智慧创造品质生活

南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY CO.,LTD.*

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

Stock code : 1708

2026
Interim Report

* for identification purpose only

Financial Highlights

The total operating income of the Group for the six months ended 30 June 2026 (the "Review Period") amounted to RMB345,159,209.89, representing an increase of approximately 107.38% as compared to the corresponding period of last year.

The net loss attributable to shareholders of the parent company for the six months ended 30 June 2026 was RMB22,786,565.86, as compared to the net loss attributable to shareholders of the parent company of RMB12,265,085.76 for the corresponding period of last year, the Group's loss increased year-on-year.

The basic loss per share for the six months ended 30 June 2026 was approximately RMB0.029 (corresponding period of 2025: basic loss per share of approximately RMB0.015).

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

Financial Information

UNAUDITED INTERIM RESULTS

The board (the "Board") of Directors of Nanjing Sample Technology Co., Limited (the "Company") hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026 together with the comparative figures of 2025 as follows:

(Unless otherwise stated, the financial information of the Company in this report was stated in Renminbi ("RMB") yuan)

CONSOLIDATED BALANCE SHEET

At 30 June 2026

ASSETS	*Note*	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Current assets:			
Cash at bank and on hand		**160,978,521.84**	340,911,386.19
Held-for-trading financial assets		**–**	–
Financial assets measured at fair value through profit or loss		**–**	–
Derivative financial assets		**–**	–
Bills receivable	*8*	**1,559,242.21**	9,010,156.09
Accounts receivable	*8*	**433,543,558.63**	425,827,579.47
Less: Provision for bad debts for accounts receivable	*8*	**264,889,835.83**	264,889,835.83
Net accounts receivable		**168,653,722.80**	160,937,743.64
Receivables financing	*8*	**–**	377,682.00
Prepayments	*8*	**15,248,301.77**	13,333,355.49
Dividend receivable		**–**	–
Interest receivable		**–**	–
Other receivables	*8*	**818,281,181.24**	607,816,954.74
Less: Provision for bad debts for other receivables	*8*	**130,642,421.26**	130,642,421.26
Net other receivables		**687,638,759.98**	477,174,533.48
Inventories		**8,672,494.03**	2,004,286.43
Including: Raw materials		**–**	–
Inventory goods (Finished goods)		**10,265,951.06**	3,597,743.46
Contract assets		**528,126,764.01**	556,270,415.91
Less: Allowance for impairment of contract assets		**285,025,159.21**	285,025,159.21
Net contract assets		**243,101,604.80**	271,245,256.70
Held-for-sale assets		**–**	–
Non-current assets due within one year		**–**	–
Other current assets		**63,528,561.71**	57,746,152.69
Total current assets		**1,349,381,209.14**	1,332,740,552.71

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2026

ASSETS (CONTINUED)	Note	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Non-current assets:			
Debt investments		–	–
Available-for-sale financial assets		–	–
Other debt investments		–	–
Held-to-maturity investments		–	–
Long-term receivables		–	–
Long-term equity investments		115,393.75	9,621,683.01
Other equity instruments investments		39,884,649.03	40,031,021.94
Other non-current financial assets		106,222,024.40	106,862,714.40
Investment property		255,824,900.00	423,311,400.00
Fixed assets		75,336,019.85	77,239,056.86
Including: Original value of fixed assets		338,201,141.00	341,105,160.45
Less: Accumulated depreciation		245,298,300.02	246,299,282.46
Less: Provision for impairment of fixed assets		17,566,821.13	17,566,821.13
Construction in progress		8,361,554.13	8,071,813.57
Productive biological assets		–	–
Oil and gas assets		–	–
Right-of-use assets		–	–
Intangible assets		6,095,462.94	6,710,768.54
Development expenditures		–	–
Goodwill		–	–
Long-term deferred expenses		30,754.73	53,303.93
Deferred income tax assets		82,892,645.53	82,892,645.53
Other non-current assets		–	–
Total non-current assets		574,763,404.36	754,794,407.78
TOTAL ASSETS		1,924,144,613.50	2,087,534,960.49

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2026

LIABILITIES & SHAREHOLDERS' EQUITY	*Note*	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Current liabilities:			
Short-term borrowings		**418,770,000.00**	369,278,840.14
Held-for-trading financial liabilities		**–**	–
Financial liabilities measured at fair value through profit or loss		**–**	–
Derivative financial liabilities		**–**	–
Bills payable	*9*	**–**	–
Accounts payable	*9*	**250,355,930.57**	314,469,691.97
Advances from customers	*9*	**–**	65,487.06
Employees benefits payable		**13,649,979.10**	13,666,348.59
Taxes payable		**2,089,660.29**	3,068,383.29
Interest payable		**–**	–
Dividend payable		**–**	–
Other payables	*9*	**46,128,084.41**	51,498,791.53
Contract liabilities	*9*	**88,027,181.39**	88,904,619.44
Held-for-sale liabilities		**–**	–
Non-current liabilities due within 1 year		**–**	7,490,013.00
Other current liabilities		**1,367,882.98**	7,352,046.92
Total current liabilities		**820,388,718.74**	855,794,221.94

CONSOLIDATED BALANCE SHEET (Continued)

At 30 June 2026

LIABILITIES & SHAREHOLDERS' EQUITY (CONTINUED)	*Note*	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Non-current liabilities:			
Long-term borrowings		**–**	63,450,000.00
Bonds payables		**–**	–
Lease liabilities		**–**	–
Long-term payables		**–**	–
Designated payables		**–**	–
Estimated liabilities		**–**	–
Deferred income		**2,176,113.17**	2,228,841.73
Deferred income tax liabilities		**17,704,424.43**	38,614,966.98
Other non-current liabilities		**–**	–
Total non-current liabilities		**19,880,537.60**	104,293,808.71
Total liabilities		**840,269,256.34**	960,088,030.65
Shareholders' equity:			
Paid-up capital (share capital)		**792,058,500.00**	792,058,500.00
Other equity instruments		**–**	–
Capital reserves		**74,668,701.77**	74,668,701.77
Less: treasury shares		**–**	–
Other comprehensive income		**85,766,871.94**	106,551,878.76
Special reserves		**–**	–
Surplus reserves		**108,136,584.74**	108,136,584.74
Undistributed profits		**23,244,698.71**	46,031,264.57
Total equity attributable to shareholders of the parent company		**1,083,875,357.16**	1,127,446,929.84
Minority interest		**–**	–
Total shareholders' equity		**1,083,875,357.16**	1,127,446,929.84
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,924,144,613.50**	2,087,534,960.49

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026

ITEMS	Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
I. Operating income	2	**345,159,209.89**	166,439,568.86
Including: Principal operating income		**153,616,193.97**	148,275,218.98
Other operating income		**191,543,015.92**	18,164,349.88
Less: Operating cost	2	**167,523,999.00**	134,147,788.29
Including: Principal operating cost		**133,531,978.75**	126,738,260.31
Other operating cost		**33,992,020.25**	7,409,527.98
Tax and surcharges		**56,322,343.23**	1,845,669.13
Selling expenses		**12,027,357.55**	13,471,390.36
Administrative expenses		**8,905,781.18**	8,669,068.43
Research and development expenses		**7,166,741.85**	6,919,440.83
Financial expenses	4	**17,759,146.42**	11,749,718.82
Including: Interest expense	4	**16,385,273.31**	11,835,937.97
Interest income	4	**-64,170.25**	143,132.77
Add: Other income		**328,693.24**	225,780.32
Investment income (loss is represented by "-")		**166,592.19**	-763.22
Including: Investment income from associates and joint ventures		**-**	–
Gains arising from derecognition of financial assets measured at amortised costs (loss is represented by "-")		**-**	–
Net gain arising from hedging of net open positions (loss is represented by "-")		**-**	–
Add: Gain aristing from changes in fair value (loss is represented by "-")		**-116,283,320.91**	–
Credit impairment loss (loss is represented by "-")		**267,449.73**	–
Asset impairment loss (loss is represented by "-")		**-**	210,000.00
Gains on disposal of assets (loss is represented by "-")		**1,958.23**	–

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2026

ITEMS		Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
II.	**Operating profit (loss is represented by "-")**		**-40,064,786.86**	-9,928,489.90
	Add: Non-operating income		**53.10**	607,370.70
	Including: Government subsidies		**-**	–
	Less: Non-operating expenses		**166,058.76**	2,938,874.30
III.	**Total profit (total loss is represented by "-")**		**-40,230,792.52**	-12,259,993.50
	Less: Income tax expense	*5*	**-17,444,226.66**	5,214.85
IV.	**Net profit (net loss is represented by "-")**		**-22,786,565.86**	-12,265,208.35
	(I) Classified by business continuity			
	1. Net profit from continuing operations (net loss is represented by "-")		**-**	-12,265,208.35
	2. Net profit from discontinued operations (net loss is represented by "-")		**-**	–
	(II) Classified by the attribution of the ownership			
	1. Net profit attributable to shareholders of the parent company (net loss is represented by "-")		**-22,786,565.86**	-12,265,085.76
	2. Profit or loss attributable to minority shareholders (net loss is represented by "-")		**-**	-122.59

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2026

ITEMS	Note	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
V. Net other comprehensive income after tax		**-20,785,006.82**	-496,125.96
(I) Net other comprehensive income after tax attributable to shareholders of the parent company		**-20,785,006.82**	-496,125.96
1. Other comprehensive income which cannot be reclassified to profit and loss		**-**	–
(1) Changes as a result of re-measurement of defined benefit plans		**-**	–
(2) Other comprehensive income that cannot be reclassified to profit and loss under equity method		**-**	–
(3) Changes in fair value of other equity instrument investments		**-**	–
(4) Changes in fair value of the enterprise's own credit risk		**-**	–
2. Other comprehensive income to be reclassified to profit and loss		**-20,785,006.82**	-496,125.96
(1) Other comprehensive income that can be reclassified to profit or loss under equity method		**-**	–
(2) Changes in fair value of other debt investments		**-**	–
(3) Amount of financial assets reclassified to other comprehensive income		**-**	–
(4) Provision for credit impairment of other debt investments		**-**	–
(5) Cash flow hedging reserve (effective portion of gains or losses on cash flow hedges)		**-**	–
(6) Translation difference of financial statements in foreign currencies		**-1,186,132.25**	-496,125.96
(7) Others		**-19,598,874.57**	–
(II) Net other comprehensive income after tax attributable to minority shareholders		**-**	–

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2026

ITEMS		*Note*	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
VI.	**Total comprehensive income**		**-43,571,572.68**	-12,761,334.31
	(I) Total comprehensive income attributable to shareholders of the parent company		**-43,571,572.68**	-12,761,211.72
	(II) Total comprehensive income attributable to minority shareholders		**-**	-122.59
VII.	**Earnings per share:**	*6*		
	(I) Basic earnings per share (Yuan/share)		**-0.029**	-0.015
	(II) Diluted earnings per share (Yuan/share)		**-0.029**	-0.015

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the six months ended 30 June 2026
(All amounts in Renminbi yuan unless otherwise stated)

ITEMS	Six months ended 30 June 2026	2025
I. Cash flows from operating activities		
Net cash flows from operating activities	**-287,811,491.57**	-31,597,339.89
II. Cash flows from investing activities		
Net cash flows from investing activities	**136,518,233.78**	-6,936,080.28
III. Cash flows from financing activities		
Net cash flows from financing activities	**-30,086,811.38**	-86,636,381.11
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**-1,320.83**	-2,073.44
V. Net increase in cash and cash equivalents	**-181,381,390.00**	-125,171,874.72
Add: Cash and cash equivalents at beginning of period	**327,125,525.74**	248,510,856.27
VI. Cash and cash equivalent at end of period	**145,744,135.74**	123,338,981.55

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

For the six months ended 30 June 2026

(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2026														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
I. Closing balance of prior year	792,058,500.00	-	-	-	74,668,701.77	-	106,551,878.76	-	108,136,584.74	-	46,031,264.57	-	1,127,446,929.84	-	1,127,446,929.84
Add: Change of accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of accounting errors for prior period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of current year	792,058,500.00	-	-	-	74,668,701.77	-	106,551,878.76	-	108,136,584.74	-	46,031,264.57	-	1,127,446,929.84	-	1,127,446,929.84
III. Changes during the period (with "-" for decrease)	-	-	-	-	-	-	-20,785,006.82	-	-	-	-22,786,565.86	-	-43,571,572.68	-	-43,571,572.68
(I) Total comprehensive income	-	-	-	-	-	-	-20,785,006.82	-	-	-	-22,786,565.86	-	-43,571,572.68	-	-43,571,572.68
(II) Shareholders' contribution and share capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Ordinary shares contribution by shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital invested by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Share payment included in the shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2026

(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2026														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
(III) Profit appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation to surplus reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal transfer of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Defined benefit plan changes carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2026

(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2026														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
(V) Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Utilized in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of current period	792,058,500.00	-	-	-	74,668,701.77	-	85,766,871.94	-	108,136,584.74	-	23,244,698.71	-	1,083,875,357.16	-	1,083,875,357.16

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2026
(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2025														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
I. Closing balance of prior year	792,058,500.00	-	-	-	80,999,419.73	-	109,584,952.77	-	108,136,584.74	-	119,155,929.90	-	1,209,935,387.14	8,669,282.04	1,218,604,669.18
Add: Change of accounting policy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of accounting errors for prior period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business combination under common control	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Opening balance of current year	792,058,500.00	-	-	-	80,999,419.73	-	109,584,952.77	-	108,136,584.74	-	119,155,929.90	-	1,209,935,387.14	8,669,282.04	1,218,604,669.18
III. Changes during the period (with "-" for decrease)	-	-	-	-	-	-	-496,125.96	-	-	-	-12,265,085.76	-	-12,761,211.72	-122.59	-12,761,334.31
(I) Total comprehensive income	-	-	-	-	-	-	-496,125.96	-	-	-	-12,265,085.76	-	-12,761,211.72	-122.59	-12,761,334.31
(II) Shareholders' contribution and share capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Ordinary shares contribution by shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Share capital invested by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Share payment included in the shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2026

(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2025														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
(III) Profit appropriation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation to surplus reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal transfer of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserves transferred to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves to cover losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Defined benefit plan changes carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED) (Continued)

For the six months ended 30 June 2026
(All amounts in Renminbi yuan unless otherwise stated)

	Six months ended 30 June 2025														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
ITEMS	Share capital	Preference shares	Perpetual bonds	Others	Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserve	Surplus reserve	General risk provision	Undistributed profits	Others	Sub-total	Minority interest	Total shareholders' equity
(V) Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Utilized in the current period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of current period	792,058,500.00	-	-	-	80,999,419.73	-	109,088,826.81	-	108,136,584.74	-	106,890,844.14	-	1,197,174,175.42	8,669,159.45	1,205,843,334.87

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICES

The unaudited interim financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standards and specific accounting standards, the application guidelines for the Accounting Standards for Business Enterprises, the Interpretation of the Accounting Standards for Business Enterprises and other relevant requirements (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises") published by the Ministry of Finance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (hereinafter referred to as the "Listing Rules") on The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The accounting policies and calculation methods used in the preparation of the unaudited interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 December 2025. This interim result has not been audited by the auditor of the Company, and has been reviewed by the audit committee of the Company.

2. OPERATING INCOME AND OPERATING COST

(1) Operating income and operating cost

	Six months ended 30 June	
Items	**2026**	2025
	(Unaudited)	(Unaudited)
Principal operating income	**153,616,193.97**	148,275,218.98
Other operating income	**191,543,015.92**	18,164,349.88
Total operating income	**345,159,209.89**	166,439,568.86
Principal operating cost	**133,531,978.75**	126,738,260.31
Other operating cost	**33,992,020.25**	7,409,527.98
Total operating cost	**167,523,999.00**	134,147,788.29

(2) Principal operations (by product)

Name of Products	Six months ended 30 June 2026 (Unaudited) Operating income	Operating cost	Six months ended 30 June 2025 (Unaudited) Operating income	Operating cost
System integration	**152,222,936.07**	**132,239,106.56**	145,246,024.45	124,204,957.15
Intelligent terminal sales	**–**	**–**	–	–
Service	**1,393,257.90**	**1,292,872.19**	3,029,194.53	2,533,303.16
Total	**153,616,193.97**	**133,531,978.75**	148,275,218.98	126,738,260.31

3. SEGMENTS INFORMATION

Information regarding the Company's reportable operating segments as provided to the Company's chief operating decision makers for the purposes of resources allocation and assessment of segment performance for the Review Period is only derived from system integration, intelligent terminal sales, service businesses. In addition, the Company's operations are situated in the PRC in which its income was derived principally therefrom. Accordingly, no segments information is presented.

4. FINANCE COSTS

Items	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Interest expenses	**16,385,273.31**	11,835,937.97
Less: Interest income	**64,170.25**	143,132.77
Exchange gain or loss	**–**	–
Others	**1,438,043.36**	56,913.62
Total	**17,759,146.42**	11,749,718.82

5. INCOME TAX EXPENSES

Items	Six months ended 30 June 2026 (Unaudited)	 2025 (Unaudited)
Current income tax expenses	**-17,444,226.66**	5,214.85
Deferred income tax adjustment	**–**	–
Total	**-17,444,226.66**	5,214.85

6. EARNINGS/LOSS PER SHARE

The calculation of the earnings/loss per share is based on the net loss attributable to shareholders of the parent company for the six months ended 30 June 2026 of RMB22,786,565.86 (corresponding period of 2025: net loss attributable to shareholders of the parent company of RMB12,265,085.76) and weighted average number of issued ordinary shares of 792,058,500 (2025: 792,058,500) during the Review Period.

The amount of basic earnings/loss per share is the same as the diluted earnings/loss per share as there was no dilution during the periods ended 30 June 2026 and 2025.

7. DIVIDENDS

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

8. TRADE AND OTHER RECEIVABLES

Items	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Accounts receivable	**433,543,558.63**	425,827,579.47
Less: Provision for bad debts	**264,889,835.83**	264,889,835.83
Receivables financing	**–**	377,682.00
Bills receivable	**1,880,665.38**	9,385,579.26
Less: Provision for bad debts	**321,423.17**	375,423.17
Prepayments	**15,248,301.77**	13,333,355.49
Other receivables	**818,281,181.24**	607,816,954.74
Less: Provision for bad debts	**130,642,421.26**	130,642,421.26
Total	**873,100,026.76**	660,833,470.70

The aging of accounts receivable based on the recognition date

Items	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Within 1 year (including one year)	**105,898,578.33**	80,994,707.39
1 to 2 years	**20,782,986.47**	26,146,472.52
2 to 3 years	**39,378,900.72**	41,007,070.68
Over 3 years	**267,483,093.11**	277,679,328.88
Total	**433,543,558.63**	425,827,579.47

9. TRADE AND OTHER PAYABLES

Items	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Accounts payable	**250,355,930.57**	314,469,691.97
Bills payable	**–**	–
Advances from customers	**–**	65,487.06
Other payables	**46,128,084.41**	51,498,791.53
Contract liabilities	**88,027,181.39**	88,904,619.44
Total	**384,511,196.37**	454,938,590.00

The aging of accounts payable based on the recognition date

Items	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Within 1 year	**113,385,331.33**	137,903,330.45
1 to 2 years	**31,607,987.77**	63,502,181.94
2 to 3 years	**14,283,903.06**	16,562,259.30
Over 3 years	**91,078,708.41**	96,501,920.28
Total	**250,355,930.57**	314,469,691.97

Financial Review

Total Operating Income

For the six months ended 30 June 2026 (the "Review Period"), the total operating income of the Group amounted to RMB345,159,209.89, compared with RMB166,439,568.86 for the corresponding period of the previous year, representing an increase of approximately 107.38%. The increase was primarily attributable to the recognition of income from the disposal of certain land and properties in the industrial park, which gave rise to an increase in income of approximately RMB178 million. Excluding the effect of such disposal, the Group's revenue for the Review Period was broadly stable as compared with that of the corresponding period of the previous year.

Gross Profit Margin

The gross profit margin for the Review Period was approximately 51.46%, primarily attributable to the recognition of income from disposal of certain land and properties in the industrial park, together with the transfer of the corresponding book costs. Excluding the effect of such asset disposal, the gross profit margin for the Review Period was 16.60%, compared with approximately 19.40% for the corresponding period of the previous year. The decline was primarily attributable to higher cable procurement costs resulting from copper price volatility, together with upward price pressure on storage and core computer components driven by a sharp increase in demand for computing capacity expansion, which collectively compressed profit margins.

Selling Expenses

The selling expenses for the Review Period amounted to RMB12,027,357.55, compared with RMB13,471,390.36 for the corresponding period of the previous year, representing a decrease of approximately 10.72%. The decrease was primarily attributable to the Company's continued optimisation of its marketing and promotional strategies, prudent control over project operation and maintenance expenses, and more refined allocation of various marketing resources.

Administrative Expenses

The administrative expenses for the Review Period amounted to RMB8,905,781.18, compared with RMB8,669,068.43 for the corresponding period of the previous year, administrative expenses for the Review Period were broadly in line with those for the corresponding period of the previous year. The Company continued to implement refined internal controls, thereby maintaining the overall stability of administrative and management operating expenses.

Research and Development Expenses

The research and development expenses for the Review Period amounted to RMB7,166,741.85, compared with RMB6,919,440.83 for the corresponding period of the previous year, representing an increase of approximately 3.57%. The increase was primarily attributable to the Company's continued investment of greater resources in new product development and core technology areas, as well as its steady progression of technological research and development and product innovation initiatives.

Financial Expenses

The financial expenses for the Review Period amounted to RMB17,759,146.42, compared with RMB 11,749,718.82 in the same period of the previous year, representing an increase of approximately 51.15%. The increase was primarily attributable to an interest on occupied funds paid during the Review Period in accordance with the terms of an investment agreement.

Net Profit/Loss Attributable to Shareholders of the Parent Company

The net loss attributable to shareholders of the parent company for the six months ended 30 June 2026 was RMB22,786,565.86, as compared to the net loss attributable to shareholders of the parent company of RMB12,265,085.76 for the corresponding period of last year. The increase in loss was primarily attributable to the impact of two one-off items. First, during the six months ended 30 June 2026, the Group paid interest on occupied funds in accordance with the terms of an investment contract, resulting in an increase in finance costs for the Review Period. Second, the Group has completed the disposal of some of its investment properties. The disposal resulted in a current-period loss, primarily due to factors including fair value changes during the holding period, but it has effectively enhanced the Group's liquidity position. These two non-recurring items, in aggregate, adversely affected the Group's earnings for the Review Period by approximately RMB10 million. Excluding the impact of these one-off items, the overall operating performance of the Group's principal business remained stable.

Financial Resources

The Group primarily funds its operations through internally generated cash flow and bank loans. As of 30 June 2026, the Group's short-term loans amounted to RMB418,770,000.00, representing an increase of RMB49,491,159.86 from RMB369,278,840.14 as of 31 December 2025. The annual interest rate for these loans ranged from 3.4% to 5.0%. The increase was primarily driven by a rise in the Group's short-term borrowings. The Group had no long-term borrowings or non-current liabilities due within one year as at 30 June 2026, compared with RMB70,940,013.00 as at 31 December 2025.

Liquidity

The Group has strengthened its accountability for the collection of accounts receivable and its routine financial reconciliation work. As of 30 June 2026, accounts receivable and notes receivable amounted to RMB168,653,722.80 and RMB1,559,242.21 respectively, representing a decrease of approximately 4.79% and 82.69% from RMB160,937,743.64 and RMB9,010,156.09 as of 31 December 2025 respectively.

As of 30 June 2026, the Group's current assets amounted to RMB1,349,381,209.14, compared to RMB1,332,740,552.71 as of 31 December 2025. Current liabilities amounted to RMB820,388,718.74, compared to RMB855,794,221.94 as of 31 December 2025. The current ratio was 1.64, representing an increase of 0.08 from 1.56 as of 31 December 2025. During the Review Period, the Group's overall liquidity remained at a healthy level, however, its solvency, liquidity and management capabilities still require improvement.

Pledge of Assets of the Group

As at 30 June 2026, the Group had the following assets pledged:

(i) The total book value of the Group's assets of RMB318,043,340.26 (including: investment property of RMB255,824,900.00, fixed assets of RMB57,628,596.56, intangible assets of RMB4,589,843.70) were pledged to banks to secure outstanding bank loans of RMB96,770,000.

(ii) The bank deposits of RMB15,234,386.10 (As at 31 December 2025: RMB13,785,860.45) were pledged for projects bidding/projects in progress and banking facilities.

Employees And Remuneration Policies

As at 30 June 2026, the Group has an aggregate of 188 employees (At 30 June 2025: 193 employees). During the Review Period, the staff costs (including Directors' remuneration) was RMB16,721,001.76 (corresponding period of 2025: RMB18,008,518.78).

The Group remunerated its staffs based on individual performance, educational background and experience and with reference to market rates. The Group would grant discretionary bonus to the staffs based on individual performance as recognition of their contribution. Other benefits included contributions to the retirement scheme, medical scheme, unemployment insurance and housing allowances.

Gearing Ratio

The gearing ratio (being short-term borrowings plus long-term borrowings plus non-current liabilities due within one year less cash and cash equivalents divided by equity) of the Group as at 30 June 2026 was approximately 25.19% (As at 31 December 2025: approximately 10.03%).

Risk in Foreign Exchange

The income and expenses of the Group were mainly denominated in Renminbi. The Directors consider that the Group's risk in foreign exchange is insignificant.

Significant Investments Held

As of 30 June 2026, there were no investments held with a value of 5% or more of the Group's total assets.

Substantial Acquisition and Disposal

At the extraordinary general meeting of the Company held on 14 November 2025, the shareholders of the Company approved and authorised the Board to proceed with the disposal of the industrial property located at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the PRC (the "Sale Assets") through a public listing-for-sale process on the Jiangsu Provincial Property Rights Exchange. The Sale Assets include buildings numbered F1, F3, F4, and F5, with a total building area of 16,955.3 square meters. On 18 December 2025, the Company was notified by Jiangsu Provincial Property Rights Exchange Co., Ltd. that, through the public listing-for-sale process, Nanjing Institute of Metrology Supervision and Testing* (南京市計量監督檢測院) (the "Purchaser") had been confirmed as the transferee of the Sale Assets. On 8 January 2026, the Company entered into a transaction agreement with the Purchaser for the disposal of the Sale Assets at a final consideration of RMB186,941,250 (inclusive of value-added tax), the disposal was completed during the Review Period.

Save as disclosed above, the Group did not have any other material acquisition and disposal during the Review Period.

Future Plans Relating to Material Investment or Capital Asset

As at the date of this report, the Group has not executed any agreement in respect of proposed acquisition and did not have any other future plan for material investment or capital asset.

Contingent Liabilities

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

BUSINESS REVIEW AND PROSPECTS

Industry Development and Business Review

As the first year of the 15th Five-Year Plan gets underway, the external environment continues to be complex and volatile, while domestic structural challenges remain intertwined and compounded. China has adhered to the principle of pursuing progress while maintaining stability, implemented proactive and effective macroeconomic policies, and made great efforts to foster new quality productive forces. The underlying fundamentals supporting the long-term economic growth remain unchanged. The advantages of an ultra-large-scale market, a complete industrial system and continuously released innovation potential continue to provide a solid foundation for economic development.

In the intelligent transportation business segment, In the first half of 2026, the Group benefited from the new infrastructure layout for comprehensive transport under the "15th Five-Year Plan", as well as the policy tailwinds associated with "Artificial Intelligence + Transportation" initiatives, the domestic intelligent transportation industry achieved structurally steady growth. The market development model continued to iterate and upgrade at an accelerated pace, and the industry is gradually transitioning from traditional hardware integration and construction to a new stage of high-quality development driven by the deep application of artificial intelligence, improved quality and efficiency, and integrated construction and operation. At the same time, the industry continued to operate under significant pressure, and business operations faced persistent challenges. Investment projects undertaken by local governments have commonly experienced budget tightening and slower construction progress, among other challenges, resulting in heightened cash flow pressure for industry participants and a corresponding rise in accounts receivable risk. On the other hand, homogeneous competition within the industry is becoming increasingly fierce, with low-price competition remaining prevalent in low-end system integration projects. Overall profit margins in the industry have continued to narrow, and the difficulties in market expansion and operational management have increased significantly.

Against the backdrop of a complex and challenging market environment, and under the combined impact of multiple factors, the scale of the Group's intelligent transportation business recorded a year-on-year decline. Nevertheless, the Group remained committed to innovation-driven development as a means to address growth bottlenecks, and closely aligned its business with traffic management application scenarios and customers' actual operating requirements. We provided a full suite of intelligent expressway digital solutions covering consultancy and planning, independent R&D of software and hardware, system integration, pipeline network engineering construction, and regular operation and maintenance services. Our business footprint spanned key areas including toll settlement, intelligent operations, mechanical and electrical engineering, and public travel services.

During the Review Period in respect of project implementation and delivery, the Group leveraged its solid technical capabilities and efficient project execution capacity to successfully complete and pass the final acceptance of the monitoring system construction project for the expansion works of the section from Xueyan Hub to Xiwu Hub of the Wuxi-Yixing Expressway, as well as the mechanical and electrical engineering construction project for the section from Jiawang to Suining of the Xuzhou-Mingguang Expressway (Xuzhou Eastern Bypass Expressway). The successful delivery of the above projects fully demonstrates the Group's profound technical expertise accumulated in the niche segment of expressway intelligence. This helps enhance the operational and management efficiency of expressways, optimise the operation and maintenance model of electromechanical facilities, and provide the public with smoother and more efficient travel support. Meanwhile, the Group continued to secure a number of high-quality project orders, further consolidating its leading position in the expressway intelligence sector. Looking ahead, the Group will continue to leverage its well-established business framework, customised solution capabilities and full-process delivery service capacity to further strengthen its competitive moat in this niche segment, laying a solid foundation for the subsequent stabilisation and recovery of its business and the development of incremental growth opportunities.

In the intelligent logistics business segment, the world is currently witnessing a wave of artificial intelligence-driven transformation. Frontier technologies are continuously reshaping customs clearance processes at ports, addressing bottlenecks and pain points in regulatory operations, and an in-depth transformation centred on intelligence is accelerating across the national customs sector. As the "15th Five-Year Plan" period commences, customs authorities across the country have deployed and implemented the "AI Plus" initiative, and will continue to deepen the development, replication and promotion of key projects, major initiatives and typical application scenarios. On the one hand, efforts will be made to strengthen the underlying foundation and enhance core supporting capabilities in areas such as computing power, technology platforms, algorithm models and corpora. On the other hand, hardware iteration will be advanced by accelerating the R&D and implementation of new intelligent equipment and rapid inspection, screening and testing devices, while promoting the intelligent upgrading and joint development and sharing of various regulatory facilities, and continuously drive the customs intelligence transformation in a deeper and more substantive manner.

Rooted in the intelligent logistics segment, the Group seized the historical opportunities arising from the development of the industry and, guided by the principles of comprehensive risk control, big data and extensive collaboration, deepened business reform and model innovation through technology empowerment. Targeting a diverse customer base including customs authorities, special customs supervision zones (including bonded areas and cross-border comprehensive pilot zones), ports and terminals, airports and other sectors, the Group provided integrated intelligent solutions encompassing information technology planning, software and hardware products, information system integration, and operation and maintenance services. By continuously developing digital, networked and intelligent ports, we helped enhance regulatory efficiency, reduce supervision costs and improve customs clearance convenience, while building a multi-boundary and systematic port ecosystem and promoting the evolution of cross-border trade towards intelligence, efficiency and collaboration.

As competition in the industry market intensified, the Group responded proactively by fully leveraging its business foundation and technological research and development advantages, continuously optimising its organisational structure and advancing cost reduction and efficiency enhancement, thereby achieving steady overall business growth. During the Review Period, the Group successfully delivered a number of key projects with high quality and efficiency, including the upgrade project for the checkpoint of the Xinzheng Comprehensive Bonded Zone, the renovation project for the intelligent checkpoint of Zhejiang Port Jiaxing Inland Port Co., Ltd., the project for the upgrade of weighbridge equipment of Yancheng Intelligent Port Company, the upgrade project for the intelligent gate recognition system of Suzhou Modern Container Terminal Co., Ltd. At the same time, the Group secured a number of key new projects, including the project for the multimodal transport zone of Yunnan Yuxi International Logistics Port, the reconstruction project for the designated supervision site for imported grain at Taicang Port Zhenghe Xingang Container Terminal, the project for information system of the Yanan Bonded (Type B) Logistics Centre, the upgrade project for the checkpoint system of the comprehensive bonded zone at Zhoushan Port. A succession of delivered and newly contracted projects has created effective business continuity, further consolidating the Group's competitive strengths in the market and supporting the continued expansion of its business presence in the intelligent logistics and bonded information technology segments, thereby laying a solid foundation for medium to long-term development.

Future Business Development Plan

During the Review Period, notwithstanding that the Group was confronted with multiple challenges, including insufficient market expansion, constrained production capacity and the need to resolve historical legacy issues, it remained committed to its development strategy of "enhancing efficiency, improving effectiveness and reducing costs". Anchored by talent development, compliance management and an internal control framework, the Group focused on its annual key tasks and made every effort to achieve breakthroughs. The effectiveness of its technology innovation-driven development continued to strengthen, the enabling role of deepening reform and enhancement initiatives became increasingly evident, and the guiding and safeguarding role of the Party's leadership and Party building efforts was clearly demonstrated. With strong execution at a high level, the Group effectively implemented various work initiatives, and its overall development trend continued to improve.

Looking ahead, the Group will adhere to the overall approach of "stable growth, optimised structure, and promotion of development". Across the Group, we will prioritize "action" and emphasize "practicality", abandon the mindset of "waiting, relying and demanding", refine our response measures, improve our work implementation mechanisms, clearly define responsibilities and timelines, and strengthen supervision and performance appraisal, so as to ensure that every initiative is effectively implemented and every challenge is properly addressed. In the intelligent logistics segment, the Group has identified its core market strategy of "maintaining the existing market, tapping into traditional demand and expanding applications for new products". We will continue to deepen our efforts in cross-border logistics technology R&D and demonstration project construction, and continuously integrate high-quality resources such as customs and third-party logistics to build a comprehensive service information system featuring end-to-end cross-border logistics tracking and in-transit cargo visual management, thereby further broadening our business boundaries and strengthening our market competitiveness. In the intelligent transportation segment, the Group will adopt an enterprising stance of "decisive battle at the start and sprint at the outset", actively participate in the construction of intelligent transportation projects across various regions, and leverage policy support to expand market share. We will fully leverage our technological advantages to enhance innovation capabilities, actively expand market channels, strengthen brand building, and continuously improve customer satisfaction and loyalty. We will also optimise internal management processes, strictly control operating costs, and comprehensively enhance the Group's overall operational efficiency. We will assess opportunities and challenges from a holistic, dialectical and long-term perspective, actively explore the direction of technological development in the industry, seize the new opportunities brought about by industrial transformation, and at the same time strengthen our bottom-line thinking and risk awareness, so as to strive to overcome various risks and challenges.

In addition, the Group will formulate targeted response strategies across multiple dimensions, including capital management, business operations, technology research and development, talent development and compliance control, so as to strengthen organisational resilience in the face of uncertainty. By continuously refining the management of its core businesses, the Group will focus on overcoming short-term development challenges, steadily consolidating the foundation for long-term growth, and supporting the Group in achieving sustainable growth on the basis of manageable risks.

Technology Research and Development and Innovation

From its inception, the Group has maintained a core technology research and development team with strong in-house R&D capabilities. Through years of experience accumulation and technological innovation, the Group has developed distinct technological advantages. The Group also holds a comprehensive portfolio of industry qualifications and professional accreditations at a relatively high level, and owns over one hundred software copyrights and invention patents.

Relying on the R&D platform of the "Jiangsu Provincial Intelligent Expressway Engineering Technology Research Center" established by the Group, we actively carried out industry-university-research collaboration with Beijing Jiaotong University, Southeast University, Jilin University, etc, and achieved a substantial number of technological accomplishments in the fields of intelligent transportation and intelligent logistics, thereby comprehensively enhancing the Company's core competitiveness. During the Review Period, the Group continued to advance the research work of the subject "Demonstration of Integrated Application of Vehicle-mounted Warning System and Automatic Emergency Braking Equipment", which was undertaken under the key special project "Technology for Risk Prevention and Emergency Avoidance of Major Accidents of Road Transport Vehicles" of the National Key R&D Program "Prevention and Control of Major Natural Disasters and Public Safety". The Group is committed to in-depth research and development of a full-process risk management platform, effectively reducing the occurrence of traffic accidents and providing strong technical support for road transport safety and the prevention of major accident risks. The Group also actively engaged in industry application cooperation with entities including Nanjing Customs, jointly developing patented technologies such as "A Closed-loop Method for Customs Clearance Release Triggered Dispatching Based on Counterfactual Causal Learning" and "Collaborative Method for Unmanned Logistics Clearance Based on Multi-agent Continuous Learning", and successfully commercialized the relevant scientific research, generating sound economic and social benefits. During the Review Period, the Group continuously strengthened the application for and protection of intellectual property rights, filed three invention patent applications, of which two were granted; filed four software copyright applications; filed application for, and obtained approval of, three software products.

Research and Development Plan

The Group has consistently regarded the creation of customer benefits through technological capability as its mission. Focusing on technology research and development in the fields of radio-frequency identification, video recognition, the Internet, big data and artificial intelligence, the Group provides customers in the fields of intelligent transportation, intelligent logistics, etc. with integrated IoT intelligent system solutions for information collection, information processing and management control, and is committed to becoming a leading provider of IoT solutions.

In the intelligent transportation business segment, the Group has established the "Jiangsu Province Intelligent Expressway Engineering Technology Research Centre". Through the development of intelligent expressway demonstration projects, the Group strives to build a technology-led, standardised and replicable intelligent expressway model. By drawing on the experience gained from pilot projects, we proposed recommendations for the revision and development of highway engineering standards and specifications in the context of new technologies, and developed technical solutions that could be implemented and promoted across the province and even nationwide, providing road authorities with practical applications for efficient management and road users with applications that support safer and more convenient travel.

In the intelligent logistics business segment, leveraging the "Nanjing Cross-border Logistics Information Engineering Technology Research Centre", the Group developed an AI container number recognition system based on artificial intelligence technology. When a container vehicle enters the checkpoint lane, the system automatically extracts vehicle surveillance video and, through an AI algorithm model, enables non-stop detection and recognition of the container's number, type and door information. Compared with traditional container number recognition systems, it reduces the hardware equipment and cameras required for installation in checkpoint lanes, lowers equipment costs, reduces construction and maintenance workload, and enhances recognition accuracy.

As 2026 marks the opening year of the national "15th Five-Year Plan", we are full of confidence in future development, and are committed to developing the Group into an innovative, technology-driven enterprise. We will continue to enhance our service capabilities and optimise our product functions, consolidate the commercialization of scientific research achievements and our business foundation, strengthen market expansion, and solidify our capabilities in technology and product innovation.

INTERESTS OR SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS OF THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICERS

Save as disclosed below, as at 30 June 2026, none of the Directors and chief executive officers of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") (Chapter 571 of the Laws of Hong Kong)) which should be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or which they are deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company pursuant to the required standard of dealings as set out in Appendix C3 of the Listing Rules.

Long Positions in Shares

Name of Director	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Sha Min (Note 2, 3)	3,375,000 Domestic Shares (L)	Beneficial owner	0.43%
	397,821,000 Domestic Shares (L)	Interest of controlled corporation	50.77%
	4,310,000 H Shares (L)		

Note:

(1) "L" refers to a long position in shares. As at 30 June 2026, the total number of issued H shares of the Company was 229,500,000, while the total number of issued domestic shares was 562,558,500. The percentage of equity was calculated based on a total of 792,058,500 shares.

(2) Mr. Sha Min ("Mr. Sha") directly holds 3,375,000 Domestic Shares and is indirectly interested in 60.40% of equity interest of Jiangsu Sample Holding Group Limited* (江蘇三寶控股集團有限公司) (formerly known as Jiangsu Sample Holding Limited*(江蘇三寶控股有限公司), name changed on 27 February 2025) ("Jiangsu Sample") which in turn owns 49% of the equity interest in Nanjing Sample Technology Group Company Limited* (南京三寶科技集團有限公司) ("Sample Group") which in turn owns directly 397,821,000 Domestic Shares and owns indirectly 4,310,000 H Shares. Under the SFO, Mr. Sha is deemed to be interested in all 401,196,000 Domestic Shares and 4,310,000 H Shares.

Sample Group directly holds 397,821,000 Domestic Shares and indirectly holds 4,310,000 H Shares, representing approximately 50.77% of the issued share capital of the Company and Sample Group is owned as to 49% by Jiangsu Sample which in turn is held as to 60.40% by Shanghai Jiaxin Enterprise Management Center (limited partnership)*（上海佳鑫企業管理中心有限合夥）("Shanghai Jiaxin"). Shanghai Jiaxin is beneficially owned as to 100% by Mr. Sha. Under the SFO, Mr. Sha is deemed to be interested in the entire equity interest in each of Sample Group, Jiangsu Sample and Shanghai Jiaxin.

(3) At the extraordinary general meeting held on 9 January 2026, the shareholders of the Company approved the removal of Mr. Sha as a Director.

SHARES DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

So far as to the knowledge of the Directors, as at 30 June 2026, the following shareholders (other than the Directors, Supervisors or chief executive officers of the Company) had interests and short positions in the shares or underlying shares of the Company which should be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Long position in Shares

Name of Shareholders	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Nanjing Sample Technology Group Company Limited ("Sample Group") (Note 2)	397,821,000 Domestic Shares (L)	Beneficial owner	50.77%
	4,310,000 H Shares (L)	Interest of controlled corporation	
Qingdao Haifa State Owned Capital Investment and Operation Group Co., Ltd. ("Haifa Group") (Note 2)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
State-owned Assets Supervision and Administration Commission of the People's Government of Qingdao ("SASAC of Qingdao") (Note 2)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Jiangsu Sample Holding Group Limited* ("Jiangsu Sample") (Note 3, Note 4)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%

Name of Shareholders	Number of Shares	Nature of Interest	Approximate Percentage of the Share Capital of the Company (%)
Shanghai Jiaxin Enterprise Management Center (limited partnership)* (Note 3)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Shanghai Lianqi Enterprise Management Center (limited partnership)* (Note 3)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Mr. Chang Yong (Note 4)	397,821,000 Domestic Shares (L) 4,310,000 H Shares (L)	Interest of controlled corporation	50.77%
Active Gold Holding Limited (Note 5)	123,862,500 Domestic Shares (L)	Beneficial owner	15.64%
Ferdinand Holdings Limited (Note 5)	123,862,500 Domestic Shares (L)	Interest of controlled corporation	15.64%
Yin Ehua (Note 5)	123,862,500 Domestic Shares (L)	Interest of controlled corporation	15.64%
Season International Pte. Ltd. (Note 6)	53,855,500 H Shares (L)	Beneficial owner	6.79%
Season Holdco Pte. Ltd. (Note 6)	53,855,500 H Shares (L)	Interest of controlled corporation	6.79%

Notes:

(1) "L" refers to a long position in shares. As at 30 June 2026, the total number of issued H shares of the Company was 229,500,000, while the total number of issued domestic shares was 562,558,500. The percentage of equity was calculated based on a total of 792,058,500 shares.

(2) Sample Group directly owns 397,821,000 Domestic Shares and indirectly owns 4,310,000 H Shares. Hence, Sample Group is the substantial and the single largest shareholder of the Company. On 18 August 2020, Haifa Group completed the industry and commercial registration procedures in respect of the capital injection in Sample Group. Sample Group is owned as to 51% equity interests by Haifa Group which is 100% owned by SASAC of Qingdao.

(3) Sample Group directly owns 397,821,000 Domestic Shares and indirectly owns 4,310,000 H Shares. As such, Sample Group is the substantial and the single largest shareholder of the Company. Sample Group is 49% held by Jiangsu Sample which in turn is held by Shanghai Jiaxin and Shanghai Lianqi Enterprise Management Center (limited partnership)*（上海聯啟企業管理中心有限合夥）("Shanghai Lianqi") as to 60.40% and 39.60% equity interests respectively. Under the SFO, each of Shanghai Jiaxin and Shanghai Lianqi is deemed to be interested in all 397,821,000 Domestic Shares and 4,310,000 H Shares.

(4) As Sample Group is owned as to 49% by Jiangsu Sample which in turn is held as to 39.60% by Shanghai Lianqi. Shanghai Lianqi is beneficially owned as to 99% by Mr. Chang Yong. Under the SFO, Mr. Chang is deemed to be interested in all 397,821,000 Domestic Shares and 4,310,000 H Shares.

(5) Active Gold Holding Limited is wholly owned by Ferdinand Holdings Limited, and Yin Ehua holds 100% equity interests in Ferdinand Holdings Limited.

(6) Season International Pte. Ltd. is wholly owned by Season Holdco Pte. Ltd.

Share Option Scheme

On 18 October 2011, the Board passed the resolution to terminate the execution of the share option scheme of the Company which was approved by the shareholders of the Company by way of resolution on 24 April 2004. The resolution was passed at the general meeting on 30 December 2011.

The Company has not granted any option under the share option scheme since the adoption of the scheme.

Competing Business and Conflicts of Interests

None of the Directors or substantial shareholders of the Company or any of their respective associates (as defined in the Listing Rules) is engaged in any business which competes or is likely to compete with the business of the Group, and none of them has any other conflicts of interests with the Group.

Code of Conduct for Securities Transactions by Directors

The code of conduct for securities transactions by Directors adopted by the Company is on terms no less exacting than the required standard of dealings as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any circumstances that the Directors did not comply with the required standards of dealings and the code of conduct for securities transactions by Directors throughout the six months ended 30 June 2026.

Audit Committee

The Company established an audit committee on 27 August 2003 with terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules. The primary duty of the audit committee is to supervise the financial reporting process and internal control of the Company.

The audit committee of the Company is currently composed of three independent non-executive directors, namely Mr. Zhang Bin (Chairman), Ms. Xu Gaoyan (Member), and Ms. Chung Yuet Mei (Member).

The audit committee of the Company has reviewed the unaudited results of the Group for the Review Period and has provided advice and comments thereon.

Corporate Governance Code

For the six months ended 30 June 2026, the Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) in Appendix C1 to the Listing Rules, except the deviations disclosed herein.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual. During the Review Period, Mr. Liu Fei ("Mr. Liu") has been serving as both the Chairman and the chief executive officer of the Company. Having assessed the current circumstances of the Company and taken into account Mr. Liu's experience and past performance, the Board is of the view that it is appropriate for Mr. Liu to hold both the roles of Chairman and Chief Executive Officer at this stage. This arrangement will ensure consistent leadership and policy-making, facilitate stable operations, and enhance the efficiency of the Company's overall strategic planning, business decision making, and execution. In addition, the other two executive Directors have been appointed as Vice Presidents of the Company to assist Mr. Liu in overseeing the day-to-day business operations. The Board believes that this management structure will better support the Company's future development and improve its operational performance. Under the supervision of all Directors, the Board has an appropriate structure of checks and balances, providing adequate constraints to safeguard the interests of the Company and its shareholders. Accordingly, the Board considers that the deviation from code provision C.2.1 of the CG Code in this regard is appropriate.

Changes of Directors' and Supervisors' Information

1. On 10 December 2025, Mr. Liu Fei was appointed as the chairman of Qingdao Haowu Gangtong Logistics Co., Ltd.* (青島海吳港通物流有限公司).

2. On 28 April 2026, Mr. Liu Fei resigned as a director of Nanjing Tongrentang Liuhe Qiankun Health Development Co., Ltd.* (南京同仁堂六和乾坤健康發展有限公司).

3. On 24 April 2026, Mr. Liu Fei resigned as a director of Nanjing Tongrentang kangpu Biotechnology Co., Ltd.*(南京同仁堂康普生物技術有限公司).

4. On 29 April 2026, Mr. Liu Fei resigned as the chairman of Nanjing Lianhuatang Health Technology Co., Ltd.* (南京蓮華堂健康科技有限公司).

5. On 22 May 2026, Mr. Zhang Bin resigned as an independent director of Jiangsu Lianhuan Pharmaceutical Co., Ltd.*(江蘇聯環藥業股份有限公司).

6. On 30 June 2026, Ms. Xu Gaoyan was appointed as an independent director of Changzhou Mingsai Robot Technology Co., Ltd.*(常州銘賽機器人科技股份有限公司).

Save as disclosed above, the Company is not aware of any other changes in the information that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Review Period.

Change in Constitutional Document

During the Review Period, there has been no significant change in the articles of association of the Company.

Purchase, Redemption or Sales of Listed Securities of the Company

During the Review Period, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

By Order of the Board
Nanjing Sample Technology Company Limited*
Liu Fei
Chairman

28 August 2026
Nanjing, the PRC

As at the date hereof, the executive Directors are Mr. Liu Fei (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive Director is Mr. Zhang Chengji; and the independent non-executive Directors are Mr. Zhang Bin, Ms. Xu Gaoyan and Ms. Chung Yuet Mei.

* *For identification purpose only*