



GCL Technology Holdings Limited 協鑫科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3800)

Interim Report

2026



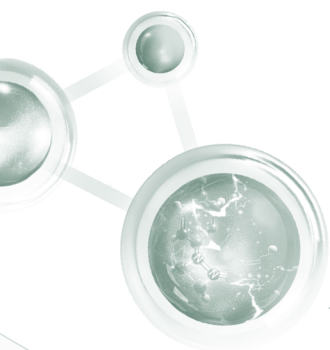
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CONTENTS

Financial Highlights	2
Chairman's Statement and CEO Review of Operations and Outlook	4
Management Discussion and Analysis	9
Auditor's Independent Review Report	30
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	32
Condensed Consolidated Statement of Financial Position	34
Condensed Consolidated Statement of Changes in Equity	37
Condensed Consolidated Statement of Cash Flows	40
Notes to the Condensed Consolidated Interim Financial Statements	42
Directors' and Chief Executive's Interests in Securities	90
Share Schemes	92
Substantial Shareholders' Interests in Securities	101
Corporate Governance and Other Information	102
Corporate Information	105



Financial Highlights

	Six months ended 30 June		Change RMB'000	% of change
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)		
Revenue				
Sales of polysilicon	3,886,629	3,964,456	(77,827)	(2.0%)
Sales of wafer	696,041	778,204	(82,163)	(10.6%)
Sales of electricity	45,730	70,015	(24,285)	(34.7%)
Sales of industrial silicon	344,111	439,524	(95,413)	(21.7%)
Processing fees	146,895	160,542	(13,647)	(8.5%)
Others*	657,296	321,919	335,377	104.2%
	5,776,702	5,734,660	42,042	0.7%
Loss attributable to owners of the Company	(2,081,347)	(1,776,108)	(305,239)	17.2%
	RMB cents	RMB cents	Change RMB cents	% of change
Loss per share				
— Basic	(6.37)	(6.35)	(0.02)	0.3%
— Diluted	(6.42)	(6.35)	(0.07)	1.1%

* Amount including the sales of ingots, silicon rods and silicon powder.

Financial Highlights (CONTINUED)



	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)	Change RMB'000	% of change
Extracts of unaudited condensed consolidated statement of financial position				
Equity attributable to owners of the Company	36,569,106	39,866,666	(3,297,560)	(8.3%)
Total assets	69,952,111	75,882,769	(5,930,658)	(7.8%)
Bank balances and cash, pledged and restricted bank deposits	13,980,282	13,892,600	87,682	0.6%
Indebtedness*	17,811,070	18,503,658	(692,588)	(3.7%)
Key financial ratios				
Current ratio	1.26	1.23	0.03	2.4%
Quick ratio	1.18	1.16	0.02	1.7%
Net debt to equity attributable to owners of the Company	10.5%	11.6%	(1.1%)	(9.5%)

* Indebtedness includes bank and other borrowings, lease liabilities and convertible bond.



Chairman's Statement and CEO Review of Operations and Outlook

Standing at the critical intersection of the global energy transition and the AI computing revolution, photovoltaics (PV) has transformed from a singular power generation unit into a scenario-defined, cross-domain integrated, and universally valuable energy carrier. Power generation and consumption are deeply synergized, while energy storage systems are evolving towards longer-duration storage and longer service lives. Together, PV and energy storage constitute the energy foundation of the silicon-based era. With the accelerated popularization of electric vehicles, the rapid iteration of embodied AI, the explosive growth of data centers, and chips advancing beyond the limits of Moore's Law, computing power and electric power are co-evolving and deeply integrating. The value of electricity is no longer merely the silent fuel for AI. Rather, it can be converted through the flow of bits into digital commodities that can be traded globally. The industrial paradigm revolution, strengthening computing with electricity, promoting electricity with computing, and synergizing computing and electricity, is now unstoppable. The three major materials of silicon, lithium, and carbon are mutually reinforcing and coupling, converging PV power generation, electrochemical energy storage, electric power, and computing power onto the same technological evolutionary path. Based on these profound insights, GCL Technology Holdings Limited (the "**Company**" or "**GCL Tech**") and its subsidiaries (collectively referred to as the "**Group**") officially established its new-stage development strategy in May 2026: transitioning from a "single-item champion in granular polysilicon" to a "globalized multi-product new energy material platform". We are building a diversified industrial matrix characterized by the isomorphism of "silicon, lithium, and carbon", and implementing a dual-wheel drive of "One Body, Two Wings" endogenous growth and globalized industrial expansion. The year 2026 is not only the turning point for PV-storage grid parity, PV-storage co-lifespan, and PV-storage-computing integration, but also the opening year for the Group to secure its strategic position in the ecosystem of power generation, energy storage and energy consumption within the next-generation energy system.

At present, the domestic PV industry remains deeply mired in a cyclical narrative. The model relying solely on resource input, scale expansion, and low-price competition is no longer sustainable, urgently calling for a thorough supply-side structural reform. The phased mismatch between installation growth and demand following last year's installation rush, coupled with the industry's prolonged and ineffective low-price involution, caused the polysilicon industry to fall into involution once again in the first half of 2026, with prices plummeting below the cash costs of most enterprises. Standing in mid-2026, through the joint efforts of government departments and institutions, including the Ministry of Industry and Information Technology, the National Development and Reform Commission, the State Administration for Market Regulation, and the China Photovoltaic Industry Association, mandatory energy consumption standards and group standards for cost calculation have been successively rolled out. Subsequently, GCL Tech and another seven major polysilicon producers signed an "Anti-Involution Initiative" in Shanghai. They jointly committed that the selling prices of PV products shall not fall below their full costs, voluntarily accepted supervisory enforcement, and strictly implemented energy consumption standards to eliminate inefficient, high-consumption, and outdated production capacities. Under the combined effects of multiple measures, the vicious cycle of "production means loss" within the industry is being broken. Market expectations have significantly improved, and polysilicon selling prices are gradually returning to rational levels.

Chairman's Statement and CEO Review of Operations and Outlook (CONTINUED)



GCL Tech has consistently advocated for and actively participated in anti-involution actions, calling for a dual-wheel drive of legislative enforcement and industry self-regulation. We deeply understand that only by adhering to its low-carbon nature and continuous technological iteration can the PV move beyond low-price competition, break free from the cycle of irrational competition, and achieve sustainable and steady development. In the first half of 2026, the Group continued the overarching policy established in 2025, placing “cash is king” above all operational decisions. We flexibly adjusted operating loads based on the market supply and demand, maintained our inventory at the industry's lowest level, held firmly to our operational baseline, refused to sell at prices below cash costs and refrained from participating in ineffective involution. As of the end of June 2026, the Group's asset-liability ratio stood at approximately 41.28%. Bank balances and cash reached approximately RMB9.724 billion, reflecting a financial position that remained firmly within the top tier of the industry.

Perovskite, as the most disruptive third-generation PV technology, carries the Group's aspirations to “pioneer space-based energy” as the industry's next frontier. Perovskite-silicon tandem modules made therefrom will achieve absolute generational breakthroughs in efficiency, cost and low-carbon attributes, thereby putting an end to low-level redundant construction in the photovoltaic industry and elevating industry competition to a healthy track defined by original innovation and core technologies. In the first half of 2026, world's first GW-scale perovskite-silicon tandem module production line of Kunshan GCL Optoelectronic Co., Ltd.* (昆山協鑫光電股份有限公司) (“**Kunshan GCL**”, formerly known as Kunshan GCL Optoelectronic Material Co., Ltd.* (昆山協鑫光電材料有限公司)) entered stable operation. The conversion efficiency of the 2,042 cm² pilot-line tandem module reached 30.23%, and the rigid single-junction steady-state efficiency reached 23.70%, with more than ten core indicators continuously leading globally. Technological breakthroughs are accelerating commercialization: the perovskite business has been the first to move from technological validation into a new stage of commercial delivery with progress continues to be made in engineering reliability, mass production and system cost optimisation, setting a new benchmark for the industry. Since the beginning of 2026, it has secured multiple megawatt-scale commercial orders and collaborated with China Huaneng to commission several demonstration power stations. In August 2026, Kunshan GCL completed its Series D1 financing of over RMB100 million, cumulatively raising over RMB1 billion in strategic investments from CATL, TCL, Tencent, Temasek, and others. The synchronous dance of “materials and aerospace” has commenced: Kunshan GCL has entered into partnerships with AZSPACE, CASC and phenosolar, amongst others. Perovskite modules are expected to be progressively installed on satellites in the second half of the year to commence in-orbit testing. Upon successful validation of radiation-resistant encapsulation, the Group expects to enter the aerospace application market within five years.



Chairman's Statement and CEO Review of Operations and Outlook (CONTINUED)

From granular polysilicon to perovskite, generational leaps are reshaping the upper limits of efficiency; from the ground to deep space, scenario expansions are breaking spatial boundaries. Under PV-storage integration, PV redefines the marginal boundaries of energy, while energy storage anchors system efficiency — the ceiling of power system efficiency is tied to breakthroughs in energy storage materials. The Group adheres to the underlying logic of “good batteries use good materials”, deeply cultivating high-compaction cathode material technology, and officially entered the stage of commercial value realization in the first half of 2026: the 200,000-metric-tonne lithium iron phosphate (LFP) cathode project at the Leshan base was successfully completed and commissioned in June 2026, achieving profitability since commencing production ^(note). The Company utilizes the unique GCL-PHY iron red process technology, which was granted to the Group on a royalty free basis by GCL Group Limited* (協鑫集團有限公司) (the “**GCL Group**”), an associate of a substantial shareholder of the Company, and its products offer a significant advantage in compacted density, and such extremely simplified physical one-step process reduces carbon emissions by 48% compared to traditional wet-process routes and achieves green production across the full life cycle. The product matrix covers third-and-a-half to fifth-generation high-compaction lithium iron phosphate — C16 and other mature products have obtained bulk certification from leading battery companies and entered scaled supply; the C18 fifth-generation high-compaction product deeply aligns with 800V high-voltage fast charging and vehicles with a 1,000-kilometer ultra-long range, directly targeting core demand for high-end power batteries; the customized C10L product caters to large-capacity residential and commercial/industrial long-duration energy storage scenarios, achieving both ultra-long cycle life and ultimate energy efficiency. GCL-PHY iron red process cathode materials have become an industry-recognized preferred core raw material for the new generation of power and energy storage batteries and have successfully entered overseas markets, providing a China-based solution to meet compliance requirements in Europe and the United States, including the EU's new Battery Regulation and the carbon-related requirements under the Carbon Border Adjustment Mechanism (CBAM). Leveraging its dual advantages of high quality and low-carbon environmental performance, the Group has successfully entered the overseas high-end battery materials market. At this stage, the Group's lithium battery materials business is accelerating toward large-scale volume growth, marching into the industry's leading tier, with bulk orders and letters of intent from major customers, and having locked in production capacity for the near future. Meanwhile, the Group will always anchor on technological iteration rather than scale, focusing on high-end and frontier areas — the GCL-PHY iron red process is being refined and moving towards the fifth-and-a-half generation; new processes such as improved lithium iron phosphate method and LFP-NCM blending are being explored in depth; and forward-looking research on sodium-ion battery materials has also been initiated.

With the scaled mass production of cathode materials, the layout in lithium battery materials continues to deepen, and the strategic value of the silane process as the main axis is further manifested in the anode materials sector. The Group's total silane gas capacity of 600,000 metric-tonne ranks first globally, with external sales capacity accounting for one-quarter of the domestic market. Relying on the self-produced electronic-grade silane gas and Chemical Vapor Deposition (CVD) processes, the high-specific-capacity silicon-carbon anode, perfected through years of rigorous R&D, combines the triple advantages of high quality, low cost, and low carbon emissions. It is compatible with cutting-edge applications such as 4680 large cylindrical cells, high-end energy storage, and solid-state batteries. Currently, the Group's silicon-carbon anode pilot line deployed in Xuzhou has entered the pilot stage and the leading downstream battery manufacturers have simultaneously commenced the validation process for the samples delivered to them. Subsequently, the Group plans to include technological transformation and production switching for the granular polysilicon production lines in Leshan and Xuzhou. The Group will leverage flexible retrofitting of existing assets to tap into the high-growth track of next-generation anode materials.

(Note: The specific financial impact to the Group shall be subject to audit by the Company's auditors and the relevant details will be disclosed by the Group in its results announcements at the appropriate time.)

Chairman's Statement and CEO Review of Operations and Outlook (CONTINUED)



Building on the layout in the PV and energy storage fields, the Group further expand its material capabilities to the computing power side. The Group is accelerating the deployment of high-end silicon-based and carbon-based new materials, such as third-generation semiconductor materials, high-purity synthetic quartz sand, and optical fiber preforms. This builds a closed-loop industry for the synergized development of power generation, energy storage, and computing, tapping into the highly lucrative track of AI computing base materials. Among them, silicon carbide substrates are primarily used in high-voltage, high-frequency, and high-temperature scenarios like new energy vehicle electronic controls and base stations. Silicon nitride powder are applied in new energy vehicle motor bearings and power device substrates. High-purity synthetic quartz sand serves as the core base material for electronic glass fiber cloth, and optical fiber preforms are used for high-speed optical signal transmission in optical communication networks and AI data centers. Several products above have entered the supply chains of domestic semiconductor and computing hardware customers, providing China-made substitute support from underlying materials to core hardware for “computing-electricity synergy”.

Centering on this strategic transformation, the Group's overseas layout is advancing continually with the establishment of granular polysilicon plants in North America and mineral exploration in Africa progressing at an accelerated pace. The Group is building a “multi-regional, multinode, localized” global supply chain and production system. The global supply chain is currently forming a “dual-tier structure”—the mass market is determined by the cost curve, while the premium market is determined by compliance packages, traceability packages, and low-carbon packages. Guided by environmental, social and governance (ESG) values, the Group deeply embeds low-carbon attributes into its silicon-based and carbon-based new material matrix, strengthening its competitiveness and influence in the global market through green competitiveness. During the Reporting Period, guided by the principles of “low-carbon technology innovation, industrial ecosystem integration, digital intelligent empowerment, and global climate impact”, the Group formulated a three-stage progressive action roadmap for 2023–2050, set clear targets of achieving carbon neutrality in operations by 2040 and across the entire value chain by 2050, achieved its short-term climate targets ahead of schedule, established a management system aligned with mainstream international climate disclosure standards, and broke down the emission reduction pathway into individual operating units and key process stages. On the supply chain front, the ISO 20400 sustainable procurement system was in regular operation, and ESG audits were extended upstream. On the finance front, the Group implemented its first sustainability-linked loan, establishing a value transmission pathway of “low-carbon technology — ESG performance — financing cost optimisation”. On the governance front, a Group-wide digital ESG data management platform was established, enabling dynamic collection and monitoring of key indicators.



Chairman's Statement and CEO Review of Operations and Outlook (CONTINUED)

The Group adheres to long-termism and steadfastly practises the principle of “researching one generation, applying one generation, and reserving two generations”. During the Reporting Period, the Group further established incentive and development mechanisms for its research and development team to consolidate the foundation of innovation, simultaneously adopting project co-investment, patent bonuses and long-term equity incentives, and implementing a dual-track talent recruitment approach comprising “young scientists + industry leaders”, thereby building a full-chain talent pipeline spanning from basic research to industrial commercialisation. In addition, the Group systematically upgraded its intellectual property governance: establishing dual-track protection of patents and trade secrets for AI training data and generated content, while encrypting and solidifying core processes, formulas, and know-how as technical secrets. We institutionalized the ownership, attribution, and disclosure rules for AI-assisted inventions to prevent a “patent vacuum” in the AI era. Addressing the risks of reverse engineering and data leaks after migrating data to the cloud, the Group protects data sovereignty through technological safeguards and strengthens its technological barriers. In the first half of 2026, the Company's R&D expenses amounted to approximately RMB369 million, accounting for 6.38% of total revenue. New patent applications reached 138, and authorized patents reached 124, among which 88 were invention patents, demonstrating significant progress in the Group's R&D efforts.

From R&D and management innovation to the implementation of strategic transformation and the continuous expansion of the silicon-lithium-carbon materials landscape, the common driving force behind these developments is the deep integration of AI tools across the entire business value chain — AI has become the core cornerstone for driving the Group's high-quality growth and building differentiated competitiveness. On the R&D end, we have driven the digital and modular application, quality enhancement, and cost reduction of FBR granular polysilicon through AI simulation optimization and digital-intelligent empowerment. The GCL perovskite AI high-throughput embodied intelligence agent optimizes material formulations and processes using an AI brain, breaking the traditional paradigm of “experience + trial and error”. This is equivalent to over 100 R&D personnel working continuously on a 24/7 basis, achieving a testing efficiency variance of less than 0.75%. “AI + Manufacturing” accomplishes an efficiency revolution and operational certainty. The battery boron diffusion process AI large model, virtual robots, AI ion regulation technology, “digital employees”, AI power prediction technology and other digital-intelligent tools have driven the Group to achieve a leap from experience-driven to data-driven operations, and from mass production to flexible customization. On the management end, we have constructed an AI capability map covering finance, risk control, human resources, supply chain, new energy operations, and power trading, establishing a full stack privatized “AI + Business Assistant” system.

Finally, I would like to pay the highest tribute to the Company's Board of Directors, management, and all colleagues for their dedication and hard work in the first half of 2026. I also express my deepest gratitude to the Company's shareholders, partners, and all sectors of society for their long-term trust and support. In the second half of 2026, GCL Tech will seize policy opportunities, rewarding our shareholders' long-term trust and expectations with a robust operational foundation that transcends industry cycles. Looking ahead, with lithium battery materials, perovskites, and semiconductor silicon-based materials serving as new growth curves, the Company will embrace the vast sea of stars of the global energy transition and the AI industrial revolution.

* English names for identification purpose only.

Management Discussion and Analysis

OVERVIEW

The first half of 2026 was the most concentrated period of pressure for the PV industry in recent years. The average prices of polysilicon and wafers fell below the cash costs of most enterprises. Price depression and high polysilicon inventory in the market exerted pressure on the selling prices and sales volumes of the Company's granular polysilicon. Centered on the strategic axis of "silicon-lithium-carbon isomorphism", the Company continuously consolidated the core technological foundation of granular polysilicon and accelerated the incubation and capacity implementation of new businesses such as LFP cathodes, perovskites, silicon-carbon anodes, and semiconductor materials, demonstrating robust operational resilience during this critical window of policy-driven industry reshaping.

RESULTS OF THE GROUP

For the six months ended 30 June 2026, the revenue and gross loss of the Group were approximately RMB5,777 million and RMB434 million, respectively. For the six months ended 30 June 2025, the revenue and gross loss of the Group were approximately RMB5,735 million and RMB700 million, respectively.

The Group recorded a loss attributable to owners of the Company of approximately RMB2,081 million, as compared with approximately RMB1,776 million for the corresponding period in 2025.

SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of polysilicon and wafer products and the ownership and operation of solar farms. The Group has identified the following reportable operating segments:

- Solar material business – mainly manufactures and sells polysilicon and wafer products to companies operating in the solar industry.
- Solar farm business – operates solar farms located in the USA and the PRC.

BUSINESS REVIEW

Solar Material Business

Production

The Group's solar material business belongs to the upstream of the solar supply chain, which supplies polysilicon and wafer to companies operating in the solar industry. Polysilicon is the primary raw material used in solar wafer production. In the solar industry supply chain, wafers are further processed by downstream manufacturers to produce solar cells and modules.

Revenue from solar materials business

For the six months ended 30 June 2026, revenue from external customers of the solar material business amounted to approximately RMB5,731 million, representing an increase of 1.2% from approximately RMB5,665 million for the corresponding period in 2025.

Management Discussion and Analysis (CONTINUED)

Polysilicon Segment

As of 30 June 2026,

Capacity - The Group's granular polysilicon production capacity amounted to 480,000 MT.

Selling price - The average external selling price (excluding tax) of granular polysilicon was approximately RMB31.97 per kilogram in the first half of 2026.

Costs - The average production cash cost (excluding taxes) for granular polysilicon in the first half of 2026 was RMB25.23 per kilogram, ranking top level in the industry.

Granular Polysilicon Quarterly Costs and Selling Price

Granular Polysilicon	Unit	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
Cash Cost (incl. R&D)	RMB/kg	27.07	25.31	24.16	24.03	25.37	25.09
External Sales Average Price (tax excl.)	RMB/kg	31.60	29.14	37.60	42.91	38.83	28.81

Granular polysilicon quality continued to improve, and downstream customer penetration significantly strengthened in the first half of 2026

The Group continues to deepen its efforts in granular polysilicon quality enhancement and efficiency improvement, new technology development, and new material incubation. On one hand, it breaks through with low-carbon and high-efficiency solutions, with its carbon footprint consistently setting new records among global silicon-based materials and contributing green premiums across the entire photovoltaic value chain. The commercial-scale production of self-developed catalysts, silicon powder substitution, and cold hydrogenation process upgrades have been implemented in an orderly manner, reducing the steam consumption per ton of granular silicon to within 10 t/t SiH₄. On the other hand, the Group leverages quality and cost as its shield to navigate the industry downturn. Purity has comprehensively reached and surpassed the requirements for N-type electronic-grade monocrystalline silicon wafers. Downstream customers have achieved 100% feeding of the Group's granular polysilicon in large-size monocrystalline ingot pulling, and customer adhesion to the Group's granular polysilicon continues to strengthen, resulting in an increasingly close and stable cooperative relationship between both parties.

In the first half of 2026, the Group's market share in the polysilicon market reached 23.12% by production volume and its market share by external sales volume is estimated to have ranked first, reaching a record high. In the first half of 2026, the top five customers for granular polysilicon accounted for 34%, 26%, 12%, 6% and 5% of total shipments respectively, reflecting a robust customer base.

Changes in Total Metal Impurity Content of Granular Polysilicon Products in the First Half of 2026

The quality level of the Company's granular polysilicon products achieved continuous breakthroughs. The proportion of products with a total metal impurity content of 5 elements $\leq 0.3\text{ppbw}$ surged substantially from 77.3% in Q2 2025 to 99.18% in Q2 2026, marking the basic realization of scaled and stable mass production of high-purity products. Based on the more stringent measurement standard of total metal impurities of 18 elements $\leq 1\text{ppbw}$, the product proportion also rose from 91.8% in Q2 2025 to 99.56% in Q2 2026. The metal impurity control capabilities for granular polysilicon continue to break through strict industry requirements, further validating our mass production capabilities and quality stability for high-purity products.

Indicators	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
Metal 5 elements $\leq 0.5\text{ppbw}$	95.3%	94.2%	93.7%	98.0%	98.56%	99.45%
Metal 5 elements $\leq 0.3\text{ppbw}$	—	77.3%	81.3%	96.1%	97.81%	99.18%
Metal 18 elements $\leq 1\text{ppbw}$	91.2%	91.8%	91.5%	97.8%	98.97%	99.56%

Changes in Turbidity Levels of Granular Polysilicon Products in the First Half of 2026

Regarding turbidity, the Company continuously pushed forward refined product optimization. Granular polysilicon has largely achieved turbidity levels below 100 NTU across the board, and the proportion of products with turbidity ≤ 70 NTU has also surged by approximately 40 percentage points, from 57.4% in Q2 2025 to 97.26% in Q2 2026, realizing a remarkable improvement in product turbidity levels. As turbidity continues to drop, the application adaptability of granular polysilicon products in downstream cell manufacturing processes is further enhanced, providing stronger raw material support for improving N-type wafer production efficiency and unit output.

The continuous improvement of the above indicators signifies that the Company's granular polysilicon has gradually established a refined and systematic quality control framework covering key metrics such as metal impurities and turbidity, continuously propelling product quality levels toward higher standards. Currently, the turbidity optimization results have earned widespread recognition from downstream customers. The overall crystal breakage rate is now comparable to the mass production levels of rod silicon during the same period, further helping customers improve their unit output. This reflects that the quality optimization results of granular polysilicon have moved beyond laboratory and single-indicator improvements, gradually translating into actual economic benefits for downstream customers in mass production applications.

Indicators	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2
Turbidity $\leq 100\text{NTU}$	97.7%	98.6%	98.0%	98.8%	99.48%	99.59%
Turbidity $\leq 70\text{NTU}$	45.0%	57.4%	66.1%	91.0%	93.21%	97.26%



Management Discussion and Analysis (CONTINUED)

Ingot & Wafer Slicing Segment

As of 30 June 2026, the Group had an annual mono-silicon crystal pulling capacity of 16 GW (with continuous upgrades to the crystal pulling process and equipment, the production yield has increased to 187 ± 1 kg per day per unit.) and an annual wafer production capacity of 30 GW (31 December 2025: 35 GW, the decline was due to the Company closing down some inefficient production capacity in response to market conditions). During the period, the Group produced a total of 12.56 GW of wafers and sold 12.31 GW of wafers (including 6.22 GW of self-operated production and 6.09 GW of OEM production).

Process Optimization and Quality Control — During the period, the Group's ingot and wafer slicing segment continued to advance process optimization alongside cost reduction and efficiency enhancement. The proportion of wafers in the core resistivity range ($1.0\text{--}1.4 \ \Omega \cdot \text{cm}$) stably remained above 97%. Centering on core quality indicators, the Group continuously optimized the mono-silicon growth process in the pulling stage, further improving the concentration and uniformity of ingot resistivity. In the slicing stage, leveraging wheelbase modifications and the iteration of fine-wire technologies, the Group's slicing process capabilities have gradually surpassed industry benchmarks.

Cost Reduction and Efficiency Enhancement Results — During the period, all processes within the Company's ingot and wafer slicing segment achieved cost reductions: cash processing costs for pulling dropped by approximately 5.45% year-on-year, and cash processing costs for slicing dropped by approximately 0.55% year-on-year. In a market environment where product prices continuously face pressure, the Group buffered the impact of pricing on profitability and consolidated the segment's relative cost competitiveness through process improvements, parameter optimization, and scaled mass production.

Core R&D Project — During the period, the Group's single-furnace output reached 4,300 kg, and the silicon ingot diameter reached 162 mm, both exceeding established target requirements, laying a critical foundation for the industrial mass production of larger-diameter silicon ingots in the next stage.

Industrial Silicon Segment

As the core raw material for polysilicon production, the stable supply and cost control of the industrial silicon business have a direct impact on the overall competitiveness of the Company's solar material business. During the reporting period, centering on the mainline of "stabilizing production, reducing consumption, and ensuring controlled safety", the industrial silicon segment continuously advanced process optimization and equipment transformation.

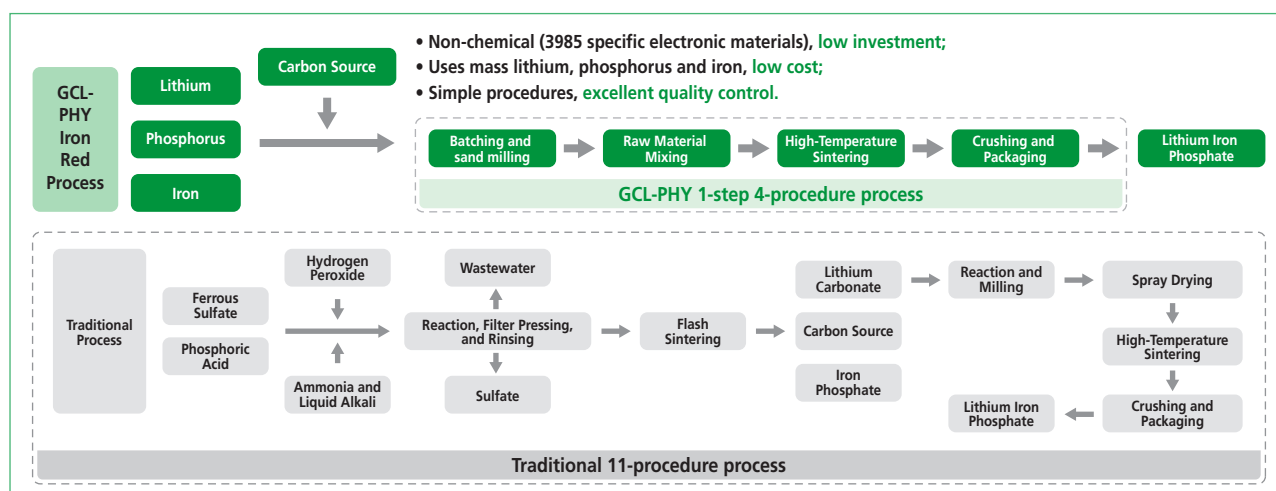
During the reporting period, influenced by the cyclical supply-demand imbalance in the photovoltaic industry and the downward price trend in the industrial silicon market, the production and sales scale of silicon lumps and silicon powder shrank year-on-year. Facing external market pressures, the segment sought to buffer the impact of declining prices on operations through measures such as flexibly adjusting operating loads, optimizing raw material procurement structures, and promoting intensive management.

Cathode Material Segment

For the six months ended 30 June 2026, the Company has expanded into the cathode material business, primarily through its non-wholly owned subsidiary, Leshan Xinneng New Materials Technology Co., Ltd.* (樂山鑫能新材料科技有限責任公司) (“**Leshan Xinneng**”), which manufactures and sells lithium iron phosphate cathode materials. As at 30 June 2026, the Group held a direct or indirect equity interest of 30% in Leshan Xinneng. Pursuant to the shareholders’ agreement and acting in concert agreement entered into between the Company and certain local state-owned industrial guidance funds and financial consortia in the Leshan High-Tech Zone, the Company holds a majority of seats on the board of directors of Leshan Xinneng and exercises control over Leshan Xinneng; consequently, Leshan Xinneng is included within the scope of consolidation in the Group’s financial statements. As at 30 June 2026, Leshan Xinneng entered a phase of continuous and stable production, marking a key turning point in the commercialization of the Company’s cathode material business.

GCL-PHY Physical Iron Red Process Route

Leshan Xinneng’s lithium iron phosphate cathode materials employ the GCL-PHY iron red process route, which has been developed by the GCL Group over several years and is granted on a royalty free basis to the Group. This process uses high-quality iron sources (iron red powder), phosphorus sources (phosphoric acid/phosphate), and lithium sources (lithium carbonate or lithium hydroxide) as core raw materials. It is innovatively realized through an “iron red physical route” and an “extremely simplified 4-step solid-phase process”. The high-purity micro-nano iron oxide red (Fe_2O_3) used by GCL-PHY iron red possesses moderate particle hardness and regular morphology, allowing the materials to spontaneously form dense single-crystal or quasi-single-crystal particles during physical mixing and high-temperature solid-phase diffusion reactions. Consequently, the LFP cathode material produced by this process has a significant advantage in terms of compaction density compared with the wet process. Meanwhile, the GCL-PHY physical iron red method can be completed in just 4 steps: “iron red batching and sand milling, solid-phase mixing, high-temperature calcination (using a new type of tunnel kiln), and ultrafine jet milling”. Utilizing new kiln temperature field controls, it eliminates the multi-step washing, drying, and calcination required by traditional wet processes, drastically cutting environmental and water treatment costs, with sintering temperatures and comprehensive energy consumption significantly lower than traditional processes.



Management Discussion and Analysis (CONTINUED)

Product Generational Layout and Compaction Density Evolution

The Group's lithium iron phosphate cathode materials are categorized into multiple generations such as C3, C7, C10, C15, C16, and C18 based on compaction density ranges and process generations, corresponding to Generation 3.5, Gen 4, Gen 4.5, Gen 5, and so on. In collaboration with GCL Lithium Battery's R&D team, centered on continuous innovation in precursor development, formulation design, and secondary sintering processes, the Group constantly improve primary particle controllability, compaction density, specific capacity, powder resistivity, and material processability to craft industry benchmark products. The Company has completed the R&D and downstream sampling of its fifth-generation product (2.70 g/cm³); and plans to launch a Gen 5.5 high-compaction product in the second half of 2026, reaching 2.73–2.75 g/cm³, seamlessly matching downstream demands for "high energy density + long cycle life" battery cells.

Product Model	C3 - High Energy Efficiency	C7 - High Compaction	C10 - High Compaction High Power	C15 - High Capacity High Power	C16 - High Compaction Type	C18 - Ultra-High Compaction Type
Key Physio-Chemical Indicators	Powder Compaction: 2.48g/cm ³ Normal Temp 0.5P Energy Efficiency: 96%	Powder Compaction: 2.55g/cm ³	Powder Compaction: 2.58g/cm ³ 1C 3.2V platform 92%	1C 147mAh/g 3.2V platform 93.4% Powder	Compaction: 2.65g/cm ³ 1C 141m Ah/g	Powder Compaction: 2.68g/cm ³ 1C discharge 142.3mAh/g
D10/um	0.47	0.43	0.4	0.5	0.52	0.48
D50/um	0.99	1.03	1	1	1.1	1.48
D90/um	2.3	2.85	2.9	2.35	3.46	5.18
BET/m ² /g	2.3	12.9	14.3	14.2	14.4	14.02
C/%	1.18	1.19	1.12	1.12	1.14	1.19
3T Powder Compaction g/cm ³	2.48	2.55	2.58	2.53	2.65	2.69
pH	10.2	9.9	9.61	9.64	9.78	9.82
0.1C Charge Capacity mAh/g	162.6	162.5	162.6	162.9	162.45	162.9
0.1C Discharge Capacity mAh/g	158.4	159.9	160.2	161	160.5	160.9
First Efficiency %	97.4	98.4	98.5	98.8	98.8	98.8
1C Discharge Capacity mAh/g	138	140.5	143	147	142	142.3
Discharge Capacity mAh/g 3.2V Platform %	90%	91.50%	93%	93.4%	92.1%	94.4%

Capacity, Production, and Sales

For the six months ended 30 June 2026, under the Group's cathode material business, specifically the first phase of the Leshan base with an annual capacity of 200,000 tons was commissioned and commenced shipments in June 2026, with an average selling price (including tax) of RMB60,320/ton, which has achieved profitability since the commencement of operation. Full capacity operation is expected to be reached by the end of October 2026.

Based on the Group's internal estimates, for the six months ended 30 June 2026, the revenue scale of the cathode materials business was relatively small, primarily because the period was mainly the capacity construction and ramp-up stage for cathode materials, with production commencing relatively late. With subsequent capacity ramp-up and the release of economies of scale, the cathode material business is expected to have a positive impact on the Group's financial performance.



Solar Farm Business

Overseas Solar Farms

As at 30 June 2026, the solar farm business includes 18 MW of solar farms in the USA. Besides, 150 MW solar farms in South Africa, which partners with China-Africa Development Fund, with the total effective ownership of 9.7% held by the Group.

PRC Solar Farms

As at 30 June 2026, the solar farm business also includes 5 solar farms in the PRC, with both installed capacity and attributable installed capacity at 133.0 MW.

Sales Volume and Revenue

For the six months ended 30 June 2026, the electricity sales volume of solar farm business overseas and in the PRC were 12,755 MWh and 73,042 MWh, respectively (six months ended 30 June 2025: 12,846 MWh and 92,551 MWh, respectively).

For the six months ended 30 June 2026, revenue of the solar farm business was approximately RMB46 million (six months ended 30 June 2025: approximately RMB70 million). The decrease was mainly attributable to a lower contribution from renewable energy tariff subsidy income in the PRC.

OUTLOOK

The Group's outlook and future developments of the Group's business are set out in the Chairman's Statement and CEO Review of Operations and Outlook of this report.

FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2026 amounted to approximately RMB5,777 million, representing an increase of 0.7% as compared with approximately RMB5,735 million for the corresponding period in 2025.

Gross Profit Margin

The Group's overall gross profit margin was a negative 7.5% for the six months ended 30 June 2026, compared with a negative 12.2% for the six months ended 30 June 2025. Gross loss amounted to approximately RMB434 million for the six months ended 30 June 2026, compared with approximately RMB700 million for the corresponding period in 2025. The improvement in negative gross profit margin was mainly due to increase in average selling price of granular polysilicon products compared with the corresponding period in 2025.

For the six months ended 30 June 2026, the negative gross profit margin of the solar material business was approximately 7.5%, compared with 12.7% for the six months ended 30 June 2025.



Management Discussion and Analysis (CONTINUED)

Other Income

Other income amounted to approximately RMB311 million for the six months ended 30 June 2026, compared with approximately RMB462 million for the corresponding period in 2025. It mainly comprised bank and other interest income of approximately RMB127 million, government grants of approximately RMB74 million, sales of scrap materials of approximately RMB73 million and rental income of approximately RMB23 million.

Distribution and Selling Expenses

Distribution and selling expenses increased from approximately RMB104 million for the six months ended 30 June 2025 to approximately RMB175 million for the six months ended 30 June 2026.

Administrative Expenses

Administrative expenses amounted to approximately RMB676 million for the six months ended 30 June 2026, representing an increase of 8.2% from approximately RMB625 million for the corresponding period in 2025. The increase was mainly due to increase in share-based payment expense resulting from newly granted award shares at the end of 2025.

Impairment Losses Recognised on Financial Assets

The Group recognised impairment losses on financial assets under the expected credit loss model of approximately RMB298 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately RMB264 million). For details, please refer to Impairment Loss on Financial Assets under IFRS 9 Expected Credit Loss Model section of this report.

Other (Losses)/Gains, Net

For the six months ended 30 June 2026, net losses of approximately RMB288 million were recorded under other (losses) gains, net, as compared with net gains of approximately RMB9 million for the six months ended 30 June 2025.

The net losses mainly comprised:

- (i) impairment loss on property, plant and equipment of approximately RMB172 million (six months ended 30 June 2025: nil);
- (ii) exchange loss of approximately RMB105 million (six months ended 30 June 2025: approximately RMB0.4 million);
- (iii) deemed partial disposal loss of associates of approximately RMB73 million (six months ended 30 June 2025: approximately RMB6 million);
- (iv) net loss on fair value change of investments at FVTPL of approximately RMB26 million (six months ended 30 June 2025: net gain of approximately RMB32 million);
- (v) Approximately RMB54 million gain on fair value change of derivative financial instruments (six months ended 30 June 2025: loss of approximately RMB16 million);



- (vi) Gain on fair value change of convertible bonds of approximately RMB34 million (six months ended 30 June 2025: nil);
- (vii) no gain or loss on disposal of property, plant and equipment (six months ended 30 June 2025: loss of approximately RMB26 million); and
- (viii) no gain or loss on deemed disposal of a subsidiary (six months ended 30 June 2025: gain of approximately RMB25 million).

Finance Costs

Finance costs for the six months ended 30 June 2026 were approximately RMB266 million, representing a decrease of 2.5% as compared with approximately RMB273 million for the corresponding period in 2025.

Share of Loss of Associates

The Group's share of losses of associates for the six months ended 30 June 2026 was approximately RMB211 million, mainly contributed by the following associates:

- Share of loss of approximately RMB91 million from Xuzhou Risheng Low Carbon Industry Investment Partnership (Limited Partnership)* (徐州日晟低碳產業投資合夥企業 (有限合夥)) ("**Xuzhou Risheng**");
- Share of loss of approximately RMB48 million from Leshan Zhongping Polysilicon Photovoltaic Information Industry Investment Fund Partnership (Limited Partnership)* (樂山市仲平多晶硅光電信息產業基金合夥企業 (有限合夥)) ("**Leshan Zhongping**") and Leshan Zhongping Nengxin Management Enterprise Management Consultancy Partnership (Limited Partnership)* (樂山市中平能鑫企業管理諮詢合夥企業 (有限合夥)) ("**Leshan Zhongping Nengxin**"); and
- Share of loss of approximately RMB63 million from Inner Mongolia Zhonghuan Crystal Material Co., Ltd.* (內蒙古中環晶體材料有限公司) ("**Inner Mongolia Zhonghuan Crystal**").

Income Tax Credit

Income tax credit for the six months ended 30 June 2026 was approximately RMB112 million, as compared with approximately RMB42 million for the corresponding period in 2025. The increase was mainly due to reversal of the deferred tax liability on withholding tax previously recognised on undistributed profits of subsidiaries and release of deferred tax liabilities arising from taxation temporary differences on relevant property, plant and equipment as a result of depreciation charged during the six month ended 30 June 2026.

Loss Attributable to Owners of the Company

As a result of the above factors, the loss attributable to owners of the Company amounted to approximately RMB2,081 million for the six months ended 30 June 2026, as compared with approximately RMB1,776 million for the corresponding period in 2025.



Management Discussion and Analysis (CONTINUED)

Property, Plant and Equipment

Property, plant and equipment decreased from approximately RMB31,015 million as at 31 December 2025 to approximately RMB29,829 million as at 30 June 2026. The decrease was mainly attributable to depreciation and impairment losses recognised during the six months ended 30 June 2026.

Financial Assets at Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income decreased from approximately RMB2,917 million as at 31 December 2025 to approximately RMB2,068 million as at 30 June 2026. The decrease was mainly attributable to the change in fair value of 4.41% equity interest in Zhonghuan Advanced Semiconductor Technology Co., Ltd* (中環領先半導體科技股份有限公司) ("**Zhonghuan Advanced**") during the six months ended 30 June 2026.

Financial assets at fair value through other comprehensive income as at 30 June 2026 mainly consist of the below:

- The Group's investment in unlisted equity investments - Zhonghuan Advanced of approximately RMB1,627 million and SINO IC LEASING Co., Ltd* (蕊鑫融資租賃有限公司) ("**SINO IC**") of approximately RMB422 million respectively;
- The Group's investment in listed equity investments - Lithium Argentina AG and Lithium America Corp. of approximately RMB19 million;

Financial Assets at Fair Value Through Profit and Loss

Financial assets at fair value through profit and loss increased from approximately RMB2,661 million as at 31 December 2025 to approximately RMB2,669 million (including current and non-current part) as at 30 June 2026.

Financial assets at fair value through profit and loss as at 30 June 2026 mainly consist of the below:

Non-Current Assets:

- Unlisted equity investments mainly represents the investments in unlisted equity instruments issued by private entities established in the PRC and Hong Kong Special Administrative Region of approximately RMB938 million.
- Unlisted fund investments represents the investments in non-voting redeemable shares of private funds of approximately RMB597 million.
- Investment in unsecured convertible bonds issued by Anyang Zhongyu Jinming Silicon Industry Co., Ltd.* (安陽市中豫錦明硅業有限公司) ("**Zhongyu Jinming**"), a private entity established in the PRC of approximately RMB287 million.
- Investment in the form of interests as limited partners in certain private entities, which held a portfolio of unlisted investments. The unlisted investments are mainly made up of private entities incorporated in the PRC and financial assets of approximately RMB141 million.



Current Assets:

Unlisted financial products issued by financial institutions and banks in the PRC and Hong Kong Special Administrative Region amounted to approximately RMB706 million.

Interests in Associates

Interests in associates decreased from approximately RMB3,247 million as at 31 December 2025 to approximately RMB2,942 million as at 30 June 2026. The decrease was mainly due to the share of losses of associates recorded during the six months ended 30 June 2026.

Interests in associates as at 30 June 2026 mainly consist of the below:

- The Group's 39.75% equity interests in Kunshan GCL Optoelectronic Material Co., Ltd* (昆山協鑫光電材料有限公司) of approximately RMB1,664 million;
- The Group's 6.42% equity interest in Inner Mongolia Zhonghuan Crystal of approximately RMB566 million;
- The Group's 49.88% equity interest in Xuzhou Risheng of approximately RMB182 million.
- The Group's equity interest in Leshan Zhongping and Leshan Zhongping Nengxin of approximately RMB317 million in aggregate;
- The Group's 25% equity interest in Taicang Qianyuan Solar Technology Company Limited (太倉騫源光伏科技有限公司) of approximately RMB95 million; and
- The Group's 4.9% equity interests in Dynasty Digital Holdings Limited of approximately RMB50 million which include perpetual notes classified as financial assets at fair value through other comprehensive income.

Trade and Other Receivables

Trade and other receivables decreased from approximately RMB12,690 million as at 31 December 2025 to approximately RMB9,529 million as at 30 June 2026. The decrease was mainly due to decrease in bills receivables during the six months ended 30 June 2026.

Trade and Other Payables

Trade and other payables decreased from approximately RMB10,947 million as at 31 December 2025 to approximately RMB8,901 million as at 30 June 2026. The decrease was mainly due to decrease in trade payable during the six months ended 30 June 2026.



Management Discussion and Analysis (CONTINUED)

Balances with Related Companies

Amounts due from related companies increased from approximately RMB679 million as at 31 December 2025 to approximately RMB682 million as at 30 June 2026.

Amounts due to related companies decreased from approximately RMB252 million as at 31 December 2025 to approximately RMB212 million as at 30 June 2026. The decrease was mainly due to repayment of balances to related companies during the six months ended 30 June 2026.

Liquidity and Financial Resources

As at 30 June 2026, the total assets of the Group were approximately RMB70.0 billion, of which pledged and restricted bank deposits and bank balances and cash amounted in aggregate to approximately RMB14.0 billion.

For the six months ended 30 June 2026, the Group's main source of funding was cash generated from operating and financing activities.

Issuance of the 2026 Convertible Bonds

On 7 May 2026, GCL Solar Star Investment Limited, a wholly-owned subsidiary of the Company, completed the issue of convertible bonds in an aggregate principal amount of US\$148 million with the guarantee provided by the Company (the “**2026 Convertible Bonds**”). The last closing price of the ordinary shares of HK\$0.1 each in the capital of the Company (the “**Shares**”) as quoted on the Stock Exchange on the trading day on which the subscription agreement was signed (i.e. 29 April 2026) was HK\$0.95 per Share, and the initial conversion price is HK\$1.21 per Share. Based on such initial conversion price and assuming full conversion of the 2026 Convertible Bonds at the initial conversion price, the 2026 Convertible Bonds will be convertible into a maximum of 958,562,976 new Shares. The gross proceeds from the issue of the 2026 Convertible Bonds were US\$148 million. The net proceeds from the issue of the 2026 Convertible Bonds were approximately US\$145 million (equivalent to approximately HK\$1,137 million). The Group intends to apply all of the net proceeds towards general corporate purposes and repayment of debts. Based on such net proceeds and assuming the full conversion of the 2026 Convertible Bonds, the net price per new Share be approximately HK\$1.19. The 2026 Convertible Bonds have been offered and sold to no less than six independent placees (who are independent individual, corporate and/or institutional investors).

Management Discussion and Analysis (CONTINUED)

The following table sets out the information in relation to the detailed breakdown and description of the actual and intended use of the net proceeds of approximately HK\$1,137 million from the 2026 Convertible Bonds:

	Intended use of the net proceeds HK\$ million	Utilised during the six months ended 30 June 2026 HK\$ million	Unutilised as at 30 June 2026 HK\$ million
General corporate purpose	840	550	290
Repayment of indebtedness, of which			
– Repayment of offshore loan and related interest	217	10	207
– Repayment of interests of the 2026 Convertible Bonds	80	—	80
	297	10	287
Total	1,137	560	577

Use of Proceeds from Placing of New Shares

To raise capital for the Company for its business development and to broaden the shareholder base of the Company, on 18 December 2024 (after trading hours), the Company entered into a placing agreement (the “**Placing Agreement I**”). Under this agreement, the relevant placing agent agreed to procure, on a best effort basis, no less than six independent placees who would be professional investors to subscribe a maximum of 1,560,000,000 Shares at the placing price of HK\$1.0 per Share (the “**2025 Placing I**”). The aggregate nominal value of those 1,560,000,000 Shares under the 2025 Placing I was HK\$156,000,000. The closing price of the Share on 18 December 2024 was HK\$1.21 per Share. On 3 January 2025, the Company successfully placed 1,560,000,000 Shares at a price of HK\$1.0 per Share. The net proceeds from the 2025 Placing I, after taking into account all related costs, fees, expenses and commission of the 2025 Placing I, were approximately HK\$1,530 million. For details, please refer to the announcements of the Company in relation to the 2025 Placing I dated 19 December 2024 and 6 January 2025, respectively.

Management Discussion and Analysis (CONTINUED)

The following table sets out the information in relation to the detailed breakdown and description of the actual and intended use of the net proceeds of approximately HK\$1,530 million from the 2025 Placing I:

	Intended use of the net proceeds HK\$ million	Unutilised as at 31 December 2025 HK\$ million	Utilised during the six months ended 30 June 2026 HK\$ million	Unutilised as at 30 June 2026 HK\$ million
Capital expenditure in respect of solar related business	918	—	—	—
General working capital	612	108	108	—
Total	1,530	108	108	—

In order to provide the Group with further capital, to further broaden the shareholder base of the Company, and to strengthen the financial position and market position of the Group, on 16 September 2025, the Company entered into a subscription agreement in relation to the issue of an aggregate of 4,735,651,000 Shares (collectively, “**Subscription Shares**”) to Infini Global Master Fund at the subscription price of HK\$1.15 per Subscription Share (the “**2025 Placing II**”). The Subscription Shares have an aggregate nominal value of HK\$473,565,100 based on a nominal value of HK\$0.1 per Share. The closing price of the Share on 15 September 2025 was HK\$1.26 per Share. On 19 November 2025, the Company completed the 2025 Placing II, the net proceeds of which, after taking into account all related costs, fees, expenses and commission, were approximately HK\$5,392 million. For details, please refer to the announcements of the Company in relation to the 2025 Placing II dated 16 September 2025, 25 September 2025, 10 October 2025, 7 November 2025 and 19 November 2025 respectively.

Management Discussion and Analysis (CONTINUED)

The following table sets out the information in relation to the detailed breakdown and description of the actual and intended use of the net proceeds of approximately HK\$5,392 million from the 2025 Placing II:

	Intended use of the net proceeds HK\$ million	Unutilised as at 31 December 2025 HK\$ million	Utilised during the six months ended 30 June 2026 HK\$ million	Unutilised as at 30 June 2026 HK\$ million
Capital expenditure				
Structural adjustment of polysilicon production capacity (note 1)	1,800	1,800	—	1,800
Enhancement of the R&D and production capacity of silane gas and related materials (note 2)	905	824	639	185
Optimization of the Company's capital structure	800	—	—	—
General working capital	400	400	400	—
Repayment of bank loan	1,487	599	599	—
Total	5,392	3,623	1,638	1,985

Notes:

1. The Company intends to utilise the proceeds for merger and acquisition to acquire target companies and/or assets in the PRC. The Company expected the proceeds to be fully utilised on or before 31 December 2026.
2. The Company intends to utilise the proceeds for the production, acquisition, and R&D of silane gas, alongside related materials (including energy storage materials, silicon-carbon anode materials, and carbon nanotube materials). The Company expected the proceeds to be fully utilised on or before 31 December 2026.

Management Discussion and Analysis (CONTINUED)

Indebtedness

Details of the Group's indebtedness are as follows:

	As at 30 June 2026 RMB Million	As at 31 December 2025 RMB Million
Current liabilities		
Bank and other borrowings	10,711	12,364
Lease liabilities	36	42
Convertible bonds	972	—
	11,719	12,406
Non-current liabilities		
Bank and other borrowings	6,033	6,047
Lease liabilities	58	51
	6,091	6,098
Total indebtedness	17,810	18,504
Less: Bank balances and cash and pledged and restricted bank deposits	(13,980)	(13,893)
Net debt	3,830	4,611

Below is a table showing the total indebtedness structure of the Group:

	As at 30 June 2026 RMB million	As at 31 December 2025 RMB million
Secured	8,804	9,896
Unsecured	9,006	8,608
	17,810	18,504

As at 30 June 2026, RMB bank and other borrowings carried floating interest rates with reference to the Benchmark Borrowing Rate of The People's Bank of China. USD bank borrowings carried interest rates with reference to the Secured Overnight Financing Rate.

Key Financial Ratios of the Group

	As at 30 June 2026	As at 31 December 2025
Current ratio	1.26	1.23
Quick ratio	1.18	1.16
Net debt to total equity attributable to owners of the Company	10.5%	11.6%

Current ratio	=	Balance of current assets at the end of the period/balance of current liabilities at the end of the period
Quick ratio	=	(Balance of current assets at the end of the period – balance of inventories at the end of the period)/balance of current liabilities at the end of the period
Net debt to total equity attributable to owners of the Company	=	(Balance of total indebtedness at the end of the period – balance of bank balances and cash and pledged and restricted bank deposits at the end of the period)/balance of equity attributable to owners of the Company at the end of the period

Policy Risk

Policies made by the Chinese Government have a pivotal role in the solar power industry. Any alternation the preferential tax policies, on-grid tariff subsidies, generation dispatch priority, incentives, upcoming issuance of green certificates, laws and regulations would cause substantial impact on the solar power industry. Although the Chinese Government has been supportive in aiding the growth of the renewable industry by carrying out a series of favorable measures, it is possible that any material adverse adjustment of such measures may have an impact on the Group's operating condition and profitability. In order to minimize risks, the Group will follow rules set out by the government strictly, and will pay close attention to any changes in policies in order to reduce the adverse impact of policy changes on the Group.

Credit Risk

The Group has a policy of credit control in place under which credit evaluations of counter parties are performed on counter parties requiring credit.

In order to minimise the credit risk, the Group reviews the recoverable amount of each individual receivables periodically to ensure that adequate expected credit losses are made.



Management Discussion and Analysis (CONTINUED)

Risk Related to Interest Rate

Interest risk may result from fluctuations in bank loan rates. Given that the Group highly relies on external financing in order to obtain investment capital for new project development and plants and equipment, any interest rate changes will have an impact on the capital expenditure and finance expenses of the Group, which in turn affect our operating results.

Foreign Currency Risk

Most of the Group's businesses are located in the PRC and the presentation currency of the consolidated financial statements of the Company is RMB. Substantially all of the Group's revenue, cost of sales and operating expenses are denominated in RMB, and the majority of the Group's assets and liabilities are denominated in RMB, while the rest are mainly denominated in US dollar and Hong Kong dollar. Any depreciation/appreciation of RMB against US dollar or any other foreign currencies may result in a change in value of the monetary assets and liabilities that are denominated in foreign currencies and affect the earnings and value of the net assets of the Group.

The Group continues to adopt a conservative approach on foreign exchange exposure management and ensure that its exposure to fluctuations in foreign exchange rates is minimised. The majority of the Group's borrowings are denominated in RMB. Foreign currency forward contracts will be utilised when it is considered as appropriate to hedge against foreign currency risk exposure.

Risk Related to Disputes with Joint Venture Partners

The Group's joint venture partners may involve risks associated with the possibility that our joint venture partners may have financial difficulties or have disputes with us as to the scope of their responsibilities and obligations. We may encounter problems with respect to our joint venture partners which may have an adverse effect on our business operations, profitability and prospects.

Pledge of or Restrictions on Assets

As at 30 June 2026, the following assets were pledged or restricted for certain bank and other borrowings, lease liabilities, issuance of bills, short-term letters of credit for settlement of trade and other payables granted to the Group:

- Property, plant and equipment of approximately RMB7.9 billion (31 December 2025: RMB7.4 billion)
- Right-of-use assets of approximately RMB0.4 billion (31 December 2025: RMB0.3 billion)
- Investment properties of approximately RMB0.3 billion (31 December 2025: RMB0.3 billion)
- Trade and bill receivables of approximately RMB3.1 billion (31 December 2025: RMB5.1 billion)
- Pledged and restricted bank deposits of approximately RMB4.3 billion (31 December 2025: RMB4.6 billion)

In addition, lease liabilities of approximately RMB0.1 billion are recognised with related right-of-use assets of approximately RMB0.1 billion as at 30 June 2026 (31 December 2025: lease liabilities of approximately RMB0.1 billion are recognised with related right-of-use assets of approximately RMB0.1 billion).



Capital and Other Commitments

As at 30 June 2026, the Group's capital commitments in respect of purchase of property, plant and equipment contracted for but not provided amounted to approximately RMB900 million (31 December 2025: RMB1,085 million) and other commitments to contribute share capital to investments of approximately RMB355 million (31 December 2025: RMB355 million).

Financial Guarantees Contracts

As at 30 June 2026, the Group provided a total guarantee with maximum amount of approximately RMB510 million (31 December 2025: RMB510 million) to several banks and financial institutions in respect of banking and other facilities of an associate, of which the loan balances were approximately RMB319 million (31 December 2025: RMB297 million).

Contingent Liability

As at 30 June 2026 and 31 December 2025, the Group and the Company did not have any significant contingent liabilities.

Material Acquisitions and Disposals and Significant Investments

Save as disclosed elsewhere in this report, there were no other significant acquisitions and disposals during the six months ended 30 June 2026, nor did it have any significant investments.

Impairment Loss on Financial Assets under IFRS 9 Expected Credit Loss Model

During the six months ended 30 June 2026, the Group recognised an impairment loss on financial assets of approximately RMB298 million (for the six months ended 30 June 2025: RMB264 million representing the expected credit losses mainly on dividend receivable from a former associate and trade receivable from solar power plant) representing the expected credit losses mainly on dividend receivable from a former associate.

Basis of Expected Credit Losses ("ECL") assessment under IFRS 9

The impairment of financial assets were assessed in accordance with IFRS 9 Financial Instruments, which requires the Group to recognise expected credit losses based on a three-stage approach depending on changes in credit risk since initial recognition:

- Stage 1 (12-month ECL): For financial assets where credit risk have not increased significantly since initial recognition, the Group measures ECL based on 12-month expected credit losses, representing the portion of lifetime ECL expected to result from default events within 12 months after the reporting date.
- Stage 2 (Lifetime ECL without credit impairment): For financial assets where there have been a significant increase in credit risk since initial recognition but which are not credit-impaired, the Group measures ECL based on lifetime expected credit losses, representing the expected credit losses resulting from all possible default events over the expected life of the financial assets.



Management Discussion and Analysis (CONTINUED)

- Stage 3 (Lifetime ECL with credit impairment): For financial assets that are credit-impaired (i.e., objective evidence of impairment exists).

Calculation method of ECL

The ECL is derived from the three fundamental credit metrics; Probability of Default (“**PD**”), Loss Given Default (“**LGD**”) and Exposure at Default (“**EAD**”). Mathematically, the ECL is calculated as the product of these three metrics ($EAD \times PD \times LGD$), adjusted for the time value of money and forward-looking macroeconomic factors.

For individually significant receivables, the Group performed an individual ECL assessment by estimating the expected future cash flows discounted at the original effective interest rate, incorporating forward-looking information and counterparty-specific credit risk assessments.

For financial assets that are not individually significant, the Group applied a collective assessment approach using a provision matrix based on historical loss experience adjusted for current economic conditions and reasonable and supportable forward-looking information (e.g., GDP growth forecasts, industry-specific economic indicators).

The Group identified dividend receivables due from a former associate is credit-impaired. The counterparty experienced the following challenges:

- Deterioration of company financial performance; and
- Adverse changes in polysilicon market

In light of the deteriorating financial position of that associate, the prolonged overdue status of the first tranche dividend receivable and the absence of a clear repayment plan, as at 31 December 2025, the Group had classified these receivables as Stage 3 (lifetime ECL with credit impairment) under the IFRS 9 three-stage model. During the six months ended 30 June 2026, the circumstances described above persisted, and these receivables remained classified as Stage 3, resulting in an ECL allowance of approximately RMB262 million during the period ended 30 June 2026. As at 30 June 2026, the Group recognised a total expected credit loss of RMB1,946 million on the entire dividend receivable from former associate (As at 31 December 2025: approximately RMB1,684 million).

In measuring the aforesaid ECL of dividend receivable from a former associate, the Group incorporated the following key assumptions:

- Probability of Default (PD): As at 30 June 2026 and as at 31 December 2025, the PD of 100% was applied to the entire outstanding dividend receivable due to default of the first tranche dividend receivable that should have been settled earlier. This constitutes objective evidence of credit impairment for the entire dividend receivable and to reflect the counterparty ongoing liquidity distress.
- Loss Given Default (LGD): As at 30 June 2026, an LGD of approximately 61.2% (31 December 2025: approximately 52.9%) was applied. The LGD was estimated by reference to Moody’s Annual Default Study for historical senior unsecured bond recovery rates of comparable rating categories, together with a fundamental financial analysis of the counterparty to evaluate the net realisable value of its assets against its liabilities and determine the expected residual recovery.

Management Discussion and Analysis (CONTINUED)

- Exposure at Default (EAD): Generally approximated by the gross carrying amount of the entire dividend receivable.

Compared with the ECL assessment as at 31 December 2025, there was no change in the valuation methodology.

The ECL allowance has been recognised in the consolidated statement of profit or loss under the line item "Impairment losses recognised on financial assets".

Credit risk management and mitigation

The Group has strengthened its credit risk management practices during the period in response to the challenging economic environment, including:

- Enhanced due diligence procedures for new counterparties and collection of deposit arrangements, including credit checks and financial statement analysis
- Regular review of outstanding receivables and escalation procedures for overdue amounts
- Obtaining additional security, guarantees, or collateral where practicable for significant non-trade receivables
- Active monitoring of counterparty credit ratings and industry developments to identify early warning indicators of credit deterioration

Significant Events and Business Development After the Reporting Period

Save as disclosed above and in note 33 to the condensed consolidated interim financial statements, the Group has no significant events and business development after the reporting period.

Employees

We consider our employees to be our most important resource. As at 30 June 2026, the Group had approximately 7,695 employees (31 December 2025: 8,536 employees) in PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits including but not limited to discretionary bonuses, with share options or share awards granted to eligible employees. Total staff costs (including Directors' emoluments, retirements benefits scheme contributions and share options scheme and share award scheme expenses) for the six months ended 30 June 2026 was approximately RMB774 million (for the six months ended 30 June 2025: RMB708 million).

Dividend

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

* *English names for identification purpose only.*



Auditor's Independent Review Report



國富浩華（香港）會計師事務所有限公司
Crowe (HK) CPA Limited
香港 銅鑼灣 禮頓道77號 禮頓中心9樓
9/F Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF GCL TECHNOLOGY HOLDINGS LIMITED

協鑫科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 32 to 89, which comprise the condensed consolidated statement of financial position of GCL Technology Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial statements, including material accounting policy information. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board. The directors are responsible for the preparation and presentation of the interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

Our responsibility is to express a conclusion, based on our review, on this interim financial information and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Crowe (HK) CPA Limited

Certified Public Accountants

Hong Kong, 28 August 2026

Chan Wai Dune, Charles

Practising Certificate Number P00712

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	NOTES	Six months ended 30 June	
		2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	4	5,776,702	5,734,660
Cost of sales and services rendered		(6,210,367)	(6,434,908)
Gross loss		(433,665)	(700,248)
Other income	5	311,062	461,672
Distribution and selling expenses		(174,982)	(103,887)
Administrative expenses		(675,886)	(624,509)
Research and development costs		(368,759)	(353,017)
Other (losses) gains, net	6	(287,506)	9,257
Impairment losses recognised on financial assets	7	(298,274)	(264,330)
Finance costs	8	(266,478)	(273,405)
Share of losses of associates		(211,478)	(250,367)
Share of profits (losses) of joint ventures		633	(30)
Loss before tax	9	(2,405,333)	(2,098,864)
Income tax credit	10	112,437	42,184
Loss for the period		(2,292,896)	(2,056,680)
Other comprehensive expense for the period:			
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value loss on financial assets at fair value through other comprehensive income*		(864,446)	(72,968)
Share of other comprehensive expense of associates		—	(120,229)
		(864,446)	(193,197)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (CONTINUED)

For the six months ended 30 June 2026

		Six months ended 30 June	
	NOTES	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of foreign operations		(3,335)	4,868
Share of other comprehensive (expense) income of an associate		(365)	20
Reclassification adjustment of cumulative exchange reserve upon deemed partial disposal of an associate		—	3
		(3,700)	4,891
Other comprehensive expense for the period, net of tax		(868,146)	(188,306)
Total comprehensive expense for the period		(3,161,042)	(2,244,986)
Loss for the period attributable to:			
Owners of the Company		(2,081,347)	(1,776,108)
Non-controlling interests		(211,549)	(280,572)
		(2,292,896)	(2,056,680)
Total comprehensive expense for the period attributable to:			
Owners of the Company		(2,949,493)	(1,964,414)
Non-controlling interests		(211,549)	(280,572)
		(3,161,042)	(2,244,986)
Loss per share	12	RMB cents	RMB cents
– Basic		(6.37)	(6.35)
– Diluted		(6.42)	(6.35)

* For the six months ended 30 June 2026, the fair value loss on financial assets at fair value through other comprehensive income primarily arose from the fair value change of approximately RMB852,151,000 in respect of the Group's 4.41% equity interest in Zhonghuan Advanced Semiconductor Technology Co., Ltd. ("Zhonghuan Advanced") held during the period. The decline in fair value of Zhonghuan Advanced was primarily with reference to the valuation level derived from its capital increase transaction to introduce a strategic investor, Guotou Jixin (Beijing) Equity Investment Fund (Limited Partnership) (國投集新(北京)股權投資基金(有限合夥)) (hold by National Integrated Circuit Industry Investment Fund Phase III Co., Ltd. (國家集成電路產業投資基金三期股份有限公司)) and another market transaction.

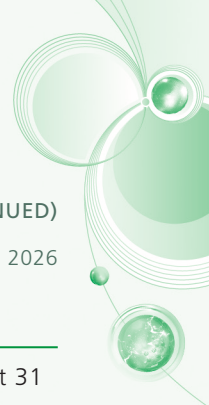
Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	NOTES	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	13	29,828,622	31,014,773
Right-of-use assets	13	1,627,425	1,501,978
Investment properties		319,711	330,446
Intangible assets		51,326	65,412
Interests in associates	14	2,942,206	3,246,572
Interests in joint ventures	15	106,608	122,053
Financial assets at fair value through other comprehensive income	16	2,068,023	2,917,292
Financial assets at fair value through profit or loss	17	1,963,285	1,586,064
Deferred tax assets		862,804	853,745
Deposits and other receivables	18(a)	3,538,855	3,970,121
Pledged and restricted bank deposits		5,600	5,600
		43,314,465	45,614,056
CURRENT ASSETS			
Inventories	19	1,661,640	1,896,879
Trade and other receivables	18(b)	9,529,463	12,690,201
Amounts due from related companies	20	682,420	679,376
Financial assets at fair value through profit or loss	17	705,640	1,074,482
Held for trading investments		692	678
Tax recoverable		83,109	40,097
Pledged and restricted bank deposits		4,251,055	4,594,854
Bank balances and cash		9,723,627	9,292,146
		26,637,646	30,268,713

Condensed Consolidated Statement of Financial Position (CONTINUED)

As at 30 June 2026



	NOTES	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade and other payables	21	8,900,872	10,946,883
Amounts due to related companies	22	211,905	252,189
Contract liabilities		144,288	744,484
Convertible bonds	24	972,424	—
Bank and other borrowings	23	10,711,497	12,363,833
Lease liabilities		35,607	42,429
Derivative financial instruments	25	81,064	134,824
Deferred income		30,359	18,020
Tax payables		48,002	51,663
		21,136,018	24,554,325
NET CURRENT ASSETS		5,501,628	5,714,388
TOTAL ASSETS LESS CURRENT LIABILITIES		48,816,093	51,328,444
NON-CURRENT LIABILITIES			
Contract liabilities		5,339	5,339
Bank and other borrowings	23	6,033,239	6,046,780
Lease liabilities		58,303	50,616
Deferred income		190,457	205,143
Deferred tax liabilities		1,454,298	1,604,093
		7,741,636	7,911,971
NET ASSETS		41,074,457	43,416,473

Condensed Consolidated Statement of Financial Position (CONTINUED)

As at 30 June 2026

	NOTES	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
CAPITAL AND RESERVES			
Share capital	26	2,919,257	2,919,257
Reserves		33,649,849	36,947,409
Equity attributable to owners of the Company		36,569,106	39,866,666
Non-controlling interests		4,505,351	3,549,807
TOTAL EQUITY		41,074,457	43,416,473

The unaudited condensed interim consolidated financial statements on pages 32 to 89 were approved and authorised for issue by the board of directors on 28 August 2026 and are signed on its behalf by:

Zhu Gongshan
DIRECTOR

Yeung Man Chung, Charles
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	(Unaudited)																
	Attributable to owners of the Company																
	Shares held																
	Share capital RMB'000	Share premium RMB'000	Share award reserve RMB'000	Share for share award scheme RMB'000	Capital redemption reserve RMB'000	Investments revaluation reserve RMB'000	Other reserve RMB'000	Treasury reserve RMB'000	Capital reserve RMB'000	Statutory reserve funds RMB'000	Special reserves RMB'000	Share options reserve RMB'000	Translation reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
			(Note i)	(Note ii)	(Note iii)		(Note iv)	(Note viii)	(Note v)	(Note vi)	(Note vii)	(Note i)					
At 1 January 2026	2,919,257	21,063,445	437,582	(645,357)	39,453	(2,013,304)	(885,007)	—	67,251	4,137,038	(2,805,655)	46,204	11,351	17,494,408	39,866,666	3,549,807	43,416,473
Exchange differences arising from translation of financial statements of foreign operations	—	—	—	—	—	—	—	—	—	—	—	—	(3,335)	—	(3,335)	—	(3,335)
Fair value loss on financial assets at FVOCI	—	—	—	—	—	(864,446)	—	—	—	—	—	—	—	—	(864,446)	—	(864,446)
Share of other comprehensive expense of associates	—	—	—	—	—	—	—	—	—	—	—	—	(365)	—	(365)	—	(365)
Loss for the period	—	—	—	—	—	—	—	—	—	—	—	—	—	(2,081,347)	(2,081,347)	(211,549)	(2,292,896)
Total comprehensive expense for the period	—	—	—	—	—	(864,446)	—	—	—	—	—	—	(3,700)	(2,081,347)	(2,949,493)	(211,549)	(3,161,042)
Equity settled share-based payments (note 27)	—	—	96,158	—	—	—	—	—	—	—	—	—	—	—	96,158	—	96,158
Forfeitures of share options	—	—	—	—	—	—	—	—	—	—	—	(46,204)	—	46,204	—	—	—
Repurchase of shares	—	—	—	—	—	—	—	(444,225)	—	—	—	—	—	—	(444,225)	—	(444,225)
Capital injection from non-controlling shareholders of a subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,167,093	1,167,093
At 30 June 2026	2,919,257	21,063,445	533,740	(645,357)	39,453	(2,877,750)	(885,007)	(444,225)	67,251	4,137,038	(2,805,655)	—	7,651	15,459,265	36,589,106	4,505,351	41,074,457

Condensed Consolidated Statement of Changes in Equity (CONTINUED)

For the six months ended 30 June 2026

	(Unaudited)															
	Attributable to owners of the Company															
	Shares held				Attributable to owners of the Company											
	Share capital RMB'000	Share premium RMB'000	Share award reserve RMB'000 (Note i)	Share for share award scheme RMB'000 (Note ii)	Capital redemption reserve RMB'000 (Note iii)	Investments revaluation reserve RMB'000	Other reserve RMB'000 (Note iv)	Capital reserve RMB'000 (Note v)	Statutory reserve funds RMB'000 (Note vi)	Special reserves RMB'000 (Note vii)	Share options reserve RMB'000 (Note i)	Transition reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025	2,342,638	15,301,339	379,178	(624,775)	39,453	(1,810,616)	(885,007)	67,251	4,130,098	(2,312,312)	50,353	14,048	20,485,400	37,177,048	5,115,890	42,292,938
Exchange differences arising from translation of financial statements of foreign operations	—	—	—	—	—	—	—	—	—	—	—	4,868	—	4,868	—	4,868
Reclassification adjustment of cumulative exchange reserve upon deemed partial disposal of an associate	—	—	—	—	—	—	—	—	—	—	—	3	—	3	—	3
Fair value loss on financial assets at FVTOCI	—	—	—	—	—	(72,968)	—	—	—	—	—	—	—	(72,968)	—	(72,968)
Share of other comprehensive expense of associates	—	—	—	—	—	(120,229)	—	—	—	—	—	20	—	(120,209)	—	(120,209)
Loss for the period	—	—	—	—	—	—	—	—	—	—	—	—	(1,776,108)	(1,776,108)	(280,572)	(2,056,680)
Total comprehensive expense for the period	—	—	—	—	—	(193,197)	—	—	—	—	—	4,891	(1,776,108)	(1,964,414)	(280,572)	(2,244,986)
Issue of new shares (note 26)	144,456	1,300,104	—	—	—	—	—	—	—	—	—	—	—	1,444,560	—	1,444,560
Transaction costs attributable to the issue of new shares	—	(27,621)	—	—	—	—	—	—	—	—	—	—	—	(27,621)	—	(27,621)
Equity settled share-based payments (note 27)	—	—	33,576	—	—	—	—	—	—	—	—	—	—	33,576	—	33,576
Forfeitures of share options	—	—	—	—	—	—	—	—	—	—	(2,583)	—	2,583	—	—	—
Purchase of shares under share award scheme	—	—	—	(20,582)	—	—	—	—	—	—	—	—	—	(20,582)	—	(20,582)
Capital injection from a non-controlling shareholder of a subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,787	1,787
Transfer to reserves	—	—	—	—	—	—	—	—	3,898	—	—	—	(3,898)	—	—	—
At 30 June 2025	2,487,094	16,573,822	412,754	(645,357)	39,453	(2,003,813)	(885,007)	67,251	4,133,996	(2,312,312)	47,770	18,939	18,707,977	36,642,567	4,837,105	41,479,672

Condensed Consolidated Statement of Changes in Equity (CONTINUED)

For the six months ended 30 June 2026

Notes:

- (i) Share options reserve and share award reserve comprise the portion of the grant date fair value of unexercised share options and award shares granted to directors of the Company and employees of the Group and others providing similar services that have been recognised in accordance with the accounting policy adopted for share-based compensation benefits.
- (ii) Shares held for share award scheme represents the amounts paid by the Company to a trustee ("Trustee") to purchase the ordinary shares of the Company in the market pursuant to the Share Award Scheme (the "Scheme") established on 16 January 2017 ("Adoption Date") by the board of directors of the Company (the "Board"). During the six months ended 30 June 2025, the Company paid in total of approximately RMB20,582,000 to purchase 30,000,000 ordinary shares of the Company. Up to 30 June 2026, total 554,498,888 ordinary shares of the Company were purchased, of which 39,820,000 shares were vested and transferred to the Award Grantees (as defined in note 27(II)) under the Scheme. As at 30 June 2026, all the remaining 514,678,888 shares were held by the Trustee. More details are set out in note 27(II).
- (iii) Capital redemption reserve represents the par value of shares repurchased by the Company pursuant to section 37 of the Cayman Islands Companies Law.
- (iv) Other reserve includes the equity (other than share capital) attributable to owners of the Company prior to the reverse acquisition, including share premium, capital reserve, contribution from a shareholder, other reserve, share options reserve, revaluation reserve and deficit. As the Company was accounted for as reverse acquisition by Universe Solar Energy Holdings Inc (formerly known as GCL Solar Energy Technology Holdings Inc). ("Solar Energy") in 2009, such reserves attributable to owners of the Company were reclassified to other reserve upon the completion of the reverse acquisition.

Upon disposal of the non-solar power business in 2015, portion of the amount was realised and transferred to the share premium, share options reserve and accumulated profits of the Group.

Moreover, other reserve includes (i) the initial recognition of put options granted to non-controlling interests by subsidiaries and (ii) the portion attributable to the owners of the Company in relation to the equity settled share-based payments recognised by a subsidiary.

- (v) Capital reserve represents the amount of contribution from former immediate holding company of Solar Energy of United States dollars ("US\$") 15,009,000 (equivalent to RMB126,029,000) net of the 500,000 ordinary shares of Solar Energy repurchased for a consideration of US\$7,000,000 (equivalent to RMB58,778,000) and cancelled prior to 2009.
- (vi) Pursuant to the relevant laws in the People's Republic of China (the "PRC"), each of the subsidiaries established in the PRC is required to transfer 5%-10% of its profit after tax as per statutory financial statements (as determined by the management of the subsidiary) to the reserve funds (including the general reserve fund and enterprise development fund where appropriate). The general reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the respective company and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the subsidiary. The enterprise development fund can only be used for development and is not available for distribution to shareholder.
- (vii) Special reserves represent (i) the difference between the consideration to acquire additional interests in subsidiaries and the respective share of the carrying amounts of the net assets acquired; (ii) the difference by which the non-controlling interests were adjusted and the fair value of consideration received in relation to the disposal of partial interest of a subsidiary and (iii) change of interests in existing subsidiaries arising from restructuring.
- (viii) Treasury shares represent the amounts paid by the Group for repurchases of the equity instruments of the Company. During the six months ended 30 June 2026, 727,388,000 ordinary shares of the Company were repurchased by the Group at an aggregate consideration of approximately RMB444,225,000 which were recognised in equity as treasury shares.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
NET CASH USED IN OPERATING ACTIVITIES	(3,111,683)	(2,868,020)
INVESTING ACTIVITIES		
Interest received	43,890	34,206
Proceeds from disposal of property, plant and equipment	—	19,057
Payments for construction and purchase of property, plant and equipment	(1,529,294)	(822,655)
Payments for purchase of intangible assets	(885)	(30,123)
Addition of right-of-use assets	(144,058)	(31,134)
Proceeds from capital reduction of a joint venture	—	1,397
Dividend received from joint ventures	16,078	17,209
Addition of financial assets at fair value through profit or loss ("FVTPL")	(1,764,030)	(3,996,761)
Proceeds from disposal of financial assets at FVTPL	1,729,505	3,773,398
Net cash outflow from deemed disposal of a subsidiary	—	(13)
Withdrawal of pledged and restricted bank deposits	5,237,775	5,792,018
Placement of pledged and restricted bank deposits	(4,893,976)	(5,394,829)
Short-term loans to third parties	(149,756)	(200,404)
Repayment of advance for construction of property, plant and equipment	447,940	—
NET CASH USED IN INVESTING ACTIVITIES	(1,006,811)	(838,634)

Condensed Consolidated Statement of Cash Flows (CONTINUED)

For the six months ended 30 June 2026

	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
FINANCING ACTIVITIES		
Interest paid	(264,920)	(282,244)
New bank and other borrowings	4,389,061	1,844,130
New bank borrowings raised from discounted bills	2,990,903	2,820,157
Repayment of bank and other borrowings	(4,159,516)	(2,688,123)
Proceeds from issuance of convertible bonds	1,006,607	—
Payment of lease liabilities	(36,921)	(42,632)
Repayment to related companies	—	(832)
Repayment from related parties	3,283	—
Proceeds from issue of new shares of the Company	—	1,444,560
Transaction costs attributable to issue of new shares	—	(27,621)
Repurchase of shares of the Company	(444,225)	—
Purchase of shares of the Company under share award scheme	—	(20,582)
Capital injection from a non-controlling shareholder of a subsidiary	1,167,093	1,787
NET CASH GENERATED FROM FINANCING ACTIVITIES	4,651,365	3,048,600
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	532,871	(658,054)
Cash and cash equivalents at 1 January, represented by		
Bank balances and cash	9,292,146	5,174,188
Effect of exchange rate changes on balances of bank balances and cash held in foreign currencies	(101,390)	3,529
Cash and cash equivalents at 30 June, represented by		
Bank balances and cash	9,723,627	4,519,663

Note:

Major non-cash transaction

For the six months ended 30 June 2026, short-term bank and other borrowings drawn on discounted bills with recourse of approximately RMB4,886,325,000 (six months ended 30 June 2025: RMB3,385,339,000) have been settled through bills discounted to the relevant financial institutions.



Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board (the “IASB”) and the applicable disclosure requirements of the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited. The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards (“IFRS Accounting Standards”) as issued by the IASB and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2025.

The condensed consolidated interim financial statements are unaudited, but have been reviewed by the Company’s Audit Committee. The condensed consolidated interim financial statements have also been reviewed by the Company’s independent auditor, Crowe (HK) CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, as issued by the Hong Kong Institute of Certified Public Accountants.

The functional currency of the Company and the presentation currency of the Group’s unaudited condensed consolidated interim financial statements are Renminbi (“RMB”).

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

Except as described in note 3, the accounting policies and methods of computation used in the condensed consolidated interim financial statements for the six months ended 30 June 2026 are the same as those presented in the Group’s consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards.

3. APPLICATION OF AMENDMENTS TO IFRS Accounting Standards

The IASB has issued the following amendments to IFRS Accounting Standards that are first effective for the current accounting period of the Group:

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the ‘settlement date’ and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date



3. APPLICATION OF AMENDMENTS TO IFRS Accounting Standards (Continued)

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (Continued)

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute ‘non-recourse features’ and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income.

The amendments had no impact on the Group’s interim condensed financial statements.

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS Accounting Standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group’s interim condensed financial statements.

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the ‘own-use’ requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows

The amendments had no impact on Group’s interim condensed financial statements.

In addition, the Group issued the convertible bonds during the period, an additional accounting policy described below is adopted by the Group:

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

3. APPLICATION OF AMENDMENTS TO IFRS Accounting Standards (Continued)

Convertible Bond

The convertible bond was designated as financial liabilities at fair value through profit or loss by management, the amount of change in fair value of the financial liabilities that is attributable to change in the credit risk of that liabilities shall be presented in other comprehensive income, the remaining amount of change in the fair value of liabilities shall be presented in the profit or loss.

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet mandatorily effective for the current accounting period.

IFRS 18 and consequential amendments to other IFRS Accounting Standards	Presentation and Disclosure in Financial Statements
IFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

4. REVENUE AND SEGMENT INFORMATION

Information reported to the Executive Directors of the Company, being collectively the chief operating decision maker ("CODM"), for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered or services provided.

No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group's reportable and operating segments are as follows:

- Solar material business – mainly manufactures and sales of polysilicon and wafer products to companies operating in the solar industry.
- Solar farm business – operates solar farms located in the United States of America (the "USA") and the PRC.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2026

	Solar material business RMB'000 (Unaudited)	Solar farm business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	5,730,972	45,730	5,776,702
Segment loss	(2,103,907)	(14,902)	(2,118,809)
Unallocated income			28,500
Unallocated expenses			(220,846)
Loss on fair value change of financial assets at FVTPL			(14,946)
Gain on fair value change of held for trading investments			14
Gain on fair value change of convertible bonds			34,183
Gain on deemed partial disposal of an associate			4,437
Impairment losses recognised on financial assets			(844)
Share of losses of an associate			(5,218)
Share of profits of joint ventures			633
Loss for the period			(2,292,896)

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Six months ended 30 June 2025

	Solar material business RMB'000 (Unaudited)	Solar farm business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Revenue from external customers	5,664,645	70,015	5,734,660
Segment loss	(1,967,606)	(73,918)	(2,041,524)
Unallocated income			19,389
Unallocated expenses			(26,261)
Gain on fair value change of financial assets at FVTPL			19,244
Loss on fair value change of held for trading investments			(78)
Loss on deemed partial disposal of an associate			(6,360)
Impairment losses recognised on financial assets			(1,668)
Share of losses of an associate			(19,392)
Share of losses of joint ventures			(30)
Loss for the period			(2,056,680)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit (loss) of each segment excluding unallocated income, unallocated expenses, change in fair value of certain financial assets at FVTPL, change in fair value of held for trading investments, certain impairment losses on financial assets, share of profits (losses) of interests in certain joint ventures and an associate, and gain (loss) on deemed partial disposal of an associate. This is the measure reported to the CODM for the purpose of resources allocation and performance assessment.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Segment assets		
Solar material business	64,896,530	70,315,059
Solar farm business	1,015,882	1,059,663
Total segment assets	65,912,412	71,374,722
Financial assets at FVTPL	1,428,815	1,318,597
Financial assets at fair value through other comprehensive income ("FVTOCI")	18,899	16,017
Held for trading investments	692	678
Interest in an associate	20,489	21,635
Interests in joint ventures	106,608	122,053
Unallocated bank balances and cash	2,296,038	2,886,864
Unallocated corporate assets	168,158	142,203
Consolidated assets	69,952,111	75,882,769
Segment liabilities		
Solar material business	27,622,567	32,135,927
Solar farm business	232,104	278,108
Total segment liabilities	27,854,671	32,414,035
Convertible bonds	972,424	—
Unallocated corporate liabilities	50,559	52,261
Consolidated liabilities	28,877,654	32,466,296

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments, other than unallocated corporate assets, corporate bank balances and cash and other assets (including certain financial assets at FVTPL, certain financial assets at FVTOCI, held for trading investments and interests in certain joint ventures and an associate) of the management companies and investment holding companies; and
- All liabilities are allocated to operating segments, other than convertible bonds and unallocated corporate liabilities of the management companies and investment holding companies.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (Continued)

Disaggregation of revenue from contracts with external customers

Six months ended 30 June 2026

Segments	Solar material business RMB'000 (Unaudited)	Solar farm business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Types of goods or services			
Sales of polysilicon	3,886,629	—	3,886,629
Sales of wafer	696,041	—	696,041
Sales of industrial silicon	344,111	—	344,111
Sales of electricity	—	45,730	45,730
Processing fees	146,895	—	146,895
Others (including the sales of ingots, silicon rods and silicon powder)	657,296	—	657,296
Total	5,730,972	45,730	5,776,702
Geographic markets			
The PRC	5,619,476	24,420	5,643,896
Others	111,496	21,310	132,806
Total	5,730,972	45,730	5,776,702
Timing of revenue recognition			
A point in time	5,584,077	45,730	5,629,807
Over time	146,895	—	146,895
Total	5,730,972	45,730	5,776,702

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT INFORMATION (Continued)

Disaggregation of revenue from contracts with external customers (Continued)

Six months ended 30 June 2025

Segments	Solar material business RMB'000 (Unaudited)	Solar farm business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Types of goods or services			
Sales of polysilicon	3,964,456	—	3,964,456
Sales of wafer	778,204	—	778,204
Sales of industrial silicon	439,524	—	439,524
Sales of electricity	—	70,015	70,015
Processing fees	160,542	—	160,542
Others (including the sales of ingots, silicon rods and silicon powder)	321,919	—	321,919
Total	5,664,645	70,015	5,734,660
Geographic markets			
The PRC	5,639,270	48,363	5,687,633
Others	25,375	21,652	47,027
Total	5,664,645	70,015	5,734,660
Timing of revenue recognition			
A point in time	5,504,103	70,015	5,574,118
Over time	160,542	—	160,542
Total	5,664,645	70,015	5,734,660

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

5. OTHER INCOME

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Government grants (Note)	73,507	46,636
Bank and other interest income	127,356	145,617
Sales of scrap materials	72,944	185,089
Rental and rental related income	22,996	32,451
Compensation income	8,023	46,419
Guarantee fee income	1,502	300
Write-back of other payables	3,656	4,392
Management and consultancy fee income	647	—
Others	431	768
	311,062	461,672

Note:

The government grants mainly represent incentive subsidies received from the relevant PRC government for improvement of working capital and financial assistance to the operating activities to enhance the competitiveness in the industry. The amount also includes grants for relevant expenses incurred such as those for research and development activities and interest subsidies. The subsidies were granted on a discretionary basis during the reporting period.

6. OTHER (LOSSES) GAINS, NET

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Exchange losses, net	(104,603)	(397)
(Loss)/gain on fair value change of financial assets at FVTPL	(26,146)	32,451
Gain/(loss) on fair value change of held for trading investments	14	(78)
Gain/(loss) on fair value change of derivative financial instruments (note 25)	53,760	(15,632)
Gain on fair value change of convertible bonds	34,183	—
Impairment loss on property, plant and equipment (note 13)	(171,866)	—
Loss on deemed partial disposal of associates (note 14)	(72,848)	(6,360)
Gain on deemed disposal of a subsidiary (note 32)	—	25,129
Loss on disposal of property, plant and equipment	—	(25,856)
	(287,506)	9,257

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

7. IMPAIRMENT LOSSES RECOGNISED ON FINANCIAL ASSETS

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Impairment losses (reversal of impairment loss) recognised, on		
— trade receivables	(98)	87,560
— other receivables	297,528	175,104
— amounts due from related companies	844	1,666
	298,274	264,330

Except for the above, the Board is of the opinion that the ECL on other financial assets subject to ECL is insignificant.

8. FINANCE COSTS

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest on financial liabilities not at fair value through profit or loss		
— bank and other borrowings	264,732	270,369
— loans from related companies	81	80
— lease liabilities	3,185	3,297
Total borrowing costs	267,998	273,746
Less: interest capitalised	(1,520)	(341)
	266,478	273,405

Interest expenses capitalised on qualifying assets represent the amount of interest bearing debts which is directly attributable to the acquisition of property, plant and equipment and was capitalised as the cost of property, plant and equipment at a rate of 2.95% per annum (2025: 3.8% per annum).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

9. LOSS BEFORE TAX

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss before tax for the period has been arrived at after charging (crediting) the following items:		
Depreciation of property, plant and equipment	1,963,039	2,065,418
Depreciation of right-of-use assets	53,231	58,183
Depreciation of investment properties	10,735	10,633
Amortisation of intangible assets	14,971	13,652
Total depreciation and amortisation	2,041,976	2,147,886
Add (less): amounts absorbed in opening and closing inventories, net	(3,361)	57,141
	2,038,615	2,205,027
Write-down of inventories, net (note 19)	39,506	468,848

10. INCOME TAX CREDIT

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current tax		
PRC Enterprise Income Tax ("EIT")		
Provision for the period	3,429	7,116
Underprovision in prior periods	43,282	3,790
	46,711	10,906
Deferred tax (note)	(159,148)	(53,090)
Income tax credit	(112,437)	(42,184)

Note: The deferred tax during the period mainly comprised of (i) reversal of the deferred tax liability on withholding tax previously recognised on undistributed profits of subsidiaries, and (ii) release of deferred tax liabilities arising from taxation temporary differences on relevant property, plant and equipment as a result of depreciation charged during the period.

10. INCOME TAX (CREDIT) EXPENSE (Continued)

The PRC EIT for the period represents income tax in the PRC which is calculated at the prevailing tax rate on the taxable profit of subsidiaries in the PRC.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25%, except for those subsidiaries described below. The under-provision of EIT for both periods arose mainly as a result of completion of tax clearance procedures by certain PRC subsidiaries with the respective tax authorities.

Certain subsidiaries operating in the PRC have been accredited as a “High and New Technology Enterprise” for a term of three years, and have been registered with the local tax authorities for enjoying the reduced 15% EIT rate. Accordingly, the profits derived by these subsidiaries are subject to 15% EIT rate. The qualification as a High and New Technology Enterprise will be subject to annual review by the relevant tax authorities in the PRC.

Federal and state income tax rates in the USA are calculated at 21% and 8.84%, respectively, for both periods. No provision for federal and state income tax in the USA has been made for as the Group did not have estimated assessable profits arising in the USA for both periods.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. No provision for Hong Kong Profits Tax has been made for as the Group did not have estimated assessable profits arising in Hong Kong for both periods.

The Group’s subsidiaries, associates and joint ventures that are tax residents in the PRC are subject to the PRC dividend withholding tax of 5% or 10% for those non-PRC resident immediate holding companies registered in Hong Kong and the British Virgin Islands, respectively, when and if undistributed earnings are declared to be paid as dividends out of profits that arose on or after 1 January 2008. Net deferred tax credit of approximately RMB82,775,000 (six months ended 30 June 2025: RMB61,663,000) in respect of withholding tax on undistributed profits was credited to profit or loss during the reporting period.

11. DIVIDENDS

The board of directors of the Company (the “Board”) did not recommend an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB Nil).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

12. LOSS PER SHARE

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

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	(2,081,347)	(1,776,108)
Less: Effect of gain on fair value change of convertible bonds	(34,183)	—
Loss for the period attributable to owners of the Company for the purpose of calculation of diluted loss per share	(2,115,530)	(1,776,108)

	Six months ended 30 June	
	2026 '000 (Unaudited)	2025 '000 (Unaudited)
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	33,216,470	26,920,819
Effect of shares held by the Group under the Scheme (as defined in note 27(II))	(514,679)	(498,270)
Effect of placement of ordinary shares	—	1,542,762
Effect of treasury shares	(40,661)	—
Weighted average number of ordinary shares at 30 June	32,661,130	27,965,311

	Six months ended 30 June	
	2026 '000 (Unaudited)	2025 '000 (Unaudited)
Weighted average number of shares (diluted)		
Weighted average number of ordinary shares for the purpose of basic loss per share	32,661,130	27,965,311
Effect of conversion of convertible bonds	291,276	—
Weighted average number of ordinary shares for the purpose of calculation of diluted loss per share	32,952,406	27,965,311

12. LOSS PER SHARE (Continued)

For the six months ended 30 June 2026 and 2025, the weighted average number of ordinary shares for the purpose of calculation of basic loss per share had been adjusted for (i) the effect of the ordinary shares held by the trustee pursuant to the share award scheme, (ii) the effect of the 727,388,000 treasury shares purchased by the Group from market and (iii) the effect of the placement of ordinary shares.

Diluted loss per share for the six months ended 30 June 2026 is calculated by adjusting (i) the loss attributable to owners of the Company for gain on fair value change of convertible bonds and (ii) the weighted average number of ordinary shares for shares that would have been issued assuming the conversion of the convertible bonds.

The calculation of diluted loss per share for the six months ended 30 June 2026 and 2025 did not assume the exercise of share options and award shares granted by the Company nor the share options, award shares and written put options granted by the associates, since the exercise prices were higher than the average market price of shares, their exercise would result in a decrease in the loss per share or had an insignificant effect on the calculation of the Group's diluted loss per share.

Subsequent to 30 June 2026 and up to the date of approval of these condensed consolidated interim financial statements, the Company repurchased additional 331,000,000 ordinary shares. These repurchases were completed after the reporting period and accordingly have not been reflected in the weighted average number of ordinary shares used in calculating the basic and diluted loss per share for the six months ended 30 June 2026.

13. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment of approximately RMB955 million (six months ended 30 June 2025: RMB654 million) which were mainly for the production facilities of cathode material business and improvement and construction of production facilities to enhance the wafer and polysilicon production efficiency.

During the reporting period, the Group entered into several new lease agreements with lease terms ranging from 1 to 50 years (six months ended 30 June 2025: 1 to 5 years). On lease commencement, the Group recognised right-of-use assets of approximately RMB179 million (six months ended 30 June 2025: RMB33 million) and lease liabilities of approximately RMB35 million (six months ended 30 June 2025: RMB33 million).

During the six months ended 30 June 2026, as a result of significant drop in average selling prices of polysilicon and wafer, the Board reviewed the recoverable amounts of property, plant and equipment and right-of-use assets with reference to the valuation report of an independent valuer based on the higher of the value-in-use calculation and the fair value less cost of disposal. In the opinion of the Board, the recoverable amounts of certain property, plant and equipment and right-of-use assets in relation to the production of polysilicon and wafer was lower than the carrying amount. As a result, an impairment loss of approximately RMB171,866,000 has been recognised for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

14. INTERESTS IN ASSOCIATES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Cost of investments in associates	3,805,618	3,810,118
Share of post-acquisition profits and losses and OCI, net of dividends received	(893,190)	(608,499)
Perpetual notes classified as financial assets at fair value through other comprehensive income	29,778	44,953
	2,942,206	3,246,572

(a) During the six months ended 30 June 2026, Kunshan GCL Optoelectronic Co., Ltd.* (“Kunshan GCL”) (昆山協鑫光電股份有限公司, formerly known as 昆山協鑫光電材料有限公司) allotted the shares at a consideration of RMB49,910,000 under the share award scheme. The Group’s shareholding in Kunshan GCL then decreased from 42.11% to 39.75%. A loss of approximately RMB77,285,000 arising from the deemed partial disposal has been recognised in the profit and loss.

(b) In April 2026, Dynasty Digital Holdings Limited (“Dynasty Digital”) (formerly known as GCL New Energy Holdings Limited) completed a placing of an aggregate of 127,000,000 shares at HK\$1.05 per share, raising net proceeds of HK\$131 million. In May 2026, Dynasty Digital allotted 91,740,000 shares to a subscriber at consideration of a subscription price of HK\$1.05 per share in accordance with the subscription and investment agreement entered between Dynasty Digital and a subscriber during the reporting period. After completion of the shares placement and subscription, the Group’s interest in Dynasty Digital decreased from 5.59% to 4.9%. A gain on deemed partial disposal of RMB4,437,000 was recognised in the profit or loss.

During the six months ended 30 June 2025, Dynasty Digital allotted and issued 153,400,000 shares at HK\$0.45 per share for its acquisition of a business. After the completion of issuance of shares, the Group’s interest in Dynasty Digital decreased from 6.2% to 5.59%. A loss on deemed partial disposal of RMB6,360,000 was recognised in the profit or loss.

(c) During the six months ended 30 June 2025, the Group lost control but retained significant influence over Taicang Qianyu Solar Technology Co. Ltd.* (太倉騫源光伏科技有限公司) (“Taicang Qianyu”). Accordingly, Taicang Qianyu is classified as an associate of the Group. For details, please refer to note 32.

* English name for identification only

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

15. INTERESTS IN JOINT VENTURES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Cost of unlisted investments in joint ventures	323,156	323,156
Share of post-acquisition loss and OCI, net of dividends received	(216,548)	(201,103)
	106,608	122,053

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Listed equity investments		
— Lithium Argentina AG and Lithium America Corp. (note i)	18,899	16,017
Unlisted equity investment		
— 蕊鑫融資租賃有限公司	422,496	422,496
— Zhonghuan Advanced Semiconductor Technology Co., Ltd. ("Zhonghuan Advanced") (note ii)	1,626,628	2,478,779
	2,068,023	2,917,292

Note:

The investments in equity instruments are not held for trading purpose but are maintained for long-term strategic purpose. The Board has elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

- (i) The shares of Lithium Argentina AG and Lithium America Corp. are listed on both the New York Stock Exchange and Toronto Stock Exchange.
- (ii) As at 30 June 2026, the fair value of Zhonghuan Advanced was primarily with reference to the valuation level derived from Zhonghuan Advanced's capital increase transaction for introducing a strategic investor, Guotou Jixin (Beijing) Equity Investment Fund (Limited Partnership) (國投集新(北京)股權投資基金(有限合夥)) (hold by National Integrated Circuit Industry Investment Fund Phase III Co., Ltd. (國家集成電路產業投資基金三期股份有限公司)) and another market transaction.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Non-current assets		
Unlisted investments (note a)	140,850	148,157
Unlisted equity investments (note b)	938,418	636,897
Unlisted fund investments (note c)	597,326	481,544
Unlisted financial product investments (note d)	—	32,775
Convertible bond investment (note e)	286,691	286,691
	1,963,285	1,586,064
Current assets		
Unlisted financial product investments (note d)	705,640	1,074,482
	2,668,925	2,660,546

Notes:

- (a) The Group invested in the form of interests as limited partners in certain private entities, which held a portfolio of unlisted investments. The primary objective of the investments is to earn income and for capital gain. Pursuant to investment agreements, the beneficial interests held by the Group in these unlisted investments are in the form of participating shares or interests which primarily provide the Group with the share of returns from the unlisted investments but not any decision making power nor any voting right to involve in and control the daily operation. The unlisted investments are mainly made up of private entities incorporated in the PRC and liquid financial assets.
- (b) The unlisted equity investments mainly represents the investments in unlisted equity instruments issued by private entities established in the PRC and Hong Kong Special Administrative Region.
- (c) The unlisted fund investments represents the investments in non-voting redeemable shares of private funds.
- (d) The unlisted financial product investments represent the financial products issued by financial institutions and banks in the PRC and Hong Kong Special Administrative Region. The Board considers the fair values of the unlisted investments, which are based on the prices provided by the financial institutions and banks, that are the prices the Group would pay to redeem the financial products at the end of the reporting period, approximate to their carrying value.
- (e) The Group invested in the unsecured convertible bonds issued by 安陽市中豫錦明硅業有限公司 (“中豫錦明”), a private entity established in the PRC at a face value of RMB283,000,000. 中豫錦明 is principally engaged in metal silicon powder processing. The convertible bonds shall be for a term of two years, bearing interest at the PRC one-year LPR per annum with the conversion price at RMB14. The Group can exercise the conversion at the maturity date.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

18. DEPOSITS AND OTHER RECEIVABLES/TRADE AND OTHER RECEIVABLES

(a) Deposits and other receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Deposits for acquisitions of property, plant and equipment	348,105	162,586
Dividend receivable from a former associate (note i)	2,278,841	2,278,841
Consideration receivables		
— Disposal of an associate (note ii)	1,404,871	1,377,589
— Disposal of subsidiaries	19,944	19,944
Loan to a third party (note iii)	1,200,000	1,200,000
Other receivable (note iv)	—	447,940
	5,251,761	5,486,900
Less: allowance for expected credit loss	(1,712,906)	(1,516,779)
	3,538,855	3,970,121

Notes:

(i) Dividend receivable from a former associate

On 29 December 2023, Xinjiang Goens Energy Technology Co., Limited* ("Xinjiang Goens"), a former associate approved a dividend distribution totalling RMB4,473,334,000 to Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd., an indirect wholly-owned subsidiary of the Company, in conjunction with a reduction of registered capital. The dividend distribution is structured into two tranches. The first tranche of RMB1,993,765,000 should have been settled within five business days following the completion of the capital reduction, issuance of an updated business license by Xinjiang Goens, and fulfillment of all conditions related to the payment of consideration under the capital reduction. The second tranche of RMB2,479,569,000 shall be settled within four years upon completion of the capital reduction. During the year ended 31 December 2024, Xinjiang Goens paid RMB1,089,765,000 for the first tranche dividend receivable. As at 30 June 2026 and 31 December 2025, the carrying amount of RMB2,278,841,000 represents the present value of second tranche dividend receivable under non-current assets. The amount of RMB904,000,000 is the outstanding balance of first tranche dividend receivable under current assets as at 30 June 2026 and 31 December 2025. During the six months ended 30 June 2026, no imputed interest income (six months ended 30 June 2025: RMB37,811,000) has been recognised in the profit or loss. As the remaining balance of the first tranche dividend receivable is overdue and in default, the management assessed its recoverability and recognised a total allowance for expected credit loss of RMB262,192,000 (six months ended 30 June 2025: RMB173,017,000) on both tranches during the six months ended 30 June 2026.

As at 30 June 2026, the Group recognised a total expected credit loss of RMB1,946,387,000 on the entire dividend receivable (31 December 2025: RMB1,684,195,000).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

18. DEPOSITS AND OTHER RECEIVABLES/TRADE AND OTHER RECEIVABLES (Continued)

(a) Deposits and other receivables (Continued)

Notes: (Continued)

(ii) Consideration receivables from disposal of an associate

As at 30 June 2026, the carrying amount of RMB1,404,871,000 (31 December 2025: RMB1,377,589,000) represented the present value of remaining balance of consideration receivable of RMB1,490,000,000 from the disposal of an associate, namely Xuzhou Zhongping GCL Industrial Upgrading Equity Investment LLP* (徐州中平協鑫產業升級股權投資基金(有限合夥)) ("Xuzhou Fund") during the year ended 31 December 2024 which shall be settled within three years following the completion of the industrial and commercial change registration. The outstanding amount is secured by collaterals comprising a 40.27% interest in Xuzhou Fund and a 99.99% equity interest in 蘇州合輝創能科技發展有限公司. During the six months ended 30 June 2026, an imputed interest income of RMB27,282,000 (six months ended 30 June 2025: RMB26,232,000) has been recognised in the profit or loss.

Management determined that credit risk had increased significantly since initial recognition, primarily driven by the deterioration in industry conditions in the PRC. Consequently, management assessed its recoverability and recognised an expected credit loss of RMB302,715,000 at 31 December 2025 and a further impairment loss of RMB8,403,000 was recognised during the six months ended 30 June 2026.

(iii) Loan to a third party

In November 2025, the Group granted a loan to a third party established in the PRC. Pursuant to the loan agreement, the Group lent a loan of RMB1.2 billion. The loan is guaranteed by the borrower's holding company, which is a state-owned enterprise in the PRC, bears interest at a rate of 5% per annum, and has a contractual maturity of two years. Management assessed that there has been no significant increase in credit risk since initial recognition. Taking into account the guarantee provided by the borrower's holding company, the credit risk of the loan is considered low.

(iv) Other receivable

The Group entered into a contractual agreement with a third-party entity to advance a sum of RMB447,940,000 for the construction of a power plant which to be owned by that third-party entity. Upon completion of the power plant, it will supply electricity to the Group and the advanced amount will be used to offset against future electricity fees payable to the power plant operator.

During the six months ended 30 June 2026, the Group entered into a termination agreement with the entity, and the advance of RMB447,940,000 was refunded to the Group in full.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

18. DEPOSITS AND OTHER RECEIVABLES/TRADE AND OTHER RECEIVABLES (Continued)

(b) Trade and other receivables

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade and bills receivables (note (i))		
— Bills receivable	5,417,366	8,655,711
— Trade receivables	1,519,121	1,686,500
Less: allowance for expected credit loss	(471,356)	(471,454)
	1,047,765	1,215,046
	6,465,131	9,870,757
Deposits, other receivables and prepayments:		
— Refundable value-added tax	580,529	631,537
— Prepayments	1,192,945	1,053,997
— Short-term loans to third parties (note (ii))	353,515	207,781
— Note receivables (note (iii))	163,031	163,031
— Dividend receivable from a former associate (note 18(a)(i))	904,000	904,000
— Deposits in the Trustee	83,845	81,992
— Other deposits	240,227	240,216
— Others	462,875	352,117
	3,980,967	3,634,671
Less: allowance for expected credit loss	(916,635)	(815,227)
	3,064,332	2,819,444
	9,529,463	12,690,201

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

18. DEPOSITS AND OTHER RECEIVABLES/TRADE AND OTHER RECEIVABLES (Continued)

(b) Trade and other receivables (Continued)

Notes:

(i) Trade and bills receivables

The Group allows a credit period of approximately one month from the invoice to solar material customers and may further extend it for 3 to 6 months for settlement through bills issued by banks and financial institutions obtained from these customers.

For sales of electricity, the Group generally grants credit period of approximately one week and one month to overseas customers and power grid companies in the PRC, respectively, from the date of invoice in accordance with the relevant electricity sales contracts between the Group and the respective customers.

The following is an aging analysis of trade receivables, net of allowance for expected credit losses, presented based on the invoice date at the end of the reporting period.

	Solar farm business		Solar material business		Total	
	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Unbilled (Note)	210,553	202,032	—	—	210,553	202,032
Within 3 months	7,199	3,950	350,652	528,687	357,851	532,637
3 to 6 months	—	—	90,845	97,905	90,845	97,905
Over 6 months	—	—	388,516	382,472	388,516	382,472
	217,752	205,982	830,013	1,009,064	1,047,765	1,215,046

Note: Amount represents unbilled basic receivables for solar power plants operated by the Group, and tariff receivables of those solar power plants already registered in the Renewable Energy Tariff Subsidy List announced by the state-owned grid companies.

As at 30 June 2026, trade receivables included bills receivable amounting to approximately RMB5,417,366,000 (31 December 2025: RMB8,655,711,000) were held by the Group for future settlement of trade receivables, of which certain bills were further discounted/endorsed by Group. The Group continued to recognise their full carrying amount at the end of the reporting periods. All bills receivable by the Group are with a maturity period of less than one year.

The Directors closely monitor the credit quality of trade and bills receivables and considered the trade and bills receivables, which are of a good credit quality in view of the good historical repayment record.

As at 30 June 2026, included in these trade receivables were debtors with aggregate carrying amount of RMB660,905,000 (31 December 2025: RMB706,187,000) which was past due as at the end of the reporting date. These trade receivables related to a number of customers for whom there was no recent history of default.

The Group did not hold any collaterals over all balances.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

18. DEPOSITS AND OTHER RECEIVABLES/TRADE AND OTHER RECEIVABLES (Continued)

(b) Trade and other receivables (Continued)

Notes: (Continued)

(ii) Short term loans to third parties

	Note	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Loan A	a	80,000	80,000
Loan B	b	86,855	90,877
Loan C	c	70,459	—
Other loans	d	116,201	36,904
		353,515	207,781

a The Group and a government-related entity entered into a loan agreement pursuant to which the Group lent a short-term loan of RMB80,000,000. The loan is non-trade in nature, unsecured, bears interest at the PRC LPR per annum, and was originally repayable on 12 September 2025. The Group subsequently entered into a loan extension agreement with such government-related entity to extend the repayment date to 31 December 2026, with all other terms remaining unchanged.

b The Group and a third party entered into a loan agreement pursuant to which the Group lent a short-term loan of HK\$100,000,000 (approximately RMB86,855,000 (2025: approximately RMB90,877,000)). The loan is non-trade in nature, unsecured, bears interest at 6.5% per annum, and was originally repayable on 17 March 2026. Upon receipt of the agreed interest, the Group subsequently entered into a loan extension agreement with such third party to extend the repayment date to 17 September 2026, with all other terms remaining unchanged.

c In June 2026, the Group and a third party entered into a loan agreement pursuant to which the Group lent a short-term loan of HK\$81,000,000 (approximately RMB70,459,000). The loan is non-trade in nature, secured, bears interest at 9% per annum and was originally repayable on 29 June 2027.

d The Group and certain third parties entered into loan agreements pursuant to which the Group lent certain short-term loans with principal amounts ranged from HK\$10,000,000 to HK\$60,000,000 (approximately ranged from RMB8,690,000 to RMB52,140,000). The loans are non-trade in nature, unsecured, bear interest at a range of 8%-10% per annum. The repayment terms for these loans are within one year, calculated from the date of loans to be granted or renewed.

(iii) Note receivables

The amount represents the notes issued by a borrower. The amount is non-trade in nature, unsecured, bearing interest at 8% per annum, and to be matured within one year from the dates of subscription. In 2025, the note issuer encountered financial difficulties. Management assessed that the amount was not recoverable and a full impairment has been recognised as at 30 June 2026 and 31 December 2025.

* English name for identification only

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

19. INVENTORIES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Raw materials	602,254	688,126
Work in progress/Semi-finished goods	590,605	406,653
Finished goods	468,781	802,100
	1,661,640	1,896,879

During the six months ended 30 June 2026, cost of inventories of approximately RMB6,159,106,000 (six months ended 30 June 2025: RMB6,382,361,000) recognised as cost of sales including write-down of inventories, net, of approximately RMB39,506,000 because the cost of certain inventories were higher than their net realisable values as a result of significant drop in average selling prices of polysilicon and wafer (six months ended 30 June 2025: RMB468,848,000).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

20. AMOUNTS DUE FROM RELATED COMPANIES

	As at 30 June 2026			As at 31 December 2025		
	Trade related RMB'000 (Unaudited) (Note a)	Non-trade related RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Trade related RMB'000 (Audited) (Note a)	Non-trade related RMB'000 (Audited)	Total RMB'000 (Audited)
Amounts due from companies controlled by Mr. Zhu and his family (Note b)						
	91,127	38,546	129,673	70,237	41,829	112,066
Less: allowance for expected credit losses	(30,367)	—	(30,367)	(27,374)	—	(27,374)
	60,760	38,546	99,306	42,863	41,829	84,692
Amounts due from associates (Note c)						
	127,657	543,046	670,703	146,910	537,566	684,476
Less: allowance for expected credit losses	(79,171)	(8,609)	(87,780)	(81,320)	(8,609)	(89,929)
	48,486	534,437	582,923	65,590	528,957	594,547
Amounts due from joint ventures (Note d)						
	1	—	1	25	—	25
Amounts due from non-controlling shareholders (Note d)						
	190	—	190	112	—	112
	109,437	572,983	682,420	108,590	570,786	679,376

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

20. AMOUNTS DUE FROM RELATED COMPANIES (Continued)

Notes:

- (a) The trade related balances with the related companies are unsecured, non-interest-bearing and with a normal credit period of 30 days (2025: 30 days).

The aging analysis of trade related balances due from companies controlled by Mr. Zhu and his family, associates and joint ventures and other related parties, net of allowance for expected credit losses, at the end of the reporting period, presented based on the invoice date which approximated the respective revenue recognition dates is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 3 months	19,048	11,454
3 to 6 months	13,561	12,390
More than 6 months	76,828	84,746
	109,437	108,590

- (b) The amounts of non-trade balances due from companies controlled by Mr. Zhu and his family including a loan receivable of RMB32,136,000 (2025: RMB33,419,000), which is secured by a personal guarantee provided by Mr. Zhu, bearing a fixed interest rate of 9% per annum and repayable on 26 November 2026. The remaining balances are unsecured, non-interest-bearing and without fixed terms of repayment.
- (c) The non-trade related balances due from associates include a consideration receivable of RMB528,400,000 (31 December 2025: RMB528,400,000) from the partial disposal of an associate, namely Inner Mongolia Zhonghuan Crystal in the prior year. The amount would be settled by the buyer upon the Group's full contribution of the agreed capital to the associate. The remaining balance of RMB14,646,000 (31 December 2025: RMB9,166,000) is unsecured, non-interest-bearing and without fixed terms of repayment.
- (d) The non-trade related balances due from joint ventures and non-controlling shareholders of a subsidiary are unsecured, interest free and without fixed terms of repayment.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

21. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables (Note)	3,375,996	4,830,488
Construction payables (Note)	4,297,768	4,688,140
Other payables	326,112	342,613
Salaries and bonus payable	324,163	524,095
Other tax payables	71,385	125,589
Interest payables	9,166	9,352
Accruals	496,282	426,606
	8,900,872	10,946,883

Note:

As at 30 June 2026, the Group's trade and construction payables included bills payable of RMB1,611,321,000 and RMB345,525,000, respectively (31 December 2025: RMB2,699,729,000 and RMB95,537,000 respectively). The Group endorsed certain bills to creditors with full recourse.

The credit period for trade payables is within 3 to 6 months (31 December 2025: 3 to 6 months).

The following is an aging analysis of trade payables (excluding bills presented by the Group for settlement) presented based on the invoice date at the end of the reporting period:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 3 months	934,581	1,194,456
3 to 6 months	661,451	809,321
More than 6 months	168,643	126,982
	1,764,675	2,130,759

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

22. AMOUNTS DUE TO RELATED COMPANIES

	As at 30 June 2026			As at 31 December 2025		
	Trade related RMB'000 (Unaudited) (Note a)	Non-trade related RMB'000 (Unaudited)	Total RMB'000 (Unaudited)	Trade related RMB'000 (Audited) (Note a)	Non-trade related RMB'000 (Audited)	Total RMB'000 (Audited)
Amounts due to companies controlled by Mr. Zhu and his family (Note b)	17,615	3,783	21,398	10,762	5,702	16,464
Amounts due to associates (Note c)	176,928	275	177,203	205,879	11,981	217,860
Amounts due to non-controlling shareholders (Note c)	11,304	2,000	13,304	17,865	—	17,865
	205,847	6,058	211,905	234,506	17,683	252,189

Notes:

- (a) The trade related balances are unsecured, non-interest-bearing and with a normal credit period of 30 days (2025: 30 days). The following is an aging analysis of the trade related balances due to companies controlled by Mr. Zhu and his family, associates and non-controlling shareholders at the end of the reporting period, presented based on the invoice date:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 3 months	9,944	142,596
3 to 6 months	5,313	3,024
More than 6 months	190,590	88,886
	205,847	234,506

- (b) The non-trade related balances due to companies controlled by Mr. Zhu and his family are unsecured, interest free and without fixed terms of repayment.
- (c) The non-trade related balances due to associates and non-controlling shareholders of the subsidiaries of the Group are unsecured, interest free and without fixed terms of repayment.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

23. BANK AND OTHER BORROWINGS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
At amortised cost:		
Secured	8,804,385	9,895,422
Unsecured	7,940,351	8,515,191
	16,744,736	18,410,613

Included in the bank and other borrowings, there are other loans of RMB847 million (31 December 2025: RMB422 million) which represent the financing arrangements with financial institutions for leases on assets with remaining lease terms ranging from 1 year to 5 years (31 December 2025: 1 year to 5 years). Under these arrangements, legal title of the respective equipment was transferred to the financial institutions, while the Group continued to operate and manage the equipment without involvement from the financial institutions during the lease terms. The Group retains the right to repurchase the equipment at a minimal consideration upon the maturity of the respective leases. Despite the legal form of a lease, these arrangements do not constitute a sale and leaseback transaction based on their substantive nature.

During the six months ended 30 June 2026, the Group discounted certain bills arising from future settlement of trade receivable with recourse to banks for short-term financing. As at 30 June 2026, the associated borrowings amounted to approximately RMB2,990,903,000 (31 December 2025: RMB4,886,325,000)

The Group is required to comply with certain restrictive financial and other covenants and undertaking requirements. As at 30 June 2026 and 31 December 2025, none of the covenants relating to drawn down facilities had been breached.

The bank and other borrowings carry effective interest rates ranging from 2.3% to 4.4% (31 December 2025: 2.3% to 4.85%) per annum.



Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

24. CONVERTIBLE BONDS

On 7 May 2026, the Group completed the issuance of USD 148 million convertible bonds due on 5 May 2027 ("Maturity Date") and the convertible bonds are listed on Vienna MTF operated by Vienna Stock Exchange ("Convertible Bonds due 2027"). The Convertible Bonds due 2027 bear interest at the rate of 6.95% per annum.

Each Convertible Bonds due 2027 could, at the option of the holder, be convertible on or after 7 May 2026 up to the Maturity Date into fully paid ordinary shares with a par value of HKD0.1 each of the Company (the "Shares"). The number of Shares to be issued shall be determined by dividing the principal amount of the Convertible Bonds due 2027 to be converted (translated into Hong Kong dollars at the pre-determined fixed rate of HKD7.8369 = USD1.00 under the terms and conditions of the Convertible Bonds due 2027) by the conversion price in effect on the relevant conversion date. The initial conversion price is HKD1.21 (subject to adjustments).

The outstanding principal amount of the Convertible Bonds due 2027 is repayable by the Group upon the maturity of the Convertible Bonds due 2027, if not previously redeemed, converted or purchased and cancelled.

The Convertible Bonds due 2027 may be redeemed, on giving not less than 30 nor more than 60 days' notice (an optional redemption notice), in whole but not in part, at its option of the Group, at their principal amount together with interest accrued but unpaid up to the date specified in the optional redemption notice, if prior to the date the relevant optional redemption notice is given, conversion rights have been exercised and/or purchased (and corresponding cancellations) and/or redemptions effected in respect of 90% or more in aggregate principal amount of the Convertible Bonds due 2027 originally issued.

As at 30 June 2026, the total outstanding principal amount of the Convertible Bonds due 2027 was USD148 million. There had not been any exercise of conversion right of the Convertible Bonds due 2027 during the reporting period. Based on the applicable conversion price of HKD1.21 on that date and assuming full conversion of the outstanding Convertible Bonds due 2027, the Convertible Bonds due 2027 would be convertible into 958,562,976 conversion shares.

The Convertible Bonds due 2027 were recognised as financial liabilities designated upon initial recognition as at fair value through profit or loss. During the six-months ended 30 June 2026, the change in fair value of the convertible bonds that were attributable to changes in the credit risk of the convertible bonds were minimal.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

25. DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Written put options of interests in a former associate		
— Jiangsu Xinhua Semiconductor Material Technology Co., Ltd.* ("Jiangsu Xinhua") (Note a)	9,961	14,398
Written put options of interests in an associate		
— Kunshan GCL Optoelectronic Material Co., Ltd.* ("Kunshan GCL") (Note b)	71,103	120,426
	81,064	134,824

Notes:

- (a) Written put option of interest in a former associate, Jiangsu Xinhua

In April 2016, the Group entered into an investment agreement ("Investment Agreement") with an independent investor ("Partner"). Under this agreement, the Partner was granted a put option requiring the Group to repurchase its equity interest in Jiangsu Xinhua at the cost plus interest at applicable rate under the following circumstances:

- (i) If Jiangsu Xinhua fails to complete a qualified initial public offering ("IPO") within the agreed period;
- (ii) If Jiangsu Xinhua meets the listing requirements but fails to complete a qualified IPO due to external factors;
- (iii) If Jiangsu Xinhua fails to achieve the polysilicon production standards stipulated in the Investment Agreement within a specified timeframe (replaced in a late agreement, as noted below); or
- (iv) If there is a significant breach of the Investment Agreement by the Group, or actions by the Group that have a significant adverse impact on Jiangsu Xinhua, where the Group fails to remedy such breach within the required period.

A supplementary agreement executed in December 2024 extended the IPO deadline from 31 December 2023 to 31 December 2026.

The Directors recognised the put options as a derivative financial instrument initially at fair value with subsequent changes in fair value recognised in profit or loss. During the six months ended 30 June 2026, a fair value gain of approximately RMB4,437,000 (six months ended 30 June 2025: fair value loss of RMB11,597,000) was recognised in profit or loss.

Details of the inputs and assumptions adopted in the fair value measurement are described in note 29.



Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

25. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes: (Continued)

- (b) Written put options of interest in an associate, Kunshan GCL

On 16 November 2024, the Group entered into a new shareholder agreement ("2024 Kunshan Shareholder Agreement") with Kunshan GCL, certain new and existing investors of Kunshan GCL mentioned in 2024 Kunshan Shareholder Agreement, pursuant to which the certain new and existing investors agreed to subscribe for approximately RMB9 million new registered capital of Kunshan GCL at a cash consideration of RMB344 million, representing 8.41% of the enlarged registered capital of Kunshan GCL. As a result, the Group lost control over Kunshan GCL but retained significant influence. Kunshan GCL ceased to be a subsidiary of the Group and has become an associate of the Group after completion of the transaction.

New put options have been granted to certain new and existing investors of Kunshan GCL under 2024 Kunshan Shareholder Agreement alongside previously issued put options. Under the 2024 Kunshan Shareholder Agreement, the redemption price is equal to the sum of: (i) investment cost made by the new and existing investors; (ii) 8% to 10% required annual rate of return on the investment cost from the date of investment; and (iii) the share of accumulated unpaid dividends of Kunshan GCL during the investment period, under certain circumstances including:

- i) If Kunshan GCL fails to submit an application for a qualified initial public offering ("IPO") by 31 December 2028, or fails to complete an IPO at a mutually agreed stock exchange by 30 June 2029;
- ii) If there is a significant breach by Kunshan GCL on the relevant terms of the 2024 Kunshan Shareholder Agreement or actions brought by Kunshan GCL resulting in significant adverse impact to Kunshan GCL and Kunshan GCL fails to remediate such breach within the period required by the new investor;
- iii) If Kunshan GCL fails to meet operation target as set out in the previous agreements signed with the shareholders of Kunshan GCL within a specified timeframe.

During the six months ended 30 June 2026, a fair value gain on the derivative financial instrument of approximately RMB49,323,000 (six months ended 30 June 2025: fair value loss of RMB4,035,000) was recognised in profit or loss.

Details of the inputs and assumptions adopted in the fair value measurement are described in note 29.

- * English name for identification purpose only

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

26. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000	RMB'000
Ordinary shares of HK\$0.1 each, issued and fully paid			
At 1 January 2025	26,920,819	2,692,082	2,342,638
Issue of shares on placements (Note a)	6,295,651	629,565	576,619
At 31 December 2025 and 30 June 2026	33,216,470	3,321,647	2,919,257

Notes:

a. Issuance of shares:

On 3 January 2025, a placement of 1,560,000,000 new shares of the Company at a price of HK\$1.0 per share was completed. The net proceeds amounted to approximately HK\$1,530,323,000 (equivalent to approximately RMB1,416,939,000). The Company intends to apply the net proceeds for capital expenditure and general working capital purposes.

On 6 October 2025, 10 October 2025, 7 November 2025 and 19 November 2025, a placement of 4,735,651,000 new shares of the Company at a price HK\$1.15 per share was completed. The net proceeds amounted to HK\$5,393,307,000 (equivalent to approximately RMB4,921,786,000). The Company intends to utilize the net proceeds for capital expenditure, repayment of bank loans and general working capital purposes.

b. Repurchase of shares

During the six months ended 30 June 2026, 727,388,000 ordinary shares of the Company were repurchased by the Group at an aggregate consideration of approximately RMB444,225,000 which were recognised in equity as treasury shares.

All shares issued during the six months ended 30 June 2026 and the year ended 31 December 2025 rank *pari passu* in all respects with the then existing shares of the Company.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

27. SHARE-BASED PAYMENT TRANSACTIONS

(I) Equity-settled share option scheme

(i) Share option scheme of the Company

Movements of share options outstanding during the period are as follows:

30 June 2026

	Exercise price	Date of grant (Note 1)	Exercise period	Number of share options					Outstanding at 30 June 2026
				Outstanding at 1 January 2026	Granted	Lapsed or forfeited	Cancelled	Exercised	
Directors	HK\$1.160	19.2.2016	15.3.2016 to 18.2.2026	1,712,189	—	(1,712,189)	—	—	—
	HK\$1.324	29.3.2016	18.4.2016 to 28.3.2026	7,944,454	—	(7,944,454)	—	—	—
Employees and others	HK\$1.160	19.02.2016	15.03.2016 to 18.02.2026	20,689,556	—	(20,689,556)	—	—	—
	HK\$1.324	29.03.2016	18.04.2016 to 28.03.2026	3,424,378	—	(3,424,378)	—	—	—
				33,770,577	—	(33,770,577)	—	—	—

30 June 2025

	Exercise price	Date of grant (Note 1)	Exercise period	Number of share options					Outstanding at 30 June 2025
				Outstanding at 1 January 2025	Granted	Lapsed or forfeited	Cancelled	Exercised	
Directors	HK\$1.160	19.2.2016	15.3.2016 to 18.2.2026	1,712,189	—	—	—	—	1,712,189
	HK\$1.324	29.3.2016	18.4.2016 to 28.3.2026	7,944,454	—	—	—	—	7,944,454
Employees and others	HK\$1.160	19.02.2016	15.03.2016 to 18.02.2026	23,565,823	—	(1,790,907)	—	—	21,774,916
	HK\$1.324	29.03.2016	18.04.2016 to 28.03.2026	3,424,378	—	—	—	—	3,424,378
				36,646,844	—	(1,790,907)	—	—	34,855,937

Note:

- The vesting period of share options is 20% of the share options granted on the year of grant, the first, second, third and fourth anniversary of the date of grant, respectively.

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(II) Equity-settled share award scheme

Share award scheme

The Company adopted a share award scheme (the “Scheme”) on 16 January 2017 (the “Adoption Date”) for a duration of the later of (i) the 10th anniversary of the Adoption Date, and (ii) such date that all awards outstanding are fully vested, settled, lapsed, forfeited or cancelled. The purpose of the Scheme is, through the grant of the share awards to certain of the directors and employees (“Eligible Persons”) of the Group, to effectively attract, retain and incentivise core employees of the Group and align their interests and growth with the Group as a whole.

The Company has entered into a trust deed (the “Trust Deed”) with the Trustee for the purpose of facilitating the purchase, holding and sale of shares in the Group for the benefit of the Eligible Persons of the Group. The maximum number of shares that can be held by the Trustee under the Scheme is limited to 2% of the issued share capital of the Company from time to time. All the shares purchased by the Group through the Trustee on the Stock Exchange are recorded as shares held for the share award scheme in the Group’s reserves and are for the Scheme only.

The Board of the Company may, from time to time, at its absolute discretion, select any Eligible Persons to participate in the Scheme as grantees (“Award Grantees”), subject to the terms and conditions set out in the rules of the Scheme. In determining the Award Grantees, the Board shall take into consideration matters including, but without limitation, the present and expected contribution of the relevant Award Grantees to the Group. An Award Grantee may be granted an award by the Company during the award period which will vest over a period of time and on such other conditions to be determined by the Board in its absolute discretion.

Subject to the satisfaction of the vesting conditions of the award shares (the “Award Shares”), the Trustee will transfer the Award Shares to the grantees within one month from the date of vesting notice.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(II) Equity-settled share award scheme (Continued)

Share award scheme (Continued)

The vesting of the Award Shares is subject to the satisfaction of the vesting conditions including certain corporate and personal performance and other service conditions.

Under certain circumstances, all unvested Award Shares and all vested Award Shares (but not yet transferred to the grantees) shall lapse immediately, and the grantees shall also, at the request of the Company, return the equivalent cash of the difference (or part of the difference) between (i) the share price of the Company at the date of exercise of the Award Shares vested and transferred to the grantees under the rules of the Scheme and (ii) the exercise price, within a certain period of time.

The Board may from time to time while the Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the award to be vested thereunder. Details of the Scheme are set out in the announcement of the Company dated 16 January 2017. For the purpose of the Scheme, the Company purchased its own ordinary shares through the Trustee from the open market. Movements in the number of treasury shares held through the Trustee are as follows:

Month of purchase	Number of ordinary shares	Aggregate consideration paid	Equivalent aggregate consideration paid
		HK\$'000	RMB'000
At 1 January 2025	484,678,888	718,815	624,775
April 2025	30,000,000	22,325	20,582
At 31 December 2025 and 30 June 2026	514,678,888	741,140	645,357

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(II) Equity-settled share award scheme (Continued)

Share award scheme (Continued)

Movements in the number of award shares granted under the Share Award Scheme during the period and their related weighted average fair values are as follows:

Six months ended 30 June 2026

	Exercise price	Date of grant	Vesting period	Fair value per award share at the grant date	Number of Award shares					Unvested at 30 June 2026
					Unvested at 1 January 2026	Granted	Vested	Cancelled	Lapsed	
Directors	HK\$0.86	16.02.2022	16.02.2022 to 15.02.2024 (note)	HK\$1.92	1,878,000	—	—	—	—	1,878,000
			16.02.2022 to 15.02.2025 (note)	HK\$1.97	1,878,000	—	—	—	—	1,878,000
			16.02.2022 to 15.02.2026 (note)	HK\$2.00	1,878,000	—	—	—	—	1,878,000
			16.02.2022 to 15.02.2027	HK\$2.02	1,878,000	—	—	—	—	1,878,000
	HK\$0.86	06.07.2022	06.07.2022 to 05.07.2023 (note)	HK\$2.98	4,180,000	—	—	—	—	4,180,000
			06.07.2022 to 05.07.2024 (note)	HK\$3.13	4,180,000	—	—	—	—	4,180,000
			06.07.2022 to 05.07.2025 (note)	HK\$3.19	4,180,000	—	—	—	—	4,180,000
			06.07.2022 to 05.07.2026	HK\$3.23	4,180,000	—	—	—	—	4,180,000
			06.07.2022 to 05.07.2027	HK\$3.27	4,180,000	—	—	—	—	4,180,000
	HK\$0.00	24.12.2025	24.12.2025 to 23.12.2026	HK\$1.09	40,095,000	—	—	—	—	40,095,000
			24.12.2025 to 23.12.2027	HK\$1.09	40,095,000	—	—	—	—	40,095,000
			24.12.2025 to 23.12.2028	HK\$1.09	41,310,000	—	—	—	—	41,310,000
Employee and others	HK\$0.86	16.02.2022	16.02.2022 to 15.02.2024 (note)	HK\$1.92	38,752,000	—	—	—	(186,000)	38,566,000
			16.02.2022 to 15.02.2025 (note)	HK\$1.97	38,752,000	—	—	—	(186,000)	38,566,000
			16.02.2022 to 15.02.2026 (note)	HK\$2.00	38,752,000	—	—	—	(186,000)	38,566,000
			16.02.2022 to 15.02.2027	HK\$2.02	38,752,000	—	—	—	(186,000)	38,566,000
	HK\$0.86	06.07.2022	06.07.2022 to 05.07.2023 (note)	HK\$2.98	11,046,000	—	—	—	—	11,046,000
			06.07.2022 to 05.07.2024 (note)	HK\$3.13	11,046,000	—	—	—	—	11,046,000
			06.07.2022 to 05.07.2025 (note)	HK\$3.19	11,046,000	—	—	—	—	11,046,000
			06.07.2022 to 05.07.2026	HK\$3.23	11,046,000	—	—	—	—	11,046,000
			06.07.2022 to 05.07.2027	HK\$3.27	11,046,000	—	—	—	—	11,046,000
	HK\$0.86	21.07.2023	21.07.2023 to 20.07.2024 (note)	HK\$0.79	1,074,000	—	—	—	—	1,074,000
			21.07.2023 to 20.07.2025 (note)	HK\$0.94	1,074,000	—	—	—	—	1,074,000
			21.07.2023 to 20.07.2026	HK\$1.12	1,074,000	—	—	—	—	1,074,000
			21.07.2023 to 20.07.2027	HK\$1.17	1,074,000	—	—	—	—	1,074,000
	HK\$0.00	24.12.2025	24.12.2025 to 23.12.2026	HK\$1.09	49,576,853	—	—	—	—	49,576,853
			24.12.2025 to 23.12.2027	HK\$1.09	49,576,853	—	—	—	—	49,576,853
			24.12.2025 to 23.12.2028	HK\$1.09	51,079,182	—	—	—	—	51,079,182
					514,678,888	—	—	—	(744,000)	513,934,888
Exercisable at										
1 January 2026/					—					—
30 June										
2026										

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

27. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(II) Equity-settled share award scheme (Continued)

Share award scheme (Continued)

Six months ended 30 June 2025

					Number of Award shares						
	Exercise price	Date of grant	Vesting period	Fair value per award share at the grant date	Unvested at 1 January 2025	Granted	Vested	Cancelled	Lapsed	Unvested at 30 June 2025	
Directors	HK\$0.86	16.02.2022	16.02.2022 to 15.02.2024 (note)	HK\$1.92	1,878,000	—	—	—	—	1,878,000	
			16.02.2022 to 15.02.2025 (note)	HK\$1.97	1,878,000	—	—	—	—	1,878,000	
			16.02.2022 to 15.02.2026	HK\$2.00	1,878,000	—	—	—	—	1,878,000	
			16.02.2022 to 15.02.2027	HK\$2.02	1,878,000	—	—	—	—	1,878,000	
	HK\$0.86	06.07.2022	06.07.2022 to 05.07.2023 (note)	HK\$2.98	4,180,000	—	—	—	—	4,180,000	
			06.07.2022 to 05.07.2024 (note)	HK\$3.13	4,180,000	—	—	—	—	4,180,000	
			06.07.2022 to 05.07.2025 (note)	HK\$3.19	4,180,000	—	—	—	—	4,180,000	
			06.07.2022 to 05.07.2026	HK\$3.23	4,180,000	—	—	—	—	4,180,000	
		06.07.2022 to 05.07.2027	HK\$3.27	4,180,000	—	—	—	—	4,180,000		
Employee and others	HK\$0.86	16.02.2022	16.02.2022 to 15.02.2024 (note)	HK\$1.92	38,752,000	—	—	—	—	38,752,000	
			16.02.2022 to 15.02.2025 (note)	HK\$1.97	38,752,000	—	—	—	—	38,752,000	
			16.02.2022 to 15.02.2026	HK\$2.00	38,752,000	—	—	—	—	38,752,000	
			16.02.2022 to 15.02.2027	HK\$2.02	38,752,000	—	—	—	—	38,752,000	
	HK\$0.86	06.07.2022	06.07.2022 to 05.07.2023 (note)	HK\$2.98	11,046,000	—	—	—	—	11,046,000	
			06.07.2022 to 05.07.2024 (note)	HK\$3.13	11,046,000	—	—	—	—	11,046,000	
			06.07.2022 to 05.07.2025 (note)	HK\$3.19	11,046,000	—	—	—	—	11,046,000	
			06.07.2022 to 05.07.2026	HK\$3.23	11,046,000	—	—	—	—	11,046,000	
			06.07.2022 to 05.07.2027	HK\$3.27	11,046,000	—	—	—	—	11,046,000	
	HK\$0.86	21.07.2023	21.07.2023 to 20.07.2024 (note)	HK\$0.79	1,074,000	—	—	—	—	1,074,000	
			21.07.2023 to 20.07.2025 (note)	HK\$0.94	1,074,000	—	—	—	—	1,074,000	
			21.07.2023 to 20.07.2026	HK\$1.12	1,074,000	—	—	—	—	1,074,000	
			21.07.2023 to 20.07.2027	HK\$1.17	1,074,000	—	—	—	—	1,074,000	
						242,946,000	—	—	—	—	242,946,000

Note: Given the current business environment, in view of uncertainty as to whether such vesting conditions (including the company's business targets) can be achieved, the Share Award Committee recommended to the Board and the Board approved that the vesting of the Relevant Award Shares be postponed to April 2027 after the publication of the annual results of the Company for the financial year ending 31 December 2026 where upon the Board will re-evaluate and determine the revised vesting proposal of the Relevant Award Shares based on the level of achievement of the Company's business targets. In the opinion of the directors of the Company, the financial impact of the modification of terms of these Award Shares was insignificant.

The weighted average grant date fair value per unit for unvested award shares at 30 June 2026 was RMB1.39 (30 June 2025: RMB1.94).

For unvested award shares at the end of the reporting period, the exercise price was nil to HK\$0.86 (30 June 2025: HK\$0.86) per share.

During the six months ended 30 June 2026, share-based payment expenses in respect of the Award Shares of RMB96,158,000 (six months ended 30 June 2025: RMB33,576,000) have been recognised in profit or loss. The unvested award shares outstanding at 30 June 2026 had a weighted average remaining contractual life of 0.8 years (31 December 2025: 1.3 years).

28. COMMITMENTS AND CONTINGENT LIABILITIES**(i) Commitments**

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Capital commitments		
Capital expenditure in respect of acquisitions of property, plant and equipment contracted for but not provided for	899,772	1,084,717
Other commitments		
Commitment to contribute share capital to investments in associates contracted for but not provided for	269,000	269,000
Commitment to contribute share capital to investment at FVTPL contracted for but not provided for	85,903	85,903
	1,254,675	1,439,620

(ii) Contingent liabilities

From time to time, the Group may be subject to claims in the normal course of business. After a thorough assessment of the claims, the Directors with reference to the legal opinions obtained, considered that the possibility of any significant economic outflow in settling such claims is remote. Accordingly, no provision for contingent liabilities is necessary.

Except for the financial guarantee contracts provided by the Group as at 30 June 2026 and 31 December 2025 as disclosed in note 30 and a guarantee provided by the Group of approximately RMB510 million (31 December 2025: RMB510 million) to several banks and financial institution in respect of banking and other facilities of an associate, of which the loan balances were approximately RMB319 million (31 December 2025: RMB297 million), the Group had no any other material contingent liability as at 30 June 2026 and 31 December 2025.

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent they are available. Where Level 1 inputs are not available, the Group adopts valuation techniques or engages third party qualified valuers to perform the valuation of the convertible bonds, put options classified as derivative financial instruments, unlisted investments measured at FVTPL, unlisted equity investments measured at FVTPL, convertible bond investment measured at FVTPL, and the perpetual notes classified as financial assets at FVTOCI. The Board works closely with the qualified valuers to establish the appropriate valuation techniques and inputs to the model. The management of the Group reports the findings to the Board every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

The fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets/financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)				
a) Financial assets at fair value through other comprehensive income						
i) Listed equity investments	18,899	16,017	Level 1	Quoted bid price in an active market.	N/A	N/A
ii) Unlisted equity investments	422,496	422,496	Level 3	Adjusted net assets value	Net assets value	An increase in the net assets value would result in an increase in fair value, and vice versa
iii) Unlisted equity investments (note a)	1,626,628	2,478,779	Level 2 (31 December 2025: Level 3)	Market approach: Recent transaction method (31 December 2025: price to book ratio)	N/A (31 December 2025 adjusted P/B multiple: 2.4)	N/A (31 December 2025: The higher the multiple, the higher the fair value, and vice versa)
	2,068,023	2,917,292				
iv) Perpetual note included in interests in associates (note b)	29,778	44,953	Level 3	Modified discounted cash flow method, the key input is discount rate.	Discount rate 24.5% (31 December 2025: 22%)	The higher the discount rate, the lower the fair value, and vice versa
b) Financial assets at fair value through profit or loss						
i) Unlisted investments	140,850	148,157	Level 3	Adjusted net assets value	Net assets value	An increase in the net assets value would result in an increase in fair value, and vice versa
ii) Unlisted equity investments (note c)	428,754	327,233	Level 3	Adjusted net assets value	Net assets value	An increase in the net assets value would result in an increase in fair value, and vice versa
	309,664	309,664	Level 3	Income approach	Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries at 0% (31 December 2025: 0%).	The higher the long term growth rate, the higher the fair value, and vice versa
	200,000	—	Level 2	Market approach: Recent transaction price	Discount rate, taking into account of weighted average cost of capital (WACC) determined using a Capital Asset Pricing Model at 10.16% (31 December 2025: 10.16%).	The higher the discount rate, the lower the fair value, and vice versa
	938,418	636,897				
iii) Unlisted fund investment	597,326	481,544	Level 2	Quoted price from the fund manager	N/A	N/A
iv) Unlisted financial product investments	690,640	688,837	Level 2	Quoted price from third party financial institutions and determined with reference to the fair value of underlying investments which mainly composed of listed shares and bonds.	N/A	N/A
	15,000	418,420	Level 2	Quoted price from third party financial institutions	N/A	N/A
	705,640	1,107,257				

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets/financial liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)				
v) Convertible bond investment measured at FVTPL (note d)	286,691	286,691	Level 3	Binomial Option Pricing Model	Expected volatility of 48.93% (31 December 2025: 48.93%) Risk free rate 1.4% (31 December 2025: 1.4%) Probability to exercise of 30% (31 December 2025: 30%)	The higher the expected volatility, the higher the fair value, and vice versa The higher the risk free rate, the lower the fair value, and vice versa The higher the probability to exercise, the higher the fair value, and vice versa
c) Held for trading investments						
i) Listed equity securities	692	678	Level 1	Quoted bid price in an active market	N/A	N/A
d) Derivative financial instruments						
i) Put option of interest in a former associate (note e)	9,961	14,398	Level 3	Binomial Option Pricing Model	Expected volatility of 44.22% - 55.51% (31 December 2025: 44.43% - 45.85%) Risk free rate 1.13% - 1.23% (31 December 2025: 1.40% to 1.43%) Probability to exercise of 50% (31 December 2025: 50%)	The higher the expected volatility, the higher the fair value, and vice versa The higher the risk free rate, the lower the fair value, and vice versa The higher the probability to exercise, the higher the fair value, and vice versa
ii) Put option of interest in an associate (note f)	71,103	120,426	Level 3	Binomial Option Pricing Model	Expected volatility of 49.79% - 50.32% (31 December 2025: 49.21% - 50.28%) Risk free rate 1.51% - 1.56% (31 December 2025: 1.67% to 1.71%) Probability to exercise of 40% (31 December 2025: 40%)	The higher the expected volatility, the higher the fair value, and vice versa The higher the risk free rate, the lower the fair value, and vice versa The higher the probability to exercise, the higher the fair value, and vice versa
	81,064	134,824				
e) Convertible bonds (note g)	972,424	—	Level 3	Binomial Option Pricing Model	Expected volatility of 39% (31 December 2025: N/A) Risk free rate 2.72% (31 December 2025: N/A)	The higher the expected volatility, the higher the fair value, vice versa The higher the risk free rate, the lower the fair value, vice versa

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Notes:

- (a) The fair value of the unlisted equity investment was determined with reference to the recent transaction price and therefore classified as Level 2 investment as at 30 June 2026. As at 31 December 2025, the fair value of the unlisted investment was determined based on significant unobservable inputs and involved significant judgement made by the management. Thus, the instrument was transferred from Level 3 to Level 2 category. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.
- (b) If the discount rate used was multiplied by 10% higher/lower while all the other variables were held constant, the fair value of the perpetual note at FVTOCI would decrease by approximately RMB9,276,000/increase by approximately RMB14,261,000 for the six months ended 30 June 2026.
- (c) For the unlisted equity investment under income approach, if the discount rate was 5% higher/lower while all other variables were held constant, the fair value of the unlisted equity investment would decrease by approximately RMB8,552,000/increase by approximately RMB9,441,000.
- (d) If the expected volatility of the underlying shares was 5% higher/lower while all the other variables were held constant, the fair value of the convertible bond investments at FVTPL would increase by approximately RMB83,000/decrease by approximately RMB83,000. If the risk free rate used was multiplied by 5% higher/lower while all the other variables were held constant, the fair value of the convertible bond investments at FVTPL would decrease by approximately RMB78,000/increase by approximately RMB9,194,000. If the probability used was 10% higher/lower while all the other variable were held constant, the fair value of the convertible bond investments at FVTPL would increase by approximately RMB1,276,000/decrease approximately RMB1,276,000.
- (e) If the expected volatility of the underlying shares was 5% higher/lower while all the other variables were held constant, the fair value of the derivative financial instruments would increase by approximately RMB3,202,000/decrease by approximately RMB3,129,000 for the six months ended 30 June 2026. If the risk free rate used was multiplied by 5% higher/lower while all the other variables were held constant, the fair value of the derivative financial instruments would decrease by approximately RMB19,000/increase by approximately RMB19,000 for the six months ended 30 June 2026. If the probability used was 30% higher/10% lower while all the other variables were held constant, the fair value of the derivative financial instruments would increase by approximately RMB5,976,000/decrease by approximately RMB1,992,000 for the six months ended 30 June 2026.
- (f) If the expected volatility of the underlying shares was 5% higher/lower while all the other variables were held constant, the fair value of the derivative financial instruments would increase by approximately RMB5,497,000/decrease by approximately RMB5,661,000 for the six months ended 30 June 2026. If the risk free rate used was multiplied by 5% higher/lower while all the other variables were held constant, the fair value of the derivative financial instruments would decrease by approximately RMB497,000/increase by approximately RMB501,000 for the six months ended 30 June 2026. If the probability used was 30% higher/10% lower while all the other variables were held constant, the fair value of the derivative financial instruments would increase by approximately RMB59,143,000/decrease by approximately RMB21,106,000 for the six months ended 30 June 2026.
- (g) If the expected volatility of the underlying shares was 5% higher/lower while all the other variables were held constant, the loss on change in fair value of the convertible bonds would increase by approximately RMB5,623,000/decrease by approximately RMB5,122,000 for the six months ended 30 June 2026. If the risk free rate used was multiplied by 5% higher/lower while all the other variables were held constant, the loss on change in fair value of the convertible bonds would decrease by approximately RMB859,000/increase by approximately RMB861,000 for the six months ended 30 June 2026.

During the six months ended 30 June 2026, there are investments transferred between Level 2 and Level 3 categories and the transfers are primarily attributable to changes in observability of valuation inputs (e.g. availability of recent transaction price) in valuing these investments. Transfers between levels of the fair value hierarchy are deemed to occur at the end of each reporting period.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements

30 June 2026

	Financial liabilities			Financial assets				
	Put options classified as derivative financial instruments	Convertible bonds	Total	Unlisted investments/ equity instruments measured at FVTPL	Convertible bond investment measured at FVTPL	Unlisted equity instruments measured at FVTOCI	Perpetual note classified as financial assets at FVTOCI (included in interests in associates)	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
As at 1 January 2026	(134,824)	—	(134,824)	785,054	286,691	2,901,275	44,953	4,017,973
Initial recognition	—	(1,006,607)	(1,006,607)	100,000	—	—	—	100,000
Gain (loss) in profit or loss	53,760	34,183	87,943	1,351	—	—	—	1,351
Gain/(loss) in other comprehensive income	—	—	—	—	—	(852,151)	(15,175)	(867,326)
Transfer	—	—	—	—	—	(1,626,628)	—	(1,626,628)
Derecognition	—	—	—	(7,137)	—	—	—	(7,137)
As at 30 June 2026	(81,064)	(972,424)	(1,053,488)	879,268	286,691	422,496	29,778	1,618,233

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

29. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

30 June 2025

	Financial liabilities		Financial assets			
	Put options classified as derivative financial instruments RMB'000 (Unaudited)	Unlisted investments/ equity instruments measured at FVTPL RMB'000 (Unaudited)	Convertible bond investment measured at FVTPL RMB'000 (Unaudited)	Unlisted equity instruments measured at FVTOCI RMB'000 (Unaudited)	Perpetual note classified as financial assets at FVTOCI (included in interests in associates) RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
As at 1 January 2025	(136,565)	946,869	—	436,000	359,058	1,741,927
Initial recognition	—	—	283,000	—	—	283,000
Gain (loss) in profit or loss	(15,632)	(63,052)	1,157	—	—	(61,895)
Loss in other comprehensive income	—	—	—	—	(71,412)	(71,412)
As at 30 June 2025	(152,197)	883,817	284,157	436,000	287,646	1,891,620

The Board considers that the carrying amounts of financial assets and financial liabilities and the associated interest receivables and interest payables recorded at amortised cost in the unaudited condensed interim consolidated financial statements approximate their fair values.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

30. PLEDGE OF OR RESTRICTIONS ON ASSETS

Pledge of assets

At the end of the reporting period, the Group has pledged the following assets to secure credit facilities of the Group:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Bank and other borrowings secured by:		
Pledged and restricted bank deposits	1,972,032	2,519,785
Right-of-use assets	406,112	268,068
Investment properties	282,682	296,524
Property, plant and equipment	7,868,299	7,439,520
Trade receivables and other receivables	3,023,460	4,915,452
Total	13,552,585	15,439,349

Certain subsidiaries have pledged their rights to collect fees from the sales of electricity. As at 30 June 2026, the trade receivables associated with these pledged fee collection rights amounted to approximately RMB32,557,000 (31 December 2025: RMB29,127,000).

In addition to the pledged assets above, there are restricted bank deposits of approximately RMB2,187,449,000 (31 December 2025: RMB1,981,417,000) and trade receivables of approximately RMB66,100,000 (31 December 2025: RMB136,085,000) which have been pledged to secure the issuance of bills and short-term letters of credit for trade and other payables.

Restriction on assets

In addition, lease liabilities of approximately RMB93,910,000 (31 December 2025: RMB93,045,000) were recognised against related right-of-use assets of approximately RMB89,662,000 (31 December 2025: RMB88,584,000) as at 30 June 2026. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessors. Leased assets may not be used as security for borrowing purposes.

Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

31. MATERIAL RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in the unaudited condensed consolidated interim financial statements, the Group has also entered into the following material transactions with related parties during the reporting period:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Transactions with companies in which Mr. Zhu Gongshan and his family have control:		
Sales of wafer	46,459	42,331
Rental income	14,384	14,882
Electricity fee income	2,339	2,046
Management fee income	2,451	2,853
Utilities fees income	—	132
Service fee income	2,541	—
Rental expenses	(3,357)	(5,119)
Service fee expense	(7,509)	(1,947)
Purchase of coal	(11,103)	(14,735)
Electricity expense	(1,177)	(902)
Purchase of other raw materials	(8,409)	(18)
Purchase of water	—	(4)
Interest expense	(81)	(80)
Transactions with joint ventures and associates:		
Sales of raw materials	1,280	13,158
Rental income	566	5,525
Management fee and related utility service fee income	2,091	55,500
Service fee income	500	6,916
Sales of wafer	125	6,871
Guarantee fee income	1,502	300
Processing fee income	—	2,123
Purchase of silicon rods	—	(114,384)
Purchase of polysilicon and other raw materials	(1,151)	(405)
Purchase of industrial silicon powder	(56,956)	(17,897)
Acquisition of property, plant and equipment	(4,290)	(13)
Service fee expenses	(3,362)	(3,293)
Fund management fee expenses	(4,717)	(4,718)
Transactions with other related parties:		
Sales of polysilicon	725,419	1,117,740
Purchase of steam	(891)	(1,518)
Guarantee fee expense	(1,953)	(2,309)



Notes to the Condensed Consolidated Interim Financial Statements (CONTINUED)

For the six months ended 30 June 2026

31. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

As at 30 June 2026 and as at 31 December 2025, the Group provided a total guarantee with maximum amount of approximately RMB510 million to several banks and financial institutions in respect of banking and other facilities of an associate, of which the loan balances were approximately RMB319 million as at June 2026 (As at 31 December 2025: RMB297 million). The Board considers that the fair value of the guarantees at the date of inception, and the ECL as at 30 June 2026 and 31 December 2025 was insignificant.

The Group entered a technology licensing contract (the “Contract”) with a company (the “Licensor”) controlled by Mr. Zhu, the substantial shareholder of the Company. Pursuant to the Contract, the Licensor agreed to licence its licensing patents and technical know-how relating to the manufacturing and industrial production of lithium iron phosphate cathode materials at nil consideration. The Board considers that the fair value of licensing the patents and technical know-how at the date of inception, and the amortisation of the licenses for the six months ended 30 June 2026 were insignificant.

32. DEEMED DISPOSAL OF A SUBSIDIARY

On 5 June 2025, the Group entered into a shareholder agreement with Taicang Qianyuan Solar Technology Company Limited 太倉鰲源光伏科技有限公司 (“Taicang Qianyuan”) and a new investor. Pursuant to the agreement, the investor subscribed of registered capital of Taicang Qianyuan for a cash consideration of RMB289 million in total, representing approximately 75% of the enlarged paid-up registered capital of Taicang Qianyuan.

As at 30 June 2025, the cash consideration of RMB289 million had been injected into Taicang Qianyuan and the Group’s equity interest in Taicang Qianyuan (based on paid-up registered capital) decreased from approximately 100% to approximately 25%. Under the shareholder agreement, the new majority investor was granted the substantive rights to direct the relevant activities of Taicang Qianyuan. Consequently, The Group lost control over Taicang Qianyuan but retained significant influence. Upon completion of the transaction, Taicang Qianyuan ceased to be a subsidiary of the Company and was reclassified as an associate. The Group recognised a gain on deemed disposal of a subsidiary of approximately RMB25 million.

32. DEEMED DISPOSAL OF A SUBSIDIARY (Continued)

Details of the net assets of Taicang Qianyuan at the date of deemed disposal were as follows:

	RMB'000
Property, plant and equipment	49,475
Right-of-use assets	23,901
Trade and other receivables	3,998
Bank balances and cash	13
Trade and other payables	(6,453)
Net assets of Taicang Qianyuan disposed of	70,934
Fair value of the remaining interest in Taicang Qianyuan	96,063
Add: Net assets of Taicang Qianyuan disposed of	(70,934)
Gain on deemed disposal of a subsidiary	25,129
An analysis of the net cash outflow in respect of the deemed disposal is as follows	
Consideration received	—
Less: Cash and cash equivalents disposed of	(13)
	(13)

33. EVENTS AFTER THE END OF THE REPORTING PERIOD

As stated in note 12, subsequent to 30 June 2026 and up to 28 August 2026, being the date on which these condensed consolidated interim financial statements were authorised for issue, the Company repurchased an aggregate of 331,000,000 ordinary shares on The Stock Exchange of Hong Kong Limited for an aggregate consideration of approximately HK\$207,092,000.

The repurchased shares were held as treasury shares in accordance with the applicable laws and regulations. As the repurchases were completed after the reporting period, they have not been recognised in these condensed consolidated interim financial statements or reflected in the weighted average number of ordinary shares used in calculating basic and diluted loss per share for the six months ended 30 June 2026.

Save as disclosed above, the Group had no other significant events after the reporting period and up to the date on which these condensed consolidated interim financial statements were authorised for issue.

Directors' and Chief Executive's Interests in Securities

As at 30 June 2026, the directors (the "Directors") and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required (a) to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) to be and were entered into in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") adopted by the Company:

Long position/short position in the Shares and Underlying Shares of the Company

Name of Director/ chief executive	Long/short position	Number of ordinary shares of HK\$0.1 each in the share capital of the Company (the "Shares") held			Number of underlying Shares	Total	Approximate percentage of Shares in issue capital (note 4)
		Beneficiary of a trust	Corporate interests	Personal interests			
Zhu Gongshan	Long position	5,279,395,156 (note 1)	—	—	32,300,000 (note 3)	5,311,695,156	15.99%
	Short position	240,000,000 (note 2)	—	—	—	240,000,000	0.72%
Zhu Yufeng	Long position	5,279,395,156 (note 1)	—	—	25,500,000 (note 3)	5,304,895,156	15.97%
	Short position	240,000,000 (note 2)	—	—	—	240,000,000	0.72%
Zhu Zhanjun	Long position	—	—	—	18,300,000 (note 3)	18,300,000	0.06%
Sun Wei	Long position	—	—	10,723,000	19,300,000 (note 3)	30,023,000	0.09%
Lan Tianshi	Long position	—	—	7,497,415	27,512,000 (note 3)	35,009,415	0.11%
Yeung Man Chung, Charles	Long position	—	—	4,000,000	23,000,000 (note 3)	27,000,000	0.08%
Ho Chung Tai, Raymond	Long position	—	—	—	1,000,000 (note 3)	1,000,000	0.00%
Shen Wenzhong	Long position	—	—	—	1,000,000 (note 3)	1,000,000	0.00%
Li Junfeng	Long position	—	—	—	1,000,000 (note 3)	1,000,000	0.00%
Yip Tai Him	Long position	—	—	—	1,000,000 (note 3)	1,000,000	0.00%

Directors' and Chief Executive's Interests in Securities (CONTINUED)

Notes:

- 1 An aggregate of 5,279,395,156 Shares were held by Highexcel Investments Limited, Happy Genius Holdings Limited and Get Famous Investments Limited, which are directly or indirectly wholly-owned by Golden Concord Group Limited, which in turn was wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited was in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited was ultimately held under a discretionary trust with Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, a Director of the Company and the son of Mr. Zhu Gongshan) as beneficiaries.
- 2 The short position was held as a result of an equity derivative agreement entered by Happy Genius Holdings Limited.
- 3 These were award Shares granted by the Company to the Directors, pursuant to the share award scheme adopted by the Company on 16 January 2017.
- 4 The total number of Shares in issue as at 30 June 2026 is 33,216,469,973.



Share Schemes

Share Schemes

2007 Share Option Scheme

The Company adopted a share option scheme (the “2007 Share Option Scheme”) on 22 October 2007 which became effective on 13 November 2007. The purpose of the 2007 Share Option Scheme is to motivate personnel to optimize their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such personnel who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives of the Company, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions. The eligible participants of the 2007 Share Option Scheme cover directors and the management of the Group. The 2007 Share Option Scheme shall be valid and effective for a period of 10 years from 22 October 2007, after which no further options will be granted or offered but the provisions of the 2007 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the 2007 Share Option Scheme. At an extraordinary general meeting of the Company held on 26 November 2015, the shareholders of the Company approved the refreshment of the existing limit to an aggregate number of Shares which may be allotted and issued pursuant to the exercise of options granted under the 2007 Share Option Scheme and any other share option scheme of the Company not exceeding 200,000,000 Shares.

Since no further options could be granted or offered under the 2007 Share Option Scheme after its expiring in 2017, the number of Shares available for issue under the 2007 Share Option Scheme as at the date of this report are the same as the number of outstanding options, i.e. nil option, representing 0% of the number of issued Shares (excluding treasury shares) as of the date of this report since the last share option granted under the 2007 Share Option Scheme has already lapsed.

Upon expiry of the 2007 Share Option Scheme, no further options could be granted or offered but the provisions of this scheme shall remain in full force for the granted share options and remained outstanding. The total number of Shares in respect of which options may be granted under the 2007 Share Option Scheme are not permitted to exceed 10% of the Shares in issue at any point in time, without prior approval from the Company’s shareholders. The number of Shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the Shares in issue at any point in time, without prior approval from the Company’s shareholders.

During the period from 1 January 2026 to 30 June 2026 (the “Period”), 33,770,577 share options lapsed or were forfeited, and no share options were granted, exercised or cancelled. No share options were outstanding under the 2007 Share Option Scheme as at 30 June 2026.

Share Schemes (CONTINUED)

Details of the share options outstanding and movements under the 2007 Share Option Scheme of the Company during the Period are as follows:

			Number of options						
Name or category of participant	Date of grant (note 1)	Exercise period	Exercise Price per Share (HK\$)	Outstanding as at 1 January 2026	Granted during the Period	Lapsed or forfeited during the Period	Cancelled during the Period	Exercised during the Period	Outstanding as at 30 June 2026
Directors/chief executive and their associates									
Zhu Yufeng	29.03.2016	18.04.2016 to 28.03.2026	1.324	1,510,755	—	(1,510,755)	—	—	0
Zhu Zhanjun	29.03.2016	18.04.2016 to 28.03.2026	1.324	2,719,359	—	(2,719,359)	—	—	0
Sun Wei	19.02.2016	15.03.2016 to 18.02.2026	1.16	1,712,189	—	(1,712,189)	—	—	0
Yeung Man Chung, Charles	29.03.2016	18.04.2016 to 28.03.2026	1.324	1,700,000	—	(1,700,000)	—	—	0
Ho Chung Tai, Raymond	29.03.2016	18.04.2016 to 28.03.2026	1.324	1,007,170	—	(1,007,170)	—	—	0
Yip Tai Him	29.03.2016	18.04.2016 to 28.03.2026	1.324	1,007,170	—	(1,007,170)	—	—	0
Successor of Zhu Qingsong (note 2)	29.03.2016	18.04.2016 to 28.03.2026	1.324	1,007,170	—	(1,007,170)	—	—	0
Employees and others									
	19.02.2016	15.03.2016 to 18.02.2026	1.16	20,689,556	—	(20,689,556)	—	—	0
	29.03.2016	18.04.2016 to 28.03.2026	1.324	2,417,208	—	(2,417,208)	—	—	0
Total				33,770,577	—	(33,770,577)	—	—	0

Notes:

- The vesting period under the 2007 Share Option Scheme is 20% of the share options granted on the year of grant, the first, second, third and fourth anniversary of the date of grant, respectively. All share options granted have been fully vested on the fourth anniversary of the date of grant.
- Mr. Zhu Qingsong passed away in 2021.

2022 Share Option Scheme

The Company adopted a new share option scheme (the “2022 Share Option Scheme”) on 1 April 2022. The purpose of 2022 Share Option Scheme is to replace 2007 Share Option Scheme and to motivate personnel to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such personnel who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of directors (including independent non-executive directors) and executive of the Company, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions. The maximum number of Shares in respect of which options which may be issued upon exercise of all options to be granted under the 2022 Share Option Scheme and any other schemes of the Company shall not exceed 10% of the Company’s issued share capital on the date of the approval of the 2022 Share Option Scheme. The number of Shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the Shares of the Company in issue at any point in time, without prior approval from the shareholders of the Company.



Share Schemes (CONTINUED)

As of the date of this report, (i) no share options are granted under 2022 Share Option Scheme; and (ii) the total number of Shares available for issue under 2022 Share Option Scheme is 2,709,901,044 Shares, representing approximately 8.34% of the Company's number of issued Shares (excluding treasury shares) as of the date of this report. No share options were outstanding under the 2022 Share Option Scheme as at 30 June 2026. The number of share options available for grant under the scheme mandate of the 2022 Share Option Scheme as at 1 January 2026 and 30 June 2026 was 2,709,901,044.

Under the 2022 Share Option Scheme, the exercise price shall be determined by the board of Directors (the "Board") and notified to a proposed beneficiary at the time of offer of the option and shall be not less than whichever is the highest for (a) the nominal value of a Share; (b) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; and (c) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant.

Under the 2022 Share Option Scheme, an option granted can only be exercised according to the following vesting schedule:

Vesting date	Cumulative percentage of Share a Grantee is entitled to subscribe under Options granted to him/her
1st anniversary of the Commencement Date	20%
2nd anniversary of the Commencement Date	40%
3rd anniversary of the Commencement Date	60%
4th anniversary of the Commencement Date	80%
5th anniversary of the Commencement Date	100%

Under the 2022 Share Option Schemes, the Company may grant options to directors and employees of the Company and its subsidiaries and qualifying grantees to subscribe for Shares. There is no service provider sublimit under the 2022 Share Option Scheme.

Unless otherwise terminated by the Board or the shareholders in general meeting in accordance with the terms of the 2022 Share Option Scheme, the 2022 Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption date. The remaining life of the 2022 Share Option Scheme is around 6 years.

Share Award Scheme

The Company adopted a share award scheme (the "Share Award Scheme") on 16 January 2017 (the "Adoption Date"), in which eligible persons (the "Eligible Persons") will be entitled to participate and pursuant to which Shares may be purchased by the professional trustee appointed by the Board (the "Trustee") from the market out of cash contributed by the Group and/or the Company may allot and issue new Shares to the Trustee pursuant to a specific mandate from the shareholders of the Company at a general meeting and such Shares would be held upon trust for the relevant grantees until such award shares ("Award Share(s)") are vested in accordance with the rules of the Share Award Scheme (the "Scheme Rules").

Purpose

The purpose of the Share Award Scheme is, through the grant of award(s) ("Award(s)") of Award Share(s) to certain Eligible Persons, to effectively attract, retain and incentivise core employees of the Group and align their interests and growth with the Group as a whole.

Eligible Persons

The Eligible Person under the Share Award Scheme is any individual who is an employee of any Group company, (including any director holding a salaried employment or office in any Group company); however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Share Award Scheme and such individual shall therefore be excluded from the term Eligible Person.

Shares Available for Issue

As at the date of this report, the Directors have not been authorized under any specific mandate granted by the shareholders of the Company to allot and issue any Shares for the purpose of the Share Award Scheme. Accordingly, as at the date of this report, no new Shares are available for issue under the Share Award Scheme.

Maximum Limit

The maximum number of Shares that can be held by the Trustee under the Share Award Scheme is limited to 2 per cent. of the total number of issued Shares from time to time.

The maximum number of Award Shares which may be granted to a grantee who is not a Director but unvested under the Share Award Scheme shall not exceed 0.1 per cent. of the total number of issued Shares from time to time.

The maximum number of Award Shares which may be granted to a grantee who is a Director shall not, in aggregate, exceed 0.5 per cent. of the total number of issued Shares in any 12-month period.

Duration

Subject to any early termination as may be determined by the Board pursuant to the terms of the Scheme Rules, the Share Award Scheme shall be valid and effective for the period commencing on the Adoption Date until the later of (i) the 10th anniversary of the Adoption Date, and (ii) such date that all Awards outstanding are fully vested, settled, lapsed, forfeited or cancelled (as the case may be).

The remaining life of the Share Award Scheme is around 1 year.

Administration

The Share Award Scheme shall be subject to the administration of the Board, the committee of the Board duly delegated with powers and authority in respect of the Share Award Scheme (the "Share Award Committee") and the Trustee in accordance with the Scheme Rules and the trust deed (the "Trust Deed").



Share Schemes (CONTINUED)

Operation Grant of Awards

The Board may, from time to time, at its absolute discretion, select any Eligible Persons to participate in the Share Award Scheme as grantees, subject to the terms and conditions set out in the Scheme Rules. In determining the grantees, the Board shall take into consideration matters including, but without limitation, the present and expected contribution of the relevant grantees to the Group. A grantee may be granted an Award by the Company during the award period (the "Award Period") which will vest over a period of time and on such other conditions to be determined by the Board in its absolute discretion.

Subject to the restrictions set out in the section headed "Restrictions" below, the Company shall:

- (i) pay to the Trustee monies and may give directions or a recommendation to the Trustee to apply such monies and/or such other net amount of cash derived from Shares held as part of the trust fund to acquire Shares or instruct the Trustee to reallocate any Award Shares which are not vested and/or are forfeited in accordance with the terms of the Share Award Scheme ("Returned Shares"); and/or
- (ii) allot and issue new Shares to the Trustee pursuant to a specific mandate from the shareholders of the Company at a general meeting and in accordance with all applicable laws and regulations, including but not limited to the requirements of the Listing Rules and The Codes on Takeovers and Mergers and Share Buy-backs (the "Takeovers Code"), to satisfy any Award made or any expected or potential Award to be made under the Share Award Scheme.

Vesting and Lapse

The Board may from time to time while the Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested thereunder. Pursuant to the provisions of the Scheme Rules and for the purpose of vesting the Award to the grantees, the Board may at its absolute discretion to direct and procure the Trustee to either:

- (i) release the Award Shares to the grantees by transferring the number of Award Shares to the grantees in such manner as determined by the Board in its absolute discretion from time to time; or
- (ii) sell the number of Award Shares within a stipulated time in accordance with the Scheme Rules and pay the grantee the actual selling price of the Shares in cash, in each case as set out in a vesting notice sent to the relevant grantee.

In the event that a grantee ceases to be an Eligible Person at any time prior to the relevant vesting date by reason of: (i) resignation of the grantee's employment, or (ii) retirement of the grantee which is earlier than his/her normal retirement age as specified in his/her terms of employment with the Group, or (iii) termination of the grantee's employment or contractual engagement with the Group by reason of redundancy, all unvested Awards made to the grantee shall lapse and be forfeited immediately and all Award Shares vested (but not yet transferred to the grantee) under the Award shall become immediately transferable to the grantee.

In the event that a grantee ceases to be an Eligible Person at any time prior to the relevant vesting date by reason of termination of the grantee's employment or early termination of the contractual engagement with the Group by reasons of culpable termination or otherwise pursuant to law or employment or engagement contract, all unvested Awards made to the grantee shall lapse and be forfeited immediately and all Award Shares vested (but not yet transferred to the Grantee) under the Award shall become Returned Shares.

In the event that a grantee ceases to be an Eligible Person at any time prior to the relevant vesting date by reason of: (i) retirement of the grantee at his/her normal retirement age as specified in his/her terms of employment with the Group, or (ii) winding-up of any member of the Group in which the grantee is employed or is contractually engaged, or (iii) completion of the term of the grantee's contract for provision of services, goods or otherwise with the Group pursuant to such contract terms, or (iv) completion of the term of the contract of the grantee's engagement with the Group as contractual staff, all unvested Awards shall vest and become immediately transferable to the grantee.

In the event that a grantee ceases to be an Eligible Person at any time prior to the relevant vesting date by reason of death or loss of capacity of the grantee, all unvested Awards shall vest immediately and be transferable to the legal personal representative of the grantee.

If there occurs an event of change in control (as specified in the Takeovers Code from time to time) of the Company by way of merger or a privatisation of the Company by way of a scheme, or by way of offer to purchase the entire issued share capital of the Company, the Share Award Committee shall determine at its discretion whether the outstanding Award Shares shall vest in the relevant grantee(s) and the time at which such outstanding Award Shares shall vest.

Restrictions

No Award shall be made to grantees and no payments shall be made to the Trustees to purchase Shares and no directions or recommendations to acquire Shares shall be given to the Trustees under the Share Award Scheme and no new Shares shall be allotted and issued to the Trustee pursuant to a specific mandate, where any Director is in possession of unpublished inside information in relation to the Company or where dealings in the Shares by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

Voting Rights

For so long as the Trustee holds any of the Award Shares for the purpose of the Share Award Scheme under the trust (the "Trust"), the Trustee shall not exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Award Shares, any Returned Shares, any bonus Shares and any scrip Shares). Upon the Award Shares being transferred and released to the grantee in accordance with the Scheme Rules, the grantee shall be entitled to exercise all voting rights in respect of such Award Shares.

Dividends

A grantee shall have no right to any dividend derived from the Award Shares which shall be retained by the Trustee for the benefit of the Share Award Scheme unless such Award Shares have been transferred and released to him/her in accordance with the Scheme Rules.



Share Schemes (CONTINUED)

Transferability and other rights

Any Award granted under the Share Award Scheme but not yet vested shall be personal to the grantee to whom it is made and shall not be assignable or transferable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

Termination

The Share Award Scheme shall terminate on:

- (i) such date after the expiry of the Award Period that all Awards outstanding are fully vested, settled, lapsed, forfeited or cancelled (as the case may be) in accordance with the terms and conditions set out in the Share Award Scheme; or
- (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any grantee thereunder.

Following the settlement, lapse, forfeiture or cancellation (as the case may be) of the last outstanding Award made or which can be made under the Share Award Scheme (whichever is later), the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company after receiving notice of the settlement, lapse, forfeiture or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred herein and such other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than the proceeds in the sale of such Shares pursuant to this paragraph).

During the Period, no Award Shares were granted under the Share Award Scheme.

The Share Award Scheme does not expressly stipulate the number of Award Shares that may be granted thereunder. In the event where any Award is to be satisfied by the allotment and issue of new Shares, the Board shall obtain a specific mandate from the shareholders of the Company at a general meeting. Accordingly, there is no upper limit of the number of Award Shares to be satisfied by existing Shares of the Company available for grant as at 1 January 2026 and 30 June 2026, whereas since the Board has not been authorized by the shareholders of the Company to allot and issue Shares under the Share Award Scheme pursuant to any specific mandate, the number of Award Shares to be satisfied by allotment and issue of new Shares of the Company available for grant as at 1 January 2026 and 30 June 2026 was nil. During the Period, a total of 744,000 Awards lapsed, and no Award Shares were vested or cancelled under the Share Award Scheme.

Share Schemes (CONTINUED)

Details of the Award Shares granted under the Share Award Scheme and the movements during the Period are as follows:

			Number of Award Shares					
			Unvested as at 1 January 2026	Granted during the Period	Vested during the Period	Cancelled during the Period	Lapsed during the Period	Unvested as at 30 June 2026
Name	Date of Grant	Vesting Period						
Directors								
Zhu Gongshan	6 July 2022	06.07.2022 to 05.07.2027	6,300,000 (note 1)	—	—	—	—	6,300,000
	24 December 2025	24.12.2025 to 23.12.2028	26,000,000 (note 4)	—	—	—	—	26,000,000
Zhu Yufeng	6 July 2022	06.07.2022 to 05.07.2027	3,500,000 (note 1)	—	—	—	—	3,500,000
	24 December 2025	24.12.2025 to 23.12.2028	22,000,000 (note 4)	—	—	—	—	22,000,000
Zhu Zhanjun	6 July 2022	06.07.2022 to 05.07.2027	3,300,000 (note 1)	—	—	—	—	3,300,000
	24 December 2025	24.12.2025 to 23.12.2028	15,000,000 (note 4)	—	—	—	—	15,000,000
Sun Wei	6 July 2022	06.07.2022 to 05.07.2027	3,300,000 (note 1)	—	—	—	—	3,300,000
	24 December 2025	24.12.2025 to 23.12.2028	16,000,000 (note 4)	—	—	—	—	16,000,000
Lan Tianshi	16 February 2022	16.02.2022 to 15.02.2027	7,512,000 (note 2)	—	—	—	—	7,512,000
	24 December 2025	24.12.2025 to 23.12.2028	20,000,000 (note 4)	—	—	—	—	20,000,000
Yeung Man Chung, Charles	6 July 2022	06.07.2022 to 05.07.2027	3,000,000 (note 1)	—	—	—	—	3,000,000
	24 December 2025	24.12.2025 to 23.12.2028	20,000,000 (note 4)	—	—	—	—	20,000,000
Ho Chung Tai, Raymond (note 6)	6 July 2022	06.07.2022 to 05.07.2027	500,000 (note 1)	—	—	—	—	500,000
	24 December 2025	24.12.2025 to 23.12.2028	500,000 (note 4)	—	—	—	—	500,000
Shen Wenzhong (note 6)	6 July 2022	06.07.2022 to 05.07.2027	500,000 (note 1)	—	—	—	—	500,000
	24 December 2025	24.12.2025 to 23.12.2028	500,000 (note 4)	—	—	—	—	500,000
Li Junfeng (note 6)	24 December 2025	24.12.2025 to 23.12.2028	1,000,000 (note 4)	—	—	—	—	1,000,000
Yip Tai Him (note 6)	6 July 2022	06.07.2022 to 05.07.2027	500,000 (note 1)	—	—	—	—	500,000
	24 December 2025	24.12.2025 to 23.12.2028	500,000 (note 4)	—	—	—	—	500,000
Other Employees	16 February 2022	16.02.2022 to 15.02.2027	155,008,000 (note 2)	—	—	—	(744,000)	154,264,000
	6 July 2022	06.07.2022 to 05.07.2027	55,230,000 (note 1)	—	—	—	—	55,230,000
	21 July 2023	21.07.2023 to 20.07.2027	4,296,000 (note 3)	—	—	—	—	4,296,000
	24 December 2025	24.12.2025 to 23.12.2028	150,232,888 (note 4)	—	—	—	—	150,232,888
Total			514,678,888	—	—	—	(744,000)	513,934,888



Share Schemes (CONTINUED)

Notes

1. Based on the closing price of HK\$3.83 per Share quoted on the Stock Exchange on 6 July 2022, the market value of the granting Award Shares (at grant price of HK\$0.86 per Award Share) is approximately HK\$293,109,900.
2. Based on the closing price of HK\$2.52 per Share quoted on the Stock Exchange on 16 February 2022, the market value of the granting Award Shares (at grant price of HK\$0.86 per Award Share) is approximately HK\$540,036,000.
3. Based on the closing price of HK\$1.59 per Share quoted on the Stock Exchange on 21 July 2023, the market value of the granting Award Shares (at grant price of HK\$0.86 per Award Share) is approximately HK\$6,830,640.
4. Based on the closing price of HK\$1.09 per Share quoted on the Stock Exchange on 24 December 2025, the market value of the granting Award Shares (at grant price of HK\$0 per Award Share) is approximately HK\$296,188,848.
5. The vesting is conditional upon the achievement or attainment of certain performance targets by the Company. Please refer to the announcements of the Company dated 16 February 2022, 6 July 2022, 21 July 2023 and 24 December 2025, respectively, for details.
6. Granting Award Shares to the independent non-executive Directors was approved by the Board and all independent non-executive Directors were abstain from voting for the relevant resolution.

The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Period divided by the weighted average number of Shares in issue (excluding treasury shares) for the Period is nil.

Substantial Shareholders' Interests in Securities

As at 30 June 2026, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares or underlying Shares as recorded in the register kept pursuant to Section 336 of the SFO:

Long/Short Position in the Shares and Underlying Shares

Name	Capacity/nature of interest	Long/short position	Number of Shares/ underlying Shares	Approximate percentage of Shares in issue (note 2)
Butterfield Trust (Asia) Limited	Trustee (note 1)	Long position	5,279,395,156	15.89%
		Short position	240,000,000	0.72%
Asia Pacific Energy Fund Limited	Interest in a controlled corporation (note 1)	Long position	5,279,395,156	15.89%
		Short position	240,000,000	0.72%

Notes:

1. An aggregate of 5,279,395,156 Shares were held by Highexcel Investments Limited, Happy Genius Holdings Limited and Get Famous Investments Limited, which were directly or indirectly wholly-owned by Golden Concord Group Limited, which in turn was wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited was in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited was ultimately held under a discretionary trust with Butterfield Trust (Asia) Limited as trustee for Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries.
2. The total number of Shares in issue as at 30 June 2026 is 33,216,469,973.

Save as disclosed aforesaid, so far as is known to any Directors or chief executive of the Company, as at 30 June 2026, no other persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares as recorded in the register kept pursuant to Section 336 of the SFO.



Corporate Governance and Other Information

Corporate Governance Code

The corporate governance report of the Company for the year ended 31 December 2025 has been set out in the Company's 2025 Annual Report. During the Period, the Company has complied with the code provisions of the Corporate Governance Code (the "Corporate Governance Code") as set out in Part 2 of Appendix C1 of the Listing Rules, except as disclosed below.

Due to business development and operational needs of the Group, Mr. Zhu Gongshan, an executive Director and the Chairman of the Board, has been appointed as a Joint CEO in replacement of Mr. Zhu Zhanjun with effect from 19 February 2025. The Board considers that vesting the roles of both the Chairman of the Board and the Joint CEO in Mr. Zhu Gongshan ensures that the Group has consistent leadership and can make and implement the business strategies of the Group more effectively. Therefore, the Board considers that the deviation from code provision C.2.1 of the Corporate Governance Code is not inappropriate. In addition, under the supervision of the Board which, apart from Mr. Zhu Gongshan being the executive Director, comprises five other executive Directors and four independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

Risk Management and Internal Control

Assisted by the Corporate Governance Committee and the Audit Committee, the Board is responsible for monitoring and reviewing the effectiveness of the risk management and internal control systems of the Company and its subsidiaries (the "Systems") on an ongoing basis. The Systems implemented by the Board, management and relevant parties aim to manage rather than eliminate the risk of failure to achieve the following objectives, and to only provide reasonable, but not absolute, assurance against material misstatement or loss:

- Efficiency and effectiveness of operation
- Reliability of financial reporting
- Compliance with applicable laws and regulations
- Effectiveness of risk management

In order to comply with the applicable code provision set out in the Corporate Governance Code, the members of the Board review the effectiveness of the Systems covering material controls, including financial, operational and compliance controls and risk management functions. The management of the Company actively engages in the risk assessment, the review of responses measures and the discussion with respect to major issues.

The Company has established an internal audit department which is responsible for the implementation of risk management and internal control policies. In performing its responsibilities, the internal audit department has organized and coordinated the Company to identify and assess the risk exposed to the Group for the Board's consideration and motivate the management to design, implement and manage suitable internal control and risk Systems to facilitate policies adopted by the Board. In addition to the internal audit department, all employees are accountable for the implementation of risk management and internal control under each of scopes of their responsibilities.

Corporate Governance and Other Information (CONTINUED)



The Company has also engaged an independent professional consultant (the “External Consultant”) to assist the Audit Committee, the Corporate Governance Committee and the Board in conducting an independent review of the Systems by reviewing the risk assessment and internal audit reports prepared by the internal audit department, performing independent internal control assessment projects and follow-up reviews with a view to facilitating the evaluation on the effectiveness of the Systems.

During the Period, 2 meetings, 3 meetings and 2 meetings have been held by the Corporate Governance Committee, Audit Committee and ESG Committee respectively, mainly reviewing of and discussing on work report on risk control, risk management, internal control review report, follow-up on internal control review and monitoring ESG working group’s duty and reviewing relevant policies.

In view of the efforts of the Group and external reviews conducted by the External Consultant, the Audit Committee and the management of the Company have concluded that there are no irregularities or areas requiring special concern and that the Systems are adequate and effective and the Company’s allocation of manpower and resources to the accounting, internal audit and financial reporting functions is adequate. The above conclusion has been reported and confirmed to the Board, and the Board is of the view that the Systems of the Group are effective for the Period.

Model Code for Securities Transactions

The Board has adopted the model code for securities transactions by directors of listed issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules. Having made specific enquiry of all Directors, each of the Directors confirmed that he/she has complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2026.

Purchase, Sale or Redemption of the Company’s Listed Securities

On 15 March 2024, the Board approved a plan (the “Share Buy-back and Cancellation or Dividend Payment Plan”) to conduct (i) buy-back and cancellation by the Company of its Shares from the open market over the three years ending 31 December 2026; and/or (ii) declaration and payment of dividends by the Company to its shareholders (“Dividend Payment”). The implementation of Share Buy-back and Cancellation or Dividend Payment Plan is subject to prevailing market conditions and final approval of the Board at the relevant time. For details, please refer to the announcements of the Company dated 15 March 2024 and 13 December 2024, respectively. During the six months ended 30 June 2026, no Dividend Payment was made by the Company.

During the six months ended 30 June 2026, the Company repurchased a total of 727,388,000 Shares on the Stock Exchange at an aggregate price of approximately HK\$510,456,000, and those repurchased Shares were held as treasury shares.

As at 30 June 2026, the Company held 727,388,000 treasury shares (including any treasury shares held or deposited with Central Clearing and Settlement System), which are intended to be used in accordance with the applicable rules and regulations, including but not limited to sale for cash, transfer and cancellation.

Save as disclosed above, 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 (including sale of treasury shares).



Corporate Governance and Other Information (CONTINUED)

Auditor's and Audit Committee's Review

The financial information set out in this report represents the condensed consolidated interim financial statements of the Group for the Period, which have been reviewed by the Group's external auditor, in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants and by the Audit Committee of the Company which consists of three independent non-executive Directors, namely Mr. Yip Tai Him, Ir. Dr. Ho Chung Tai, Raymond and Dr. Shen Wenzhong. The Group's external auditor and Audit Committee expressed no disagreement with the accounting policies and principles adopted by the Group.

Changes in Information on Directors

There is no information required to be disclosed by the Directors pursuant to Rule 13.51B(1) of the Listing Rules since the date of publication of the 2025 Annual Report to the date of this report.

Chairman

Zhu Gongshan

Executive Directors

Zhu Gongshan (*Chairman & Joint CEO*)

Zhu Yufeng (*Vice Chairman*)

Zhu Zhanjun (*Vice Chairman*)

Sun Wei (*Vice Chairman*)

Lan Tianshi (*Joint CEO*)

Yeung Man Chung, Charles

(*CFO and Company Secretary*)

Independent Non-executive Directors

Ho Chung Tai, Raymond

Shen Wenzhong

Li Junfeng

Yip Tai Him

Composition of Board Committees

Audit Committee

Yip Tai Him (*Chairman*)

Ho Chung Tai, Raymond

Shen Wenzhong

Remuneration Committee

Ho Chung Tai, Raymond (*Chairman*)

Yip Tai Him

Zhu Yufeng

Nomination Committee

Yip Tai Him (*Chairman*)

Ho Chung Tai, Raymond

Li Junfeng

Sun Wei

Yeung Man Chung, Charles

Corporate Governance Committee

Ho Chung Tai, Raymond (*Chairman*)

Li Junfeng

Yip Tai Him

Yeung Man Chung, Charles

Strategy & Investment Committee

Ho Chung Tai, Raymond (*Chairman*)

Zhu Gongshan

Shen Wenzhong

Li Junfeng

Yip Tai Him

Zhu Zhanjun

Yeung Man Chung, Charles

Environmental, Social and Governance Committee

Shen Wenzhong (*Chairman*)

Ho Chung Tai, Raymond

Li Junfeng

Yip Tai Him

Lan Tianshi

Yeung Man Chung, Charles

Company Secretary

Yeung Man Chung, Charles

Authorized Representatives

Zhu Zhanjun

Yeung Man Chung, Charles

Auditor

Crowe (HK) CPA Limited

9/F Leighton Centre

77 Leighton Road

Causeway Bay

Hong Kong



Corporate Information (CONTINUED)

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Kowloon, Hong Kong

Cayman Islands Principal Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman, KY-1100
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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17/F, Far East Finance Centre
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Jingtian & Gongcheng LLP
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