CHINA GLASS HOLDINGS LIMITED

中國玻璃控股有限公司*

(Incorporated in Bermuda with limited liability)

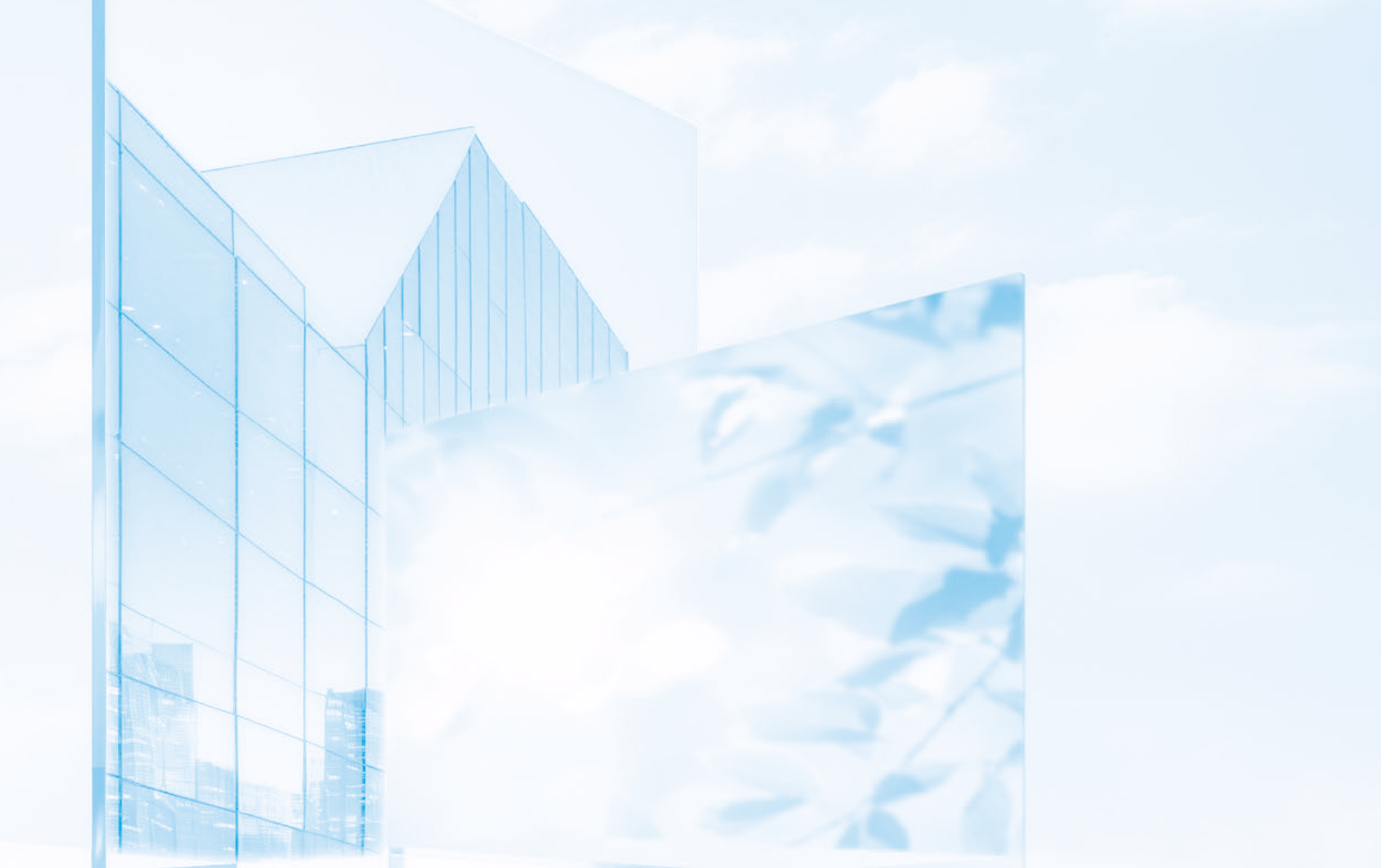
(Stock Code: 3300)

2026

Interim Report

* For Identification Purpose Only

Contents



Corporate Information

BOARD OF DIRECTORS

Executive Director

Mr. Lyu Yingcheng *(Chief Executive Officer)*

Non-executive Directors

Mr. Tang Liwei *(Chairman)*
Mr. Lyu Guo
Mr. Yang Xinyu

Independent Non-executive Directors

Mr. Zhang Baiheng
Mr. Chen Huachen
Ms. Lan Haiqing

AUDIT COMMITTEE

Mr. Chen Huachen *(Chairman of audit committee)*
Mr. Tang Liwei
Mr. Zhang Baiheng
Ms. Lan Haiqing

REMUNERATION COMMITTEE

Ms. Lan Haiqing *(Chairman of remuneration committee)*
Mr. Tang Liwei
Mr. Zhang Baiheng

NOMINATION COMMITTEE

Mr. Zhang Baiheng *(Chairman of nomination committee)*
Mr. Tang Liwei
Ms. Lan Haiqing

STRATEGY COMMITTEE

Mr. Tang Liwei *(Chairman of strategy committee)*
Mr. Lyu Yingcheng
Mr. Yang Xinyu

SENIOR MANAGEMENT

Mr. Ye Zhihui
Mr. Cai Guo
Mr. Fan Xingsheng *(appointed on 30 March 2026, and resigned on 30 June 2026)*
Mr. Zhang Guan
Ms. Jiao Yingchen

COMPANY SECRETARY

Ms. Jiao Yingchen

AUTHORISED REPRESENTATIVES

Mr. Lyu Yingcheng
Ms. Jiao Yingchen

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2608, 26/F, West Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")

Room 908, 9/F, Building T1S
Wanjin Center
Lane 360 Xinlong Road
Minhang District
Shanghai
the PRC

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Ltd
Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

LEGAL ADVISORS

As to Hong Kong Law
Norton Rose Fulbright Hong Kong

As to the PRC Law
Tiantai Law Firm

As to Bermuda Law
Appleby

PRINCIPAL BANKERS

China CITIC Bank
Shanghai Pudong Development Bank
China Construction Bank
Bank of Communications
Agriculture Development Bank of China
Hua Xia Bank
Bank of East Asia
Ping An Bank
Hengfeng Bank
Standard Chartered Bank

AUDITORS

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance

INVESTOR RELATIONS CONSULTANT

Wonderful Sky Financial Group Holdings Limited

STOCK CODE

The Stock Exchange of Hong Kong Limited: 3300

WEBSITE

www.chinaglassholdings.com

Management Discussion and Analysis

MARKET REVIEW

In the first half of 2026, global economic growth moderated under the impact of external factors including geopolitical conflicts, while commodity markets experienced heightened volatility and regional divergence.

Domestically, the flat glass industry continued its downward consolidation, operating under the triple pressure of "weak demand, low supply and high inventory". The persistent adjustment in the real estate sector further weakened demand for architectural glass, while growth in exports remained insufficient to offset the shortfall in domestic demand. On the policy front, regulatory authorities continued to steer the industry towards accelerated transformation, promoting the sector's transition towards "green, intelligent and high-end" development.

Overseas, emerging economies continued to expand their construction and infrastructure development, driven by urbanisation processes and industrial stimulus policies, underpinning steady growth in flat glass demand. Despite challenges including rising energy costs and exchange rate fluctuations in certain local markets, emerging markets demonstrate resilient profitability and considerable growth potential.

BUSINESS REVIEW

Overview

The Group owns 15 float glass production lines, 2 photovoltaic rolled glass production lines, 3 offline Low-E coated glass production lines, 5 solar reflector mirror production lines, 1 insulating glass processing line, and one company providing glass equipment and technical services. Its products cover clear glass, painted glass, coated glass, energy-saving and new energy glass, which are primarily used in construction, automotive, solar power generation, home furnishing and home appliance sectors. The Group also provides services including glass production line design, equipment supply and installation consultancy.

The Group is firmly advancing its globalisation strategy, with overseas operations strategically anchored in Nigeria, Kazakhstan and Italy, covering glass production and equipment supply. The Egypt project is progressing steadily, and the Group continues to explore development opportunities in emerging markets.

During the first half of 2026, following a comprehensive assessment of the domestic market environment, its own operating conditions, production line status and overall strategic development plan, the Group progressively suspended operations of 4 float glass production lines and 1 photovoltaic rolled glass production line in the PRC. These production lines were all in a state of sustained losses. Given the lack of significant improvement in domestic industry recovery and the Group's strategic shift in focus towards overseas markets, there are currently no plans to resume production of these suspended lines.

The Group is actively advancing the evaluation and implementation of asset disposal plans for the relevant assets, including but not limited to dismantling and selling removable assets, seeking support from local governments for land repurchase, and liquidating certain loss-making enterprises in accordance with applicable laws, with a view to accelerating cash recovery, optimising asset quality and enhancing asset efficiency.

Production, Sales and Selling Prices

During the first half of 2026, the Group produced a total of 13.64 million weight boxes of various glass products, representing a decrease of approximately 51% compared to the same period last year; sales volume amounted to 12.64 million weight boxes, representing a decrease of approximately 49% compared to the same period last year; and the overall average selling price was RMB87 per weight box, representing an increase of approximately 8% compared to the same period last year.

Raw Material Prices and Manufacturing Costs

In the first half of 2026, global commodity markets experienced heightened volatility and regional divergence. Affected by geopolitical conflicts leading to rising international oil prices and freight costs, the Group's overall procurement and transportation costs for major raw materials and fuels increased.

For raw materials, the domestic soda ash market exhibited a pattern of ample supply and weak demand during the first half of the year, with new production capacity exerting additional supply pressure and continued production cuts in the downstream glass industry further undermining demand support, resulting in a downward shift in the soda ash price centre. Procurement prices for mineral materials such as ores remained elevated due to rising transportation costs.

For fuel, global natural gas prices rose significantly and remained volatile at elevated levels amid geopolitical tensions. The petroleum coke market exhibited a pattern of initial gains followed by declines, with product-specific divergence. Low-sulphur petroleum coke saw its price centre shift upward, supported by resource scarcity and strong downstream demand in high-end applications, while medium- and high-sulphur petroleum coke faced significant demand suppression and overall downward pressure due to tightening environmental policies.

KEY ACHIEVEMENTS IN THE FIRST HALF OF 2026

In the first half of 2026, facing the dual challenges of industry consolidation and credit pressure, the Group concentrated its resources on expanding overseas operations to effectively hedge against domestic operating pressures. Overall operations remained stable amidst adversity. The Group's key achievements are set out below:

I. Steady Progress in Overseas Operations and Sustained Improvement in Profitability

Overseas subsidiaries proactively addressed challenges including exchange rate fluctuations and export logistics disruptions, deepened market collaboration, stabilised the pricing system, optimised product mix and increased the proportion of high-value-added products. Average selling prices achieved substantial growth, delivering price-led volume compensation and profit growth.

II. Differentiated Strategies for Domestic Operations and Accelerated Revitalisation of Existing Assets

Inefficient production capacity was orderly closed down, asset disposal efforts were stepped up to accelerate cash recovery and mitigate debt risks. Employee placement plans were formulated in accordance with applicable laws, with compensation arrangements duly implemented to safeguard the legitimate rights and interests of affected employees.

III. Systematic Optimisation of Organisational Structure and Steady Enhancement of Management Efficiency

The organisational structure was continuously optimised, with the equity structure being streamlined in an orderly manner, management efficiency enhanced and operational costs reduced, thereby laying a structural foundation for subsequent asset restructuring.

IV. Continued Strengthening of Workforce Development and Enhanced Performance-Oriented Incentives

The talent development system was refined, with dual-track career development in management and technical specialties being advanced. Efforts in talent acquisition and development for key positions were intensified, and high-calibre talent from domestic operations were redeployed to overseas business segments, thereby optimising global workforce allocation.

MARKET OUTLOOK

In the second half of 2026, the domestic flat glass market is expected to continue its "weak and loose" pattern, with downward consolidation likely to remain the key theme in the near term. In the medium to long term, with the full implementation of green building materials certification systems and the continued strengthening of carbon peaking constraints, the industry cost curve is expected to accelerate its reshaping. Enterprises with energy efficiency advantages and green technological capabilities are well-positioned to gain a competitive edge, and industry concentration may increase further.

In overseas markets, demand for float glass in the construction sector remains resilient, underpinned by continued urbanisation in emerging economies and persistent housing supply-demand gaps. Certain regional markets are progressively upgrading from consumption of ordinary float glass to high-end processed and energy-saving glass products, with demand for high-performance products such as Low-E glass gradually being unlocked. Energy transition targets and high electricity prices in some countries have already created endogenous growth drivers for energy-saving building materials. Overall, the overseas market is expected to maintain a steady growth trajectory characterised by parallel scale expansion and structural upgrading.

In the second half of the year, the Group's overseas operations are expected to maintain good development momentum and continue to provide stable support for overall performance. The Group will continue to deepen its global strategic layout, consolidating its existing advantages in Nigeria, Kazakhstan and Italy while steadily advancing the Egypt project, and will actively monitor emerging market potential in other countries and regions to inject new momentum into the Group's sustainable development.

RAW MATERIAL PRICE AND MANUFACTURING COST FORECAST

In the second half of 2026, procurement and transportation costs for major raw materials and fuels are expected to continue facing upward pressure. Overseas, soda ash and mineral materials procurement costs are subject to upward pressure due to geopolitical developments and persistently high logistics costs. Domestically, the soda ash market is expected to continue its ample supply pattern, with prices remaining volatile at low levels, while the traditional peak season may bring moderate phase-related improvement in demand.

In the natural gas market, international gas prices are expected to remain volatile at elevated levels in the second half of the year, affected by the pace of Middle East supply recovery and winter restocking demand. Domestic gas prices are expected to see limited increases, cushioned by domestic gas supply. The petroleum coke market is expected to continue its structural divergence: low-sulphur petroleum coke is expected to remain volatile at elevated levels, supported by demand from the new energy sector, while medium- and high-sulphur petroleum coke is expected to remain under pressure due to tightening environmental policies and weak downstream demand.

WORK PLAN FOR THE SECOND HALF OF 2026

In the second half of the year, the Group will continue to advance its internationalisation strategy, implement the overall plan of "deepening overseas presence and contracting domestic operations", and steadily carry out various initiatives in a solid manner, striving to achieve its full-year operational targets.

I. Ensuring Stable and Efficient Overseas Operations and Consolidating the Core Business Foundation

The Group will consolidate its competitive advantages in overseas markets, deepen regional market collaboration, enhance export competitiveness, integrate logistics resources, reduce operating costs, improve inventory structure and increase the proportion of high-value-added products, so as to ensure steady sales recovery and improved operational quality.

II. Advancing Orderly Divestment of Domestic Operations and Accelerating Revitalisation of Existing Assets

Continuing with the "contracting domestic operations" strategy, the Group will dynamically assess the profitability of operating production lines, and decisively close down those that continue to incur losses and drag down performance. The Group will accelerate the revitalisation and monetisation of low-efficiency assets to generate cash proceeds and reduce debt.

III. Accelerating Technological Innovation and Commercialisation of Results to Strengthen Future Growth Momentum

Focusing on key areas including the construction of a new special glass laboratory, the technological upgrading of solar-control energy-saving glass coating engineering, and the development of industry-university-research collaboration platforms, the Group will expedite technological breakthroughs and the commercialisation of R&D results, thereby providing strong support for the deployment of high-value-added products.

IV. Strengthening Brand Development and Digital Support to Enhance Management Efficiency

The Group will formulate a medium- to long-term brand plan and pursue trademark registrations in multiple countries and international product certifications. The Group will also establish a production-sales collaboration and after-sales management platform, and progressively achieve the transition from digitalisation to intelligent digitalisation.

V. Continuously Strengthening Compliance Management and Risk Prevention and Control to Uphold the Safety Bottom Line

The Group will establish compliance review and early warning systems for overseas markets, and strengthen dynamic supervision of overseas operations. The Group will enhance oversight across the entire process of asset disposal, workforce placement and debt resolution, preventing conflicts of interest and asset erosion.

VI. Strengthening Workforce Development and Stimulating Organisational Vitality

The Group will continue to align compensation with high performance, strengthen the application of incentive tools and performance appraisal results, and implement a system where executives can be promoted or demoted and compensation can increase or decrease, thereby fully unlocking the vitality of the organisation.

FINANCIAL REVIEW

Revenue

For the first six months of 2026, the Group's revenue amounted to RMB1,247,083,000, representing a decrease of approximately 42% as compared with RMB2,153,490,000 for the corresponding period in 2025. The decrease in revenue was primarily attributable to a 49% decline in sales volume of glass products, despite an 8% increase in average selling price.

Of which:

Revenue from Continuing Operations decreased by approximately 7%, from RMB681,634,000 to RMB632,308,000. Compared with the same period last year, the Group's overseas sales recorded a decline in volume but an increase in price, with sales volume down by 26% and average selling price up by 25%.

Revenue from Discontinued Operations decreased by approximately 58%, from RMB1,471,856,000 to RMB614,775,000. Compared with the same period last year, the Group's domestic sales experienced a simultaneous decline in both volume and price, as a result of the gradual shutdown of loss-making operations in the Chinese Mainland and the industry's continued difficulties characterised by "high inventory, weak demand, and widespread losses". Sales volume decreased by 53% and average selling price decreased by 10%.

Continuing Operations	**For the first six months of 2026**		For the first six months of 2025		Change
	RMB'000	***Proportion%***	*RMB'000*	*Proportion%*	*%*
Clear glass	**182,935**	**29%**	216,853	32%	-16%
Painted glass	**66,319**	**10%**	74,206	11%	-11%
Coated glass	**216,344**	**34%**	217,003	32%	0%
Energy saving and new energy glass	**16,272**	**3%**	9,729	1%	67%
Design and installation related services	**150,438**	**24%**	163,843	24%	-8%
	632,308	**100%**	681,634	100%	-7%

Discontinued Operations	**For the first six months of 2026**		For the first six months of 2025		Change
	RMB'000	***Proportion%***	*RMB'000*	*Proportion%*	*%*
Clear glass	**193,232**	**31%**	515,799	34%	-63%
Painted glass	**177,644**	**29%**	331,253	23%	-46%
Coated glass	**151,627**	**25%**	217,203	15%	-30%
Energy saving and new energy glass	**92,272**	**15%**	407,601	28%	-77%
	614,775	**100%**	1,471,856	100%	-58%

Cost of sales

For the first six months of 2026, the Group's cost of sales amounted to RMB1,066,854,000, representing a decrease of approximately 46% as compared with RMB1,990,741,000 for the corresponding period in 2025. The decrease in cost of sales was primarily attributable to a 49% decline in sales volume of glass products, despite a 1% increase in average unit cost of glass products' sales.

Of which:

Cost of sales from Continuing Operations decreased by approximately 18%, from RMB444,059,000 to RMB365,906,000. Compared with the same period last year, the average unit cost of sales for the Group's overseas glass products' sales increased by 5%, which was related to the optimisation of product mix, changes in raw material prices and exchange rate fluctuations, among other factors.

Cost of sales from Discontinued Operations decreased by approximately 55%, from RMB1,546,682,000 to RMB700,948,000. Compared with the same period last year, the average unit cost of glass products' sales for the Group's domestic sales decreased by 3%.

Gross Profit

For the first six months of 2026, the Group's gross profit amounted to RMB180,229,000, representing an increase of 11% as compared with RMB162,749,000 for the corresponding period in 2025. The overall gross profit margin increased from 8% to 15%. The increase in gross profit was primarily attributable to the increase in gross profit margin of overseas sales.

Of which:

Gross profit from Continuing Operations increased from RMB237,575,000 to RMB266,402,000, representing an increase of approximately 12%, with gross profit margin rising from 35% to 42%.

Gross loss from Discontinued Operations increased from RMB74,826,000 to RMB86,173,000, with gross profit margin decreasing from -5% to -14%, indicating a widening of loss.

Other Income

For the first six months of 2026, the Group's other income amounted to RMB318,361,000, representing an increase of approximately 124% as compared with RMB142,367,000 for the corresponding period in 2025, which was primarily attributable to the increase in other income from the sale of raw materials and scrap materials in discontinued operations.

Of which:

Other income from Continuing Operations decreased from RMB12,765,000 to RMB4,037,000, representing a decrease of approximately 68%, primarily due to a reduction in interest income.

Other income from Discontinued Operations increased from RMB129,602,000 to RMB314,324,000, representing an increase of approximately 143%, mainly attributable to the net gain from the sale of raw materials and scrap materials.

Administrative Expense

For the first six months of 2026, the Group's administrative expenses amounted to RMB200,264,000, representing an increase of approximately 13% as compared with RMB177,038,000 for the corresponding period in 2025.

Of which:

Administrative expenses from Continuing Operations increased from RMB48,071,000 to RMB52,303,000, representing an increase of approximately 9%.

Administrative expenses from Discontinued Operations increased from RMB128,967,000 to RMB147,961,000, representing an increase of approximately 15%.

Finance Cost

For the first six months of 2026, the Group's finance costs amounted to RMB206,843,000, representing a decrease of approximately 10% as compared with RMB231,089,000 for the corresponding period in 2025, primarily due to a decrease in interest on bank loans and other borrowings, bank charges and other financing costs.

Of which:

Finance costs from Continuing Operations decreased from RMB89,762,000 to RMB84,768,000, representing a decrease of approximately 6%, primarily due to a decrease in interest on bank loans and other borrowings, bank charges and other financing costs, partially offset by an increase in foreign exchange losses.

Finance costs from Discontinued Operations decreased from RMB141,327,000 to RMB122,075,000, representing a decrease of approximately 14%, primarily due to decreases in both interest on bank loans and other borrowings, and bank charges and other financing costs.

Income Tax

For the first six months of 2026, the income tax expense amounted to RMB9,188,000, as compared with RMB28,301,000 for the first six months of 2025, primarily due to the decrease in taxable income resulting from the gradual loss-making operations of the Group's businesses in the Chinese Mainland.

Of which:

Income tax expense from Continuing Operations increased from RMB2,690,000 to RMB4,280,000, representing an increase of approximately 59%.

Income tax expense from Discontinued Operations decreased from RMB25,611,000 to RMB4,908,000, representing a decrease of approximately 81%.

Profit for the Period

For the first six months of 2026, the Group recorded a profit of RMB51,048,000, as compared with a loss of RMB318,743,000 for the corresponding period in 2025, achieving a turnaround from loss to profit. Such profit was mainly attributable to: (i) the Group's continuous optimisation of its business structure, with overseas operations maintaining a sound performance and stable profitability, while the orderly shutdown of loss-making domestic operations significantly reduced operating losses; and (ii) the Group's acceleration of the disposal of redundant assets and resolution of debt risks, with steady disposal of assets of Discontinued Operations to expedite capital recovery and revitalise existing assets, thereby generating other income for the Group.

Current Assets

The Group's current assets decreased from RMB6,237,066,000 as at 31 December 2025 to RMB5,958,568,000 as at 30 June 2026, representing a decrease of approximately 4%, primarily due to the decrease in assets held for sale.

Non-current Assets

The Group's non-current assets decreased from RMB1,285,669,000 as at 31 December 2025 to RMB1,278,933,000 as at 30 June 2026, representing a decrease of approximately 1%, primarily attributable to decreases in property, plant and equipment, intangible assets and goodwill, among others.

Current Liabilities

The Group's current liabilities decreased from RMB12,182,156,000 as at 31 December 2025 to RMB11,781,527,000 as at 30 June 2026, representing a decrease of approximately 3%, mainly due to decreases in liabilities associated with assets held for sale, accrued expenses and other payables, among others.

Non-current Liabilities

The Group's non-current liabilities decreased from RMB40,222,000 as at 31 December 2025 to RMB33,534,000 as at 30 June 2026, representing a decrease of approximately 17%, primarily due to decreases in deferred tax liabilities and other non-current liabilities.

CAPITAL STRUCTURE, LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2026, the cash at bank and on hand of the Group was RMB441,914,000 (31 December 2025: RMB523,601,000), of which 43.1% (31 December 2025: 48.4%) was denominated in RMB, 8.1% (31 December 2025: 14.4%) in US dollars ("**USD**"), 33.7% (31 December 2025: 24.6%) in Euro ("**EUR**"), 8.7% (31 December 2025: 2.4%) in Nigerian Naira("**NGN**"), 6.3% (31 December 2025: 3.4%) in Hong Kong dollars ("**HKD**"), and 0.1% (31 December 2025: 6.8%) in Tenge ("**KZT**").

As at 30 June 2026, the outstanding bank loans and other borrowings of the Group amounted to RMB7,369,717,000 (31 December 2025: RMB7,787,440,000), all of which are due within 12 months or on demand at the end of the reporting period, and of which 85.8% (31 December 2025: 87.4%) were denominated in RMB, 12.5% (31 December 2025: 12.2%) in USD, 0.6% (31 December 2025: 0.4%) in EUR, and 1.1% (31 December 2025: nil) in HKD. As at 30 June 2026, approximately 51% (31 December 2025: 56%) of the outstanding bank loans and other borrowings carried interest at fixed rates, while approximately 49% (31 December 2025: approximately 44%) carried interest at floating rates.

As at 30 June 2026, the gearing ratio (total interest-bearing debts divided by total assets) of the Group was 1.02 (31 December 2025: 1.04), the current ratio (current assets divided by current liabilities) of the Group was 0.51 (31 December 2025: 0.51), and the assets-liabilities ratio (total liabilities divided by total assets) of the Group was 1.63 (31 December 2025: 1.62).

CHARGED ASSETS

As at 30 June 2026, a syndicated loan of the Group amounting to RMB922,038,000 is secured by the Company's equity interests in certain subsidiaries and bank deposits of the Continuing Operations, and is guaranteed by the remianing subsidiaries of the Continuing Operations(31 December 2025: RMB951,764,000); bank loans of RMB550,221,000 is guaranteed by the Company and is secured by the Company's equity interests in certain subsidiaries of the Continuing Operations and the Continuing Operations' property, plant and equipment (31 December 2025: nil); and a bank loan of EUR5,770,000 (equivalent to approximately RMB44,815,000) is secured by the Continuing Operations' property, plant and equipment (31 December 2025: EUR3,433,000 (equivalent to approximately RMB28,280,000)).

As at 30 June 2026, the carrying amount of the charged assets (including property, plant and equipment, construction in progress, inventories and land use rights) of the Group's Discontinued Operations was approximately RMB2.993 billion (31 December 2025: approximately RMB2.377 billion); and the bank loans related to such charged assets amounted to approximately RMB2.793 billion (31 December 2025: approximately RMB2.642 billion).

EXCHANGE RATE FLUCTUATION RISK AND RELATED HEDGING

The Group's transactions and monetary assets were primarily denominated in RMB, NGN, KZT, USD and EUR. Operating expenses and domestic sales of the Group's PRC subsidiaries were primarily denominated in RMB, operating expenses and sales of subsidiaries incorporated in Nigeria and Kazakhstan were primarily denominated in NGN, KZT, and USD, the operating expenses and sales of an engineering equipment and technical service company in Italy were primarily denominated in EUR and certain borrowings of the Group were denominated in USD. The Group was of the opinion that the future fluctuation of RMB would be closely associated with the development of the PRC economy. The Group's net assets, profits or loss and dividends may be affected by the fluctuation of the exchange rate between RMB and other currency, such as NGN, KZT, USD and EUR. During the six months ended 30 June 2026, the Group did not purchase any derivatives for hedging purposes.

CONTINGENT LIABILITIES

Details of contingent liabilities are disclosed in Note 22 to the unaudited interim financial information.

MATERIAL ACQUISITIONS AND DISPOSALS, SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITIONS OF CAPITAL ASSETS

During the six months ended 30 June 2026, the Group did not have any material investments or acquisitions of capital assets, or material acquisitions or disposals of subsidiaries, associated companies and joint ventures, or significant investments.

As at the date of this report, the Group has no plan to make any material investments or acquisitions of capital assets.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Details of important events affecting the Group that have occurred since the end of the reporting period are disclosed in Note 23 to the unaudited interim financial information.

HUMAN RESOURCES AND EMPLOYEES' REMUNERATION

As at 30 June 2026, the Group employed a total of 1,964 employees within and outside the PRC (31 December 2025: 3,261 employees). The decrease in the number of employees was primarily attributable to the sustained weakness in the domestic market and escalating industry-wide losses during the first half of the year, which prompted the Group to orderly close down inefficient production capacity. In this process, the Group formulated employee placement plans in accordance with applicable laws, provided compensation packages, and effectively safeguarded the legitimate rights and interests of the affected employees. At the same time, the Group redeployed high-calibre talent from domestic operations to its overseas business segments, concentrating talent in profitable overseas operations, continuously optimising global workforce allocation, and accelerating the shift in its strategic focus.

The Group ensures that the remuneration levels of its employees are competitive and employees are rewarded on a performance related basis, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system.

The employees of the companies in the Group which were established in the PRC and overseas participate in the benefit schemes in line with local labour laws and regulations, respectively.

Other Information

The board of directors (the "**Board**" or the "**Directors**") of China Glass Holdings Limited (the "**Company**") presents its report together with the unaudited consolidated financial statements of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026.

INTERIM DIVIDENDS

In light of the Company's interim results and the overall arrangement for its medium-to-long term development, the Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (30 June 2025: Nil).

INTERESTS AND/OR SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and/or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were (i) recorded in the register required to be kept by the Company under section 352 of the SFO; or (ii) 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 were taken or deemed to have under such provisions of the SFO); or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Name of Directors	Company/Name of Associated Corporation	Capacity	Total Number of Ordinary Shares [1]	Approximate Percentage of Shareholding [2]
Mr. Lyu Guo	The Company	Beneficial owner	15,442,096 (L)	0.84%

Notes:

(1) The letter "L" denotes the Director's long position in such securities.

(2) As at 30 June 2026, the total number of issued Shares is 1,836,218,258.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were (i) recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (ii) 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 were taken or deemed to have under such provisions of the SFO); or (iii) required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2026, the interests and/or short positions of the Shareholders, other than Directors and chief executive of the Company, in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of Shareholders	Capacity	Total Number of Ordinary Shares [(1)]	Approximate Percentage of Shareholding [(10)]
New Glory Fund L. P.	Beneficial owner	272,926,000 (L)	14.86%
New Glory Management Limited	Interest of a controlled corporation [(2)]	272,926,000 (L)	14.86%
Bengbu Huajin Holdings Co., Ltd.	Interest of a controlled corporation [(3)]	272,926,000 (L)	14.86%
United Strength Upward Limited	Interest of a controlled corporation [(3)]	272,926,000 (L)	14.86%
Hony Capital Group Limited	Interest of a controlled corporation [(4)]	272,926,000 (L)	14.86%
Hony Group Management Limited	Interest of a controlled corporation [(5)]	272,926,000 (L)	14.86%
Hony Managing Partners Limited	Interest of a controlled corporation [(5)]	272,926,000 (L)	14.86%
Exponential Fortune Group Limited	Interest of a controlled corporation [(5)]	272,926,000 (L)	14.86%
Mr. Zhao John Huan	Interest of a controlled corporation [(6)]	272,926,000 (L)	14.86%
China Triumph International Investment Company Limited	Beneficial owner	156,424,621 (L)	8.52%
Triumph Science & Technology Group Co., Ltd.	Beneficial owner/Interest of a controlled corporation [(7)]	416,424,621 (L)	22.68%
China National Building Material Group Co., Ltd.	Interest of a controlled corporation [(7)]	416,424,621 (L)	22.68%
Bank of Communications Trustee Limited	Trustee [(8)]	152,000,000 (L)	8.28%
Ms. Sze Tan Hung	Beneficial owner	109,704,000 (L)	5.97%
Mr. Tung Ching Sai	Interest of spouse [(9)]	109,704,000 (L)	5.97%

Other Information (continued)

Notes:

(1) The letter "L" denotes the person's long position in such securities.

(2) New Glory Fund L. P. is a wholly-owned subsidiary of New Glory Management Limited. New Glory Management Limited is taken to be interested in these shares by virtue of Part XV of the SFO.

(3) New Glory Management Limited is owned as to 50% by Bengbu Huajin Holdings Co., Ltd. and 50% by United Strength Upward Limited. Pursuant to Part XV of the SFO, Bengbu Huajin Holdings Co., Ltd. and United Strength Upward Limited are taken to be interested in the shares held by New Glory Management Limited.

(4) United Strength Upward Limited is a wholly-owned subsidiary of Hony Capital Group Limited. Hony Capital Group Limited is taken to be interested in these shares by virtue of Part XV of the SFO.

(5) Hony Capital Group Limited is wholly-owned by Hony Group Management Limited. Hony Group Management Limited is owned as to 80% by Hony Managing Partners Limited. Hony Managing Partners Limited is wholly-owned by Exponential Fortune Group Limited. Pursuant to Part XV of the SFO, Hony Group Management Limited, Hony Managing Partners Limited and Exponential Fortune Group Limited are taken to be interested in the shares held by Hony Capital Group Limited.

(6) Exponential Fortune Group Limited is owned as to 49% by Mr. Zhao John Huan. Pursuant to Part XV of the SFO, Mr. Zhao John Huan is taken to be interested in the 272,926,000 shares held by New Glory Fund L. P.

(7) China Triumph International Investment Company Limited is a wholly-owned subsidiary of Triumph Science & Technology Group Co., Ltd., which is a wholly-owned subsidiary of China National Building Material Group Co., Ltd. Pursuant to Part XV of the SFO, Triumph Science & Technology Group Co., Ltd. is taken to be interested in the shares held by China Triumph International Investment Company Limited; and China National Building Material Group Co., Ltd. is taken to be interested in the shares held by China Triumph International Investment Company Limited and Triumph Science & Technology Group Co., Ltd.

(8) Bank of Communications Trustee Limited has been appointed as the Trustee (as defined herein below) of the Share Award Scheme (as defined herein below). Pursuant to the scheme rules and the trust deed entered into with the Trustee, existing Shares of the Company will be purchased by the Trustee on the market out of cash contributed by the Group and be held in trust for the employees of the Group until such Shares are vested with the relevant Selected Employee(s) (as defined herein below) in accordance with the scheme rules. The Trustee is taken to have a duty of disclosure in relation to such Shares by virtue of Part XV of the SFO.

(9) Mr. Tung Ching Sai is the spouse of Ms. Sze Tan Hung. Mr. Tung Ching Sai is taken to be interested in these shares by virtue of Part XV of the SFO.

(10) As at 30 June 2026, the total number of issued Shares is 1,836,218,258.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any persons (other than a Director or the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") at its special general meeting held on 19 February 2016. Since the date of adoption of the Share Option Scheme, no share options have been granted, exercised, cancelled or lapsed under the Share Option Scheme. The following is a summary of the principal terms of the rules of the Share Option Scheme:

(a) Who may join

The Board may at its discretion grant options to: (i) any executive Director, or employee (whether full time or part time) of the Company, any member of the Group or any entity in which any member of the Group holds an equity interest (the "**Invested Entity**"); (ii) any non-executive Directors (including independent non-executive Directors) of the Company, any member of the Group or any Invested Entity; (iii) any supplier of goods or services to the Company, any member of the Group or any Invested Entity; (iv) any customer of the Company, any member of the Group or any Invested Entity; and (v) any person or entity that provides research, development or technological support to the Company, any member of the Group or any Invested Entity (collectively, the "**Qualified Participants**" and each, a "**Qualified Participant**").

(b) The purpose of the Share Option Scheme

The Share Option Scheme seeks to provide an incentive for the Qualified Participants to work with commitment towards enhancing the value of the Company and its Shares for the benefit of its Shareholders, and to maintain or attract business relationships with the Qualified Participants whose contributions are or may be beneficial to the growth of the Group.

(c) Subscription price

The subscription price shall, subject to any adjustment, be a price determined by the Board but in any event shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date on which the option is offered to a Qualified Participant (the "**Offer Date**"); (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date; and (iii) the nominal value of the Shares.

(d) Grant of option

An offer of the grant of an option shall be made to a Qualified Participant by letter (the "**Offer Letter**") in such form as the Board may from time to time determine specifying the terms and subject to the conditions on which the option is to be granted. Subject to the terms of the Offer Letter, there shall be no general performance target to or minimum holding period for the vesting or exercise of options.

An option is deemed to have been accepted and to have taken effect when the duplicate Offer Letter comprising acceptance of the option duly signed by the option-holder together with a remittance in favour of the Company of HK$1 by way of consideration for the grant of the option shall have been received by the Company on or before the last day for acceptance as set out in the Offer Letter.

(e) Maximum number of Shares and entitlement of each Qualified Participant

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed the number of Shares that shall represent 10% of the total number of Shares in issue as at 19 February 2016, the date of the special general meeting approving the Share Option Scheme, which is 181,014,705 Shares (representing 9.86% of the issued share capital as at the date of this report).

Unless approved by the Shareholders in general meeting in the manner prescribed in the Listing Rules, the Board shall not grant options to any Qualified Participant if the acceptance of those options would result in the total number of Shares issued and to be issued to that Qualified Participant upon the exercise of his options (including both exercised and outstanding options) during any 12-month period exceeding 1% of the total Shares then in issue.

(f) Timing for exercise of options

The period during which an option may be exercised in accordance with the terms of the Share Option Scheme shall be a period of time to be notified by the Board to each option-holder, which the Board may in its absolute discretion determine, save that such period shall not be more than ten (10) years commencing on the Offer Date.

(g) Life of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the date on which the Share Option Scheme is deemed to take effect in accordance with its terms. The Company's Share Option Scheme expired on 18 February 2026 (the "**Expiry Date**"). No further options will be granted after the Expiry Date, but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects. In particular, all options granted before the end of such period shall continue to be valid and exercisable after the end of such period in accordance with the terms of the Share Option Scheme.

As at the date of this report, the Company has no existing and effective Share Option Scheme arrangements. The Company will consider adopting new share schemes at an appropriate time according to the needs of business development and market practices, and will strictly comply with the relevant provisions of the Listing Rules (in particular Chapter 17) and perform disclosure and approval procedures in a timely manner.

SHARE AWARD SCHEME

The Board approved the adoption of the share award scheme of the Company (the "**Share Award Scheme**") on 12 December 2011 (the "**Adoption Date**"). The Share Award Scheme would operate in parallel with the Share Option Scheme. The following is a summary of the principal terms of the rules of the Share Award Scheme:

(a) Who may join

Employee(s) are selected by the Board pursuant to the scheme rules for participation in the Share Award Scheme (the "**Selected Employee(s)**"). Selected Employees can be any employee of the Group or Directors of the Company. If any grant of awarded shares is proposed to be made to a Director (including an independent non-executive Director) of the Company, such grant must first be approved by all the members of the Remuneration Committee of the Company, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee. In addition, where any grant of awarded shares is proposed to be made to any Director or any other person who is a connected person within the meaning of the Listing Rules, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

(b) The purpose of the Share Award Scheme

The purposes of the Share Award Scheme are to recognise the contributions made by Selected Employees and to provide them with incentives in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

(c) Operation of the Share Award Scheme

Bank of Communications Trustee Limited has been appointed as the trustee of the Share Award Scheme (the "**Trustee**"). Pursuant to the scheme rules and the trust deed entered into with the Trustee, existing Shares of the Company will be purchased by the Trustee on the market out of cash contributed by the Group and be held in trust for the employees of the Group until such Shares are vested with the relevant Selected Employees in accordance with the scheme rules.

(d) Life of the Share Award Scheme

The Share Award Scheme came into effect on the Adoption Date, and shall terminate on the earlier of (i) the tenth (10) anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board by a resolution of the Board.

(e) Grant of Awarded Shares

Subject to the provisions of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any employee (including any employee (including without limitation any executive director) of any member of the Group, but other than any excluded employee pursuant to the Share Award Scheme) for participation in the Share Award Scheme as a Selected Employee, and grant such number of awarded Shares to any Selected Employee at no consideration on and subject to such terms and conditions as it may in its absolute discretion determine. The Board is entitled to impose any conditions (including a period of continued service within the Group after the award), as it deems appropriate in its absolute discretion with respect to the vesting of the awarded Shares on the Selected Employee. In addition to such vesting conditions as may be imposed by the Board, it is also a condition for the grant of awarded Shares that any Selected Employee shall not transfer or dispose of more than 50 per cent. of the awarded Shares during the period of one (1) year after the date of vesting of such awarded Shares.

(f) Administration

In connection with the implementation of the Share Award Scheme, the trustee of the Share Award Scheme will purchase the existing Shares on the market out of cash contributed by the Group and be held in trust for the Selected Employee until such Shares are vested with the relevant Selected Employee in accordance with the provisions of the Share Award Scheme.

(g) Scheme Limit

Pursuant to the Share Award Scheme, the Board shall not make any further award of awarded Shares which will result in the aggregate nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding ten (10) per cent. of the issued share capital of the Company at the time of such award. As at 30 June 2026 and the date of this report, the total number of issued Shares is 1,836,218,258, therefore, the limit on the grant of awarded Shares under the Share Award Scheme as at such dates are 183,621,825 Shares. The maximum aggregate nominal value of awarded Shares which may be awarded to a Selected Employee under the Share Award Scheme shall not exceed two (2) per cent. of the issued share capital of the Company at the time of such award.

The Share Award Scheme was originally set to expire on 12 December 2021. On 8 December 2021, the Board resolved to extend the term of the Share Award Scheme for another ten (10) years expiring on 12 December 2031, subject to any early termination as may be determined by the Board by a resolution of the Board. Save as the aforesaid, all other material terms of the Share Award Scheme remain unchanged and valid.

As at 1 January 2026 and 30 June 2026, there were no outstanding unvested awards granted to any Selected Employees under the Share Award Scheme. During the six months ended 30 June 2026, no shares were awarded or vested to directors and employees of the Group under the Share Award Scheme. Further details of the awards under the Share Award Scheme are set out in Note 18(b) (ii) to the consolidated financial statements.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a public float of not less than 25% of the issued share capital of the Company as required under the Listing Rules during the Reporting Period and up to the latest practicable date prior to the issue of this Interim Report.

CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

During the reporting period and up to the date of this report, the Directors have confirmed that there is no information required to be disclosed pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established with written terms of reference in compliance with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules. The Audit Committee comprising Mr. Chen Huachen as chairman as well as Mr. Tang Liwei, Mr. Zhang Baiheng and Ms. Lan Haiqing as members, has reviewed, together with the participation of the Company's management, the accounting principles and practices adopted by the Group, and has discussed operational, risk management and internal control, and financial reporting matters and systems of the Group, including the review of the interim report of the Group for the six months ended 30 June 2026. The interim financial information of the Group for the six months ended 30 June 2026 has not been audited nor reviewed by the Company's auditors.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board and the management of the Group are committed to the maintenance of good corporate governance practices and procedures. The Board believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth, strengthening the confidence of Shareholders and investors, and enhancing Shareholders' value. The corporate governance principles of the Company emphasize a quality Board, sound internal controls, and transparency and accountability to all Shareholders.

Throughout the six months ended 30 June 2026, the Company applied the principles and complied with the applicable code provisions of the CG Code as set out in Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct in respect of transactions in securities of the Company by the Directors. Having made specific enquiries, confirmations have been received from all Directors that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2026.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company proactively promotes investor relations and facilitates communication through regular meetings with institutional investors and financial analysts to ensure two-way communication in respect of the Group's performance and development.

By Order of the Board
Tang Liwei
Chairman

Hong Kong, 18 August 2026

Consolidated Statement of Profit or Loss

for the six months ended 30 June 2026 – unaudited
(Expressed in Renminbi ("RMB"))

	Note	Six months ended 30 June 2026 RMB'000	Six months ended 30 June 2025 RMB'000 (Restated) (Note)
Continuing operations			
Revenue	4	**632,308**	681,634
Cost of sales		**(365,906)**	(444,059)
Gross profit	4(b)	**266,402**	237,575
Other income	5	**4,037**	12,765
Distribution costs		**(20,804)**	(27,503)
Administrative expenses		**(52,303)**	(48,071)
Impairment gain/(loss) on receivables and contract assets		**536**	(2,515)
Profit from operations		**197,868**	172,251
Finance costs	6(a)	**(84,768)**	(89,762)
Profit before taxation	6	**113,100**	82,489
Income tax	7	**(4,280)**	(2,690)
Profit from continuing operations		**108,820**	79,799
Discontinued operations			
Loss from discontinued operations, net of tax	8	**(57,772)**	(398,542)
Profit/(loss) for the period		**51,048**	(318,743)
Attributable to:			
Equity shareholders of the Company			
– continuing operations		**108,820**	79,799
– discontinued operations		**(18,283)**	(338,250)
Non-controlling interests			
– discontinued operations		**(39,489)**	(60,292)
Profit/(loss) for the period		**51,048**	(318,743)
Basic and diluted earnings/(loss) per share (RMB yuan)	9		
– continuing operations		**0.06**	0.05
– discontinued operations		**(0.01)**	(0.20)

Note: The restatement of comparative information is attributable to the discontinued operations as disclosed in Note 8.

The notes on pages 29 to 60 form part of this interim financial report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 30 June 2026 – unaudited
(Expressed in RMB)

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(Restated)
		(Note)
Profit/(loss) for the period	**51,048**	(318,743)
Other comprehensive income for the period (after tax and reclassification adjustments):		
Items that will not be reclassified to profit or loss:		
– equity securities designated at fair value through other comprehensive income ("FVOCI") – net movement in fair value reserve (non-recycling)	**–**	126
Items that may be reclassified subsequently to profit or loss:		
– exchange differences on translation of financial statements into presentation currency	**71,341**	59,656
Total comprehensive income for the period	**122,389**	(258,961)
Attributable to:		
Equity shareholders of the Company		
– continuing operations	**180,161**	139,455
– discontinued operations	**(18,283)**	(338,132)
Non-controlling interests		
– discontinued operations	**(39,489)**	(60,284)
Total comprehensive income for the period	**122,389**	(258,961)

Note: The restatement of comparative information is attributable to the discontinued operations as disclosed in Note 8.

The notes on pages 29 to 60 form part of this interim financial report.

Consolidated Statement of Financial Position

at 30 June 2026 – unaudited
(Expressed in RMB)

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current assets			
Property, plant and equipment	10	**974,719**	976,963
Other non-current assets		**198,181**	194,147
Right-of-use assets		**2,227**	2,200
Intangible assets		**44,259**	49,225
Goodwill		**50,523**	53,570
Deferred tax assets		**9,024**	9,564
		1,278,933	1,285,669
Current assets			
Inventories	11	**298,303**	260,639
Contract assets		**11,988**	25,990
Trade and bills receivables	12	**86,768**	77,845
Other receivables and prepayment	13	**103,428**	75,108
Cash at bank and on hand	14	**252,094**	270,975
Assets held for sale	8	**5,205,987**	5,526,509
		5,958,568	6,237,066
Current liabilities			
Trade and bills payables	15	**126,032**	109,291
Accrued charges and other payables	16	**151,952**	202,302
Contract liabilities		**128,116**	131,539
Bank loans and other borrowings	17	**1,901,938**	1,668,119
Lease liabilities		**393**	557
Income tax payable		**4,069**	3,444
Liabilities associated with assets held for sale	8	**9,469,027**	10,066,904
		11,781,527	12,182,156
Net current liabilities		**(5,822,959)**	(5,945,090)
Total assets less current liabilities		**(4,544,026)**	(4,659,421)

The notes on pages 29 to 60 form part of this interim financial report.

Consolidated Statement of Financial Position (continued)

at 30 June 2026 – unaudited
(Expressed in RMB)

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current liabilities			
Lease liabilities		**359**	629
Other non-current liabilities		**8,463**	14,336
Deferred tax liabilities		**24,712**	25,257
		33,534	40,222
NET LIABILITIES		**(4,577,560)**	(4,699,643)
CAPITAL AND RESERVES	18		
Share capital		**85,951**	85,951
Reserves		**(4,497,842)**	(4,659,232)
Total equity-deficit attributable to equity shareholders of the Company		**(4,411,891)**	(4,573,281)
Non-controlling interests		**(165,669)**	(126,362)
TOTAL EQUITY-DEFICIT		**(4,577,560)**	(4,699,643)

The notes on pages 29 to 60 form part of this interim financial report.

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2026 – unaudited
(Expressed in RMB)

	Attributable to equity shareholders of the Company											
	Share capital RMB'000	Share premium RMB'000	Shares held under share award scheme RMB'000	Capital reserve RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Exchange reserves RMB'000	Fair value reserve (non-recycling) RMB'000	Retained profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2025	85,951	1,493,494	(66,712)	20,769	40,785	(438,578)	(1,168,513)	(374)	298,230	265,052	618,974	884,026
Changes in equity for the six months ended 30 June 2025:												
Loss for the period	–	–	–	–	–	–	–	–	(258,451)	(258,451)	(60,292)	(318,743)
Other comprehensive income	–	–	–	–	–	–	59,656	118	–	59,774	8	59,782
Total comprehensive income	–	–	–	–	–	–	59,656	118	(258,451)	(198,677)	(60,284)	(258,961)
Balance at 30 June 2025	85,951	1,493,494	(66,712)	20,769	40,785	(438,578)	(1,108,857)	(256)	39,779	66,375	558,690	625,065
Balance at 1 July 2025	85,951	1,493,494	(66,712)	20,769	40,785	(438,578)	(1,108,857)	(256)	39,779	66,375	558,690	625,065
Changes in equity for the six months ended 31 December 2025:												
Loss for the period	–	–	–	–	–	–	–	–	(4,634,651)	(4,634,651)	(685,052)	(5,319,703)
Other comprehensive income	–	–	–	–	–	–	(5,005)	–	–	(5,005)	–	(5,005)
Total comprehensive income	–	–	–	–	–	–	(5,005)	–	(4,634,651)	(4,639,656)	(685,052)	(5,324,708)
Balance at 31 December 2025	85,951	1,493,494	(66,712)	20,769	40,785	(438,578)	(1,113,862)	(256)	(4,594,872)	(4,573,281)	(126,362)	(4,699,643)

The notes on pages 29 to 60 form part of this interim financial report.

Consolidated Statement of Changes in Equity (continued)

for the six months ended 30 June 2026 – unaudited

(Expressed in RMB)

	Attributable to equity shareholders of the Company											
	Share capital RMB'000	Share premium RMB'000	Shares held under share award scheme RMB'000	Capital reserve RMB'000	Statutory reserve RMB'000	Other reserves RMB'000	Exchange reserves RMB'000	Fair value reserve (non-recycling) RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity-deficit RMB'000
Balance at 1 January 2026	85,951	1,493,494	(66,712)	20,769	40,785	(438,578)	(1,113,862)	(256)	(4,594,872)	(4,573,281)	(126,362)	(4,699,643)
Changes in equity for the six months ended 30 June 2026:												
Profit/(loss) for the period	–	–	–	–	–	–	–	–	90,537	90,537	(39,489)	51,048
Other comprehensive income	–	–	–	–	–	–	71,341	–	–	71,341	–	71,341
Total comprehensive income	–	–	–	–	–	–	71,341	–	90,537	161,878	(39,489)	122,389
Other changes	–	–	–	–	–	(488)	–	–	–	(488)	182	(306)
	–	–	–	–	–	(488)	–	–	–	(488)	182	(306)
Balance at 30 June 2026	85,951	1,493,494	(66,712)	20,769	40,785	(439,066)	(1,042,521)	(256)	(4,504,335)	(4,411,891)	(165,669)	(4,577,560)

The notes on pages 29 to 60 form part of this interim financial report.

Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2026 – unaudited
(Expressed in RMB)

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Operating activities			
Cash generated from operations		**209,902**	659,739
Income tax paid		**(9,860)**	(13,603)
Net cash generated from operating activities		**200,042**	646,136
Investing activities			
Payments for the purchase of property, plant and equipment and other non-current assets		**(41,973)**	(178,398)
Proceeds from disposals of property, plant and equipment and right-of-use assets		**58,718**	297,551
Net decrease/(increase) in restricted deposits in relation to bills payables issued		**90,605**	(30,404)
Other cash flows generated from investing activities		**1,925**	16,372
Net cash generated from investing activities		**109,275**	105,121
Financing activities			
Proceeds from bank loans and other borrowings		**779,595**	2,229,757
Repayment of bank loans and other borrowings		**(895,147)**	(3,089,960)
Capital element of lease rentals paid		**(2,988)**	(3,452)
Interest element of lease rentals paid		**(2,157)**	(2,338)
Net decrease in restricted deposits in relation to bank loans drawn		**20,549**	263,788
Borrowing costs paid		**(169,859)**	(214,996)
Net cash used in financing activities		**(270,007)**	(817,201)
Net increase/(decrease) in cash and cash equivalents		**39,310**	(65,944)
Cash and cash equivalents at 1 January	14	**235,949**	628,341
Effect of foreign exchange rates changes		**(9,843)**	14,716
Cash and cash equivalents at 30 June	14	**265,416**	577,113

The notes on pages 29 to 60 form part of this interim financial report.

1 CORPORATE INFORMATION

China Glass Holdings Limited (the "Company") was incorporated in Bermuda on 27 October 2004 as an exempted company with limited liability under the Bermuda Companies Act 1981. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 23 June 2005. The Company and its subsidiaries (together referred to as the "Group") are principally involved in the production, marketing and distribution of glass and glass products, designing and installation of glass production lines, and the development of glass production technology.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). It was authorised for issue on 18 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

As at 31 December 2025, the management of the Group has assessed the overall market conditions and the Group's liquidity positions, and committed to a plan to sell its entire business in the Chinese Mainland (here below referred to as the "Chinese Mainland Operations" or the "Discontinued Operations") to provide the Group with an immediate cash inflow for settling its indebtedness.

2 BASIS OF PREPARATION (continued)

The plan to dispose of the Chinese Mainland Operations is followed by the Group management's strategic decision to place greater focus on its overseas operations, representing the production, marketing and distribution of glass and glass products, designing and installation of glass production lines, and the development of glass production technology operated by its overseas subsidiaries. Upon disposal of the Chinese Mainland Operations, the Company and subsidiaries holding the overseas operations constitute the continuing operations (referred to as the "Continuing Operations").

The Chinese Mainland Operations have been presented as discontinued operations in the consolidated financial statements in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* and the comparative figures of the consolidated statement of profit or loss and corresponding notes have been restated to show the discontinued operations separately from continuing operations, and the assets and liabilities of the Chinese Mainland Operations, being the disposal group, are classified as held for sale as at 31 December 2025 and 30 June 2026.

As at 30 June 2026, among the 15 production lines in the Chinese Mainland, the Group has suspended 11 of them, including 9 float glass production lines (mainly for the production of clear glass products, painted glass products, coated glass products, energy saving and new energy glass products) and 2 photovoltaic rolled glass lines (mainly for the production of photovoltaic glass products).

For the six months ended 30 June 2026, the Group incurred net profit of RMB51,048,000. As at 30 June 2026, the Group had total net current liabilities of RMB5,822,959,000 and total net liabilities of RMB4,577,560,000. Total bank loans and other borrowings amounted to RMB7,369,717,000, all of which are due within 12 months or on demand at the end of the reporting period. As of the end of the reporting period, the Group has defaulted bank loans and other borrowings of RMB785,967,000, of which all are related to Discontinued Operations. The above default at the end of the reporting period has also triggered cross-default provisions of other outstanding borrowings of approximately RMB4,989,890,000, which represent bank loans and other borrowings of approximately RMB3,358,572,000 that are originally due within one year and approximately RMB1,631,318,000 that are originally due after one year as at the end of the reporting period, and resulted in the Group being under an immediate repayment obligation of such outstanding borrowings (see Note 17). The balance of bank loans and other borrowings at 30 June 2026 that are in default and cross-default amounted to RMB5,775,857,000, of which RMB1,901,938,000 and RMB3,873,919,000 are related to the Continuing Operations and the Discontinued Operations, respectively.

These facts and circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2 BASIS OF PREPARATION (continued)

In light of the above, the Group has been taking and entering into the following initiatives, among other things, to mitigate and manage the liquidity pressure of the Group:

- actively proceeding with the disposal plan of the Chinese Mainland Operations, which includes but not limited to the following actions:
  - for production lines which suspended operations, to dismantle and sell removable assets;
  - seek government assistance for land repurchase, or transfer the land and buildings to other manufacturers;
  - for production lines still in operation, seek the possibility to restructure along with selling of entire or majority equity interests in the related subsidiaries in the Chinese Mainland;
  - liquidate certain companies to obtain cash inflow through disposing of assets during the process.
- releasing the Company from guarantees provided to the bank loans and other borrowings of the Chinese Mainland Operations (see Note 17) through directly repaying on behalf of the Chinese Mainland Operations or take over the related borrowings;
- seeking potential strategic investors to obtain funds to repay bank loans and other borrowings and support working capital for operations;
- continually negotiating with related lenders to extend and/or restructure the terms of the bank loans and other borrowings that have fallen overdue. As of the date of approval of these consolidated financial statements, the Group has already successfully renegotiated the extension of overdue loans and borrowings of RMB1,110,337,000;
- actively negotiating with banks and other financial institutions on loans and borrowings where the cross-default provisions have been triggered to not demand the Group for repayment of such borrowings before the original due dates, and to renew these bank loans and other borrowings when they fall due on the original due dates; and

2 BASIS OF PREPARATION (continued)

- actively negotiating with its largest shareholder, namely Triumph Science & Technology Group Co., Ltd. ("凱盛科技集團有限公司", the "Triumph Group") (a wholly-owned subsidiary of China National Building Material Group Co., Ltd.[1] ("中國建材集團有限公司"), a central state-owned enterprise), which provided its financial assistance to the Group in the form of loans of RMB136,000,000 as at 30 June 2026 and in the form of trade and other payables due to the Triumph Group and its related parties of RMB2,371,614,000 as at 30 June 2026, to not require repayment of these amounts for the next twelve months.

The management of the Group has been actively and continuously working on the above initiatives, and the directors of the Company consider if the Group is successful in these initiatives, and together with the cashflow forecast prepared by the management of the Group, the Group will be able to meet its liabilities as and when they fall due for the foreseeable future. Therefore, the directors of the Company are of the opinion that it is appropriate to prepare the Group's financial statements for the six months ended 30 June 2026 on a going concern basis. Should the Group not be able to continue to operate as a going concern, adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in this interim financial report.

3 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

[1] The English translation of the names is for reference only and the official names of the entities are in Chinese.

3 CHANGES IN ACCOUNTING POLICIES (continued)

Amendments to HKFRS 9, *Financial instruments* and HKFRS 7*, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("ESG")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.

- The amendments introduce new disclosures for disposals of investments in equity instruments designated at FVOCI, and for financial instruments not measured at fair value through profit or loss ("FVPL") which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

None of these amendments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

4 REVENUE AND SEGMENT REPORTING

The Group manages its businesses by products and services. In a manner consistent with the way in which the information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments. No operating segments have been aggregated to form the following reportable segments:

- Clear glass products: this segment produces, markets and distributes clear glass products.

- Painted glass products: this segment produces, markets and distributes painted glass products.

- Coated glass products: this segment produces, markets and distributes coated glass products.

- Energy saving and new energy glass products: this segment produces, processes, markets and distributes energy saving and new energy glass products, such as low-emission coated glass, solar reflector, photovoltaic glass and photovoltaic battery module products.

- Design and installation related service: this segment provides design, purchasing parts and installation services of glass production lines, and upgrading and transformation services of glass production process.

4 REVENUE AND SEGMENT REPORTING (continued)

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and geographical location of customers is as follows:

	Six months ended 30 June					
	Continuing Operations		Discontinued Operations (Note 8)		Total	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Revenue from contracts with customers within the scope of HKFRS 15						
Disaggregated by major products or service lines						
– sales of glass products	**481,870**	517,791	**614,775**	1,471,856	**1,096,645**	1,989,647
– revenue from service contracts	**74,933**	109,571	**–**	–	**74,933**	109,571
– sales of other products	**75,505**	54,272	**–**	–	**75,505**	54,272
	632,308	681,634	**614,775**	1,471,856	**1,247,083**	2,153,490
Disaggregated by geographical location of customers						
– The Chinese Mainland and Hong Kong (place of domicile)	**92,576**	65,792	**440,984**	1,226,794	**533,560**	1,292,586
– Nigeria	**261,184**	220,626	**575**	–	**261,759**	220,626
– Middle East	**30,319**	43,457	**74,159**	117,786	**104,478**	161,243
– Kazakhstan	**74,604**	95,796	**–**	67	**74,604**	95,863
– Other countries	**173,625**	255,963	**99,057**	127,209	**272,682**	383,172
	539,732	615,842	**173,791**	245,062	**713,523**	860,904
	632,308	681,634	**614,775**	1,471,856	**1,247,083**	2,153,490

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in Note 4(b).

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. The measure used for reporting segment profit is gross profit/(loss). No intersegment sales have occurred for the six months ended 30 June 2026 and 2025. The Group's other operating expenses, such as distribution costs, administrative expenses and other expenses, and assets and liabilities, including the sharing of technical know-how, are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning capital expenditure, interest income and interest expenses is presented.

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2026 and 2025 is set out below.

	Six months ended 30 June 2026											
	Clear glass products		Painted glass products		Coated glass products		Energy saving and new energy glass products		Design and installation related services		Total	
	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000
Disaggregated by timing of revenue recognition												
– point in time	**182,935**	193,232	**66,319**	177,644	**216,344**	151,627	**16,272**	92,272	**75,505**	–	**557,375**	614,775
– over time	**-**	-	**-**	-	**-**	-	**-**	-	**74,933**	–	**74,933**	-
Revenue from external customers and reportable segment revenue	**182,935**	193,232	**66,319**	177,644	**216,344**	151,627	**16,272**	92,272	**150,438**	–	**632,308**	614,775
Reportable segment gross profit/(loss)	**72,591**	(64,681)	**33,709**	489	**117,835**	1,415	**10,878**	(23,397)	**31,389**	–	**266,402**	(86,174)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment results (continued)

	Six months ended 30 June 2025											
	Clear glass products		Painted glass products		Coated glass products		Energy saving and new energy glass products		Design and installation related services		Total	
	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000	Continuing Operations RMB'000	Discontinued Operations (Note 8) RMB'000
Disaggregated by timing of revenue recognition												
– point in time	216,853	515,799	74,206	331,253	217,003	217,203	9,729	407,601	54,272	–	572,063	1,471,856
– over time	–	–	–	–	–	–	–	–	109,571	–	109,571	–
Revenue from external customers and reportable segment revenue	216,853	515,799	74,206	331,253	217,003	217,203	9,729	407,601	163,843	–	681,634	1,471,856
Reportable segment gross profit/(loss)	42,405	(77,863)	40,594	(30,255)	114,680	21,226	5,355	12,066	34,541	–	237,575	(74,826)

5 OTHER INCOME

	Six months ended 30 June					
	Continuing Operations		Discontinued Operations (Note 8)		Total	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Government grants	**–**	–	**7,619**	10,399	**7,619**	10,399
Interest income	**1,790**	10,537	**441**	5,835	**2,231**	16,372
Net gain on sale of raw and scrap materials	**463**	169	**234,406**	10,874	**234,869**	11,043
Net (loss)/gain on disposals of property, plant and equipment (Note)	**–**	(2)	**23,334**	102,732	**23,334**	102,730
Others	**1,784**	2,061	**48,524**	(238)	**50,308**	1,823
	4,037	12,765	**314,324**	129,602	**318,361**	142,367

Note: During the six months ended 30 June 2025, net gain on disposals of property, plant and equipment was mainly attributable to the completion of the disposal of a subsidiary's property, plant and equipment and right-of-use assets at the total consideration of RMB297,551,000.

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Six months ended 30 June					
	Continuing Operations		Discontinued Operations (Note 8)		Total	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Interest on bank loans and other borrowings	**42,549**	70,073	**96,446**	112,807	**138,995**	182,880
Interest on lease liabilities	**35**	21	**2,122**	2,317	**2,157**	2,338
Bank charges and other finance costs	**1,063**	2,118	**29,585**	45,206	**30,648**	47,324
Total borrowing costs	**43,647**	72,212	**128,153**	160,330	**171,800**	232,542
Less: amounts capitalised into property, plant and equipment (Note)	**–**	–	**–**	(17,139)	**–**	(17,139)
Net borrowing costs	**43,647**	72,212	**128,153**	143,191	**171,800**	215,403
Net foreign exchange loss/(gain)	**41,121**	17,550	**(6,078)**	(1,864)	**35,043**	15,686
	84,768	89,762	**122,075**	141,327	**206,843**	231,089

Note: The borrowing costs of the Discontinued Operations have not been capitalised for the six months ended 30 June 2026 (six months ended 30 June 2025: capitalised at 5.35% per annum).

6 PROFIT BEFORE TAXATION (continued)

(b) Other items

	Six months ended 30 June					
	Continuing Operations		Discontinued Operations (Note 8)		Total	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Cost of inventories (Note 11)	**365,906**	444,059	**700,948**	1,546,682	**1,066,854**	1,990,741
Depreciation and amortisation charge:						
– property, plant and equipment	**34,800**	66,792	**68,459**	264,350	**103,259**	331,142
– investment properties	**–**	–	**1,424**	1,424	**1,424**	1,424
– right-of-use assets	**146**	793	**1,021**	12,265	**1,167**	13,058
– intangible assets	**3,360**	2,025	**2,361**	6,753	**5,721**	8,778
Research and development costs (other than capitalised costs and related amortisation)	**–**	–	**2,386**	14,685	**2,386**	14,685

7 INCOME TAX

	Six months ended 30 June					
	Continuing Operations		Discontinued Operations (Note 8)		Total	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Current taxation:						
The Chinese Mainland						
– Provision for the period	**–**	–	**5,491**	25,780	**5,491**	25,780
– Under provision in respect of prior years	**–**	–	**437**	109	**437**	109
	–	–	**5,928**	25,889	**5,928**	25,889
Overseas						
– Provision for the period	**4,557**	3,754	**–**	–	**4,557**	3,754
	4,557	3,754	**5,928**	25,889	**10,485**	29,643
Deferred taxation						
– Origination and reversal of temporary differences	**(277)**	(1,064)	**(1,020)**	(278)	**(1,297)**	(1,342)
	4,280	2,690	**4,908**	25,611	**9,188**	28,301

7 INCOME TAX (continued)

Continuing Operations:

(i) The Company is not subject to any income tax pursuant to the rules and regulations of Bermuda.

(ii) The Company and subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% (six months ended 30 June 2025: 16.5%).

(iii) The subsidiaries of the Group incorporated in the Cayman Islands and the British Virgin Islands are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

(iv) Subsidiaries of the Group incorporated in Nigeria are subject to Nigeria corporate income tax rate of 30% for the six months ended 30 June 2026 (six months ended 30 June 2025: 30%). One of the Nigerian subsidiaries of the Group is established in the Nigerian Export Processing Zone and is exempted from all corporate income taxes.

(v) A subsidiary of the Group incorporated in Kazakhstan is subject to Kazakhstan corporate income tax rate of 20% (six months ended 30 June 2025: 20%). This subsidiary obtained approval from the Kazakhstan's government in the exemption for corporate income tax for the period from 2016 to 2025 as a preferential tax arrangement for foreign investments.

(vi) A subsidiary of the Group incorporated in Italy is subject to Italy corporate income tax rate of 27.9% (six months ended 30 June 2025: 27.9%).

Discontinued Operations:

(vii) The subsidiaries of the Group established in the Chinese Mainland are subject to the People's Republic of China (the "PRC") Corporate Income Tax rate of 25% (six months ended 30 June 2025: 25%).

(viii) Certain subsidiaries of the Group established in the Chinese Mainland obtained approval from the tax bureau to be taxed as enterprises with advanced and new technologies, and therefore enjoy a preferential PRC Corporate Income Tax rate of 15% for a period of three years, commencing in either 2023 or 2024. These subsidiaries are also entitled to an additional tax deductible allowance amounting to 100% of the qualified research and development costs incurred for the six months ended 30 June 2026 and 2025.

8 DISCONTINUED OPERATIONS

As disclosed in Note 2, management of the Group had committed to a plan to sell its entire business in the Chinese Mainland as at 31 December 2025, following a strategic decision to place greater focus on the Group's overseas operations. The comparative consolidated statement of profit or loss for the period ended 30 June 2025 has been re-presented to show the discontinued operation separately from continuing operations.

At 31 December 2025, the Group had reclassified assets and liabilities of Discontinued Operations to assets held for sale and liabilities associated with assets held for sale. As at 30 June 2026, the disposal of the Discontinued Operations is yet to be completed.

8 DISCONTINUED OPERATIONS (continued)

(a) Results of discontinued operations

	Note	Six months ended 30 June 2026 RMB'000	2025 RMB'000
Revenue	4	**614,775**	1,471,856
Cost of sales		**(700,948)**	(1,546,682)
Gross loss	4(b)	**(86,173)**	(74,826)
Other income	5	**314,324**	129,602
Distribution costs		**(7,899)**	(32,247)
Administrative expenses		**(147,961)**	(128,967)
Impairment gain/(loss) on receivables and contract assets		**1,794**	(28,183)
Other operating expenses		**–**	(95,638)
Profit/(loss) from operations		**74,085**	(230,259)
Finance costs	6(a)	**(122,075)**	(141,327)
Share of profits less losses of joint ventures		**(4,874)**	(1,345)
Loss before taxation	6	**(52,864)**	(372,931)
Income tax	7	**(4,908)**	(25,611)
Loss for the period from discontinued operations		**(57,772)**	(398,542)
Attributable to:			
Equity shareholders of the Company		**(18,283)**	(338,250)
Non-controlling interests		**(39,489)**	(60,292)
Loss for the period from discontinued operations		**(57,772)**	(398,542)
Basic and diluted loss per share (RMB yuan)		**(0.01)**	(0.20)

8 DISCONTINUED OPERATIONS (continued)

(b) Cash flows (used in)/generated from discontinued operations

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Net cash (used in)/generated from operating activities	**(21,444)**	586,975
Net cash generated from investing activities	**123,651**	124,205
Net cash used in financing activities	**(87,171)**	(499,012)
Net cash flows for the period	**15,036**	212,168

(c) Assets and liabilities of discontinued operations held for sale

At 30 June 2026 and 31 December 2025, the non-current assets of Discontinued Operations held for sale were stated at the lower of carrying amount and fair value less costs to sell, comprising the following assets and liabilities:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Assets		
Property, plant and equipment	**3,494,049**	3,588,383
Other non-current assets	**33,734**	60,689
Investment properties	**26,823**	28,247
Right-of-use assets	**551,667**	562,894
Intangible assets	**153,979**	156,368
Interests in joint ventures	**40,925**	45,798
Equity securities designated at FVOCI	**970**	970
Deferred tax assets	**2,540**	2,805
Inventories	**427,219**	394,894
Trade and bills receivables	**91,818**	228,334
Other receivables and prepayments	**186,071**	197,636
Prepaid income tax	**6,372**	6,865
Cash at bank and on hand	**189,820**	252,626
Assets held for sale	**5,205,987**	5,526,509

8 DISCONTINUED OPERATIONS (continued)

(c) Assets and liabilities of discontinued operations held for sale (continued)

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Liabilities		
Trade and bills payables	**1,008,292**	1,212,424
Accrued charges and other payables	**2,657,610**	2,425,180
Contract liabilities	**125,291**	95,380
Bank loans and other borrowings	**5,467,779**	6,119,321
Lease liabilities	**65,685**	68,316
Income tax payable	**120,929**	121,558
Deferred tax liabilities	**23,441**	24,725
Liabilities associated with assets held for sale	**9,469,027**	10,066,904
Net liabilities held for sale	**(4,263,040)**	(4,540,395)

9 EARNINGS/LOSS PER SHARE

(a) Basic earnings/loss per share

Continuing Operations:

The calculation of basic earnings per share of the Continuing Operations for the six months ended 30 June 2026 is based on the profit attributable to ordinary equity shareholders of the Company of RMB108,820,000 (six months ended 30 June 2025: profit attributable to ordinary equity shareholders of the Company of RMB79,799,000) and the weighted average of 1,684,218,000 ordinary shares (after taken into account the ordinary shares held under the share award scheme as defined in Note 18(b)) (six months ended 30 June 2025: 1,684,218,000 ordinary shares (after taken into account the ordinary shares held under the Share Award Scheme)) in issue during the six months ended 30 June 2026, which are the same as ordinary shares issued at 1 January 2026 and 2025.

Discontinued Operations:

The calculation of basic loss per share of the Discontinued Operations for the six months ended 30 June 2026 is based on the loss attributable to ordinary equity shareholders of the Company of RMB18,283,000 (six months ended 30 June 2025: loss attributable to ordinary equity shareholders of the Company of RMB338,250,000) and the weighted average of 1,684,218,000 ordinary shares (after taken into account the ordinary shares held under the share award scheme as defined in Note 18(b)) (six months ended 30 June 2025: 1,684,218,000 ordinary shares (after taken into account the ordinary shares held under the Share Award Scheme)) in issue during the six months ended 30 June 2026, which are the same as ordinary shares issued at 1 January 2026 and 2025.

9 EARNINGS/LOSS PER SHARE (continued)

(b) Diluted earnings/loss per share

There are no dilutive potential shares outstanding during the six months ended 30 June 2026 and 2025. Hence, the diluted earnings/loss per share is the same as the basic loss per share for the six months ended 30 June 2026 and 2025.

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Continuing Operations incurred capital expenditure on property, plant and equipment and construction in progress with a cost of RMB17,448,000 (six months ended 30 June 2025: RMB5,889,000). There was no material disposal of property, plant and equipment during the period (six months ended 30 June 2025: RMB53,000).

Prepayments for property, plant and equipment are presented as "other non-current assets" in the consolidated statement of financial position.

11 INVENTORIES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Raw materials	**98,659**	101,724
Work in progress and finished goods	**171,669**	116,538
Racks, spare parts and consumables	**49,219**	65,903
	319,547	284,165
Less: write-down of inventories	**(21,244)**	(23,526)
	298,303	260,639

11 INVENTORIES (continued)

An analysis of the amount of inventories recognised as an expense and included in the consolidated statement of profit or loss is as follows:

Continuing Operations:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(Restated)
Carrying amount of inventories sold and used in service contracts	**368,188**	444,622
Reversal of write-down of inventories, net	**(2,282)**	(563)
	365,906	444,059

Discontinued Operations:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
		(Restated)
Carrying amount of inventories sold and used in service contracts	**728,030**	1,472,803
(Reversal of)/write-down of inventories, net	**(27,082)**	73,879
	700,948	1,546,682

12 TRADE AND BILLS RECEIVABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade receivables due from:		
– third parties	**96,009**	87,767
– the Triumph Group and its related parties	**726**	581
	96,735	88,348
Less: loss allowance	**(9,967)**	(10,503)
Financial assets measured at amortised cost	**86,768**	77,845

Credit terms of three to six months from the date of billing or separately negotiated repayment schedules may be granted to certain customers with good credit rating, depending on credit assessment carried out by management on an individual customer basis.

Ageing analysis

The ageing analysis (based on the invoice date) of trade and bills receivables (net of loss allowance) as of the end of the reporting period is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 month	**54,499**	21,454
More than 1 month but less than 3 months	**6,955**	17,879
More than 3 months but less than 6 months	**1,129**	2,046
More than 6 months but less than 1 year	**356**	3,921
Over 1 year	**23,829**	32,545
	86,768	77,845

13 OTHER RECEIVABLES AND PREPAYMENTS

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Amounts due from related parties:		
– an equity shareholder of the Company (Note)	**14**	14
	14	14
Deposits and other debtors:		
– advances to third parties	**2,902**	4,247
– others	**17,384**	13,346
	20,286	17,593
Less: loss allowance	**–**	–
	20,286	17,593
Financial assets measured at amortised cost	**20,300**	17,607
Value added tax refundable/deductible	**23,453**	20,788
Prepayments for purchase of inventories and services:		
– third parties	**59,675**	35,574
– the Triumph Group and its related parties	**–**	1,139
	103,428	75,108

Note: The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

14 CASH AT BANK AND ON HAND

	Continuing Operations	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank and on hand in the consolidated statement of financial position	**252,094**	270,975
Less: time deposits and restricted deposits with banks	**(86,176)**	(119,524)
Cash and cash equivalents in the condensed consolidated cash flow statement	**165,918**	151,451

	Discontinued Operations	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Cash at bank and on hand in the consolidated statement of financial position	**189,820**	252,626
Less: time deposits and restricted deposits with banks	**(90,322)**	(168,128)
Cash and cash equivalents in the condensed consolidated cash flow statement	**99,498**	84,498

RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restrictions imposed by the PRC government. As of the end of the reporting period, cash at bank and on hand situated in the Chinese Mainland relating to the Discontinued Operations and the Continuing Operations amounted to RMB188,651,000 and RMB894,000, respectively (31 December 2025: cash at bank and on hand situated in the Chinese Mainland relating to the Discontinued Operations and the Continuing Operations amounted to RMB245,494,000 and RMB479,000, respectively).

15 TRADE AND BILLS PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Trade payables due to:		
– third parties	**125,556**	109,291
– the Triumph Group and its related parties	**476**	–
Financial liabilities measured at amortised cost	**126,032**	109,291

The ageing analysis (based on the maturity date) of trade and bills payables as of the end of the reporting period is as follows:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Due within 1 month or on demand	**115,309**	109,291
Due after 1 month but within 6 months	**10,723**	–
	126,032	109,291

Trade payables with an aggregate carrying amount of RMB1,284,000 due to the Discontinued Operations was eliminated when preparing the Group's consolidated financial statements (31 December 2025: RMB1,628,000).

16 ACCRUED CHARGES AND OTHER PAYABLES

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Amounts due to related parties:		
– the Triumph Group and its related parties	**91,023**	121,805
	91,023	121,805
Accrued charges and other payables		
– payables for construction and purchase of property, plant and equipment, land use rights and other non-current assets	**16**	3,843
– payables for staff related costs	**33,339**	32,611
– payables for transportation expenses	**1,100**	4,168
– deposits	**4,295**	7,105
– others	**7,544**	16,185
	46,294	63,912
Financial liabilities measured at amortised cost	**137,317**	185,717
Payables for miscellaneous taxes	**14,635**	16,585
	151,952	202,302

Other payables with an aggregate carrying amount of RMB912,096,000 due to the Discontinued Operations was eliminated when preparing the Group's consolidated financial statements (31 December 2025: RMB1,112,189,000).

17 BANK LOANS AND OTHER BORROWINGS

	Continuing Operations	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current liabilities		
Bank loans:		
– unguaranteed and unsecured	**81,058**	–
	81,058	–
Long-term bank loans due within one year:		
– secured and/or guaranteed (Note (i), Note 17(a) and Note 17(b))	**1,517,074**	980,045
– unguaranteed and unsecured (Note 17(a) and Note 17(b))	**303,806**	688,074
	1,820,880	1,668,119
	1,901,938	1,668,119

17 BANK LOANS AND OTHER BORROWINGS (continued)

	Discontinued Operations (Note 8)	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Current liabilities		
Bank loans:		
– pledged by bank bills	**–**	50,000
– secured and/or guaranteed (Note (ii))	**1,065,514**	1,496,971
– unguaranteed and unsecured	**953,949**	758,226
	2,019,463	2,305,197
Borrowings from the Triumph Group		
– unguaranteed and unsecured (Notes (iii))	**136,000**	414,000
Long-term bank loans due within one year:		
– secured and/or guaranteed (Note (iv), Note 17(a) and Note 17(b))	**1,954,079**	1,744,995
– unguaranteed and unsecured (Note 17(a) and Note 17(b))	**112,875**	28,252
	2,066,954	1,773,247
Long-term loans from other financial institutions due within one year:		
– secured and/or guaranteed (Note (iv), Note 17(a) and Note 17(b))	**1,245,362**	1,281,667
– unguaranteed and unsecured	**–**	210
	1,245,362	1,281,877
	5,467,779	5,774,321
Non-current liabilities		
Bank loans:		
– secured and/or guaranteed (Note (iv))	**–**	345,000
	5,467,779	6,119,321

17 BANK LOANS AND OTHER BORROWINGS (continued)

Notes:

Continuing Operations:

(i) Included in these bank loans are a syndicated loan of RMB922,038,000 secured by the Company's equity interests in certain subsidiaries and bank deposits of the Continuing Operations and guaranteed by the remaining subsidiaries of the Continuing Operations (31 December 2025: RMB951,764,000), bank loans of RMB550,221,000 guaranteed by the Company and secured by the Company's equity interests in certain subsidiaries of the Continuing Operations and the Continuing Operations' property, plant and equipment (31 December 2025: nil), and a bank loan of EUR5,770,000 (equivalent to approximately RMB44,815,000) secured by the Continuing Operations' property, plant and equipment (31 December 2025: EUR3,433,000 (equivalent to approximately RMB28,280,000)).

Discontinued Operations:

(ii) These bank loans are secured by the Discontinued Operations' property, plant and equipment, right-of-use assets, pledged deposits and/or guaranteed by the Company, a director of the Company, or a key management personnel of a subsidiary from the Discontinued Operations. As at 30 June 2026, the loans guaranteed by the Company are RMB231,690,000 (31 December 2025: RMB486,648,000).

As at 30 June 2026, the aggregate carrying value of the secured property, plant and equipment, right-of-use assets and pledged deposits under the Discontinued Operations pledged for the short-term bank loans is RMB856,575,000 (31 December 2025: RMB889,138,000).

(iii) These borrowings represent financial assistance provided by the Triumph Group through which the Group obtains financing from certain banks under the financing facilities of the Triumph Group in these banks. The amounts are unsecured, with fixed interest rate of 2.61% per annum (31 December 2025: 2.09% to 2.70%), and are repayable within one year.

(iv) These loans are secured by the Discontinued Operations' property, plant and equipment, right-of-use assets, and/or guaranteed by the Triumph Group, the Company, or NCI of a subsidiary of the Discontinued Operations. As at 30 June 2026, the loans guaranteed by the Triumph Group, the Company and NCI of a subsidiary of the Discontinued Operations are RMB190,586,000, RMB517,341,000 and RMB1,099,008,000, respectively (31 December 2025: RMB223,586,000, RMB524,691,000 and RMB931,549,000, respectively).

As at 30 June 2026, the aggregate carrying value of the secured property, plant and equipment and right-of-use assets under the Discontinued Operations pledged for the long-term bank loans and other borrowings is RMB2,136,921,000 (31 December 2025: RMB2,200,652,000).

All of the above loans and borrowings are carried at amortised cost.

17 BANK LOANS AND OTHER BORROWINGS (continued)

(a) The Group's long-term bank loans and other borrowings are repayable as follows:

	Continuing operations	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year or on demand	**1,820,880**	1,668,119

	Discontinued operations	
	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Within 1 year or on demand	**3,312,316**	3,055,124
After 1 year but within 2 years	**–**	345,000
	3,312,316	3,400,124

As mentioned in Note 2, the Group's defaulted loans and breach of covenants have further triggered the cross-default provisions of loans and borrowings due after one year of RMB1,631,318,000 as of the end of the reporting period, which resulted in the Group being under an immediate repayment obligation of such borrowings (31 December 2025: RMB2,221,840,000). The above repayment schedule has reflected such reclassification from non-current to current.

17 BANK LOANS AND OTHER BORROWINGS (continued)

(b) Covenants for bank and other loans

Certain of the Group's bank loans and other borrowings are subject to the fulfilment of covenants. Some of those relating to the Group's financial metrics which are tested periodically, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the related bank loans and borrowings would become payable on demand. The Group regularly monitors its compliance with these covenants. As mentioned in Note 2, certain bank loans and borrowings of the Chinese Mainland Operations were defaulted as of the end of the reporting period, which in turn triggered the cross-default provisions of loans and borrowings due after one year of RMB453,063,000 and RMB1,178,255,000 of the Continuing Operations and the Discontinued Operations, respectively (31 December 2025: RMB650,368,000 and RMB1,571,472,000 of the Continuing Operations and the Discontinued Operations, respectively).

(c) Bank loans and other borrowings arising from supplier finance arrangements

The Group's Discontinued Operations has entered into certain reverse factoring arrangements with banks, under which the Discontinued Operations obtains extended credit in respect of the invoice amounts owed to certain suppliers. The banking facilities in relation to these arrangements are secured by the Discontinued Operations' property, plant and equipment. Under these arrangements, the banks pay suppliers the amounts owed by the Discontinued Operations on the original due dates. The Discontinued Operations then settles with the banks with interest.

In the consolidated statement of financial position, the Group has presented the payables to the banks under these arrangements as "bank loans and other borrowings" and reclassified them as liabilities associated with assets held for sale, in view of the nature and function of such liabilities when compared with the Discontinued Operations' trade and bills payables to suppliers. As at 30 June 2026, the carrying amount of financial liabilities under these arrangements amounted to RMB99,841,000 (31 December 2025: RMB99,841,000).

In the condensed consolidated cash flow statement, the Discontinued Operations' payments to the banks are included within financing cash flows based on the nature of the arrangements, and there was no payment to the suppliers by the banks during the period (six months ended 30 June 2025: payments to the suppliers by the banks amounted to RMB269,749,000 were non-cash transactions).

18 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the interim period

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

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

No final dividend in respect of the previous financial year has been approved and paid during the interim period (six months ended 30 June 2025: Nil).

(b) Equity-settled share-based transactions

(i) Share option scheme

The Company has a share option scheme (the "Share Option Scheme 2016") which has been approved by a special general meeting of shareholders of the Company on 19 February 2016. No share options were granted or exercised under the Share Option Scheme 2016 during the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

(ii) Share award scheme

On 12 December 2011, the directors of the Company adopted a share award scheme (the "Share Award Scheme") as a mean of rewarding and retaining employees of the Group and to attract suitable personnel for further development of the Group. A trust has been set up for the purpose of administering the Share Award Scheme.

Details of the shares held under the Share Award Scheme are set out below:

	No. of shares held '000
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	152,000

During the six months ended 30 June 2026, no ordinary share was purchased for the Share Award Scheme (six months ended 30 June 2025: Nil). No shares have been awarded to any selected employee as at the date of this interim financial report.

19 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the balances disclosed elsewhere in this interim financial report, the Group entered into the following material related party transactions during the six months ended 30 June 2026:

(a) Transactions with the Triumph Group and its related parties

	Six months ended 30 June			
	Continuing Operations		Discontinued Operations (Note 8)	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Purchase of raw materials	**–**	–	**966**	18,472
Engineering services received	**8,808**	–	**458**	9,577
Services provided	**182**	162	**–**	2
Net increase/(decrease) in guarantees received for the Group's bank loans and other borrowings	**–**	–	**146,921**	(165,970)
Net decrease in borrowings from the Triumph Group and its related parties	**–**	–	**(150,000)**	(6,656)
Interest expenses in relation to borrowings from and payables due to the Triumph Group and its related parties	**–**	–	**25,094**	33,262

(b) Transactions with a director of the Company

	Six months ended 30 June			
	Continuing Operations		Discontinued Operations (Note 8)	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Net increase in guarantees received	**–**	–	**28**	–

(C) Transactions with a joint venture of the Group

	Six months ended 30 June			
	Continuing Operations		Discontinued Operations (Note 8)	
	2026 RMB'000	2025 RMB'000	**2026 RMB'000**	2025 RMB'000
Purchase of raw materials (excluding prepayments)	–	–	**34,119**	35,883

20 COMMITMENTS

At 30 June 2026, the outstanding capital commitments of the Group not provided for in the interim financial report were as follows:

Continuing Operations:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Commitments in respect of acquisitions of land and buildings, and machinery and equipment		
– contracted for	**35,803**	10,622

Discontinued Operations:

	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Commitments in respect of acquisitions of land and buildings, and machinery and equipment		
– contracted for	**3,061**	41,712
– authorised but not contracted for	**1,826**	16,636
	4,887	58,348

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2026 and 31 December 2025.

22 CONTINGENT LIABILITY

(a) In June 2024, an overseas subsidiary of the Group, Orda Glass Ltd LLP ("Orda Glass"), received a notice from the Department of Ecology of the Kyzylorda Region in Kazakhstan (the "Regional DOE") claiming that the pollutant emissions arose from the production of Orda Glass in 2023 were higher than the 2023 emission limit approved by the Regional DOE, and accordingly imposed a fine to this alleged noncompliance.

In May 2025, pursuant to an appeal made by Orda Glass against the imposed fine, the Specialised Interdistrict Administrative Offenses Court of the Kyzylorda Region fully annulled the fine imposed on Orda Glass and terminated the proceedings in the court. Under the Kazakhstan law, an appeal by the prosecutor may be filed within one year from the date on which the court decision entered into legal force. Any further stages of review are possible only upon completion of the appellate process. As of the date of this interim report, the period for filing an appeal had expired and no appeal was filed by the Regional DOE. Therefore, the directors of the Company concluded that no provision was required.

(b) As mentioned in Note 2, as of the end of the reporting period and up to the date of approval of this interim financial report, the Group has defaulted certain bank loans and borrowings, which also triggered the cross-default provisions of other outstanding borrowings. The agreements of these bank loans and borrowings contain clauses regarding penalty interests to be charged when the bank loans and borrowings are overdue. The Group has been actively negotiating with the lenders to extend and/or restructure the terms of the bank loans and borrowings that have fallen overdue. Subject to the result of the above negotiations, the directors of the Company consider that the amount of the penalty interests, if any, cannot be reliably estimated at the date of this report.

23 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

At the end of June 2026, two wholly-owned subsidiaries of the Discontinued Operations received civil rulings from the Suqian Intermediate People's Court of Jiangsu (the "Court"), pursuant to which the Court had accepted applications of reorganisation filed by a creditor of these two subsidiaries as they were unable to repay certain debts owed to the creditor.

Subsequent to the civil rulings, the reorganisation administrators (the "Administrators") were appointed by the Court. The properties, company seals, accounting records, and other relevant documents of these two subsidiaries were duly handed over to the Administrators in July 2026 and the Administrators have been in charge of the subsidiaries' daily operation since then. As the Group has in substance lost control over these subsidiaries, the directors of the Company determine not to consolidate these two subsidiaries from the second half year of 2026.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of HKFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

HKFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures. The Group is assessing the expected impact that the initial application of HKFRS 18 will have on its consolidated financial statements.

The Group expects that the adoption of HKFRS 18 will not change the Group's net assets or net profit. However, it is expected to affect the presentation of the Group's consolidated statement of profit or loss and related note disclosures. Based on the work performed to date, the Group's assessment of the expected impact of the initial application of HKFRS 18 is summarised below. The assessment remains subject to change as the Group continues its implementation work.

(a) Structure of the statement of profit or loss

HKFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals: "operating profit" and "profit or loss before financing and income taxes". The operating profit subtotal is expected to differ from the current profit from operations subtotal presented by the Group. Based on the work performed to date, the Group also expects the following changes to the consolidated statement of profit or loss:

- Interest income, which is currently presented in the Group's other income subtotal, as well as the share of profits less losses of joint ventures are expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal "operating profit", will form the new subtotal "profit or loss before financing and income taxes";

- The Group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into "income and expenses on liabilities arising from transactions that involve only the raising of finance" and "interest expenses on other liabilities" in the financing category;

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (continued)

HKFRS 18, Presentation and disclosure in financial statements (Continued)

(a) *Structure of the statement of profit or loss (Continued)*

- The Group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items giving rise to the differences, unless doing so would involve undue cost or effort; and

- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under HKFRS 18. If the Group continues to present one or more operating expense line items by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

(b) *Management-defined performance measures ("MPMs")*

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of an aspect of the financial performance of the entity as a whole to users. The Group is developing a process to identify its public communications and assess whether other measures reported in those communications meet the definition of an MPM.

The Group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the Group following adoption of HKFRS 18 will be determined based on public communications issued by the Group relating to the same reporting period.

(c) *Principles of aggregation and disaggregation*

HKFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has consistently applied the principles of aggregating and disaggregating items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as "other" across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

HKFRS 18 also introduces consequential amendments to HKAS 7, Statement of cash flows. The Group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying HKFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.