

ANTON 安東

安東油田服務集團

Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)



2026 INTERIM REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. LUO Lin
Mr. PI Zhifeng
Mr. FAN Yonghong

Non-executive Director

Mr. HUANG Song

Independent Non-executive Directors

Mr. ZHANG Yongyi
Mr. ZHU Xiaoping
Mr. WEE Yiau Hin
Ms. CHEN Xin

AUDIT COMMITTEE

Mr. ZHU Xiaoping (Chairman)
Mr. ZHANG Yongyi
Mr. WEE Yiau Hin

REMUNERATION COMMITTEE

Mr. WEE Yiau Hin (Chairman)
Mr. ZHU Xiaoping
Mr. LUO Lin

NOMINATION COMMITTEE

Mr. ZHANG Yongyi (Chairman)
Mr. WEE Yiau Hin
Mr. LUO Lin

ESG (“ENVIRONMENTAL, SOCIAL AND GOVERNANCE”) COMMITTEE

Ms. CHEN Xin (Chairman)
Mr. PI Zhifeng
Mr. FAN Yonghong

AUTHORIZED REPRESENTATIVES

Mr. LUO Lin
Ms. Nelly AU-YEUNG

COMPANY SECRETARY

Ms. Nelly AU-YEUNG

COMPANY’S WEBSITE

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REGISTERED OFFICE

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AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISERS

as to Hong Kong and U.S. law:

Sidley Austin

as to Cayman Islands law:

Maples and Calder

PRINCIPAL BANKS

Citi Bank
Shanghai Pudong Development Bank
China Merchants Bank
Industrial Bank Co., Ltd

STOCK CODE ON MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

3337

DATE OF LISTING

14 December 2007

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2026, the global energy market continued to reshape amid macroeconomic volatility and geopolitical tensions. The prolonged conflicts in the Middle East and continued disruptions to shipping through the Strait of Hormuz posed significant challenges to the oil and gas industry. Against this complex and volatile external environment, the Group remained committed to innovation, strategic upgrading and continuous breakthroughs, and proactively advanced structural adjustments across both its markets and businesses, achieving positive progress. During the Reporting Period, the situation in the Middle East caused disruptions to the Group's regional operations. Nevertheless, supported by its diversified market presence, the Group maintained stable overall revenue. Meanwhile, the Group continued to strengthen its financial foundation, maintained ample cash reserves, and safeguarded operational security, while providing solid support for future strategic expansion and high-quality development.

BREAKTHROUGHS IN GLOBAL EMERGING MARKETS

The Group continued to deepen its global market strategy. During the Reporting Period, the Group achieved a milestone breakthrough in the high-threshold Middle Eastern market by successfully securing a comprehensive management, operation and maintenance services project from Kuwait Oil Company ("KOC"), with a contract value of approximately US\$113.0 million. The project covers comprehensive maintenance and operational support for facility availability, enhanced operational reliability and uninterrupted production operations, and involves a high degree of technical complexity and integrated management complexity. Importantly, the facilities had previously been operated by international service companies and local Middle Eastern service providers. The Group's successful assumption of the operations demonstrates that its capabilities in the international integrated operation and maintenance of large-scale facilities have passed KOC's stringent qualification requirements and marks its formal entry into the core high-end services market in the Middle East. The award of this project not only demonstrates the comprehensive competitiveness of a Chinese company alongside leading international players in the high-end oil and gas operation and maintenance sector, but also strategically opens up broader opportunities for the Group to participate more deeply in higher-value businesses in the region, including natural gas development, unconventional resource utilisation and facility upgrades and modifications.

Meanwhile, following the successful entry of the Group's technical services into the Algerian market, the Group officially obtained the country's operator and investor qualification during the first half of the year. This further strengthens the Group's market access foundation in the North African market and provides important support for its subsequent comprehensive and in-depth participation in local oilfield block projects and resource cooperation. The Algerian market is a core energy supply market in close proximity to Europe and holds significant market significance under the current geopolitical landscape.

ESTABLISHING AN EARLY PRESENCE IN THE GREEN ENERGY ASSET SECTOR

The Group continued to advance its strategic upgrading. While further consolidating its oil and gas foundation, the Group capitalised on the opportunities arising from our oil company customers' green energy upgrading and transformation. In line with customer demand, and building on our existing oil and gas application scenarios, we have actively expanded our presence by leveraging our scenario, customer and resource advantages during the first half of the year. During the Reporting Period, the Group successfully secured a new energy heavy-duty truck supercharging infrastructure investment, construction and operation and maintenance project in the northwestern Chinese market. The project has a term of nine years and is expected to generate revenue of no less than US\$100.0 million over the contract period. The project adopts an integrated "investment + construction + operation and maintenance" model. By integrating technological, capital and industrial ecosystem resources, the project promotes synergies between industry and finance. The project represents an important strategic upgrading initiative for the Group as it extends from primary energy services into secondary energy infrastructure operations. Its development is closely aligned with the strategic direction of the Action Plan for Promoting the Large-scale Application of New Energy Heavy-duty Trucks jointly issued by the Ministry of Transport of the PRC and ten other authorities. Leveraging green transition application scenarios in existing oil and gas regions, the project enables the Group to establish an early presence in the green transportation energy sector and capture first-mover opportunities amid the ongoing energy transition. The Group will continue to optimise its asset portfolio towards higher-quality and more sustainable development.

STEADY PROGRESS OF THE DHUFRIYAH PROJECT

The Dhufriyah oilfield project, an oil and gas asset development project led by the Group in its capacity as technical service operator, remained unaffected by the situation in the Middle East and continued to progress steadily, achieving phased progress during the first half of 2026. The first appraisal well of the project completed drilling, multi-zone coring and logging operations as scheduled. Cores obtained from multiple target formations showed encouraging oil and gas indications, and the Group also completed the workover of one well and commenced well testing, with the preliminary well testing results meeting expectations, laying a foundation for subsequent commercialisation and production capacity release.

ACCELERATING BUSINESS VALUE REALISATION AS ASSET SECURITISATION PROJECT ENTERS SUBSTANTIVE REVIEW STAGE

The proposed spin-off and separate listing of T-ALL Inspection Group Co. Ltd. ("**T-ALL Inspection**") represents the Group's first asset securitization project. T-ALL Inspection formally submitted its listing application to The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 30 June 2026 and subsequently received written confirmation from the Stock Exchange that the application had entered the substantive review stage. T-ALL Inspection is positioned as an independent inspection and testing platform, with independence, professionalism and credibility as its core values. T-ALL Inspection provides a comprehensive range of testing, inspection, certification and consulting services, as well as a series of value-added services. It is committed to becoming a globally credible independent third-party testing, inspection and certification institution, which possesses internationally recognised authoritative qualifications, and supports Chinese enterprises in expanding into overseas markets. Its spin-off and separate listing will facilitate T-ALL Inspection in continuously developing its domestic and overseas businesses under an independent brand, as well as securing independent financing channels to help enhance its research and development capabilities and support the future expansion of its business scale. Following completion of the proposed spin-off and listing, T-ALL Inspection will remain a subsidiary of the Company and its results, will continue to be consolidated in the Group's financial statements. Further details are set out in the announcement of the Company dated 30 June 2026.

COMMITTED TO ENHANCING SHAREHOLDER RETURNS

The Group places great importance on investor value and shareholder returns. During the Reporting Period, the Group completed the payment of the final cash dividend for 2025 in an aggregate amount of approximately RMB104.4 million. During periods of significant fluctuations in the share price of the Group caused by external factors including the situation in the Middle East, the Company conducted timely share repurchases in the open market using its own funds in accordance with its share repurchase policy, with a view to safeguarding the value of the Company and the overall interests of its shareholders. In the first half of 2026, the Company repurchased an aggregate of 57,158,000 Shares of the Company (the "**Shares**") in the open market. For details, please refer to the section headed "Purchase, Sale, or Redemption of the Listed Securities" of this report. In addition, the Group received notification of a shareholding increase plan by the Chairman of the Board and certain senior management members and published a voluntary announcement dated 27 April 2026, in relation thereto. As at 30 June 2026, the chairman of the Board had acquired 18,924,000 Shares on the secondary market, demonstrating management's confidence in the Company's long-term development prospects.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Group has integrated environmental, social and governance principles into its operations, management and business development. Through ongoing technological innovation, digital applications and improved operational efficiency, the Group continued to reduce emissions from its own operations while providing customers with green and efficient energy technology solutions. During the Reporting Period, the Group published its 2025 Sustainability Report, and, for the first time, conducted Scope 3 greenhouse gas accounting and disclosure covering six categories, thereby continuously enhancing its value-chain carbon management system. Meanwhile, the Group continued to place employee safety as its foremost priority and monitored the impact of changes in the overseas operating environment on employees' safety and well-being. In response to the changing situation in the Middle East, the Group promptly activated its overseas safety emergency response mechanism, enhanced early-warning and safety protection measures, and continuously improved its safety management capabilities for overseas operations.

The Group was selected for the S&P Global Sustainability Yearbook (China Edition) 2026 for the third consecutive year and continued to be the only company from China's oilfield technology services industry included in the Yearbook; it has been selected in the 8th China Best Managed Companies list jointly published by Deloitte China, the Hong Kong University of Science and Technology Business School and Harvard Business Review (Chinese Edition) for the fourth consecutive year; and the Group's Majnoon Project received a global nomination in the "Workplace Wellbeing" category of 2026 Global Enterprises "Duty of Care Awards" from the International SOS Foundation, reflecting recognition by international professional organisations of the Group's sustainability management and employee wellbeing practices.

Performance Results

In the first half of 2026, the Group's revenue was approximately RMB2,682.2 million, an increase of approximately RMB51.1 million, or approximately 1.9%, compared to the same period in 2025. Operating profit was approximately RMB246.7 million, down by approximately RMB106.4 million, or approximately 30.1%, period-on-period. Net profit reached approximately RMB108.1 million, a decrease of approximately 35.0% compared to approximately RMB166.3 million in the same period of 2025. Profit attributable to equity holders of the Company was approximately RMB104.6 million, representing a decrease of RMB60.5 million, or approximately 36.6%, compared to approximately RMB165.1 million in the same period of 2025, with an attributable net profit margin of approximately 3.9%.

As at 30 June 2026, the Group's accounts receivable balance was approximately RMB3,378.4 million, with an average accounts receivable turnover days of 206 days, an increase of 44 days compared to the same period in 2025. The average inventory turnover days was 63 days, down by 7 days year-on-year. The average accounts payable turnover days was 158 days, an increase of 51 days compared to the same period in 2025. Net operating cash inflow was approximately RMB-64.0 million, a decrease of RMB434.0 million compared to approximately RMB370.0 million in the same period of 2025. Free cash flow was approximately RMB-241.7 million, a decrease of RMB414.7 million compared to approximately RMB173.0 million in the same period of 2025.

Geographical Market Analysis

In the first half of 2026, the Group's revenue from overseas markets amounted to approximately RMB1,880.3 million, representing an increase of RMB200.7 million, or 11.9%, from approximately RMB1,679.6 million in the corresponding period of 2025, and its share of the Group's total revenue was 70.1%.

In overseas markets, revenue from the Iraq market amounted to approximately RMB1,212.4 million, a decrease of RMB234.8 million, or 16.2%, compared to approximately RMB1,447.2 million in the same period of 2025, representing 45.2% of the Group's total revenue. Revenue from other overseas markets was approximately RMB667.9 million, an increase of RMB435.5 million, or 187.4%, compared to approximately RMB232.4 million in the same period of 2025, accounting for 24.9% of the Group's total revenue.

Revenue from the domestic market was approximately RMB801.9 million, a decrease of RMB149.6 million, or 15.7%, compared to approximately RMB951.5 million in the same period of 2025, representing 29.9% of the Group's total revenue.

MANAGEMENT DISCUSSION AND ANALYSIS

Breakdown of Revenue by Market

	Six months ended 30 June			% of the Group's total revenue	
	2026 (RMB Mn)	2025 (RMB Mn)	Change (%)	Six months ended 30 June 2026 (%)	2025 (%)
Iraq	1,212.4	1,447.2	-16.2%	45.2%	55.0%
Other overseas	667.9	232.4	187.4%	24.9%	8.8%
Total overseas	1,880.3	1,679.6	11.9%	70.1%	63.8%
Domestic	801.9	951.5	-15.7%	29.9%	36.2%
Total	2,682.2	2,631.1	1.9%	100.0%	100.0%

Overseas Markets

Iraq

During the Reporting Period, the situation in the Middle East remained volatile. Restrictions on passage through the Strait of Hormuz significantly disrupted Iraq's crude oil exports and transportation, prompting certain oilfields in Iraq to adjust their production plans. This had a temporary impact on the pace of operations of certain projects of the Group, the commencement of new projects and the progress of tendering activities, resulting in ongoing pressure on revenue and new orders from the Iraq market.

In response to changes in the external environment, the Group continued to closely monitor production activities across various oilfields, dynamically optimised operational arrangements, personnel deployment, QHSE measures and asset support, and, in line with customer requirements, facilitated the orderly resumption and accelerated execution of projects where conditions permitted. With comprehensive safety measures in place, the Group's employees remained committed to frontline operations and ensured the stable execution of key projects with professional and efficient operational capabilities, demonstrating strong project execution capabilities and organisational resilience. Leveraging its long-established customer relationships, localised operational capabilities and track record of reliable project delivery, the Group maintained a solid foundation for its core businesses in Iraq.

During the first half of 2026, the Group made positive progress in oil and gas resource development, market expansion and technology application. In line with the development objective of building the Dhufriyah oilfield into a "5D Oilfield", the project continued to advance exploration and appraisal, geological studies and development planning in a coordinated manner. Drilling of the first exploration well commenced successfully in February, and drilling and multi-zone coring operations have now been completed. Encouraging oil and gas indications were identified across multiple formations, providing further support for subsequent geological evaluation and development planning. The sixth Joint Management Committee meeting of the project was held in Baghdad, during which both parties reached consensus on subsequent drilling arrangements, optimisation of surface engineering plans and the project implementation schedule, laying a solid foundation for further development appraisal and the steady advancement of the project.

In terms of technical services, the Group continued to address customer needs relating to well production enhancement, complex well condition management and production efficiency improvement, and promoted the application of technologies and solutions including coiled tubing stimulation, sand control and water shutoff, electric submersible pumps and digital twin solutions for smart surface facilities in the Iraq market. During the Reporting Period, these technologies were successfully deployed across multiple projects and delivered positive results in production testing, production capacity enhancement and optimisation of production management, further demonstrating the Group's integrated service capabilities in wellbore technologies, production optimisation and digital intelligence applications.

In terms of market expansion, the Group actively advanced key projects and integrated solutions in response to customer demand for production resumption and enhancement, reservoir productivity improvement and digital intelligence upgrades. A pipeline of market opportunities with strong development potential was established, providing momentum for subsequent business recovery and sustainable growth.

The Group's integrated oilfield management project — the Majnoon project contract — expired during the Reporting Period and was not renewed. Nevertheless, through nearly eight years of outstanding management and operation of the Majnoon oilfield, the Group has established a strong brand presence in the Iraq market and across the Middle East. Going forward, the Group will continue to promote the replication of its intelligent management project model across the Iraq market and other emerging global markets.

In the first half of 2026, the Group secured new orders of approximately RMB1,243.4 million in the Iraq market, representing a decrease of approximately 50.5% compared with the corresponding period of 2025. The decrease was mainly attributable to the expiry and non-renewal of the Majnoon project contract, as well as delays in the tendering process of certain new projects amid the situation in the Middle East. During the Reporting Period, revenue from the Iraq market amounted to approximately RMB1,212.4 million, representing a decrease of approximately 16.2% from RMB1,447.2 million in the corresponding period of last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Overseas Markets – Global Emerging Markets

In the first half of 2026, the Group continued to intensify its development of emerging global markets, actively capturing market opportunities arising from production resumption and incremental development in the Middle East, as well as oil and gas resource development in North Africa. The Group strengthened customer development, sales conversion and the advancement of key projects. Meanwhile, through technological innovation, lean operations and the development of localised capabilities, the Group continued to enhance its ability to secure and execute international projects and accelerated the conversion of business opportunities into actual projects. During the Reporting Period, emerging global markets further developed into an important growth driver for the Group's global business.

In the Gulf markets of the Middle East, the Group advanced and completed the implementation of its integrated operation and maintenance project for production facilities in Kuwait. The project further validates the Group's capabilities in integrated energy project management, long-term operation and maintenance, and comprehensive services, while facilitating the development of relevant experience into a replicable and scalable business model. This will help strengthen the Group's brand influence and market competitiveness in the Gulf region and lay a foundation for further expansion into the high-end oil and gas services market in the Middle East and the undertaking of large-scale integrated projects. Meanwhile, the Group continued to strengthen customer development and project conversion across the high-end Middle Eastern markets and actively advanced natural gas-related business opportunities in markets including Saudi Arabia and the United Arab Emirates.

In the North African market, the Group obtained the operator and investor qualification granted by Algeria's National Agency for the Valorization of Hydrocarbon Resources, laying a foundation for participation in local oil and gas resource development, oilfield technical services and long-term operations. During the Reporting Period, the Group deployed operational management resources in Algeria, completed phased preparations for the commencement of relevant projects, and developed targeted solutions through technical exchanges and analysis of customer requirements.

The Group recorded revenue growth from completion tool sales in North America, as well as from its drilling business in Pakistan. At the same time, the Group continued to advance customer development, market qualification and project pipeline development across Southeast Asia, Central Asia and other African markets, further optimising the geographical coverage and business mix of its overseas operations.

In the first half of 2026, the Group secured new orders of approximately RMB1,599.6 million from emerging global markets, representing a significant increase of approximately 161.4% compared with the corresponding period of 2025. Revenue from other overseas markets amounted to approximately RMB667.9 million, representing a significant increase of approximately 187.4% from RMB232.4 million in the corresponding period of 2025.

Domestic Market

In the first half of 2026, the PRC market continued to serve as an important base of the Group for technology research and development, supply chain collaboration and industrial innovation. Focusing on market demand for increasing oil and gas reserves and production, natural gas development and energy transition, the Group further strengthened its long-term customer service bases in regions including Xinjiang and Southwest China, deepened technical exchanges and collaborative cooperation with core strategic customers, and continued to advance customer development, project acquisition and business mix optimisation.

During the Reporting Period, while consolidating its traditional oil and gas technical services business, the Group actively expanded into new business areas including natural gas and new energy infrastructure by leveraging its established advantages in oil and gas application scenarios and resource advantages. In terms of new project breakthroughs, the Group secured the G331 National Highway heavy-duty truck supercharging project for coal transportation from Xinjiang. Construction of the first station, the Jiangjunmiao Station, has commenced, and the station is expected to commence operation in September 2026. The project is aligned with China's policy direction of promoting the green and low-carbon transformation of the transportation sector, improving charging and battery-swapping infrastructure for new energy heavy-duty trucks, and advancing the integration of transportation and energy. It marks substantive progress in the Group's business extension from traditional oil and gas technical services into green transportation and integrated energy infrastructure. In respect of its traditionally advantageous technical services, the Group continued to secure project orders in areas including gas storage cementing, shale gas drilling, and fracturing and production enhancement.

During the Reporting Period, the PRC market achieved phased progress in the development of long-term customer service bases, conversion of key projects and enhancement of operational management. The Group completed a phased upgrade of its Amoeba management and operational management systems, further strengthening operational accounting, cost control and full-process project management, while improving organisational coordination and project execution efficiency. In terms of digital intelligence development, leveraging the technology research and development capabilities and talent resources of the PRC market, the Group accelerated the integration and application of traditional engineering technologies with artificial intelligence and digital platforms. The Group advanced product development and scenario deployment in areas including full-scenario digital management and control of oilfields, intelligent well completion and injection-production management, and oil and gas resource data platforms. It also completed phased upgrades of systems for online operational data management, real-time Amoeba accounting and project process management. These initiatives further enhanced the efficiency of technical services, project management capabilities and the quality of operational decision-making, providing digital intelligence support for the Group's business transformation and global operations.

In the first half of 2026, the Group secured new orders of approximately RMB1,653.9 million in the PRC market, broadly in line with RMB1,628.8 million recorded in the corresponding period of last year. Revenue from the PRC market amounted to approximately RMB801.9 million, representing a decrease of approximately 15.7% from RMB951.5 million in the corresponding period of 2025, mainly due to delays in the execution plans of the customers for certain projects, which are expected to proceed in the second half of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Cluster Analysis

During the Reporting Period, revenue from the Group's integrated oilfield technical services amounted to approximately RMB1,386.1 million, representing an increase of approximately 12.2% as compared with the corresponding period in 2025 and accounting for 51.7% of the Group's revenue for the first half of 2026.

Revenue from intelligent management services amounted to approximately RMB1,161.0 million, representing a decrease of approximately 4.6% as compared with the corresponding period in 2025 and accounting for 43.3% of the Group's revenue for the first half of 2026.

Revenue from energy asset operation business amounted to approximately RMB135.1 million, representing a decrease of approximately 24.2% as compared with the corresponding period in 2025 and accounting for 5.0% of the Group's revenue for the first half of 2026.

Revenue Breakdown by Cluster

	Six months ended 30 June			% of the total revenue	
	2026 (RMB Mn)	2025 (RMB Mn)	Change (%)	Six months ended 30 June 2026 (%)	2025 (%)
Integrated Oilfield Technical Services	1,386.1	1,235.4	12.2%	51.7%	46.9%
Intelligent Management Services	1,161.0	1,217.4	-4.6%	43.3%	46.3%
Energy Asset Operation Business	135.1	178.3	-24.2%	5.0%	6.8%
Total	2,682.2	2,631.1	1.9%	100.0%	100.0%

Integrated Oilfield Technical Services

Integrated oilfield technical services is a mature business segment in which the Group has traditional strengths. The Group remains committed to going deep into customers' operational sites and fully integrating geological research and engineering execution capabilities to provide customers with refined and customised technical solutions, based on different stages of oil and gas field development and specific application scenarios. Through practical, quantifiable and continuously optimisable on-site solutions, the Group helps customers strengthen lean operations management, enhance development efficiency, control project risks and reduce full life-cycle costs.

Leveraging the Oilfield Technology Research Institute, global professional teams and an open ecosystem cooperation system, the Group continues to integrate its proprietary research and development capabilities, global technology resources and on-site operational experience, and strengthens the application of technologies such as artificial intelligence, real-time monitoring, digital rock, distributed fibre optics and intelligent well completion, continuously enhancing its capabilities in diagnosis, design, execution and iterative optimisation for the development of complex oil and gas reservoirs, thereby helping customers achieve faster production ramp-up, higher recovery rates, lower full life-cycle costs and stronger technological iteration.

In the first half of 2026, revenue from the integrated oilfield technical services segment amounted to approximately RMB1,386.1 million, representing an increase of 12.2% as compared with approximately RMB1,235.4 million for the corresponding period of last year.

Business analysis of each product line of the integrated oilfield technical services segment:

- 1) Drilling technical services: In the first half of 2026, this product line recorded revenue of approximately RMB558.9 million, representing an increase of approximately 54.3% as compared with approximately RMB362.3 million for the corresponding period of last year.
- 2) Well-completion technical services: In the first half of 2026, this product line recorded revenue of approximately RMB342.5 million, representing an increase of approximately 185.2% as compared with approximately RMB120.1 million for the corresponding period of last year.
- 3) Stimulation technical services: In the first half of 2026, this product line recorded revenue of approximately RMB484.7 million, representing a decrease of approximately 35.6% as compared with approximately RMB753.0 million for the corresponding period of last year.

EBITDA of the integrated oilfield technical services segment decreased from approximately RMB308.8 million in the first half of 2025 to approximately RMB293.7 million in the first half of 2026, representing a decrease of 4.9%, with an EBITDA margin of 21.2%, representing a decrease of 3.8 percentage points from 25.0% for the corresponding period of last year, mainly due to the increase in raw material costs.

Intelligent Management Services

Intelligent management services is a rapidly developing business segment of the Group, with energy project management services as its core business and supported synergistically by digital intelligence technical services and inspection services. It provides customers with professional full life-cycle management services covering various stages of energy assets, including planning and design, construction and delivery, commissioning and operation, maintenance and overhaul, as well as technological upgrading and life extension. Through the synergy of three capabilities, namely “operation management, digital and intelligent empowerment, and asset integrity assurance”, the Group helps customers reduce management interfaces, enhance operational efficiency, optimise full life-cycle costs, and ensure the safe, reliable and efficient operation of energy assets, thereby achieving continuous asset value enhancement.

In respect of energy project management services, the Group remains committed to staying close to customers and providing full-process support, coordinating and managing the entire process of energy asset projects from the perspective of asset owners. Leveraging its global business presence and global resource coordination capabilities, the Group integrates professional resources including design and consultancy, operation and maintenance, engineering maintenance, supply chain, human resources and integrated project management to provide localised and professional integrated services for different markets and project scenarios, helping customers achieve safety and controllability throughout the full life cycle, stable operation, cost optimisation and asset value enhancement. During the Reporting Period, the Group advanced the implementation of the integrated operation and maintenance project for production facilities in Kuwait, further validating its accompanying and integrated energy project management service capabilities, and promoted the accumulation of relevant experience into a replicable and scalable business model, laying a foundation for the expansion of long-term operation and maintenance services and large-scale integrated projects in the Gulf region.

In respect of digital intelligence technical services, the Group starts from specific on-site scenarios in the energy industry and leverages artificial intelligence and data technologies to empower the full range of oil and gas development scenarios, providing customers with digital and intelligent consulting, platform development, specialised AI products and on-site operation and maintenance services. The business covers areas including oil and gas development engineering, oil and gas stations and plants, smart security, and digital intelligence for new energy. During the Reporting Period, the Group’s self-developed digital twin platform for smart stations and plants was successfully deployed in an oilfield in Iraq, and was also applied in scenarios including AI monitoring and early warning in Sichuan, gas injection stations in Xinjiang and data management, further enhancing the efficiency of production operations, risk early warning and on-site management.

In respect of inspection services, the Group provides inspection, testing, consultancy and certification, and value-added services throughout the full life cycle of energy assets, covering scenarios including equipment and facilities, pipelines, wellbores, stations and plants, and new energy facilities. Through asset integrity management, intelligent monitoring, and repair and maintenance, the Group safeguards the safe and compliant operation of customers' assets.

During the Reporting Period, T-ALL Inspection continued to improve its global service network and professional technical system. As the Group's first asset securitisation project, the proposed spin-off and separate listing of T-ALL Inspection on the Stock Exchange made substantial progress in the first half of the year, with a listing application formally submitted to the Stock Exchange on 30 June 2026. The Group will continue to proceed with the implementation of the spin-off and listing project in the second half of the year, thereby facilitating the further realisation of business value.

During the Reporting Period, revenue from the Group's intelligent management services segment amounted to approximately RMB1,161.0 million, representing a decrease of 4.6% as compared with approximately RMB1,217.4 million for the corresponding period of last year.

Business analysis of each product line of the intelligent management services segment:

- 1) Energy project management services: During the Reporting Period, the energy project management services product line recorded revenue of approximately RMB932.7 million, representing a decrease of 6.8% as compared with approximately RMB1,001.2 million for the corresponding period of last year.
- 2) Digital intelligence technical services: During the Reporting Period, the digital intelligence technical services product line recorded revenue of approximately RMB45.9 million, representing an increase of 16.3% as compared with approximately RMB39.5 million for the corresponding period of last year.
- 3) Inspection services: During the Reporting Period, the inspection services product line recorded revenue of approximately RMB182.4 million, representing an increase of 3.2% as compared with approximately RMB176.7 million for the corresponding period of last year.

EBITDA of the intelligent management services segment decreased from approximately RMB300.8 million in the first half of 2025 to approximately RMB234.1 million in the first half of 2026, representing a decrease of 22.2%, with an EBITDA margin of 20.2%, representing a decrease of 4.5 percentage points from the first half of 2025. This was mainly affected by the tension in the Middle East, which resulted in an increase in the costs of personnel relocation and personnel services.

Energy Asset Operation Business

Energy asset operation business is a new industry segment currently being cultivated by the Group, comprising two business lines, namely oil and gas resources development and natural gas and new energy infrastructure. Leveraging its long-established capabilities and resources in reservoir research, engineering technologies, project management, supply chain, global markets and financing, the Group organically integrates professional technologies, capital resources, project construction and operation management capabilities, and gradually extends from project services to full life-cycle operation of energy assets, thereby expanding the space for long-term value creation while maintaining controllable risks.

In respect of oil and gas resources development, the Group concurrently carries out oil and gas asset development and oil and gas asset management businesses, focusing on overseas oil and gas resources and promoting rapid production commencement and efficient development of oil and gas fields through professional research, project screening, exploration and development, production capacity construction and production operations. The Group actively practises the concept of “non-consensus investment”, namely, leveraging professional reservoir geological research, distinctive oil and gas field development technologies, international operation management experience, diversified financing channels and innovative business cooperation models to prudently identify oil and gas assets whose value has yet to be fully realised and which have room for technological improvement and operational enhancement, and to enhance asset value through technological and management empowerment.

During the period, the Group continued to advance the exploration and evaluation, geological research and development preparation work of the Dhufriyah oilfield in Iraq. The first exploration well of the project commenced drilling in February 2026. During the Reporting Period, drilling, coring and related evaluation work progressed in an orderly manner, and drilling operations were completed in July, providing further basis for subsequent reservoir evaluation, well testing arrangements and development deployment. The Group also obtained an onshore “operator-investor” qualification in Algeria, creating conditions for its participation in the development and long-term operation of local oil and gas blocks.

In respect of natural gas and new energy infrastructure, the Group carries out integrated investment, construction and operation of energy infrastructure through Anyi Energy, focusing on three types of scenarios, namely oil and gas development infrastructure, natural gas infrastructure and green energy infrastructure. By combining capital, technologies, China’s supply chain, global delivery and long-term operation capabilities, the Group provides customers with integrated solutions featuring “lower investment, faster implementation, lower costs and stable operation”. The type of assets covers scenarios including natural gas processing, power generation and transmission, water treatment, as well as microgrids, energy storage, heavy-duty truck supercharging energy infrastructure. Based on the characteristics of individual projects, the Group flexibly adopts cooperation models including joint investment, BOO, BOT, leasing and pay-per-use arrangements, with a view to developing projects into infrastructure assets that are investable, deliverable and capable of long-term operation.

During the Reporting Period, the Group actively served national energy security and the demand for the outbound transportation of Xinjiang's energy resources and adapted to the trend towards green and low-carbon transformation of the transportation sector. In tandem with the green upgrade and transformation demands of existing oil company customers, the Group leveraged on its advantages of existing oil and gas scenarios and resources and advanced the implementation of the G331 heavy-duty truck supercharging project for the outbound transportation of Xinjiang coal. The project adopts an integrated investment, construction and operation model, and construction of the first station has commenced. By improving green energy replenishment infrastructure for heavy-duty trucks along the route, the project supports the Xinjiang coal outbound transportation corridor in enhancing transportation support capacity and operational efficiency. The implementation of the project marks substantive progress by the Group in the operation of green transportation and energy infrastructure.

In the first half of 2026, revenue from the energy asset operation business segment amounted to RMB135.1 million, representing a decrease of 24.2% from RMB178.3 million for the corresponding period of last year.

Business analysis of each product line of the energy asset operation business segment:

- 1) Natural gas and new energy infrastructure: During the Reporting Period, this product line recorded revenue of RMB135.1 million, representing a decrease of 24.2% from RMB178.3 million for the corresponding period of last year.
- 2) Oil and gas resources development: During the Reporting Period, the Group steadily moved forward on the drilling and evaluation of the Dhufriyah oilfield project in accordance with the project plan. No revenue was generated from this business.

EBITDA of the energy asset operation business segment decreased from RMB89.9 million in the first half of 2025 to RMB54.9 million in the first half of 2026, representing a decrease of 38.9%. The EBITDA margin was 40.6%, representing a decrease of 9.8 percentage points from 2025, primarily attributable to a decline in revenue resulting from the conclusion of certain previous projects during the period, and an increase in costs and expenses incurred during the development of new projects.

Alignment of Strategic Resources

In the first half of 2026, the Group continued to strictly control new capital expenditure in accordance with the "asset-light" business model and the "cash flow" core requirement. Capital expenditure in the first half of 2026 was approximately RMB107.1 million, a decrease of RMB49.5 million compared to approximately RMB156.6 million in the same period of 2025.

Alignment of Investment

In the first half of 2026, the Group's investment mainly focused on supplementing necessary technical and service capabilities under the global development strategy layout.

MANAGEMENT DISCUSSION AND ANALYSIS

Alignment of Research and Development (“R&D”)

In the first half of 2026, the Group focused on addressing clients’ practical needs for production enhancement and cost reduction, and actively advanced technological innovation as well as the upgrading of products and services, with reservoir enhancement and precision engineering technologies as the core. During the Reporting Period, the Group’s research and development expenditure amounted to approximately RMB43.0 million, representing a decrease of 23.4% compared to approximately RMB56.1 million in the same period last year. Key research projects included:

- R&D Project for Upgraded High-Temperature and High-Pressure Completion Tools;
- R&D Project for Intelligent Compartmentalised Water-Control Technology;
- Spraying Equipment for Hydrogen Sulfide Corrosion-Resistant Coatings in Ultra-Deep Wells; and
- Coiled Tubing Jetting and Bridge Plug Integrated Tool.

Alignment of Human Resources

In the first half of 2026, the Group regarded human resources development as an important foundation for supporting its global development, business upgrading and enhancement of organisational capabilities. The Group continued to improve its talent management system aligned with its strategic objectives, strengthen organisational resilience, talent vitality and global coordination capabilities, and provide strong support for strategy execution, business growth and long-term value creation.

In respect of organisation and talent deployment, the Group optimised its organisational structure and talent allocation in line with its global market presence and industrial development needs, strengthened the development of professional research and technical support platforms, and enhanced organisational agility, operational efficiency and responsiveness to market changes and new business opportunities. At the same time, the Group further improved its global talent recruitment, deployment and employee service systems, strengthened overseas talent outreach, localised support and employment compliance, and enhanced its ability to support global market expansion and cross-regional operations. In respect of talent development, the Group continued to improve its talent selection, leadership assessment and talent pipeline development mechanisms, strengthened the recruitment of leading talent, development of core backbone personnel and professional capability building, and promoted the upgrading of its talent pool from meeting current operational needs to supporting long-term strategy, technological innovation and new business development. In respect of incentive mechanisms, the Group further improved the full life-cycle management and long-term incentive mechanisms covering employees, core talent and partners, promoting the sharing of development achievements between employees and the Company, mutual growth and continuous creation of long-term value.

As at 30 June 2026, the Group had a total of 5,554 employees, representing a decrease of 1,238 employees as compared with 31 December 2025. Among them, 3,309 employees were based overseas, accounting for 59.58% of the Group’s total number of employees. The decrease in the total number of employees was mainly due to the conclusion of the Majnoon project in Iraq and the corresponding reduction in project-based employees.

OUTLOOK

In the second half of 2026, geopolitical conflicts are expected to continue to create uncertainty in the industry environment. Facing a complex and rapidly changing external environment, the Group will maintain its strategic focus, adhere to its global development strategy, deepen the development of its platforms, actively follow up on and seize post-war reconstruction opportunities as well as opportunities arising from the potential explosive growth in business demand, proactively capture market opportunities with long-term value, and make coordinated efforts in market expansion, product and service upgrading and management efficiency enhancement. The Group will continue to drive the iterative upgrading of its strategy and businesses, improve the quality of profitability, cash flow generation capability and shareholder returns, and create long-term value for shareholders through sustainable and rapid development.

In terms of markets, in the second half of the year, the Group will continue to focus on diversified expansion across global markets and promote business breakthroughs in emerging markets including the Gulf region of the Middle East, Africa and Southeast Asia. In the Group's traditional advantageous market in China, leveraging its existing technological and customer advantages, the Group will continue to deepen its presence in areas relating to reserves and production growth, cost reduction and efficiency enhancement, and green transformation, with a focus on advancing the implementation of supercharging projects and exploring new project opportunities. In the Iraq market, the Group will closely monitor developments in the Middle East and focus on opportunities arising from oilfield production resumption, production enhancement and long-term operation needs, thereby laying a solid foundation for long-term business growth.

In terms of products and services, the Group will focus on customers' on-site production needs and industry pain points, and, leveraging its global research and design centres and open ecosystem cooperation system, continue to launch new solutions tailored to different markets and application scenarios. The Group will promote the extension of its oilfield technical services from traditional engineering technical services towards reservoir enhancement, technical service operator models and integrated oil and gas development, and develop professional, customised and full life-cycle long-term service models. At the same time, the Group will accelerate the development of intelligent management and digital intelligence businesses, and enhance its capabilities in design and consultancy, resource integration, project management, digital intelligence product research and development, and scenario-based applications. By continuously strengthening its capabilities in solution design, integration and delivery, the Group will gradually develop replicable and scalable service models, deepen long-term cooperation with customers and cultivate new growth drivers.

In terms of management, the Group will focus on partnership-based organisations, refined operations, innovation breakthroughs, early-indicator-driven management and digital intelligence-enabled global management, and further improve its internal governance systems covering human resources, supply chain, finance and financial management. The Group will deepen its partnership mechanism, promote mutual growth between employees and the Company and jointly create long-term value; advance Amoeba management and OKR-based objective management to strengthen operational accountability, alignment of objectives and data-driven management; enhance the resilience of its global supply chain, capital management, cost control and risk prevention capabilities; and steadily advance the capital operations of independently branded businesses. Through continuous optimisation of its organisational structure, operating mechanisms and management systems, the Group will further enhance organisational vitality and global operational efficiency, providing strong support for strategy execution, long-term stable development and continuous creation of breakthrough value.

FINANCIAL REVIEW

Revenue

The Group's revenue for the first half of 2026 was approximately RMB2,682.2 million, representing an increase of RMB51.1 million, or 1.9%, from approximately RMB2,631.1 million for the same period of 2025.

Cost of Sales

Cost of sales increased by 6.5% from approximately RMB1,875.2 million for the corresponding period of 2025 to approximately RMB1,996.4 million for the first half of 2026, mainly due to the increase in raw material costs resulting from the impact of the tension in the Middle East.

Other Gains, Net

The Group's other gains for the first half of 2026 amounted to approximately RMB-23.8 million, representing a decrease of RMB30.5 million, or 455.2%, as compared with approximately RMB6.7 million for the first half of 2025, mainly due to the decrease in the fair value of the financial assets held by the Company.

Impairment Losses under Expected Credit Loss Model, net of reversal

The impairment losses under expected credit loss model, net of reversal for the first half of 2026 amounted to approximately RMB37.3 million, representing a decrease of RMB6.8 million, or 15.4%, as compared with approximately RMB44.1 million for the first half of 2025.

Selling Expenses

Selling expenses for the first half of 2026 amounted to approximately RMB123.2 million, representing a decrease of RMB2.4 million, or 1.9%, as compared with approximately RMB125.6 million for the corresponding period of 2025.

Administrative Expenses

Administrative expenses for the first half of 2026 amounted to approximately RMB202.7 million, representing an increase of RMB27.5 million, or 15.7%, as compared with approximately RMB175.2 million for the corresponding period of 2025. This was mainly due to increased staff remuneration expenses driven by the recruitment of global talent in connection with the expansion of the Group's global business. As the scale of the Group's global business further increases, the corresponding expense ratio is expected to decrease in the future.

R&D Expenses

Research and development expenses for the first half of 2026 amounted to approximately RMB43.0 million, representing a decrease of RMB13.1 million, or 23.4%, as compared with approximately RMB56.1 million for the corresponding period of 2025.

Sales Taxes and Surcharges

Sales taxes and surcharges for the first half of 2026 amounted to approximately RMB9.2 million, representing an increase of RMB0.5 million, or 5.7%, as compared with approximately RMB8.7 million for the corresponding period of 2025.

Operating Profit

The Group's operating profit for the first half of 2026 amounted to approximately RMB246.7 million, representing a decrease of RMB106.4 million, or 30.1%, as compared with approximately RMB353.1 million for the corresponding period of 2025. The operating profit margin for the first half of 2026 was 9.2%, representing a decrease of 4.2 percentage points from 13.4% for the corresponding period of 2025. This was mainly due to a revenue shortfall resulting from delays in project execution and/or reduced project execution efficiency in certain Middle Eastern markets affected by the situation in the Middle East, coupled with increases in raw material costs and project operating costs.

Net Financing Costs

For the first half of 2026, net financing costs amounted to approximately RMB78.6 million, representing an increase of RMB22.5 million, or 40.1%, as compared with approximately RMB56.1 million for the corresponding period of 2025. This was mainly affected by exchange differences arising from the fluctuation of the exchange rate between US\$ and RMB.

Income Tax Expense

Income tax expense for the first half of 2026 amounted to approximately RMB59.5 million, representing a decrease of RMB71.4 million, or 54.5%, as compared with approximately RMB130.9 million for the corresponding period of 2025. This was mainly due to the decrease in income tax expense resulting from the decline in profit before tax and the reversal of prior income tax provisions.

Profit for the Reporting Period

The Group's net profit for the first half of 2026 amounted to approximately RMB108.1 million, representing a decrease of RMB58.2 million, or 35.0%, as compared with approximately RMB166.3 million for the corresponding period of 2025. This was mainly due to the decline in operating profit during the period and the impact of foreign exchange losses.

MANAGEMENT DISCUSSION AND ANALYSIS

Profit Attributable to Equity Holders of the Company

Profit attributable to the equity holders of the Company for the first half of 2026 amounted to approximately RMB104.6 million, representing a decrease of RMB60.5 million, or 36.6%, as compared with approximately RMB165.1 million for the corresponding period of 2025.

Trade and Notes Receivables

As at 30 June 2026, the net carrying amount of the Group's trade and notes receivables amounted to approximately RMB3,378.4 million, representing an increase of RMB566.0 million as compared with 31 December 2025. The average trade receivables turnover days of the Group in the first half of 2026 were 206 days, representing an increase of 44 days as compared with the corresponding period of 2025.

Inventories

As at 30 June 2026, the Group's inventories amounted to approximately RMB756.0 million, representing an increase of RMB110.7 million as compared with 31 December 2025.

Liquidity and Capital Resources

As at 30 June 2026, the Group's cash and bank deposits were valued at approximately RMB2,396.8 million (including restricted bank deposits, cash and cash equivalents), representing a decrease of RMB213.2 million as compared to 31 December 2025.

The Group's short-term borrowings outstanding as at 30 June 2026 amounted to approximately RMB1,421.2 million. RMB1,592.0 million of the credit line granted to the Group by domestic banks in China has not been utilised.

As at 30 June 2026, the Group's gearing ratio was 60.2%, an increase of 4.2 percentage points from the gearing ratio of 56.0% as at 31 December 2025. The calculation of the gearing ratio is based on total borrowings divided by total capital. Total borrowings include borrowings, bonds, lease liabilities and trade and notes payables (as shown in the condensed consolidated statement of financial position). Total capital is calculated based on equity (as shown in the condensed consolidated statement of financial position) plus total borrowings.

The equity attributable to equity holders of the Company amounted to approximately RMB3,593.6 million as at 30 June 2026, a decrease of RMB88.2 million from approximately RMB3,681.8 million as at 31 December 2025.

Significant Investment

During the six months ended 30 June 2026, the Company did not hold any significant investments.

Material Acquisition and Disposal of Subsidiaries, Associates, and Joint Ventures

During the six months ended 30 June 2026, the Group had no material acquisitions or disposals of subsidiaries, associates, or joint ventures.

Currency Risk

The Group conducts its business mainly in RMB and USD, and some of its imports and exports are settled in foreign currencies. The Group maintains that the currency risk associated with the Group's settlement amounts denominated in foreign currencies is non-material. The Group's currency risk mainly arises from its foreign currency deposits and long-term bonds and trade receivables denominated in foreign currencies. Fluctuations in the exchange rate of RMB against USD may adversely affect the Group's operating results and financial position.

The Group does not currently have a foreign currency hedging policy. However, the management of the Company has been monitoring foreign exchange risks and will consider hedging significant foreign currency exposure should the need arise.

Cash Flow from Operating Activities

For the six months ended 30 June 2026, the Group's cash flow from operating activities was a net inflow of approximately RMB64.0 million, representing a decrease of RMB434.0 million as compared with the corresponding period of 2025. This was mainly affected by the situation in the Middle East, which resulted in delays in the collection of payments for certain projects in the Iraq market as compared with the corresponding period last year.

Capital Expenditure and Investment

The Group's capital expenditure for the six months ended 30 June 2026 was approximately RMB107.1 million, compared with approximately RMB156.6 million in the same period of 2025, representing a decrease of RMB49.5 million.

Contractual Obligations

The Group's contractual obligations mainly consist of its capital commitments. As at 30 June 2026, the Group's capital commitments (but not yet provisioned in the condensed consolidated statement of financial position) amounted to approximately RMB106.4 million.

Contingent Liabilities

As at 30 June 2026, the Group had no material contingent liabilities or guarantees.

Pledge of Assets

As at 30 June 2026, the Group's assets pledged for bank financing were buildings and equipment with a net book value of approximately RMB99.5 million, right-of-use assets with a net book value of approximately RMB5.1 million, accounts receivable with a net book value of approximately RMB566.7 million and restricted bank deposits of approximately RMB20.0 million.

Off-Book Arrangements

As at 30 June 2026, the Group had no off-book arrangements.

OTHER INFORMATION

INTERIM DIVIDEND

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

PURCHASE, SALE, OR REDEMPTION OF THE LISTED SECURITIES

During the six months ended 30 June 2026, the Company bought back a total of 57,158,000 of its own Shares on the Stock Exchange. As at 30 June 2026, the total number of issued shares of the Company was 3,001,701,447 shares.

Details of the share buy-backs are as follows:

Date	Number of shares bought back	Price per share (HKD)		Total consideration (before expenses) HKD
		Highest	Lowest	
12 January 2026	6,206,000	0.81	0.77	4,999,553.60
11 May 2026	12,900,000	1.06	1.01	13,410,980.00
29 May 2026	6,300,000	0.96	0.92	5,946,570.00
1 June 2026	5,200,000	1.00	0.92	4,979,000.00
8 June 2026	6,420,000	0.95	0.91	5,973,168.00
11 June 2026	5,304,000	0.95	0.90	4,957,118.40
25 June 2026	9,760,000	0.84	0.79	7,954,400.00
30 June 2026	5,068,000	0.86	0.82	4,234,314.00
Total	57,158,000			52,455,104.00

During the six months ended 30 June 2026, through the trustee of its restricted share award scheme, the Company purchased a total of 36,858,000 Shares on the secondary market for the purpose of the restricted share award scheme, representing 1.2% of the Company's total issued shares as of 30 June 2026.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

SUBSEQUENT EVENT

No material events have occurred after 30 June 2026 and up to the date of this report.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group currently does not have any future plans for material investments or capital assets.

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

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules were as follows:

(i) Long positions in ordinary shares of HK\$0.10 each:

Name of Director	Notes	Capacity	Number of ordinary shares held	Approximate percentage of shareholding ³
LUO Lin	1, 2	Founder of a discretionary trust and beneficial owner	779,661,408	25.97%
PI Zhifeng	2	Beneficial owner	7,478,000	0.25%
FAN Yonghong	2	Beneficial owner	32,350,000	1.08%
ZHANG Yongyi	2	Beneficial owner	3,790,000	0.13%
ZHU Xiaoping	2	Beneficial owner	1,975,000	0.07%
WEE Yiaw Hin	2	Beneficial owner	3,350,000	0.11%
Huang Song	2	Beneficial owner	2,550,000	0.08%

Notes:

1. Pro Development Holdings Corp. is a company wholly-owned by Avalon Assets Limited and holds 683,064,740 shares; Butterfield Trust (Asia) Limited ("Butterfield") holds 100% equity interest in Avalon Assets Limited. Butterfield is a trustee of the Loles Trust. Mr. LUO Lin is the founder of Loles Trust, of which Mr. LUO Lin and his family are the beneficiaries. Under the SFO, Butterfield and Avalon Assets Limited are deemed to be interested in the shares held by Pro Development Holdings Corp.
2. These shares include the share options granted to each Director pursuant to the Company's share option scheme ("Share Option Scheme") as well as the shares granted to each Director pursuant to the Company's restricted share award scheme ("Restricted Share Award Scheme"). Details of such options and restricted shares of each director were disclosed in the sections headed "SHARE OPTION SCHEME" and "RESTRICTED SHARE AWARD SCHEME".
3. The calculation is based on the total number of 3,001,701,447 Shares in issue as at 30 June 2026.

Save as disclosed above, at no time during the six months ended 30 June 2026, the Directors and chief executive (including their spouses and children under the age of 18 years) had or were deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company, its particular undertakings or its associated corporations as required to be disclosed pursuant to the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

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

As at 30 June 2026, so far was known to any Director or the chief executive, the substantial shareholders, other than the Directors or the chief executive of the Company, who had an interest or short position in the shares or the underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Long positions in the shares or underlying shares of the Company:

Name of substantial shareholders	Notes	Capacity	Long/Short position	Number of ordinary shares held	Approximate percentage of shareholding ⁴
Butterfield Trust (Asia) Limited	1	Trustee	Long position	683,064,740	22.76%
Avalon Assets Limited	1	Interest of controlled corporation	Long position	683,064,740	22.76%
Pro Development Holdings Corp.	1	Beneficiary Owner	Long position	683,064,740	22.76%
China Oil HBP Science & Technology Co., Ltd.	2	Interest of controlled corporation	Long position	193,766,678	6.46%
Hong Kong Huihua Global Technology Limited	2	Beneficial owner	Long position	193,766,678	6.46%
BOCI Trustee (Hong Kong) Limited	3	Trustee	Long position	181,804,631	6.06%

Notes:

- Pro Development Holdings Corp. is a company wholly-owned by Avalon Assets Limited and holds 683,064,740 Shares; Butterfield Trust (Asia) Limited ("**Butterfield**") holds 100% equity interest in Avalon Assets Limited. Butterfield is a trustee of the Loles Trust. Mr. LUO Lin is the founder of Loles Trust, of which Mr. LUO Lin and his family are the beneficiaries. Under the SFO, Butterfield and Avalon Assets Limited are deemed to be interested in the shares held by Pro Development Holdings Corp.
- Hong Kong Huihua Global Technology Limited, which is a company wholly-owned by China Oil HBP Science & Technology Co., Ltd. and holds 193,766,678 shares. By virtue of the SFO, China Oil HBP Science & Technology Co., Ltd. is deemed to be interested in the shares held by Hong Kong Huihua Global Technology Limited.
- BOCI Trustee (Hong Kong) Limited ("**BOCI**") serves as the trustee of the Restricted Share Award Scheme. According to the relevant Disclosure of Interests forms filed by BOC International in relation to the relevant events on 10 March 2026, 17 April 2026, 28 April 2026 and 26 June 2026, BOCI held 181,804,631 shares of the Company.
- The calculation is based on the total number of 3,001,701,447 Shares in issue as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, so far as was known to the Directors, no other persons (other than the Directors or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The existing share option scheme of the Company (the “**Share Option Scheme**”) was adopted by the Company at the annual general meeting of the Company held on 26 May 2017. During the Reporting Period, no share option has been granted. The purpose of the Share Option Scheme is to grant options to the eligible participants in recognition and acknowledgement of their contributions made or to be made to the Group. Under the Share Option Scheme, the Board may offer to grant an option to any director or employee, or any advisor, consultant, suppliers, customers or agents.

The shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time.

The maximum number of shares available for issue under options which may be granted under the Share Option Scheme or other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares in issue as at the date of approval of the share option scheme limit (i.e. 26 May 2017), being 266,006,925 shares.

As at 1 January 2026 and 30 June 2026, the total number of options available for grant under the Share Option Scheme was 152,567,333. As at 30 June 2026, the total number of shares available for issue under the Share Option Scheme was 152,567,333 shares, representing 5.08% of the issued share capital of the Company (excluding treasury shares) as at the date of this report. This comprised 152,567,333 shares available for future option grants under the Share Option Scheme. There were no outstanding options granted under the Share Option Scheme but not yet exercised and no share option has been granted during the Reporting Period. Therefore, the number of new Shares that may be issued in respect of options granted under the Share Option Scheme during the six months ended 30 June 2026 divided by the weighted average number of Shares in issue for this period is not applicable. The Share Option Scheme does not include sub-limits for service providers.

The total number of shares issued and which may fall to be issued upon exercise of the options granted pursuant to the Share Option Scheme to an eligible participant in any 12-month period shall not exceed 1% of the number of shares in issue as at the date of grant unless approved by the shareholders in general meeting.

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be determined by the Board provided that it shall not be less than the highest of: (i) the closing price of the shares as stated in the Stock Exchange’s daily quotation sheet on the date of grant; (ii) the average of closing prices of the shares as stated in the Stock Exchange’s daily quotation sheets for the 5 business days immediately preceding the date of grant; and (iii) the nominal value of a share. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. The Board shall have absolute discretion in determining the conditions for the grant of any options, including vesting conditions, performance targets or clawback mechanism.

As at 30 June 2026, the remaining life of the Share Option Scheme was approximately one year and eleven months.

OTHER INFORMATION

As at 30 June 2026, the Directors individually and other employees in aggregate of the Company had the following interests in options to subscribe for shares of the Company under the Share Option Scheme. Each option gives the holder the right to subscribe for one ordinary share of the Company of HK\$0.10 each. Details of the movements in the number of share options during the six months ended 30 June 2026 under the Share Option Scheme are as follows:

Grantees	Date of grant of share options	Exercise period of share options	Exercise price per share: HK\$	Notes	Number of share options as at 1 January 2026	Number of share options granted during the period	Number of share options exercised during the period	Number of share options cancelled during the period	Number of share options lapsed during the period	Number of share options as at 30 June 2026
Employees in aggregate	1 April 2020	1 April 2021 to 31 March 2026	0.495	1,2,3	113,439,592	-	113,439,592	-	-	-
				Subtotal	113,439,592	-	113,439,592	-	-	-
				Total	113,439,592	-	113,439,592	-	-	-

Notes:

1. The option period for the share options granted above commences on the date of grant and ends on the last day of seventy-two months counting respectively from the said date. The grantees are vested with, and entitled to exercise up to one-third of their share options during the option period commencing from each of the first, second and third anniversary of the date of grant.
 2. The closing price of the Company's shares listed on the Stock Exchange immediately before the date on which the options were granted was HK\$0.495*.
 3. The weighted average closing price of the Shares immediately before the date on which the options were exercised was HK\$0.960.
- * Source from the website of the Stock Exchange

RESTRICTED SHARE AWARD SCHEME

On 30 December 2019, the Board has resolved to adopt the Restricted Share Award Scheme ("**Scheme**"), under which the total number of shares that may be granted may not exceed 10% of the current total number of shares of the Company in issue, and the Scheme will be implemented by purchasing shares on the secondary market. The Scheme will be valid and effective for a period of ten years from the approval date of the Scheme and all eligible participants are entitled to participate in the Scheme. During the Reporting Period, over 100 employees in key positions including Directors were granted restricted shares. As of 30 June 2026, the remaining life of the Scheme was approximately 3 years and six months.

As the shares acquired by the Company under the Scheme have reached the scheme limit, the Board resolved on 18 July 2024 to cancel the unused existing scheme limit and refresh the scheme mandate limit of the Scheme to 10% of the number of shares of the Company in issue as of the date of the resolution (the "**Refreshed Scheme Limit**"). Based on 3,006,569,855 Shares in issue as at the date of the Board's resolution, the Refreshed Scheme Limit represents 300,656,985 shares that the Board may grant to the eligible participants of the Scheme. Besides the above mentioned refreshed scheme limit, the terms and conditions of the Schemes remain unchanged.

As at 1 January 2026 and 30 June 2026, 167,220,985 shares and 115,450,985 shares were share awards available for future grant under the Scheme respectively.

As the grant of restricted Shares was made through the purchase of existing shares from the market by the Trustee, no new shares will be issued in respect of the granted restricted shares. Therefore, the number of new Shares that may be issued in respect of restricted Shares granted under the Scheme during the six months ended 30 June 2026 divided by the weighted average number of Shares in issue for this period is not applicable.

Objectives

The objective for setting up various employee stock ownership plans was to (i) establish a partnership mechanism through employee shareholding in the Company to encourage employees to participate in the operation and management of the Company, so as to optimize its corporate governance structure and create a new form of partnership platform; (ii) align the interests of employees with that of the shareholders so as to form a entrepreneurship and sharing culture atmosphere, encourage employees to participate in building a common community, create value, share achievements, actively promote the growth and development of the Company and achieve an ultimate win-win target for the Company, employees and investors.

Participant of the Scheme

The Scheme is a part of the Company's employee share schemes. Under the Scheme, the Company will evaluate the performance of the talents based on their contribution or potential contribution to the Company's business development and growth, and determine any Eligible Participant as an Awarded Participant from time to time at its sole discretion.

OTHER INFORMATION

ADMINISTRATION

The Scheme is subject to the administration of the Board in accordance with the rules of the Scheme (the “**Scheme Rules**”). The Board shall have absolute discretion in determining the conditions for the grant of any awarded shares, including vesting conditions, performance targets or clawback mechanism.

VESTING AND LAPSE

Save for the acceptance fee of HK\$1.00 payable by the selected employee to the Company for the acceptance of the awarded shares, the awarded shares granted to the selected employees under the Scheme to date have been granted at no consideration. Under the Scheme, the awarded shares will be transferred to the selected employees upon the satisfaction of the vesting conditions.

Unless otherwise determined by the Board at its sole discretion, the relevant awarded shares held by the trustee in the trust on behalf of the selected employees shall not vest in the scheme participants in the following circumstances: (i) the scheme participant ceases to be a scheme participant for any reason; or (ii) as otherwise provided for in the Scheme Rules. Upon the occurrence of any of the above circumstances, any awarded shares granted but not vested in scheme participants will be returned to the trust in accordance with the Scheme Rules.

There is no maximum number of awarded shares that may be granted to selected employees under the Scheme. Notwithstanding the absence of such restrictions, the Board will comply with the requirements of Chapter 17 of the Listing Rules by ensuring that, unless approved by the shareholders, the maximum number of awarded shares granted to selected employees in any twelve-month period shall not exceed 1% of the Company’s total issued share capital on the date of grant.

As at 30 June 2026, there were 181,804,631 shares held in trust under the Scheme (excluding shares vested but not yet transferred to awardees).

The following table summarises the movement in the Company’s awarded shares which were granted under the Scheme during the Reporting Period. Save as stated below, for the six months ended 30 June 2026, there were no awarded shares granted, vested or lapsed under the Scheme.

OTHER INFORMATION

Name of Participant	Date of Grant	Notes	Number of awarded shares	Granted but unvested as at 1 January 2026	Number of shares vested during the reporting period	Number of shares lapsed during the reporting period	Granted but unvested as at 30 June 2026	Closing price of shares on the Stock Exchange before the date of grant (HK\$)	Fair value at the date of grant (HK\$)	Weighted average price on the day immediately prior to the date of vesting (HK\$)
Directors										
LUO Lin	1 January 2021	1,3	8,800,000	-	-	-	-	0.435	0.435	-
	15 July 2022	1,3	7,100,000	-	-	-	-	0.425	0.410	-
	22 November 2023	1	7,100,000	2,366,667	-	-	2,366,667	0.440	0.435	-
	16 December 2024	1	7,100,000	4,733,333	-	-	4,733,333	0.590	0.590	-
	19 May 2025	1	4,200,000	4,200,000	1,400,000	-	2,800,000	0.900	0.900	1.020
	2 April 2026	1,4	4,200,000	-	-	-	4,200,000	1.070	1.090	-
Subtotal			38,500,000	11,300,000	1,400,000	-	14,100,000	/	/	/
PI Zhifeng	1 January 2021	1,3	2,800,000	-	-	-	-	0.435	0.435	-
	15 July 2022	1,3	2,200,000	-	-	-	-	0.425	0.410	-
	22 November 2023	1	2,200,000	733,333	-	-	733,333	0.440	0.435	-
	16 December 2024	1	2,600,000	1,733,333	-	-	1,733,333	0.590	0.590	-
	19 May 2025	1	1,650,000	1,650,000	550,000	-	1,100,000	0.900	0.900	1.020
	2 April 2026	1,4	1,550,000	-	-	-	1,550,000	1.070	1.090	-
Subtotal			13,000,000	4,116,666	550,000	-	5,116,666	/	/	/
FAN Yonghong	1 January 2021	1,3	5,600,000	-	-	-	-	0.435	0.435	-
	15 July 2022	1,3	4,500,000	-	-	-	-	0.425	0.410	-
	22 November 2023	1	4,500,000	1,500,000	-	-	1,500,000	0.440	0.435	-
	16 December 2024	1	4,500,000	3,000,000	-	-	3,000,000	0.590	0.590	-
	19 May 2025	1	2,650,000	2,650,000	883,333	-	1,766,667	0.900	0.900	1.020
	2 April 2026	1,4	2,600,000	-	-	-	2,600,000	1.070	1.090	-
Subtotal			24,350,000	7,150,000	883,333	-	8,866,667	/	/	/

OTHER INFORMATION

Name of Participant	Date of Grant	Notes	Number of awarded shares	Granted but unvested as at 1 January 2026	Number of shares vested during the reporting period	Number of shares lapsed during the reporting period	Granted but unvested as at 30 June 2026	Closing price of shares on the Stock Exchange before the date of grant (HK\$)	Fair value at the date of grant (HK\$)	Weighted average price on the day immediately prior to the date of vesting (HK\$)
ZHANG Yongyi	1 January 2021	2,3	800,000	-	-	-	-	0.435	0.435	-
	15 July 2022	2,3	650,000	-	-	-	-	0.425	0.410	-
	22 November 2023	2,3	650,000	-	-	-	-	0.440	0.435	-
	16 December 2024	2	600,000	300,000	-	-	300,000	0.590	0.590	-
	19 May 2025	2	350,000	350,000	175,000	-	175,000	0.900	0.900	1.020
	2 April 2026	2,4	300,000	-	-	-	300,000	1.070	1.090	-
	Subtotal		3,350,000	650,000	175,000	-	775,000	/	/	/
ZHU Xiaoping	1 January 2021	2,3	800,000	-	-	-	-	0.435	0.435	-
	15 July 2022	2,3	650,000	-	-	-	-	0.425	0.410	-
	22 November 2023	2,3	650,000	-	-	-	-	0.440	0.435	-
	16 December 2024	2	600,000	300,000	-	-	300,000	0.590	0.590	-
	19 May 2025	2	350,000	350,000	175,000	-	175,000	0.900	0.900	1.020
	2 April 2026	2,4	300,000	-	-	-	300,000	1.070	1.090	-
	Subtotal		3,350,000	650,000	175,000	-	775,000	/	/	/
WEE Yaw Hin	1 January 2021	2,3	800,000	-	-	-	-	0.435	0.435	-
	15 July 2022	2,3	650,000	-	-	-	-	0.425	0.410	-
	22 November 2023	2,3	650,000	-	-	-	-	0.440	0.435	-
	16 December 2024	2	600,000	300,000	-	-	300,000	0.590	0.590	-
	19 May 2025	2	350,000	350,000	175,000	-	175,000	0.900	0.900	1.020
	2 April 2026	2,4	300,000	-	-	-	300,000	1.070	1.090	-
	Subtotal		3,350,000	650,000	175,000	-	775,000	/	/	/

OTHER INFORMATION

Name of Participant	Date of Grant	Notes	Number of awarded shares	Granted but unvested as at 1 January 2026	Number of shares vested during the reporting period	Number of shares lapsed during the reporting period	Granted but unvested as at 30 June 2026	Closing price of shares on the Stock Exchange before the date of grant (HK\$)	Fair value at the date of grant (HK\$)	Weighted average price on the day immediately prior to the date of vesting (HK\$)
HUANG Song	15 July 2022	2,3	650,000	-	-	-	-	0.425	0.410	-
	22 November 2023	2,3	650,000	-	-	-	-	0.440	0.435	-
	16 December 2024	2	600,000	300,000	-	-	300,000	0.590	0.590	-
	19 May 2025	2	350,000	350,000	175,000	-	175,000	0.900	0.900	1.020
	2 April 2026	2,4	300,000	-	-	-	300,000	1.070	1.090	-
Subtotal			2,550,000	650,000	175,000	-	775,000	/	/	/
CHEN Xin	2 April 2026	2,4	300,000	-	-	-	300,000	1.070	1.090	-
Subtotal			300,000	-	-	-	300,000	/	/	/
Employees in aggregate	1 January 2021	1,3	66,830,000	-	-	-	-	0.435	0.435	-
	15 July 2022	1,3	59,330,000	-	-	-	-	0.425	0.410	-
	22 November 2023	1	69,600,000	21,589,333	-	1,500,000	20,089,333	0.440	0.435	-
	16 December 2024	1	67,466,000	44,477,333	-	2,633,333	41,844,000	0.590	0.590	-
	19 May 2025	1	39,470,000	39,270,000	12,723,333	1,713,333	24,833,334	0.900	0.900	1.020
	2 April 2026	1,4	41,920,000	-	-	1,410,000	40,510,000	1.070	1.090	-
Subtotal			344,616,000	105,336,666	12,723,333	7,256,666	127,276,667	/	/	/
Total			433,366,000	130,503,332	16,256,666	7,256,666	158,760,000	/	/	/

Notes:

- One-third of the Awarded Shares will be vested in the first year, second year and third year from the grant date.
- 50% of the Awarded Shares will be vested in the first year and second year from the grant date.
- The Awarded Shares had been fully vested.
- The estimated fair value of the Awarded Shares as at the date of the grant on 2 April 2026 was HK\$1.090 per Share. Such fair value was estimated as at the date of grant by reference to the closing price per share as stated in the daily quotation sheets issued by the Stock Exchange, taking into account all non-vesting conditions associated with the grants. No other features of the awards granted were incorporated into the measurement of fair value.

OTHER INFORMATION

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of practice for securities transactions by the Directors. Having made specific inquiry with all the Directors, the Company confirms that all Directors have fully complied with the applicable requirements stipulated in the Model Code throughout the Reporting Period.

CHANGE IN INFORMATION REGARDING THE DIRECTORS AND CHIEF EXECUTIVE ACCORDING TO RULE 13.51B(1) OF THE LISTING RULES

There has been no change in the information regarding the Directors and the chief executive of the Company since the date of the Company's 2025 Annual Report.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules during the six months ended 30 June 2026, except for code provision B.3.5 of the CG Code. Pursuant to code provision B.3.5 of the CG Code, issuers should appoint at least one director of a different gender to the nomination committee. The Company is making relevant arrangements and plans to appoint a female director to its nomination committee within 2026, upon which it will publish an announcement in accordance with the Listing Rules.

AUDIT COMMITTEE

Pursuant to the requirements of the CG Code and the Listing Rules, the Company has established an audit committee (the "**Audit Committee**") comprising all three independent non-executive Directors, namely, Mr. Zhu Xiaoping (Chairman of the Audit Committee), Mr. Zhang Yongyi and Mr. WEE Yaw Hin. The Audit Committee has reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2026 and this interim report.

By order of the Board

Anton Oilfield Services Group

Chairman

Luo Lin

Hong Kong, 25 August 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



**TO THE BOARD OF DIRECTORS OF
ANTON OILFIELD SERVICES GROUP**

(Incorporated in the Cayman Islands with limited liability)

德勤

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Anton Oilfield Services Group (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 36 to 72, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss, 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 financial statements. The 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" ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, 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 International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the International Auditing and Assurance Standards Board. A review of these condensed consolidated financial statements 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 International 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
25 August 2026

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	1,526,781	1,637,113
Right-of-use assets		113,817	117,195
Investment properties		777	1,382
Goodwill		253,630	253,630
Intangible assets		349,605	361,479
Interest in a joint venture		1,840	2,313
Interests in associates		22,335	22,305
Financial assets at fair value through profit or loss ("FVTPL")		79,112	103,998
Prepayments and other receivables	9	80,570	105,227
Deferred income tax assets		56,523	51,904
		2,484,990	2,656,546
Current assets			
Inventories	7	755,991	645,255
Trade and notes receivables	8	3,378,442	2,812,424
Contract assets		59,984	41,598
Financial assets at FVTPL		–	28,189
Prepayments and other receivables	9	2,513,439	2,227,392
Restricted bank deposits	10	432,376	573,942
Term deposits	10	60,000	–
Cash and cash equivalents	10	2,396,778	2,609,985
		9,597,010	8,938,785
Total assets		12,082,000	11,595,331
EQUITY			
Equity attributable to the owners of the Company			
Share capital	11	274,895	265,452
Reserves		3,318,660	3,416,330
		3,593,555	3,681,782
Non-controlling interests		90,380	86,878
Total equity		3,683,935	3,768,660

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued

As at 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
LIABILITIES			
Non-current liabilities			
Long-term borrowings	12	606,802	581,739
Lease liabilities		32,760	32,124
Deferred income tax liabilities		10,398	11,316
		649,960	625,179
Current liabilities			
Short-term borrowings	12	1,421,150	1,214,664
Current portion of long-term borrowings	12	382,384	363,946
Trade and notes payables	13	3,112,552	2,600,970
Accruals and other payables	14	2,449,344	2,608,321
Lease liabilities		11,772	12,448
Contract liabilities		71,097	90,030
Current income tax liabilities		299,806	311,113
		7,748,105	7,201,492
Total liabilities		8,398,065	7,826,671
Total equity and liabilities		12,082,000	11,595,331

The notes on pages 43 to 72 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Revenue			
Contracts with customers	15	2,555,521	2,479,926
Rental	15	126,631	151,146
Total revenue	15	2,682,152	2,631,072
Cost of sales	16	(1,996,366)	(1,875,174)
Gross profit		685,786	755,898
Other (losses)/gains, net	17	(23,780)	6,732
Impairment losses (including reversals of impairment losses) on financial assets	16	(37,268)	(44,103)
Selling expenses	16	(123,200)	(125,552)
Administrative expenses	16	(202,666)	(175,154)
Research and development expenses	16	(42,962)	(56,060)
Sales tax and surcharges		(9,246)	(8,695)
Operating profit		246,664	353,066
Interest income		26,638	22,334
Finance expenses		(105,257)	(78,417)
Finance costs, net	18	(78,619)	(56,083)
Share of loss of a joint venture		(472)	(268)
Share of results of associates		30	519
Profit before income tax		167,603	297,234
Income tax expense	19	(59,463)	(130,937)
Profit for the period		108,140	166,297
Profit attributable to:			
Owners of the Company		104,638	165,140
Non-controlling interests		3,502	1,157
		108,140	166,297
Earnings per share for profit attributable to the owners of the Company (expressed in RMB per share)			
– Basic	20	0.0387	0.0602
– Diluted	20	0.0366	0.0572

The notes on pages 43 to 72 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit for the period	108,140	166,297
Other comprehensive (expense)/income, net of tax:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net investment hedge	-	1,121
Financial instruments measured at fair value through other comprehensive income	(191)	252
Currency translation differences	(114,772)	20,968
Other comprehensive (expense)/income for the period, net of tax	(114,963)	22,341
Total comprehensive (expense)/income for the period	(6,823)	188,638
Total comprehensive (expense)/income attributable to:		
Owners of the Company	(10,325)	187,508
Non-controlling interests	3,502	1,130
	(6,823)	188,638

The notes on pages 43 to 72 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	Attributable to the owners of the Company								Non-controlling interests	Total equity
		Share capital	Treasury shares	Share premium	Capital reserve	Statutory reserve	Retained earnings	Other reserves	Subtotal		
Balance at 1 January 2026 (Audited)		265,452	(187,330)	1,003,364	506,947	76,900	2,058,306	(41,857)	3,681,782	86,878	3,768,660
Profit for the period		-	-	-	-	-	104,638	-	104,638	3,502	108,140
Other comprehensive expense											
- Financial instruments measured at fair value through other comprehensive expense		-	-	-	-	-	-	(191)	(191)	-	(191)
- Currency translation differences		-	-	-	-	-	-	(114,772)	(114,772)	-	(114,772)
Total comprehensive income/(expense)		-	-	-	-	-	104,638	(114,963)	(10,325)	3,502	(6,823)
- Share-based scheme	11(b) (c)	-	-	-	25,671	-	-	-	25,671	-	25,671
- Exercise of share options	11(b)	9,443	-	61,743	(24,443)	-	-	-	46,743	-	46,743
- Repurchase of ordinary shares	11	-	(45,953)	-	-	-	-	-	(45,953)	-	(45,953)
- Vesting of shares under restricted		-	12,147	-	(12,147)	-	-	-	-	-	-
- Final dividend for 2025	21	-	-	-	-	-	(104,363)	-	(104,363)	-	(104,363)
Total transactions with owners, recognised directly in equity		9,443	(33,806)	61,743	(10,919)	-	(104,363)	-	(77,902)	-	(77,902)
Balance at 30 June 2026 (Unaudited)		274,895	(221,136)	1,065,107	496,028	76,900	2,058,581	(156,820)	3,593,555	90,380	3,683,935

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY –continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	Attributable to the owners of the Company								Non-controlling interests	Total equity
		Share capital	Treasury shares	Share premium	Capital reserve	Statutory reserve	Retained earnings	Other reserves	Subtotal		
Balance at 1 January 2025 (Audited)		272,152	(74,034)	1,029,690	480,739	76,900	1,758,706	(46,116)	3,498,037	110,303	3,608,340
Profit for the period		-	-	-	-	-	165,140	-	165,140	1,157	166,297
Other comprehensive income/(expense)											
- Net investment hedge		-	-	-	-	-	-	1,121	1,121	-	1,121
- Financial instruments measured at fair value through other comprehensive income		-	-	-	-	-	-	252	252	-	252
- Currency translation differences		-	-	-	-	-	-	20,995	20,995	(27)	20,968
Total comprehensive income		-	-	-	-	-	165,140	22,368	187,508	1,130	188,638
- Share-based scheme	11(b) (c)	-	-	-	21,212	-	-	-	21,212	-	21,212
- Cancellation of shares repurchased	11	(2,219)	18,448	(16,229)	-	-	-	-	-	-	-
- Repurchase of ordinary shares	11	-	(51,766)	-	-	-	-	-	(51,766)	-	(51,766)
- Final dividend for 2024	21	-	-	-	-	-	(73,490)	-	(73,490)	-	(73,490)
Total transactions with owners, recognised directly in equity		(2,219)	(33,318)	(16,229)	21,212	-	(73,490)	-	(104,044)	-	(104,044)
Balance at 30 June 2025 (Unaudited)		269,933	(107,352)	1,013,461	501,951	76,900	1,850,356	(23,748)	3,581,501	111,433	3,692,934

The notes on pages 43 to 72 form an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

	Notes	Six months ended 30 June	
		2026 (Unaudited)	2025 (Unaudited)
Net cash (used in)/from operating activities	22	(64,018)	370,007
Net cash used in investing activities	22	(126,695)	(144,436)
Net cash from/(used in) financing activities	22	30,998	(662,072)
Net decrease in cash and cash equivalents		(159,715)	(436,501)
Cash and cash equivalents at beginning of the period	10	2,609,985	2,190,759
Exchange loss on cash and cash equivalents		(53,492)	(4,894)
Cash and cash equivalents at end of the period	10	2,396,778	1,749,364

The notes on pages 43 to 72 form an integral part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

1. GENERAL INFORMATION

Anton Oilfield Services Group (the "Company") was incorporated in the Cayman Islands on 3 August 2007 as an exempted company with limited liability under the Companies Law of Cayman Islands. The address of its registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (the "Group") are mainly engaged in providing oilfield technology services, manufacturing and trading of related products in the People's Republic of China (the "PRC") and other overseas countries. The Company listed its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 14 December 2007.

The directors of the Company (the "Directors") regard Pro Development Holdings Corp., a company incorporated in the British Virgin Islands, as the immediate and ultimate holding company of the Company, which is controlled by Mr. Luo Lin, the Company's controlling shareholder.

These unaudited condensed consolidated financial statements are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB"), as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

3. ACCOUNTING POLICIES

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

Other than change in accounting policies resulting from application of amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's consolidated financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

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

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

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

4. ESTIMATES

The preparation of these condensed consolidated financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Group's consolidated financial statements for the year ended 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

5. SEGMENT INFORMATION

The president, executive vice presidents and Directors are the Group's chief operating decision makers (the "CODM"). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The Group's reportable segments are entity or group of entities that offer different products and services, which is the basis by which the CODM makes decisions about resources to be allocated to the segments and assesses their performance. Financial information of these entities has been separated to present discrete segment information to be reviewed by the CODM.

In the second half year of 2025, to optimise resource allocation and achieve operational synergies, the Group reorganised its internal reporting structure, which resulted in changes to the composition of its reportable segments. The previous four segments, "oilfield technical services", "oilfield management services", "drilling rig services" and "inspection services", were reorganized into three new segments which are "integrated oilfield technical services", "intelligent management services", and "energy asset operation business".

The changes of the reportable segments include: (1) "drilling rig services" and drilling technical services, well completion technical services and stimulation technical services included in "oilfield technical services" were aggregated into new reportable segment "integrated oilfield technical services"; (2) "oilfield management services" and "inspection services" were aggregated into new reportable segment "intelligent management services"; and (3) digital intelligence technical business was categorised into "intelligent management services" from "oilfield technical services", and natural gas and new energy business was categorised into "energy asset operation business" from "oilfield technical services". Prior year segment disclosures have been represented to conform with the current year's presentation.

Integrated oilfield technical services cover the full life cycle of oil and gas development, including drilling technical services, well completion and stimulation technical services for the industry.

Intelligent management services are the asset management services the Group provides to the oil companies worldwide, featured with profound capacity and light-asset. The services include energy project management services, digital intelligence technical services, and inspection services.

Energy asset operation business provides customers with natural gas and new energy infrastructure and oil and gas resources development services.

All of the three reportable segments include a number of direct service provision operations in various cities in China and overseas countries, each of which is considered as a separate operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated into three single reportable segments based on their sharing of similar economic characteristics, including similar nature of the services and products, type of customer for their services and products and the method used to provide their services and distribute their products.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

5. SEGMENT INFORMATION *(Continued)*

The measurement of profit or loss, assets and liabilities of the operating segments are the same as those described in the summary of significant accounting policies in Note 3. The CODM evaluate the performance of the operating segments based on profit before income tax expense, certain depreciation and amortisation, interest income, finance expenses, share of profit of a joint venture and associates, asset impairment provisions and corporate overheads ("EBITDA") and the reconciliation of EBITDA to profit or loss. The corporate overheads and corporate assets are the general management expenses incurred and assets held by the headquarters of the Group.

	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
Six months ended 30 June 2026 (Unaudited)				
Revenue	1,386,060	1,160,961	135,131	2,682,152
EBITDA	293,734	234,120	54,902	582,756
Depreciation and amortisation	(72,893)	(22,599)	(34,461)	(129,953)
Asset impairment (provision)/reversal of				
– Trade receivables, net of reversal	(17,760)	(18,298)	(3,331)	(39,389)
– Other receivables	1,986	343	(208)	2,121
Interest income	602	1,640	578	2,820
Finance expenses	(9,194)	(9,810)	(1,007)	(20,011)
Share of loss of a joint venture	(472)	-	-	(472)
Share of result of associates	30	-	-	30
Income tax expense	(33,866)	(22,751)	(2,846)	(59,463)
Segment results	162,167	162,645	13,627	338,439
Unallocated corporate overheads				(230,299)
Profit for the period				108,140

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

5. SEGMENT INFORMATION (Continued)

	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
Six months ended 30 June 2025				
(Unaudited)				
Revenue	1,235,419	1,217,312	178,341	2,631,072
EBITDA	308,829	300,813	89,871	699,513
Depreciation and amortisation	(101,388)	(27,958)	(26,417)	(155,763)
Asset impairment (provision)/reversal of				
– Inventories	(6,436)	(679)	(260)	(7,375)
– Trade receivables, net of reversal	(30,177)	(13,016)	(2,399)	(45,592)
– Other receivables	1,331	145	13	1,489
Interest income	4,167	1,415	1,117	6,699
Finance expenses	(7,946)	(7,918)	(926)	(16,790)
Share of loss of a joint venture	(268)	–	–	(268)
Share of result of associates	519	–	–	519
Income tax expense	(43,231)	(82,676)	(5,030)	(130,937)
Segment results	125,400	170,126	55,969	351,495
Unallocated corporate overheads				(185,198)
Profit for the period				166,297

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

5. SEGMENT INFORMATION (Continued)

	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
As at 30 June 2026 (Unaudited)				
Segment assets	4,670,460	3,102,002	780,888	8,553,350
Segment assets include:				
Capital expenditures incurred in the period	69,094	8,932	952	78,978
As at 31 December 2025 (Audited)				
Segment assets	4,098,776	3,103,272	546,826	7,748,874
Segment assets include:				
Capital expenditures incurred in the year	269,288	45,383	15,844	330,515

Disclosure of liabilities has not been included here because these liabilities balances are not allocated to segments.

Reportable segments' assets are reconciled to total assets as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Assets for reportable segments	8,553,350	7,748,874
Corporate assets for general management	3,528,650	3,846,457
Total assets	12,082,000	11,595,331

The Group allocates revenue on the basis of the location in which the sales are originated.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

5. SEGMENT INFORMATION (Continued)

Geographical Information

	Revenue		Non-current assets	
	Six months ended 30 June		As at 30 June	As at 31 December
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Audited)
PRC	801,882	951,523	1,613,811	1,706,253
Republic of Iraq ("Iraq")	1,212,415	1,447,215	559,790	585,105
Other countries	667,855	232,334	140,240	149,720
Total	2,682,152	2,631,072	2,313,841	2,441,078

Note:

The balance of deferred income tax assets and financial assets are not included in the balance of non-current assets disclosed here.

Client information

During the period, revenues of approximately RMB1,302,742,000 (six months ended 30 June 2025: RMB1,350,484,000) were derived from three (six months ended 30 June 2025: two) external customers, which contributed 19.86%, 17.48% and 11.24% to the total revenue, respectively (six months ended 30 June 2025: 31.88% and 19.45%). These revenues were mainly attributable to integrated oilfield technical services and intelligent management services segments (six months ended 30 June 2025: integrated oilfield technical services and intelligent management services segments).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

6. PROPERTY, PLANT AND EQUIPMENT

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Opening carrying amount	1,637,113	1,706,428
Additions	57,098	106,969
Depreciation	(99,503)	(124,406)
Disposals	(46,053)	(4,897)
Currency translation differences	(21,874)	(1,652)
Closing carrying amount	1,526,781	1,682,442

As at 30 June 2026, certain borrowings were secured by certain buildings and equipment with carrying amount of RMB138,044,000 (31 December 2025: RMB119,086,000) (Note 12(a)).

7. INVENTORIES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Project materials, spare parts and other materials	397,326	357,794
Project-in-progress	358,665	287,461
Total	755,991	645,255

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

8. TRADE AND NOTES RECEIVABLES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Trade receivables, net (a)		
– contracts with customers	3,289,848	2,727,719
– lease receivables	55,686	65,336
	3,345,534	2,793,055
Notes receivable (e)	32,908	19,369
	3,378,442	2,812,424

Notes:

(a) Aging analysis based on the invoice date:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
1 – 6 months	2,054,257	1,840,612
6 months – 1 year	588,161	454,810
1 – 2 years	395,768	374,918
2 – 3 years	227,712	74,531
Over 3 years	79,636	48,184
	3,345,534	2,793,055

- (b) Most of the trade receivables are with credit terms of one year or less. The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables.
- (c) As at 30 June 2026, trade receivables of RMB566,716,000 (31 December 2025: RMB536,694,000) were pledged as security for long-term borrowings of RMB471,512,000 (31 December 2025: RMB426,346,000) and short-term borrowings of RMB95,204,000 (31 December 2025: RMB110,348,000) (Note 12(a)).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

8. TRADE AND NOTES RECEIVABLES (Continued)

Notes: (Continued)

(d) Allowance for impairment of trade receivables:

	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
As at 1 January	450,004	366,857
Addition	39,389	45,592
As at 30 June	489,393	412,449

For impairment assessment on trade receivables subject to expected credit loss ("ECL") model, the basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

(e) As at 30 June 2026, total notes receivable amounting to RMB32,908,000 (31 December 2025: RMB19,369,000) are held by the Group as settlement of corresponding trade receivables. Notes receivable was measured at fair value through other comprehensive income (Note 24). All notes receivable held by the Group are with a maturity period of less than one year.

9. PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Current		
Advances to suppliers	233,906	159,674
Deposits and other receivables (a)	2,184,422	2,008,600
Value-added tax recoverable	95,111	59,118
	2,513,439	2,227,392
Non-current		
Value-added tax recoverable	10,903	8,362
Advances to engineering equipment suppliers	34,153	37,299
Other receivables	35,514	59,566
	80,570	105,227

Note:

(a) Pursuant to the oilfield management service contract with a third-party customer, the Group provides management services, including acting as an agent for the customer's procurement activities. As at 30 June 2026, other receivables amounting to RMB1,399,883,000 (31 December 2025: RMB1,335,234,000) mainly represent receivables from this oilfield customer for the procurement costs paid on its behalf and correspondingly, the Group recorded other payables amounting to RMB2,005,717,000 (31 December 2025: RMB2,014,051,000) to the third-party suppliers.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

10. CASH AND BANK DEPOSITS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Restricted bank deposits (a) (b)	432,376	573,942
Cash and cash equivalents		
– Cash on hand	19,720	5,755
– Deposits in bank	2,377,058	2,604,230
– Term deposits (c)	60,000	–
	2,889,154	3,183,927

Notes:

- (a) As at 30 June 2026, bank deposits amounting to RMB20,000,000 (31 December 2025: RMB20,000,000) were held as security for securing short-term bank borrowings (Note 12(a)).
- (b) As at 30 June 2026, bank deposits amounting to RMB412,376,000 (31 December 2025: RMB553,942,000) were held as security for letter of guarantee and issuance of notes payable.
- (c) Term deposits are bank deposits redeemable on maturity, with maturities between three months and one year. The interest rates of the deposits were 1.3% per annum as at 30 June 2026. The term deposits have been redeemed on 3 July 2026.
- (d) Cash and bank deposits were denominated in the following currencies:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
RMB	1,010,619	1,037,614
United States dollar ("US\$")	1,662,393	1,890,542
Hong Kong dollar ("HK\$")	5,272	729
Others	210,870	255,042
	2,889,154	3,183,927

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

11. SHARE CAPITAL AND SHARE OPTIONS

(a) Share capital

	Number of ordinary shares issued and fully paid of HK\$0.1 each (thousands)	Share capital HK\$'000	RMB'000
At 1 January 2026 (Audited)	2,888,263	288,826	265,452
Exercise of share options	113,440	11,344	9,443
At 30 June 2026 (Unaudited)	3,001,703	300,170	274,895
At 1 January 2025 (Audited)	2,961,649	296,165	272,152
Cancellation of shares repurchased	(24,210)	(2,421)	(2,219)
As at 30 June 2025 (Unaudited)	2,937,439	293,744	269,933

During the six months ended 30 June 2026, the Company repurchased 57,158,000 (six months ended 30 June 2025: 66,412,000) of its own ordinary shares through the Stock Exchange of Hong Kong Limited with an aggregate consideration of HK\$52,580,000 (six months ended 30 June 2025: HK\$55,873,000) paid. Of which, nil (six months ended 30 June 2025: 17,042,000) shares were cancelled upon repurchase and 57,158,000 (six months ended 30 June 2025: 49,370,000) shares were not cancelled and remained as treasury shares at the end of the reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

11. SHARE CAPITAL AND SHARE OPTIONS (Continued)

(b) Share options

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Average exercise price in HK\$ per share	Number of share options (thousands)
As at 1 January 2026 (Audited)		113,440
Exercised	0.495	(113,440)
As at 30 June 2026 (Unaudited)		-
As at 1 January 2025 (Audited)		187,364
Expired	0.790	(73,924)
As at 30 June 2025 (Unaudited)		113,440

(c) Restricted share award scheme ("Scheme")

According to the Scheme approved on 30 December 2019 by the Directors, share of the Company will be awarded to the Group's certain directors and key employees as an incentive. The total number of shares under the Scheme will not exceed 10% of the current total number of shares in issue, and the Scheme will be gradually implemented by purchasing shares on the secondary market. The Scheme will be valid and effective for a period of ten years from the approval date and all eligible participants are entitled to participate in the Scheme.

For the purpose of the Scheme, the Company totally repurchased 444,460,000 of its own ordinary shares through the Stock Exchange of Hong Kong Limited as at 30 June 2026, with the price per share from Hong Kong Dollar ("HK\$") 0.330 to HK\$1.0423. The aggregate considerations paid were approximately RMB231,622,000.

On 15 July 2022, 75,730,000 shares with the fair value of HK\$0.410 per share have been conditionally granted to certain directors and key employees. The shares granted have a vesting period from 3 months to 27 months.

On 22 November 2023, 86,000,000 shares with the fair value of HK\$0.435 per share have been conditionally granted to certain directors and key employees. The shares granted have a vesting period from 12 months to 36 months.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

11. SHARE CAPITAL AND SHARE OPTIONS *(Continued)*

(c) Restricted share award scheme (“Scheme”) *(Continued)*

On 16 December 2024, 84,066,000 shares with the fair value of HK\$0.590 per share have been conditionally granted to certain directors and key employees. The shares granted have a vesting period from 12 months to 36 months.

On 19 May 2025, 49,370,000 shares with the fair value of HK\$0.900 per share have been conditionally granted to certain directors and key employees. The shares granted have a vesting period from 12 months to 36 months.

On 2 April 2026, 51,770,000 shares with the fair value of HK\$1.090 per share have been conditionally granted to certain directors and key employees. The shares granted have a vesting period from 12 months to 36 months.

Movements in the number of restricted shares outstanding are as follows:

	Number of restricted shares (thousands)
As at 1 January 2026 (Audited)	130,503
Granted	51,770
Vested	(16,257)
Forfeited	(7,257)
As at 30 June 2026 (Unaudited)	158,759
As at 1 January 2025 (Audited)	138,912
Granted	49,370
Forfeited	(1,917)
As at 30 June 2025 (Unaudited)	186,365

The total expense recognised in the condensed consolidated statement of profit or loss for the six months ended 30 June 2026 for the Scheme amounted to RMB25,671,000 (for the six months ended 30 June 2025: RMB21,212,000), with a corresponding amount credited in capital reserve.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

12. BORROWINGS

	As at 30 June 2026 (Unaudited)		As at 31 December 2025 (Audited)	
	Amount	Interest rate	Amount	Interest rate
Long-term borrowings				
– Unsecured and unguaranteed				
– RMB denominated	109,936	4.20%	80,253	4.20%
– Secured or guaranteed				
– RMB denominated (a)	677,736	2.70%-6.50%	666,456	2.70%-6.85%
Less: Current portion	(378,768)		(362,868)	
	408,904		383,841	
Long-term debentures				
– unsecured and guaranteed				
– RMB denominated (b)	201,514	3.23%	198,976	3.23%
Less: Current portion	(3,616)		(1,078)	
	197,898		197,898	
Short-term bank borrowings				
– Unsecured and unguaranteed				
– RMB denominated	325,699	2.30%-4.30%	336,562	2.25%-4.30%
– Secured or guaranteed				
– RMB denominated (a)	1,095,451	2.20%-5.00%	878,102	2.20%-4.90%
	1,421,150		1,214,664	

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

12. BORROWINGS (Continued)

Notes:

- (a) As at 30 June 2026, secured long-term borrowings of RMB36,549,000 (31 December 2025: RMB45,687,000) represented borrowings from SPDB Financial Leasing Co., Ltd., a third party, which will mature in 3 years, and secured by several sets of equipment with a carrying value of RMB38,570,000 (31 December 2025: RMB43,148,000) (Note 6).

As at 30 June 2026, secured long-term bank borrowings of RMB86,496,000 (31 December 2025: RMB128,215,000) were secured by the Group's buildings with a carrying value of RMB99,474,000 (31 December 2025: RMB75,938,000) (Note 6) and right-of-use assets (leasehold lands) with a carrying value of RMB5,090,000 (31 December 2025: RMB5,174,000) respectively.

As at 30 June 2026, secured long-term bank borrowings of RMB471,512,000 (31 December 2025: RMB426,346,000) and short-term bank borrowings of RMB95,204,000 (31 December 2025: RMB110,348,000) were secured by the Group's trade receivables amounting to RMB566,716,000 (31 December 2025: RMB536,694,000) (Note 8(c)).

As at 30 June 2026, long-term bank borrowings of RMB83,179,000 (31 December 2025: RMB66,208,000) and short-term bank borrowings of RMB981,206,000 (31 December 2025: RMB758,224,000) were guaranteed by Mr. Luo Lin, the Company's ultimate controlling shareholder (Note 25(b)).

As at 30 June 2026, short-term bank borrowings of RMB19,041,000 (31 December 2025: RMB9,530,000) were secured by the restricted bank deposits amounting to RMB20,000,000 (31 December 2025: RMB20,000,000) (Note 10(a)).

- (b) The Company issued debentures with the principal amount of RMB200,000,000 and the coupon rate of 2.85% at par value on 23 October 2025. The debentures mature in 3 years from the issue date at their nominal value. Interest of the debentures is payable on an annual basis. And the debentures were guaranteed by Beijing Zhongguancun Sci-tech Guaranty Co., Ltd. (北京中關村科技融資擔保有限公司), a third party.
- (c) As at 30 June 2026, the undrawn bank borrowing facilities of the Group of approximately RMB1,592 million (31 December 2025: RMB1,229 million), with maturity dates up to 22 December 2029 (31 December 2025: 31 October 2027) and were unsecured (31 December 2025: unsecured).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

13. TRADE AND NOTES PAYABLES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Trade payables	1,604,215	1,108,461
Trade payables under supplier finance arrangements (Note)	438,546	353,680
Notes payable	1,069,791	1,138,829
	3,112,552	2,600,970

Note:

In order to ensure easy access to credit for its suppliers and facilitate the settlement, the Group has entered into supplier finance arrangements that permit certain suppliers to obtain payment from the banks in China. The arrangement permits the banks to early settle invoices with some costs borne by the suppliers. The Group repays the banks the full invoice amounts on the scheduled payment dates as agreed in the arrangements. As the arrangements do not permit the Group to extend finance from the banks by paying the banks later than the Group would have paid its suppliers, the Group considers amounts payable to the banks should be classified as trade payables.

Payment due dates for the liabilities that are part of supplier finance arrangements are from 180 to 360 days, consistent with the comparable trade payables that are not part of supplier finance arrangements.

Aging analysis of trade and notes payables at the reporting date was as following:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Less than 1 year	2,882,351	2,395,183
1 – 2 years	134,952	101,918
2 – 3 years	29,082	39,588
Over 3 years	66,167	64,281
	3,112,552	2,600,970

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

14. ACCRUALS AND OTHER PAYABLES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Payroll and welfare payables	37,449	90,926
Taxes other than income taxes payable	11,363	27,670
Payables to equipment vendors	104,296	181,868
Others (Note 9(a))	2,296,236	2,307,857
	2,449,344	2,608,321

15. REVENUE

	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Sales of goods	148,136	114,004
Provision of services	2,407,385	2,365,922
Rental	126,631	151,146
	2,682,152	2,631,072

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

15. REVENUE (Continued)

Disaggregation of revenue

Segments	For the six months ended 30 June 2026 (Unaudited)			Total
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	
Types of goods or service				
Sales of goods	147,339	797	-	148,136
Provision of services	1,238,721	1,160,164	8,500	2,407,385
Total	1,386,060	1,160,961	8,500	2,555,521
Geographical markets				
PRC	528,745	154,758	5,920	689,423
Iraq	347,567	853,280	1,034	1,201,881
Other countries	509,748	152,923	1,546	664,217
Total	1,386,060	1,160,961	8,500	2,555,521
Timing of revenue recognition				
A point in time	1,386,060	228,280	8,500	1,622,840
Over time	-	932,681	-	932,681
Total	1,386,060	1,160,961	8,500	2,555,521

Set out below is the reconciliation of the revenue from contracts with customers with segment information.

Segments	For the six months ended 30 June 2026 (Unaudited)			Total
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	
Revenue disclosed in segment information				
External customers (Note 5)	1,386,060	1,160,961	135,131	2,682,152
Rental income	-	-	(126,631)	(126,631)
Revenue from contracts with customers	1,386,060	1,160,961	8,500	2,555,521

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

15. REVENUE (Continued)

Disaggregation of revenue (Continued)

Segments	For the six months ended 30 June 2025 (Unaudited)			Total
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	
Types of goods or service				
Sales of goods	114,004	–	–	114,004
Provision of services	1,121,415	1,217,312	27,195	2,365,922
Total	1,235,419	1,217,312	27,195	2,479,926
Geographical markets				
PRC	637,915	158,650	10,555	807,120
Iraq	481,450	954,579	11,186	1,447,215
Other countries	116,054	104,083	5,454	225,591
Total	1,235,419	1,217,312	27,195	2,479,926
Timing of revenue recognition				
A point in time	1,235,419	216,242	27,195	1,478,856
Over time	–	1,001,070	–	1,001,070
Total	1,235,419	1,217,312	27,195	2,479,926

Segments	For the six months ended 30 June 2025 (Unaudited)			Total
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	
Revenue disclosed in segment information				
External customers (Note 5)	1,235,419	1,217,312	178,341	2,631,072
Rental income	–	–	(151,146)	(151,146)
Revenue from contracts with customers	1,235,419	1,217,312	27,195	2,479,926

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

16. EXPENSE BY NATURE

Operating profit is arrived at after charging the following:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Materials and services purchased	946,952	898,869
Staff costs	700,383	681,560
In which:		
– Salaries and other staff expenses	674,712	660,348
– Share-based compensation (Note 11)	25,671	21,212
Depreciation	130,163	157,058
In which:		
– Property, plant and equipment	119,249	145,997
– Right-of-use assets	10,309	10,456
– Investment properties	605	605
Less: Capitalised in inventories	(27,328)	(25,752)
	102,835	131,306
Amortisation of intangible assets	32,579	29,027
Less: Capitalised in inventories	(4,491)	(4,232)
	28,088	24,795
Other operating expenses	624,204	539,513
In which:		
– Impairment of receivables	37,268	44,103
– Impairment of inventories	-	7,375

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

17. OTHER (LOSSES)/GAINS, NET

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Government grants and subsidies (Note)	5,355	7,691
Gains/(losses) on disposal of property, plant and equipment	466	(1,324)
(Loss)/gain from changes in fair value of financial assets measured at FVTPL	(28,886)	1,985
Value added tax preferences	160	408
Others	(875)	(2,028)
	(23,780)	6,732

Note:

Government grants and subsidies of RMB5,355,000 (six months ended 30 June 2025: RMB7,691,000) were received in the current period to award the expenditures of research and development activities.

18. FINANCE COSTS, NET

	Six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Interest expenses		
– on borrowings	(52,163)	(52,379)
– on bonds	-	(440)
– on other financial liabilities	-	(2,092)
– on lease liabilities	(1,176)	(1,032)
	(53,339)	(55,943)
Exchange loss, net	(30,198)	(2,863)
Others	(21,720)	(19,611)
Finance expenses	(105,257)	(78,417)
Interest income	26,638	22,334
	(78,619)	(56,083)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

19. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Current income tax		
– PRC enterprise income tax	21,640	14,928
– Iraq corporate income tax	39,253	96,928
– Others	4,107	27,493
Deferred income tax	(5,537)	(8,412)
	59,463	130,937

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and, accordingly, is exempted from payment of the Cayman Islands income tax.

For the Company's PRC subsidiaries, enterprise income tax is provided on estimated taxation profits at applicable tax rate of 25% (six months ended 30 June 2025: 25%), except for certain subsidiaries which have applied preferential tax rates of 15%.

The corporate income tax of Iraq entities is levied at the higher of 7% on the total turnover and 35% on the net taxable profit.

The United Arab Emirates ("UAE") corporation tax ("CT") is provided based on the estimated taxable profits of the subsidiaries established in UAE Dubai at tax rate of 9% (six months ended 30 June 2025: 9%). Certain subsidiary has been granted a preferential tax rate of zero as the enterprise act as management function in UAE.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

20. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to the owners of the Company (RMB'000)	104,638	165,140
Weighted average number of ordinary shares in issue (thousands of shares)	2,701,428	2,742,402
Basic earnings per share (expressed in RMB per share)	0.0387	0.0602

Note:

The effect of treasury shares has been included in the calculation of weighted-average number of ordinary shares in issue.

(b) Diluted

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume exercise of all dilutive potential ordinary shares. For the period ended 30 June 2026, the dilutive factor of the Company was the outstanding unvested restricted shares.

For the period ended 30 June 2025, the dilutive factors of the Company were the outstanding unvested restricted shares and share options.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to the owners of the Company (RMB'000)	104,638	165,140
Weighted average number of ordinary shares in issue (thousands of shares)	2,701,428	2,742,402
Adjustments for the effect of restricted share award scheme (thousands of shares)	157,236	142,381
Weighted average number of ordinary shares for computation of diluted earnings per share (thousands of shares)	2,858,664	2,884,783
Diluted earnings per share (expressed in RMB per share)	0.0366	0.0572

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

21. DIVIDENDS

During the current interim period, a final dividend of RMB0.0373 per share in respect of the year ended 31 December 2025 (six months ended 30 June 2025: RMB0.025 in respect of the year ended 31 December 2024) was declared and paid to owners of the Company. The aggregate amount of the final dividend declared and paid in the interim period amounted to RMB104,363,000 (six months ended 30 June 2025: RMB73,490,000).

The Directors have determined that no dividend will be proposed in respect of the current interim period (six months ended 30 June 2025: Nil).

22. NOTE TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Operating activities:		
Profit for the period	108,140	166,297
Adjustments for:		
Income tax	59,463	130,937
Property, plant and equipment		
– Depreciation charge	94,612	123,667
– (Gain)/loss on disposals	(466)	1,324
Depreciation of right-of-use assets	7,618	8,060
Amortisation of intangible assets	28,088	24,957
Depreciation of investment properties	605	605
Addition of impairment of receivables	37,268	44,103
Addition of impairment of inventories	-	7,375
Loss/(gain) on fair value changes of financial assets measured at FVTPL	28,886	(1,985)
Charge of share option scheme and restricted share award scheme	25,671	21,212
Share of loss of a joint venture	472	268
Share of profit of associates	(30)	(519)
Net foreign exchange loss	30,198	2,863
Interest income	(26,638)	(22,334)
Interest expenses	53,339	55,943

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB, unless otherwise stated)

22. NOTE TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Changes in working capital:		
Inventories	(104,419)	69,597
Trade and notes receivables	(674,308)	(163,648)
Contract assets	(18,386)	8,162
Prepayments and other receivables	(221,683)	(93,674)
Trade and notes payables	514,872	363,700
Accruals and other payables	(88,929)	(57,231)
Contract liabilities	(18,933)	(33,029)
Restricted bank deposits	141,566	(133,682)
Net cash inflows (used in)/from operations	(22,994)	522,968
Interest received	35,283	30,342
Income tax paid	(76,307)	(183,303)
Net cash (used in)/from operating activities	(64,018)	370,007
Investing activities:		
Purchases of property, plant and equipment	(89,875)	(120,228)
Purchases of intangible assets	(17,248)	(36,430)
Proceeds from disposal of property, plant and equipment	832	3,573
Cash received relating to other investing activities	15,407	8,649
Purchases of financial assets at fair value through profit or loss	(47,600)	-
Proceeds from disposal of financial assets at fair value through profit or loss	71,789	-
Other investing cash flows	(60,000)	-
Net cash used in investing activities	(126,695)	(144,436)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026
(Amounts expressed in thousands of RMB, unless otherwise stated)

22. NOTE TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Financing activities:		
Proceeds from short-term borrowings	997,400	726,000
Repayments of short-term borrowings	(790,130)	(821,150)
Repayments of lease liabilities	(5,989)	(6,929)
Proceeds from long-term borrowings	211,191	139,686
Repayments of long-term borrowings	(169,628)	(68,500)
Repurchase of long-term bonds	-	(453,381)
Interest paid	(51,011)	(52,542)
Repurchase of ordinary shares	(45,953)	(51,766)
Dividends distribution	(104,363)	(73,490)
Placement of restricted bank deposits	(20,000)	(20,000)
Withdraw of restricted bank deposits	20,000	20,000
Other financing cash flows	(10,519)	-
Net cash from/(used in) financing activities	30,998	(662,072)

23. COMMITMENTS

Capital commitments

Capital commitments related to investments in property, plant and equipment at the reporting date but not yet provided for in the condensed consolidated statement of financial position were as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Contracted but not provided for	106,384	116,412

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

For the six months ended 30 June 2026

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24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value relevant estimation

The fair value of financial instruments is determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3), based on the degree to which the inputs to the fair value measurements is observable.

The Group measures its following financial instruments at fair value at the end of the reporting period:

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key input	Significant unobservable input
	30 June 2026 (unaudited)	31 December 2025			
Notes receivable	32,908,000	19,369,000	Level 3	Fair value is estimated based on the present value of the contracted cash inflow at the discount rate that reflects the market credit risk.	Discount rate
Financial assets at FVTPL(a)	26,554,000	26,554,000	Level 3	Income approach	Weighted average cost of capital ("WACC")
Financial assets at FVTPL	–	28,189,000	Level 2	Net value per seller	Underlying assets value
Financial assets at FVTPL(b)	52,558,000	77,444,000	Level 1	Quoted prices in active markets	N/A

Notes:

(a) As at 30 June 2026, the financial assets at FVTPL represent the Group's investment in an unlisted partnership entity set up in 2022.

(b) As at 30 June 2026, the financial assets at FVTPL represent the listed company stocks held by the Group since 2023.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

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(Amounts expressed in thousands of RMB, unless otherwise stated)

24. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value relevant estimation *(Continued)*

Reconciliation of Level 3 fair value measurements

	Notes Receivable	Financial assets at FVTPL
At 1 January 2026 (audited)	19,369	26,554
Addition	96,729	-
Derecognition	(82,999)	-
Fair value change recognized in other comprehensive income	(191)	-
At 30 June 2026 (unaudited)	32,908	26,554

Fair value of the financial assets and liabilities that are not measured at fair value on a recurring basis

The carrying amounts of the Group's financial assets including cash and cash equivalents, restricted bank deposits, trade receivables, other receivables and financial liabilities including trade and notes payables, other payables, short-term borrowings, the current portion of long-term borrowings approximate their fair values due to their short maturities.

The carrying amount of long-term borrowings approximated their fair values as the fluctuation of comparable interest rates with similar terms is relatively low.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – continued

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25. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management of the Group are also considered as related parties.

(a) The following person is related party of the Group during the six months period ended 30 June 2026:

Name of related party	Nature of relationship
Mr. Luo Lin	The ultimate controlling shareholder of the Company

(b) Long-term and short-term bank borrowings guaranteed by related party

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Long-term borrowings		
Mr. Luo Lin (Note 12(a))	83,179	66,208
Short-term borrowings		
Mr. Luo Lin (Note 12(a))	981,206	758,224

(c) Key management compensation

	Six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Salaries and other short-term employee benefits	9,072	8,941
Pension scheme	172	169
Share-based payments	7,132	5,783
	16,376	14,893