Tiande Chemical Holdings Limited
天德化工控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 609)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS HIGHLIGHTS

- Revenue for the six months ended 30 June 2026 was approximately RMB1,082.4 million, representing an increase of 16.1% as compared with that of the corresponding period last year.
- Gross profit increased by 4.5% to approximately RMB121.9 million.
- Gross profit margin decreased to 11.3%, representing a decrease of 1.2 percentage points as compared with that of the corresponding period last year.
- Profit for the period attributable to owners of the Company decreased to approximately RMB23.4 million (six months ended 30 June 2025: RMB35.2 million).
- Basic earnings per share was approximately RMB0.027 (six months ended 30 June 2025: RMB0.040).
- The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

The board (the "**Board**") of directors (the "**Directors**") of Tiande Chemical Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025 and the selected notes as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	**Six months ended 30 June** **2026** **RMB'000** **(Unaudited)**	2025 RMB'000 (Unaudited)
Revenue	4	**1,082,433**	932,301
Cost of sales		**(960,520)**	(815,625)
Gross profit		**121,913**	116,676
Other income and gains		**18,429**	18,100
Selling expenses		**(50,748)**	(40,747)
Administrative and other operating expenses		**(65,984)**	(52,197)
Finance costs	5	**(4,122)**	(6,395)
Profit before income tax	6	**19,488**	35,437
Income tax credit / (expense), net	7	**3,891**	(16,206)
Profit for the period		**23,379**	19,231
Profit / (loss) for the period attributable to :			
Owners of the Company		**23,395**	35,154
Non-controlling interests		**(16)**	(15,923)
		23,379	19,231
Earnings per share for profit attributable to owners of the Company for the period	9		
– Basic and diluted		**RMB0.027**	RMB0.040

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period	**23,379**	19,231
Other comprehensive income		
Item that will not be reclassified to the income statement:		
– Currency translation differences	**(17,992)**	(6,175)
Other comprehensive income for the period	**(17,992)**	(6,175)
Total comprehensive income for the period	**5,387**	13,056
Total comprehensive income attributable to:		
Owners of the Company	**5,197**	28,803
Non-controlling interests	**190**	(15,747)
	5,387	13,056

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**1,500,586**	1,530,561
Right-of-use assets		**78,178**	79,465
Investment properties		**17,300**	17,300
Intangible asset		**2,255**	3,155
Deposits paid for acquisition of property, plant and equipment		**21,923**	32,023
Deferred tax assets		**7,342**	5,083
		1,627,584	1,667,587
Current assets			
Inventories		**209,638**	194,795
Trade and bills receivable	10	**391,250**	325,657
Prepayments and other receivables		**56,582**	71,416
Pledged bank deposits		**278**	278
Time deposits		**301,021**	594,568
Bank and cash balances		**583,542**	230,943
		1,542,311	1,417,657
Current liabilities			
Trade payables	11	**45,270**	29,038
Accruals and other payables		**230,099**	235,561
Contract liabilities		**52,526**	19,496
Bank borrowings		**395,247**	333,747
Advances from a non-controlling shareholder		**5,487**	5,696
Current tax liabilities		**1,289**	4,294
		729,918	627,832
Net current assets		**812,393**	789,825
Total assets less current liabilities		**2,439,977**	2,457,412
Non-current liabilities			
Deferred tax liabilities		**25,939**	26,164
		25,939	26,164
Net assets		**2,414,038**	2,431,248
EQUITY			
Share capital		**8,069**	8,069
Reserves		**2,411,888**	2,429,288
Equity attributable to owners of the Company		**2,419,957**	2,437,357
Non-controlling interests		**(5,919)**	(6,109)
Total equity		**2,414,038**	2,431,248

SELECTED NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The principal activity of the Company is investment holding. The principal activities of the Group are research and development, manufacture and sale of fine chemical products.

2. BASIS OF PREPARATION AND PRESENTATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026 (the "**Unaudited Condensed Financial Information**") have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The Unaudited Condensed Financial Information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025 (the "**2025 Annual Financial Statements**").

The Unaudited Condensed Financial Information has been prepared in accordance with the same accounting policies adopted in the 2025 Annual Financial Statements, except for the adoption of the amendments to HKFRS Accounting Standards, which are effective for the Group's financial year beginning on 1 January 2026.

The functional currency of the Company is Hong Kong Dollars ("**HK$**"). The Unaudited Condensed Financial Information is presented in Renminbi ("**RMB**") because the main operations of the Group are located in the People's Republic of China (the "**PRC**"). All values are rounded to the nearest thousand except when otherwise stated.

The Unaudited Condensed Financial Information is unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the HKICPA.

3. ACCOUNTING POLICIES

Changes in accounting policies and disclosures

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA, which are relevant or effective for the Group's financial year beginning on 1 January 2026:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The application of the amendments to HKFRS Accounting Standards 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 interim condensed consolidated financial statements.

Issued but not yet effective HKFRS Accounting Standards

The following new or amendments to HKFRS Accounting Standards, potentially relevant to the Group's interim condensed consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

HKFRS 18	Presentation and Disclosure in Financial Statements[1]
HKFRS 19 and its amendments	Subsidiaries without Public Accountability Disclosures[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments HKAS 21	Translation to a Hyperinflationary Presentation Currency[1]

[1] Effective for annual periods beginning on or after 1 January 2027
[2] No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements". While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", which is renamed as HKAS 8 "Basis of Preparation of Financial Statements". As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 "Statement of Cash Flows", HKAS 33 "Earnings Per Share" and HKAS 34 "Interim Financial Reporting". In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

4. REVENUE AND SEGMENT INFORMATION

The chief operating decision maker (i.e. executive Directors) of the Group has identified that the research and development, manufacture and sale of fine chemical products of the Group as a single operating segment. No other discrete financial information is provided other than the Group's result and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

Revenue for sale of fine chemical products is recognised at point in time as when there is evidence that the control of goods has been transferred to the customer, the customer has adequate control over the goods and the Group has no unfulfilled obligations that affect customer accepting the goods.

The Group's disaggregated revenue from external customers is divided into the following geographical areas:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
The PRC (domicile)	**765,684**	643,615
India	**88,465**	103,938
United Arab Emirates	**26,811**	41,891
Republic of Uganda	**19,312**	10,494
Switzerland	**18,579**	13,789
Others	**163,582**	118,574
	1,082,433	932,301

The geographical location of customers is based on the location at which the goods are delivered.

Information about major customer

There was no single customer that contributed to 10% or more of the Group's revenue for the period ended 30 June 2026 (six months ended 30 June 2025: Nil).

5. FINANCE COSTS

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Interest on bank borrowings, which is repayable within one year and contain a repayment on demand clause	**1,833**	2,701
Interest on asset-backed financing	**227**	391
Interest on supplier finance arrangements	**2,031**	3,202
Interest on advances from a related company	**31**	101
	4,122	6,395

6. PROFIT BEFORE INCOME TAX

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Profit before income tax is arrived at after charging/(crediting):		
Directors' remuneration		
– Fees	**288**	290
– Salaries, discretionary bonus and other benefits	**1,442**	1,515
– Retirement benefit scheme contributions (note (i))	**65**	64
	1,795	1,869
Other employee costs	**78,295**	74,124
Retirement benefit scheme contributions (note (i))	**7,748**	7,693
Total employee costs	**87,838**	83,686
Depreciation of right-of-use assets	**1,287**	1,287
Amortisation of intangible assets	**900**	902
Cost of inventories recognised as an expense (note (ii)), including:	**960,520**	815,625
- Write-down of inventories to net realisable value, net	**4,544**	3,457
Depreciation on property, plant and equipment	**94,626**	90,487
Exchange loss/(gain), net	**11,942**	(1,008)
Loss / (Gain) on disposal of property, plant and equipment, net	**1,934**	(1,018)
Provision of impairment losses on trade receivables	**2,937**	1,484
Loss on write-off of property, plant and equipment	**603**	2,353
Lease payments in respect of short-term leases	**1,580**	1,639
Research costs (note (iii))	**19,723**	22,669

Notes:

(i) For the six month period ended 30 June 2026, there were neither contributions forfeited by the Group nor had there been any utilisation of such forfeited contributions to reduce future contributions (six months ended 30 June 2025: Nil). As at 30 June 2026, there were no forfeited contributions which were available for utilisation by the Group to reduce the existing level of contributions to the Mandatory Provident Fund Scheme and the central pension schemes operated by the local municipal government (31 December 2025: Nil).

(ii) Cost of inventories recognised as an expense includes RMB91,729,000 (six months ended 30 June 2025: RMB87,464,000) relating to depreciation expenses and RMB62,645,000 (six months ended 30 June 2025: RMB58,085,000) relating to employee costs. These amounts are also included in the respective total amounts disclosed separately above.

(iii) Research costs include RMB850,000 (six months ended 30 June 2025: RMB900,000) relating to depreciation expenses and RMB11,184,000 (six months ended 30 June 2025: RMB12,286,000) relating to employee costs. These amounts are also included in the respective total amounts disclosed separately above and included in the administrative and other operating expenses.

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax - PRC Enterprise Income Tax		
- Tax for the period	**2,672**	11,319
- Over-provision in prior years	**(4,079)**	(641)
- PRC dividend withholding tax paid	**-**	25,706
	(1,407)	36,384
Deferred tax		
- Credited for the period	**(2,484)**	(20,178)
Income tax (credit) / expense	**(3,891)**	16,206

The Company's subsidiaries incorporated in Hong Kong are subject to Hong Kong Profits Tax at the tax rate of 16.5% (six months ended 30 June 2025: 16.5%) on their estimated assessable profit for the six month period ended 30 June 2026. No provision for Hong Kong Profits Tax has been made as no assessable profit was derived from Hong Kong for the period (six months ended 30 June 2025: Nil).

The Company's subsidiaries established in the PRC are subject to PRC Enterprise Income Tax at the rate of 25% for the period (six months ended 30 June 2025: 25%) except for 潍坊德高新材料有限公司(Weifang Dekel Innovative Materials Co., Ltd.*), which is qualified as a High and New Technology Enterprise, and is therefore entitled to a preferential tax rate of 15% (six months ended 30 June 2025: 25%).

The Group has adopted 5% or 10% withholding tax rate for PRC withholding tax purpose for the period (six months ended 30 June 2025: 5% or 10%).

8. DIVIDENDS

The proposed 2025 final dividend of HK$0.03 (2024: HK$0.03) per share, totaling RMB22,597,000 (2025: RMB24,218,000) was approved by the Company's shareholders (the "**Shareholders**") at the annual general meeting held on 5 June 2026. It was recognised in "accruals and other payables" in the interim condensed consolidated statement of financial position and will be subsequently paid on 27 August 2026.

* *For identification purposes only*

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

9. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share attributable to owners of the Company are based on the following data:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company	**23,395**	35,154

	Number of ordinary shares Six months ended 30 June	
	2026	2025
	'000 shares	'000 shares
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**877,944**	877,462
Effect of dilutive potential ordinary shares:		
- Share options	**-**	44
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**877,944**	877,506

10. TRADE AND BILLS RECEIVABLE

The Group allows a credit period normally ranging from one to six months (31 December 2025: one to six months) to its trade customers. Bills receivable are non-interest-bearing bank acceptance bills and are matured within six months (31 December 2025: within six months) from the end of reporting period. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management of the Group.

Ageing analysis of trade and bills receivable (net of loss allowance) at the reporting date, based on the invoice date, is stated as follows:

	30 June 2026	31 December 2025
	RMB'000	RMB'000
	(Unaudited)	(Audited)
0 to 90 days	**325,109**	294,105
91 to 180 days	**64,906**	28,168
181 to 365 days	**1,008**	3,314
Over 365 days	**227**	70
	391,250	325,657

The Directors considered that the fair values of trade and bills receivable are not materially different from their carrying amounts because these amounts have short maturity periods.

11. TRADE PAYABLES

The Group was granted by its suppliers with credit periods ranging from 30 to 270 days (31 December 2025: ranging from 30 to 270 days). Ageing analysis of trade payables at the reporting date, based on the invoice date, is stated as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
0 to 90 days	**40,858**	25,120
91 to 180 days	**1,138**	1,070
181 to 365 days	**1,448**	327
Over 365 days	**1,826**	2,521
	45,270	29,038

The carrying amounts of trade payables are short-term and hence are considered to be a reasonable approximation of fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the period under review, market demand remained subdued due to the continuation of adverse macroeconomic conditions from the prior year. Although global supply chain tensions arising from geopolitical conflicts drove up the market prices for energy and basic chemical raw materials, the overall selling prices of the Group's products still recorded a modest decline as compared with that of the corresponding period last year. In response to weak market conditions, the Group adjusted its marketing strategy with a focus on market development, customer base expansion, and continued broadening of the downstream applications of its products. These initiatives enabled certain products to realise their growth potential, driving an increase in overall sales volume of the Group and thereby effectively offsetting the revenue impact of declining selling prices of the Group's products. As a result, the Group achieved its expected revenue growth as compared with that of the corresponding period last year.

To address the pressure from the significant increase in energy prices, the Group reinforced its supply chain management and optimised its production layout, further deepening its circular economy production operations. These measures reduced unit costs of the Group's products, thereby bolstering its market competitiveness, and strengthening operational resilience. However, as certain products remained in the market development phase and had yet to generate commercial benefits, they consequently weighed on the overall gross profit margin of the Group. Nevertheless, benefiting from revenue growth, the Group's gross profit for the period under review recorded a slight increase as compared with that of the corresponding period last year.

On the operational front, the Group exercised strict control over various operating expenses. The transportation costs, however, escalated notably due to the continuously higher sales volume of hazardous products, which required compliance with more stringent transport safety standards. In addition, the marked appreciation of the Renminbi during the period resulted in substantial exchange losses from the conversion of trade receivables and bank deposits denominated in United States Dollars into Renminbi. Consequently, profit attributable to owners of the Company recorded a significant decline as compared with that of the corresponding period last year.

Outlook

As international geopolitical risks continue to escalate and global trade protectionism shows no signs of subsiding, the macroeconomic environment remains unfavourable. Furthermore, as the government of the PRC advanced deepening supply-side structural reforms, the domestic manufacturing sector generally remained in a state of contraction or/and restructuring. At the same time, the PRC government has continued to tighten regulatory requirements on wastewater discharge within the pesticide industry. Taken together, these factors are expected to sustain a challenging operating environment for the Group in the short term.

The Group will continue to adhere to its cautious and prudent operating principles, while persistently reinforcing internal operations to enhance operational efficiency. At the same time, the Group remains firmly committed to upholding high standards of safety and environmental protection across its production systems, and will further optimise production processes through introduction of advanced technologies and modern facilities, thereby enhancing both production efficiency and governance. In parallel, the Group will dynamically adjust its marketing strategies to navigate the constantly evolving business environment. The Board believes that these initiatives will fortify the Group’s overall risk resilience, consolidate its business competitive edge, and ultimately deliver sustainable long-term value for the Shareholders.

FINANCIAL REVIEW

Revenue and gross profit

During the period under review, despite continued downward pressure on the overall selling prices of the Group’s products compared with that of the corresponding period last year, sales volume was buoyed by certain products with strong market potential. As a result, the Group’s revenue increased to approximately RMB1,082.4 million for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB932.3 million), representing an increase of approximately RMB150.1 million or 16.1% as compared with that of the corresponding period last year.

The overall cost of raw materials rose slightly during the period under review, primarily due to the impact of the U.S.-Iran conflict. In addition, certain products launched last year had not yet reached commercial production. Consequently, the gross profit margin of the Group declined by 1.2 percentage points to 11.3% (six months ended 30 June 2025: 12.5%). Nevertheless, the gross profit of the Group increased to approximately RMB121.9 million (six months ended 30 June 2025: RMB116.7 million), representing an increase of approximately RMB5.2 million or 4.5% as compared with that of the corresponding period last year, driven by the growth in revenue of the Group.

Operating expenses

Selling expenses increased by approximately RMB10.0 million from approximately RMB40.7 million of the corresponding period last year to approximately RMB50.7 million for the period under review. The increase was primarily attributable to the growth in sale of products containing hazardous components, which necessitated the implementation of more rigorous safety measures in transit, resulting in increased transportation costs. The selling expenses to the Group's revenue ratio was 4.7% (six months ended 30 June 2025: 4.4%).

Administrative and other operating expenses for the period under review increased to approximately RMB66.0 million (six months ended 30 June 2025: RMB52.2 million), representing an increase of approximately RMB13.8 million or 26.4% as compared with those of the corresponding period last year. The increase in administrative and other operating expenses was primarily attributable to exchange losses arising from the conversion of trade receivables and bank deposits denominated in United States Dollars into RMB, following the notable appreciation of the RMB. The administrative and other operating expenses to the Group's revenue ratio was 6.1% (six months ended 30 June 2025: 5.6%).

Finance costs

Finance costs, representing interest on bank borrowings, asset-backed financing, supplier finance arrangements and advances from a related company, of approximately RMB4.1 million (six months ended 30 June 2025: RMB6.4 million) during the period under review, decreased by approximately RMB2.3 million as compared with those of the corresponding period last year. Given that the return on bank savings deposits exceeded the borrowing costs offered by banks and a related company, the Group strategically utilised bank borrowings, asset-backed financing, supplier financing arrangements, and advances from a related company to optimise its short-term liquidity management.

Profit for the period

In view of the aforesaid factors, the profit for the period under review attributable to owners of the Company decreased to approximately RMB23.4 million (six months ended 30 June 2025: RMB35.2 million).

Trade and bills receivable

As at 30 June 2026, trade receivables (net of loss allowance) increased to approximately RMB245.7 million, representing an increase of approximately RMB10.2 million or 4.3% as compared with approximately RMB235.5 million recorded as at 31 December 2025. About 90.4% of trade receivables were incurred in the second quarter of this year and most of them were not yet due, whilst 9.1% of trade receivables were incurred in the first quarter of this year and 0.5% of trade receivables were aging over 180 days. Up to the date of this announcement, over 69.0% of trade receivables have been settled after 30 June 2026. After assessing the creditworthiness of these customers, the Directors considered that no additional bad debt allowance was required on the trade receivables as at 30 June 2026.

As at 30 June 2026, bills receivable amounted to approximately RMB145.6 million, representing an increase of approximately RMB55.5 million or 61.6% as compared with the balance of approximately RMB90.1 million recorded as at 31 December 2025. Since all bills receivable are bank acceptance bills, which are non-interest-bearing and most of them have a maximum maturity period of six months, the payments of which were guaranteed by the reputable licensed banks in the PRC. Accordingly, the Directors considered that no allowance for doubtful debts was required because of the associated low default risk.

Short-term bank borrowings

All bank borrowings were raised in the PRC at fixed interest rates and are denominated in RMB. As at 30 June 2026, the total bank borrowings balance increased to approximately RMB395.2 million (31 December 2025: RMB333.7 million). The raising of bank borrowings was mainly used to finance the general working capital of the Group during the period under review.

Liquidity and financial resources

For the six months ended 30 June 2026, the Group's primary sources of funding included the net cash inflow generated from operating activities of approximately RMB183.0 million (six months ended 30 June 2025: RMB50.3 million), bank interest income received of approximately RMB16.0 million (six months ended 30 June 2025: RMB15.1 million), net proceeds from disposal of property, plant and equipment of approximately RMB1.0 million (six months ended 30 June 2025: RMB1.0 million), newly raised bank borrowings of approximately RMB154.2 million (six months ended 30 June 2025: RMB118.6 million), advances from a related company of RMB12.0 million (six months ended 30 June 2025: RMB12.0 million), and no proceeds from issue of Shares due to exercise of share options (six months ended 30 June 2025: RMB0.8 million). With the financial resources generated from the Group's operations, the Group spent approximately RMB75.7 million (six months ended 30 June 2025: RMB84.8 million) on the acquisition of the property, plant and equipment, interest paid of approximately RMB4.1 million (six months ended 30 June 2025: RMB6.4 million), repayment of bank borrowings of approximate RMB197.3 million (six months ended 30 June 2025: RMB91.0 million), and repayment of the amount of advances from a related company of RMB12.0 million (six months ended 30 June 2025: RMB12.0 million).

Gearing ratio of the Group is calculated as total outstanding borrowings less cash and bank balances, time deposits and pledged bank deposits divided by total equity. As at 30 June 2026, the Group had bank and cash balances, time deposits and pledged bank deposits of approximately RMB884.8 million (31 December 2025: RMB825.8 million). The total amount of outstanding borrowings was approximately RMB400.6 million (31 December 2025: RMB339.3 million). The Group during the period under review kept a solid financial position and maintained a net cash balance (total cash and cash equivalent net of total borrowings) of approximately RMB484.2 million (31 December 2025: RMB486.5 million) as at 30 June 2026. As at 31 December 2025 and 30 June 2026, the Group's cash and cash equivalents were greater than the total outstanding borrowings, and therefore, the gearing ratio is not applicable. As at 30 June 2026, the net current assets amounted to approximately RMB812.4 million (31 December 2025: RMB789.8 million).

By virtue of the Group's financial position with cash inflow generated from the operating activities and available credit facilities from the banks, the Group is capable of fulfilling its capital commitments and working capital requirements in the foreseeable future. Nevertheless, the Group will continue to closely and cautiously manage its working capital and dedicate itself to keeping a sound liquidity position to support future business expansion.

During the period under review, save as disclosed the Group did not use any other financial instruments for hedging purposes.

Charges on group assets
As at 30 June 2026, bank deposits of approximately RMB0.3 million (31 December 2025: RMB0.3 million) were pledged to secure the water supply to the factories of the Company's subsidiaries. Furthermore, certain buildings and right-of-use assets of the Group of approximately RMB46.8 million (31 December 2025: RMB48.6 million) and RMB74.2 million (31 December 2025: RMB75.4 million) respectively were pledged to secure the Group's bank borrowings.

Contingent liabilities
As at 30 June 2026, the Group had no material contingent liabilities (31 December 2025: Nil).

Exposure to fluctuations in exchange rates
The Group's operations are mainly in the PRC and its assets, liabilities, revenues and transactions are mainly denominated in RMB, United States dollars and Hong Kong dollars.

The Group's foremost exposure to the foreign exchange fluctuations was caused by the impact of RMB exchange rate movements during the period under review. Most of the Group's income and expenses are denominated in RMB except for export sales which were, in majority, denominated in United States dollars. During the period under review, the Group recorded a substantial exchange loss arising from the conversion of trade receivables and bank deposits denominated in United States Dollars into RMB, following the notable appreciation of RMB. This exchange loss reflects an accounting treatment under prevailing financial reporting standards, rather than a cash outflow or operational setback. Furthermore, the Group has not experienced any material difficulties or adverse effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the period under review. Besides, the Group will consider adoption of cost efficient hedging methods in future foreign currency transactions as and when appropriate.

DIVIDEND

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

HUMAN RESOURCES

As at 30 June 2026, the Group had 1,162 full-time employees (31 December 2025: 1,190 full-time employees).

The Group has established its human resources policies and scheme with a view to deploying the incentives and rewards of the remuneration system which includes a wide range of training and personal development programs to the employees. The remuneration packages offered to the employees were in line with their duties and the prevailing market terms. Staff benefits, including medical coverage and provident funds, have also been provided to the employees of the Group.

The employees would receive discretionary bonuses and monetary rewards based on their ratings in annual performance appraisals of the Group. The Group also offered rewards or other incentives to its employees in order to motivate their personal growth and career development, such as ongoing opportunities for training to enhance their technical and products knowledge as well as their knowledge of industry quality standards. All new employees of the Group are required to attend an induction course and there are also various types of training courses available to all employees of the Group.

The Group has also adopted a share award scheme (the "**Share Award Scheme**") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. No share of the Company has been awarded under the Share Award Scheme during the period under review.

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

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

CORPORATE GOVERNANCE PRACTICES

None of the Directors is aware of information that would reasonably indicate that the Company is not, or was not during the six months ended 30 June 2026, in compliance with the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct with standards no less exact than those prescribed under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules for securities transactions by Directors. Upon enquiry by the Company, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code and the Company's code of conduct regarding securities transactions by the Directors throughout the six months ended 30 June 2026.

The senior management of the Group, who, because of their offices in the Group, are likely to be in possession of unpublished price sensitive information, have been requested to comply with the provisions of the Model Code and the Company's code of conduct regarding securities transactions by Directors.

NOMINATION COMMITTEE

The nomination committee of the Company (the "**Nomination Committee**") is chaired by Mr. Liu Yang, an executive Director, with Mr. Leung Kam Wan, Mr. Liu Chenguang and Ms. Shan Honghong, who are the independent non-executive Directors, as the three other members. During the period under review, no meeting has been held by the Nomination Committee.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "**Remuneration Committee**") is chaired by Mr. Liu Chenguang, an independent non-executive Director, with Mr. Leung Kam Wan, an independent non-executive Director, Ms. Shan Honghong, an independent non-executive Director, and Mr. Liu Yang, an executive Director, as the three other members. During the period under review, a meeting has been held by the Remuneration Committee to review and confirm the Share Award Scheme is compliant with the requirements of Chapter 17 of the Listing Rules on 23 March 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprises three independent non-executive Directors, namely, Mr. Leung Kam Wan (chairman of the Audit Committee), Mr. Liu Chenguang and Ms. Shan Honghong. During the period under review, the Audit Committee had (i) reviewed the compliance of accounting principles and practices, the Listing Rules, internal controls and statutory requirements, and financial reporting matters adopted by the Company; (ii) reviewed the independence and objectivity of the independent auditor of the Company; (iii) reviewed with the independent auditor of the Company on the nature and scope of the audit and reporting obligations; and (iv) reviewed the independent auditor's management letter and made recommendations to the Board for improvement (if any). The Audit Committee has reviewed the Unaudited Condensed Financial Information and there was no disagreement on the accounting treatment adopted by the Company during the period under review.

EVENTS AFTER THE PERIOD UNDER REVIEW

Save as disclosed in this announcement, as of the date of this announcement, the Group had no other significant events subsequent to 30 June 2026.

By order of the Board
Tiande Chemical Holdings Limited
Liu Yang
Chairman

Hong Kong, 24 August 2026

As at the date of this announcement, the executive Directors are Mr. Liu Yang, Mr. Chen Xiaohua and Mr. Dou Aobo; non-executive Director is Mr. Wang Zijiang; whilst the independent non-executive Directors are Mr. Leung Kam Wan, Mr. Liu Chenguang and Ms. Shan Honghong.