and optimize channel expansion, so as to enable Tibet's distinctive and premium products to reach more consumers and potential consumers.

In the first half of 2026, consumer spending in Mainland China showed signs of structural recovery, with residents adopting a more cautious approach and overall growth remaining moderate. Consumers emphasized value-for-money in their daily purchases, while demand persisted for high-end products and gift-related consumption with scarce attributes. As a result, both consumption upgrading and rational purchasing coexisted. The Group's water business continued to consolidate its premium and high-quality positioning, optimize product mix, implement a product price enhancement strategy, focus on high-value customer segments, and satisfy market demands for healthy household consumption and healthy gift-related consumption by offering long-term, stable, and convenient Tibet's healthy water home delivery services through the household-based "Tonne Tonne" water redemption cards. Overall revenue of the water business segment increased by approximately 9.6% year-on-year. In the first half of 2026, the national beer market remained broadly flat, with industry growth shifting from scale expansion to structural upgrading. In Tibet's local market, the competitive landscape stayed solid, with mainstream regional brands maintaining strong channel barriers. The Company reinforced its existing cooperation system and, leveraging its flagship product — 5100 Xizang Ice Beer — sought breakthroughs by concentrating resources and precisely positioning itself in the high-end beer segment. As a result, the 5100 brand steadily increased its market share, achieving simultaneous growth in volume and price, with revenue of the beer business segment rising by 82.4% compared to the same period last year.

In the first half of 2026, the scale of the Group's bank financing in Tibet slightly increased. The management of the Group has always firmly believed in focusing on the return to the products as the cornerstone, the enhancement of customer experience as the goal, the deep ploughing of brand value as the guiding principle, and the maximization of shareholders' returns as the core, so as to gather the strengths of the Group and strive for the future.

FINANCIAL REVIEW

REVENUE ANALYSIS

In the first half of 2026, due to the reasons mentioned in the "Business Review" section above, the total revenue of the Group amounted to RMB221 million, representing an increase of 31.2% in comparison with the first half of 2025. The revenue generated from our water business segment was RMB129 million, representing an increase of 9.6% in comparison with the first half of 2025. The revenue generated from our beer business segment was RMB92 million, representing an increase of 82.4% in comparison with the first half of 2025.

In the first half of 2026, the overall gross profit margin of the Group was 56.1%, which increased by 11.7 percentage points when compared to the first half of 2025. The gross profit margin of the water business segment was 61.3%, which increased by 6.0 percentage points when compared to the first half of 2025, primarily due to higher selling prices of the water business. The gross profit margin of the beer business segment was 48.8% in the first half of 2026, which increased by 30.0 percentage points when compared to the first half of 2025. The beer segment's gross profit increased this period, driven by the expansion of sales scale, continuous optimization of product mix, and upward adjustment of selling prices, all of which collectively contributed to improved profitability.

SELLING AND DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES

In the first half of 2026, the selling and distribution costs increased by 180.4% to RMB41 million from RMB15 million in the first half of 2025, mainly due to the Company's recognition of equity-settled share-based payment expense to distributors of RMB16 million in the first half of 2026. The administrative expenses increased by 7.7% to RMB33 million from RMB31 million in the first half of 2025.

OTHER GAINS, NET

In the first half of 2026, the Group's other gains, net, amounted to RMB27 million. The main sources included government grants of RMB6 million and foreign exchange gain of RMB22 million, while other losses mainly comprised loss on financial assets at fair value through profit or loss of RMB1 million. In the first half of 2025, the Group's other gains, net, amounted to RMB18 million, which mainly included government grants of RMB8 million and foreign exchange gain of RMB7 million.

FINANCE INCOME/COST, NET

In the first half of 2026, the Group recorded finance income, net of RMB6 million, mainly including interest expenses on bank borrowings, convertible bonds and other borrowings of RMB11 million, and interest income of RMB17 million. In the first half of 2025, the Group's net finance costs amounted to RMB5 million, mainly including borrowing interest expenses of RMB21 million on bank borrowings, convertible bonds and other borrowings, and interest income of RMB16 million.

SHARE OF LOSS ON INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

In the first half of 2026, the share of loss on investments accounted for using the equity method was RMB4 million (the first half of 2025: RMB3 million). The increase in share of loss was mainly due to the fact that the consolidated share of losses of associated companies increased.

INCOME TAX EXPENSE

In the first half of 2026, the income tax expense was RMB6 million, compared to RMB180,000 in the first half of 2025. The increase in income tax expense was mainly due to higher profit for the current period and the gradual utilization of tax losses carried forward from previous years.

PROFIT FOR THE HALF YEAR

For the reasons mentioned above, in the first half of 2026, the profit for the half year was RMB71 million compared to RMB36 million in the first half of 2025.

OTHER FINANCIAL POSITIONS

As at 30 June 2026, net trade receivables of the Group amounted to RMB301 million, representing an increase compared to RMB205 million as at 31 December 2025. The increase was mainly due to supporting strategic partner distributors in expanding their business by providing certain credit limits and payment terms, with subsequent collections remaining satisfactory. The Group maintains regular communication with major debtors via meetings and telephone calls and continuously monitors their public information, so as to keep abreast of their operating conditions and ongoing business needs, and to improve the Group's services accordingly.

As at 30 June 2026, financial assets at FVTPL (current and non-current) of the Group amounted to RMB93 million compared to RMB143 million as at 31 December 2025. The decrease was mainly due to the full disposal in the first half of 2026 of certain listed shares purchased by the Group in the stock market in 2025.

As at 30 June 2026, prepayments (current portion) of the Group amounted to RMB378 million, representing an increase compared to RMB229 million as at 31 December 2025. The increase was mainly due to the increase in prepayment for purchasing raw materials and project prepayment.

As at 30 June 2026, other financial assets at amortised cost, net of allowance for ECL of the Group amounted to RMB1,180 million compared to RMB1,097 million as at 31 December 2025. As at 30 June 2026, other financial assets at amortised cost mainly included the amounts due from third parties amounting to RMB1,028 million. As at 30 June 2026, allowance for ECL on other financial assets at amortised cost amounted to RMB46 million.

As at 30 June 2026, trade and notes payables of the Group amounted to RMB23 million compared to RMB129 million as at 31 December 2025. The decrease was mainly due to a decrease in notes payable of RMB102 million and an decrease in trade payables of RMB4 million.

As at 30 June 2026, accruals and other payables of the Group amounted to RMB153 million compared to RMB108 million as at 31 December 2025. As at 30 June 2026, accruals and other payables mainly included salary payables and welfare payables amounting to RMB20 million, amounts received from a third party and borrowings from third parties amounting to RMB93 million and other payables amounting to RMB40 million.

As at 30 June 2026, the Group's bank borrowings amounted to RMB480 million. Compared with 31 December 2025, bank borrowings increased by RMB159 million, which was mainly due to the addition of two new bank loans in the first half of 2026.

As at 30 June 2026, the liability component of the convertible bonds issued by the Company was RMB194 million, compared to RMB215 million as at 31 December 2025. On 17 October 2025, the Company completed the issue of 5% convertible bonds in the aggregate principal amount of HKD297,000,000 (the "**2025 Convertible Bonds III**"). Upon initial recognition, the bonds were separated into debt and derivative components, with the derivative component measured at fair value and reflected in profit or loss. For details, please refer to Note 14 to the consolidated financial statements of this announcement.

EMPLOYEES

As at 30 June 2026, the total number of employees of the Group was 337 compared to 342 as at 30 June 2025. Relevant staff cost of the Group was RMB34 million in the first half of 2026 (the first half of 2025: RMB34 million).

The Group's remuneration policies are formulated according to the duty, experience, ability and performance of individual employees and are reviewed annually. In addition to basic salary, employees are entitled to other benefits including social insurance contribution, employee provident fund schemes and discretionary incentive. Other fringe benefits, training, and share options, if applicable, are also considered by the Group to solicit/retain loyal employees with the aim of forming a professional and united staff and management team that can bring the Group to higher levels of achievements.

The Company adopted a share award scheme in 2017. Up to 30 June 2026, no share has been granted by the Group to any parties under the share award scheme.

The Company adopted a new share option scheme in 2023.

On 14 April 2025, the Company granted 407,918,800 share options at an exercise price of HKD0.31 per share under the share option scheme, further details of which are set out in the Company's announcements dated 14 and 15 April 2025 and the circular dated 6 June 2025. As at 30 June 2026, 6,000,000 share options had lapsed and one share options grantee exercised 3,000,000 options in June 2026, with the corresponding shares issued in July 2026. In the first half of 2026, the Group recognised HKD19 million (equivalent to RMB16 million) in share-based payment expenses arising from the grant of options, primarily attributable to the amortisation of the fair value of options granted.

On 15 May 2026, the Company granted 233,330,000 share options at an exercise price of HKD0.60 per share to several strategic distributors under the share option scheme, with the aim of incentivising distributors to enhance sales performance, strengthen long-term cooperation with the Group and expand market coverage. The vesting of the options is subject to the distributors' achievement of specified sales revenue targets within twelve months of grant. Further details are set out in the Company's announcement dated 15 May 2026.

Management believes that the share option scheme remains a vital tool in aligning stakeholders' long-term interests with that of the Group, and supports the retention of key personnel and partners amid increasingly competitive market conditions.

GEARING RATIO

The gearing ratio is calculated as borrowings (including bank borrowings, liability component of convertible bonds and borrowings from third parties) divided by total capital. The total capital is calculated as "equity" as shown in the consolidated statement of financial position plus borrowings (including bank borrowings, liability component of convertible bonds and borrowings from third parties). As at 30 June 2026 and 31 December 2025, the gearing ratios of the Group were 18.86% and 16.03%, respectively.

MERGER AND ACQUISITION

As disclosed in the announcement of the Company dated 25 June 2026, the Company has entered into a sale and purchase agreement to acquire the entire issued share capital of the Target Company, which is in turn holding 72% equity interest in PRC Company. Upon completion, both the Target Company and the PRC Company will become wholly-owned subsidiaries of the Company. The acquisition is expected to substantially enhance the Group's production capacity and open new market opportunities. The total consideration of RMB237,600,000 will be satisfied by the allotment and issue of 380,000,000 consideration shares. For further details, please refer to the Company's announcements dated 25 June 2026 and 15 July 2026. As at the date of this announcement, the transaction has yet to be completed.

SIGNIFICANT INVESTMENTS

In the first half of 2026, the Group acquired PP&E of RMB2 million (the first half of 2025: RMB3 million). Regarding the future development and outlook of the Group, please refer to the section headed "Outlook" in this "Management Discussion and Analysis" section.

CHARGES (OR PLEDGES)

As at 30 June 2026, (i) a bank loan of the Group with a remaining balance of RMB150 million was secured by the pledge of 35% of equity interest in Tibet 5100 Beer & Beverage Co., Ltd., 9% of equity interest in Tibet Highland Natural Water Limited ("**Highland Natural Water**"), and mineral water mining rights of the Group in Dangxiong; (ii) a bank loan of the Group with a remaining balance of RMB37 million was secured by the Group's factory plant and land use rights with net book value of RMB19 million and a pledge of 19% of equity interest in Highland Natural Water; (iii) a bank loan of the Group with a remaining balance of RMB94 million was secured by land use rights and property ownership with net book value of RMB67 million; and (iv) a bank loan of the Group with a remaining balance of RMB100 million was secured by the pledge of 30% of equity interest in Tibet Shannan Yalaxiangbu Industrial Ltd.

CONTINGENT LIABILITIES

The balance of the financial guarantee provided by the Group to an associate amounted to RMB263 million (31 December 2025: RMB266 million) as at 30 June 2026. As at 30 June 2026, the guarantee was provided for bank borrowings obtained by the associate in the balance of RMB263 million, in which a loan of RMB47 million was secured by a pledge of 10% equity interest in Highland Natural Water held by Tibet Glacier Mineral Water Co., Ltd.

FOREIGN EXCHANGE RISK

The Group adopts a conservative approach to cash management and risk control. The Group mainly operates in the PRC with most of its business transactions denominated in RMB. However, the Group is exposed to foreign exchange risk arising from its cash exchange transactions, which are primarily denominated in HKD. To mitigate the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. In the first half of 2026, the management of the Group did not consider it necessary to enter into any hedging transactions to reduce the exposure to foreign exchange risk because the exposure, after netting off the assets and liabilities subject to foreign exchange risk, was not significant.

PRODUCTION CAPACITY

In the first half of 2026, the expected annual water production capacity and annual beer production capacity are approximately 300,000 tonnes and 2,000,000 hectolitres respectively, same as in the first half of 2025. The Group will assess its production capacity periodically and consider increasing production capacity to meet the demands of future development.

INTERIM DIVIDEND

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

EVENTS AFTER THE REPORTING PERIOD

Please refer to Note 17 to the condensed consolidated financial statements of this announcement for the events after the reporting period.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Corporate Governance Code ("**CG Code**") as stated in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the first half of 2026, save for the following deviation.

Under Code Provision C.1.5 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Ms. ZHENG Jue, an independent non-executive Director, was unable to attend the annual general meeting of the Company held on 26 June 2026 as she was obliged to be away for her other business matters.

Following the retirement of Mr. LO Wai Hung, an independent non-executive Director, at the conclusion of the annual general meeting of the Company held on 26 June 2026, the Company does not comply with (i) Rule 3.10(2) of the Listing Rules, which requires at least one of the independent non-executive Directors to have appropriate professional qualifications or accounting or related financial management expertise; (ii) Rule 3.21 of the Listing Rules, which requires the audit committee of the Company (the "**Audit Committee**") to comprise a minimum of three members, at least one of whom is an independent non-executive Director with the aforesaid qualifications or expertise, and to be chaired by an independent non-executive Director; and (iii) Rule 3.27A of the Listing Rules, which requires the nomination committee of the Company (the "**Nomination Committee**") to be chaired by the chairman of the Board or an independent non-executive Director.

The Company will use all reasonable endeavours to identify a suitable candidate for appointment as an independent non-executive Director and the chairman of the Audit Committee and the chairman of the Nomination Committee as soon as practicable and expects to meet the aforesaid requirements within 3 months from 26 June 2026. The Company will make further announcement in due course.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules. Specific enquiry has been made to all the Directors and each of the Directors has confirmed that each of them has complied with the Model Code for the first half of 2026. Specific employees who are likely to be in possession of inside information of the Group have been requested to comply with the provisions of the Model Code. No incident of non-compliance has been noted by the Company.

The Audit Committee, consisting of two independent non-executive Directors, has reviewed the accounting principles and practices adopted by the Group, and has reviewed the interim results for the first half of 2026.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

For the first half of 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

PUBLICATION OF INTERIM REPORT

The 2026 interim report of the Company will set out, including but not limited to, all information disclosed in the interim results announcement for the first half of 2026 and will be uploaded on the websites of the Company (http://www.twr1115.net) and the Stock Exchange (http://www.hkexnews.hk) in due course.

By order of the Board
5100 XIZANG GLACIER COMPANY LIMITED
CHEN Di
Chairman and Non-executive Director

Hong Kong, 31 August 2026

As of the date of this announcement, the executive Directors are Mr. CHOW Wai Kit, Mr. CHENG Gwan Sing and Mr. YUE Zhiqiang, the non-executive Directors are Ms. JIANG Xiaohong, Mr. XIE Kun, and Mr. CHEN Di (Chairman) and the independent non-executive Directors are Dr. ZHANG Chunlong, Ms. LIN Ting and Ms. ZHENG Jue.