淮北綠金產業投資股份有限公司
(Huaibei GreenGold Industry Investment Co., Ltd.*)

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

(Stock code: 2450)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- Operating revenue amounted to RMB52.8 million, representing a decrease of 58.5% as compared to RMB127.3 million for the corresponding period of last year.
- Loss and total comprehensive loss attributable to equity shareholders of the Company amounted to RMB16.8 million, representing an increase of 500% as compared to the loss and total comprehensive loss attributable to equity shareholders of RMB2.8 million for the corresponding period of last year.
- Gross profit margin amounted to 1.8%, representing a decrease of 38.7 percentage points as compared to 40.5% for the corresponding period of last year.
- Basic loss per share was RMB0.06, representing an increase of RMB0.05 as compared to basic loss per share of RMB0.01 for the corresponding period of last year.
- The Board does not recommend any payment of interim dividend.

The board (the "**Board**") of directors (the "**Directors**") of Huaibei GreenGold Industry Investment Co., Ltd.* (the "**Company**") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period of last year.

* *For identification purposes only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026 — unaudited

*(Expressed in Renminbi ("**RMB**"))*

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	Note	***RMB'000***	*RMB'000*
Revenue	*4*	**52,806**	127,301
Cost of sales		**(51,879)**	(75,787)
Gross profit		**927**	51,514
Other income		**2,397**	3,685
Administrative expenses		**(10,444)**	(16,680)
Impairment reversal/(loss) on trade receivables		**176**	(5,946)
Impairment loss on other receivables		**(10)**	—
(Loss)/profit from operations		**(6,954)**	32,573
Finance costs		**(27,589)**	(33,481)
Loss before taxation	*5*	**(34,543)**	(908)
Income tax	*6*	**7,607**	(2,515)
Loss and total comprehensive loss for the period		**(26,936)**	(3,423)
Attributable to:			
Equity shareholders of the Company		**(16,798)**	(2,788)
Non-controlling interests		**(10,138)**	(635)
Loss and total comprehensive loss for the period		**(26,936)**	(3,423)
Loss per share			
Basic and diluted	*7*	**RMB(0.06)**	RMB(0.01)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 — unaudited

(Expressed in RMB)

	Note	**At 30 June 2026 (unaudited) *RMB'000***	At 31 December 2025 (audited) *RMB'000*
Non-current assets			
Property, plant and equipment		**1,766,644**	1,802,176
Non-current prepayments and deposits		**7,361**	7,261
		1,774,005	1,809,437
Current assets			
Inventories		**1,558**	1,575
Trade and other receivables	*8*	**18,917**	20,047
Trade deposits		**—**	294,170
Loan receivable		**130,000**	—
Income tax recoverable		**1,426**	1,426
Cash at bank and on hand		**98,815**	7,902
		250,716	325,120
Current liabilities			
Trade and other payables	*9*	**39,274**	189,810
Contract liabilities		**7,947**	8,791
Interest-bearing borrowings		**322,820**	162,820
		370,041	361,421
Net current liabilities		**(119,325)**	(36,301)
Total assets less current liabilities		**1,654,680**	1,773,136

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 — unaudited (continued)

(Expressed in RMB)

	At 30 June 2026 (unaudited) *RMB'000*	At 31 December 2025 (audited) *RMB'000*
Non-current liabilities		
Interest-bearing borrowings	**984,950**	1,069,160
Deferred tax liabilities	**20,763**	28,370
Accrual for reclamation costs	**20,026**	19,729
	1,025,739	1,117,259
NET ASSETS	**628,941**	655,877
CAPITAL AND RESERVES		
Share capital	**264,000**	264,000
Reserves	**160,076**	176,874
Total equity attributable to equity shareholders of the Company	**424,076**	440,874
Non-controlling interests	**204,865**	215,003
TOTAL EQUITY	**628,941**	655,877

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

(Expressed in RMB unless otherwise indicated)

1 GENERAL INFORMATION

Huaibei GreenGold Industry Investment Co., Ltd. ("**the Company**") was incorporated in the People's Republic of China (the "**PRC**") on 21 December 2018, as a limited liability company. The address of the Company's registered office is at 4/F., Shuangchuang Service Centre, No. 3, Taobo Road, Songtuan Town, Lieshan District, Huaibei City, Anhui Province, the PRC. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") on 20 January 2023. The Company and its subsidiaries (together, the "**Group**") are principally engaged in aggregates production and engineering material processing and sales.

2 BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with International Accounting Standard ("**IAS**") 34, Interim Financial Reporting, issued by the International Accounting Standards Board (the "**IASB**"). It was authorised for issue on 27 August 2026.

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

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

These interim financial statements contain consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards ("**IFRSs**"). The interim financial statements are unaudited.

3 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amended IFRS issued by the IASB to these unaudited condensed consolidated interim financial statements for the current accounting period:

- Amendments to IFRS 9 and IFRS 7, Classification and Measurement of Financial Instruments
- Annual improvements to IFRS Accounting Standards — Volume 11

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

The amended IFRSs have had no material effect on how the Group's results and financial position for the current period have been prepared or presented.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The Group is principally engaged in the production and sale of aggregate products and others and concrete products. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
– Revenue from sales of aggregate products and others	**52,806**	127,194
– Income from agency services of concrete products and additives	**—**	107
	52,806	127,301

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic information is disclosed in Notes 4(b)(i) and 4(b)(iii), respectively.

4 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

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

- Aggregate products and others: this segment includes production and sale of aggregate products and others;

- Concrete products: this segment includes production, sale and agency services of concrete products and additives to be used in building and road construction.

(i) Segment results, assets and liabilities

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

Segment assets include all assets with the exception of income tax recoverable and unallocated head office and corporate assets. Segment liabilities include all liabilities with the exception of deferred tax liabilities and unallocated head office and corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments.

Segment profit represents revenue less cost of sales, and includes selling expenses and administrative expenses directly attributable to the segment. Items that are not specifically attributable to individual segments, such as unallocated head office and corporate expenses, depreciation and amortisation, interest income and finance costs are not included in segment profit. In addition to receiving segment information concerning segment profit, management is also provided with segment information concerning depreciation, amortisation, interest income and finance costs.

4 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

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

	Six months ended 30 June 2026		
	Aggregate products and others (unaudited) *RMB'000*	Concrete products (unaudited) *RMB'000*	Total (unaudited) *RMB'000*
Disaggregated by timing of revenue recognition			
Point in time	52,806	—	52,806
Revenue from external customers and reportable segment revenue	52,806	—	52,806
Reportable segment profit/(loss) (adjusted EBITDA)	30,849	(1,469)	29,380
Depreciation and amortisation	(35,010)	(875)	(35,885)
Interest income	1,221	38	1,259
Amortisation of unrealised financing income of non-current portion of other receivables	100	—	100
Finance costs	(27,589)	—	(27,589)
As at 30 June 2026			
Reportable segment assets	1,868,522	54,088	1,922,610
Reportable segment liabilities	1,387,097	8,289	1,395,386

4 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

	Six months ended 30 June 2025		
	Aggregate products and others (unaudited) *RMB'000*	Concrete products (unaudited) *RMB'000*	Total (unaudited) *RMB'000*
Disaggregated by timing of revenue recognition			
Point in time	127,194	107	127,301
Revenue from external customers and reportable segment revenue	127,194	107	127,301
Reportable segment profit/(loss) (adjusted EBITDA)	85,793	(5,861)	79,932
Depreciation and amortisation	(43,311)	(2,775)	(46,086)
Interest income	1,434	125	1,559
Amortisation of unrealised financing income of non-current portion of other receivables	97	—	97
Finance costs	(33,481)	—	(33,481)
As at 30 June 2025			
Reportable segment assets	2,063,329	86,352	2,149,681
Reportable segment liabilities	1,523,877	18,462	1,542,339

4 REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reconciliation of reportable segment profit or loss

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	*RMB'000*
Profit		
Total reportable segment profit	**29,380**	79,932
Depreciation and amortisation	**(35,889)**	(46,089)
Interest income	**2,233**	2,152
Amortisation of unrealised financing income of non-current portion of other receivables	**100**	97
Unallocated head office and corporate expenses	**(2,778)**	(3,519)
Finance costs	**(27,589)**	(33,481)
Consolidated loss before taxation	**(34,543)**	(908)

(iii) Geographic information

The Group's revenue is generated from sales of aggregate products and others, and sales and agency services of concrete products and additives in the PRC. The Group does not have material assets or operations outside the PRC, no segment analysis based on geographical locations of the customers and assets is presented.

5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	*RMB'000*
Depreciation and amortisation charge		
– owned property, plant and equipment	**34,529**	44,425
– right-of-use assets	**1,630**	1,664
Cost of inventories sold	**51,879**	75,787

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	*RMB'000*
Deferred tax	**(7,607)**	2,515

The Company and the subsidiaries of the Group established in the PRC are subject to PRC Corporate Income tax rate of 25% during the six months ended 30 June 2026 (six months ended 30 June 2025: 25%).

7 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on loss attributable to ordinary equity shareholders of the Company of RMB16,798,000 for the six months ended 30 June 2026 (2025: RMB2,788,000) and the weighted average number of ordinary shares in issue during the period of 264,000,000 shares (2025: 264,000,000 shares).

(b) Diluted loss per share

The Company did not have any potential dilutive shares during the six months ended 30 June 2026 and 2025. Accordingly, diluted loss per share is the same as the basic loss per share.

8 TRADE AND OTHER RECEIVABLES

	At 30 June 2026 (unaudited) *RMB'000*	At 31 December 2025 (audited) *RMB'000*
Current		
Trade receivables, net of loss allowance	**16,915**	18,210
Other receivables	**759**	769
Financial assets measured at amortised cost	**17,674**	18,979
VAT recoverables	**840**	553
Deposits and prepayments	**403**	515
	18,917	20,047
Non-current		
Reclamation deposit	**7,361**	7,261
	26,278	27,308

Current portion of trade receivables, prepayments, deposits and other receivables are expected to be recovered within one year.

Ageing analysis

As of the end of the reporting period, the ageing analyses of trade receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, are as follows:

	At 30 June 2026 (unaudited) *RMB'000*	At 31 December 2025 (audited) *RMB'000*
Within 3 months	**567**	4,866
3 to 6 months	**841**	3,106
6 to 12 months	**6,163**	2,210
Over 12 months	**9,344**	8,028
	16,915	18,210

Trade receivables are due within 30 to 180 days from the date of billing.

9 TRADE AND OTHER PAYABLES

	At 30 June 2026 (unaudited) *RMB'000*	At 31 December 2025 (audited) *RMB'000*
Trade payables to		
– related parties	**6,215**	8,742
– third parties	**1,526**	6,474
	7,741	15,216
Interest payables	**1,639**	909
Payables for staff related costs	**—**	197
Payables for other taxes	**3,637**	4,441
Payables for property, plant and equipment	**14,841**	16,050
Payables for capital expenditure	**—**	132,935
Distributions/dividends payable	**6,000**	14,268
Other accruals and payables	**5,416**	5,794
Financial liabilities measured at amortised cost	**39,274**	189,810

All of the trade and other payables are expected to be settled or recognised as income within one year or repayable on demand.

At the end of the reporting period, the ageing analysis of trade payables presented based on the invoice date is as follows:

	At 30 June 2026 (unaudited) *RMB'000*	At 31 December 2025 (audited) *RMB'000*
Within 12 months	**5,455**	7,870
Over 12 months	**2,286**	7,346
	7,741	15,216

10. DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a construction materials provider with a state-owned background located in Huaibei City, Anhui Province. The main products of the Group include: aggregate products mined and processed by Huaibei Tongming Mining Co., Ltd.* (淮北通鳴礦業有限公司) ("**Tongming Mining**"), a subsidiary of the Company, in the Gaoloushan Mine located in Lieshan District, Huaibei City. The Group mainly sells aggregate products and concrete products to construction companies, building materials companies and wholesalers. Compared with similar market participants during the Reporting Period, Tongming Mining maintained a stable market share and is one of the major construction aggregate producers in the market of Huaibei City and its surrounding cities (including southern Suzhou City, Bozhou City, and northern Bengbu City) in terms of sales volume.

BUSINESS REVIEW

In the first half of 2026, amid a challenging macroeconomic environment, the building materials industry experienced a divergence: while new production capacity was released in a concentrated manner, end-market demand continued to shrink, which highlighted the structural imbalance between supply and demand and intensified market competition. During the Reporting Period, the prices of the Company's core products, such as aggregates, experienced a significant decline, and the overall operating results showed a marked year-on-year decrease, and production and operations faced periodic pressures and challenges.

Facing a complex and severe external environment and multiple operating pressures, the management and all employees of the Company worked together to overcome difficulties, continuously strengthening the risk control system and enhancing its capabilities in market analysis and seizing opportunities. The Company focused on quality improvement as its core, market expansion as its driver, and internal governance with cost reduction and efficiency enhancement as its support, through which the Company hedged against market fluctuations, mitigated operational risks, ensured stable and orderly production and operations, and maintained stable operations while improving quality amidst the industry downturn.

During the Reporting Period, the Group took multiple measures to improve its operating fundamentals. In terms of market expansion, the Company implemented a special policy for major clients in the Henan region. By offering market-based price concessions, it expanded into external markets such as Yongcheng, Henan, and added one new major cooperative client in the Henan region. It increased subsidies for railway transportation and focused on deeply cultivating the Lixin market, achieving an increase in average daily sales of regional stone products of approximately 1,000 tonnes. These measures were aimed at alleviating operational difficulties.

To improve the operating order within the industry, the Company proactively collaborated with surrounding mines and leading regional building material enterprises to stabilize prices, which effectively halted the continuous decline in regional prices. In the second quarter, product prices successfully stopped falling and rebounded slightly, reversing the trend of low-price internal competition in the industry.

In terms of the customer structure, the Company launched a tiered incentive policy for prepayments: customers making a single prepayment of RMB3 million or RMB5 million were given special subsidies of RMB0.3 million and RMB0.6 million, respectively. This policy effectively secured high-quality, stable customers, consolidated fragmented market demand, significantly boosted product sales, and optimized the customer structure and operating quality.

In terms of product quality, in the first half of 2026, the Company's +150m mining platform entered the slope mining phase, and the +135m mining platform was substantially completed and put into operation. In a challenging industry environment, the Company strictly controlled product quality throughout the entire process, and solidified its market reputation with stable product quality, thereby continuously enhancing its regional core competitiveness.

OVERVIEW OF THE CONSTRUCTION MARKET

Based on a series of policy documents on housing security, transformation and upgrading of the construction industry, and control of mineral resources intensively issued by the state, Anhui Province, and Huaibei City in the first half of 2026, coupled with the concentrated commencement of major transportation infrastructure and urban renewal projects in the northern Anhui region, the construction and building materials industry in Huaibei and surrounding areas, compared to the same period in 2025, showed a divergent development trend with policy support but weakening end-user demand for stone materials and a year-on-year decline in sales volume. The overall structural contradictions in the industry have become prominent.

First, from a policy perspective, the state has continued to improve mineral resource supervision, affordable housing construction, and mandatory standards for green buildings. In February 2026, Anhui Province officially issued the "Certain Policy Measures on Consolidating and Expanding the Stable and Positive Momentum of the Economy" (Wan Zheng [2026] No. 15) (皖政[2026]15號《關於鞏固拓展經濟穩中向好勢頭若干政策舉措》), which explicitly laid out work related to urban renewal in northern Anhui, the redevelopment of "villages-in-the-city", and the stabilization of the real estate market; in April, the Provincial Housing and Urban-Rural Development Bureau (省住建廳) issued the "Notice on Utilizing Policy-based Funds from the China Development Bank to Support and Advance Urban Renewal Actions (《關於利用國家開發銀行政策性資金支持推進城市更新行動的通知》)", providing targeted, long-term, low-cost policy-based financing support for the renovation of old residential communities, "villages-in-the-city", and affordable housing projects in northern Anhui, along with detailed supporting measures for province-wide housing security and the stable development of the property market; concurrently, on 14 April, the Provincial Department of Industry and Information Technology (省工信廳) solicited opinions on the "Implementation Plan for the High-Quality Development of Non-Coal Mines in Anhui Province during the 15th Five-Year Plan (Draft for Comments) (《安徽省「十五五」非煤礦山高質量發展實施方案(徵求意見稿)》)", which imposed strict constraints on the large-scale integration of sand and aggregate mines, green mining practices, and the elimination of outdated production capacity; on 29 June, 12 departments, including the Provincial Department of Natural Resources (省自然資源廳), jointly issued the "Anhui Province Green Mine Management Measures" (Wan Ziran Zi Gui [2026] No. 2) (皖自然資規[2026]2號《安徽省綠色礦山管理辦法》), which was officially implemented on 1 July, standardizing the province-wide mechanisms for total extraction control, ecological restoration, and regular assessment of construction stone mines. In March, Huaibei City specified quantified annual targets for the renovation of old residential communities, "villages-in-the-city", and dilapidated houses, and promoted resettlement through housing vouchers and the conversion of existing housing stock into affordable housing; the Municipal Bureau of Natural Resources and Planning (市自然資源和規劃局) conducted supervision of stone mines in accordance with the new provincial regulations and simultaneously initiated the compilation of the "15th Five-Year" mineral resources plan. The aforementioned series of policies have raised the environmental protection costs for mines. Coupled with insufficient new housing construction starts, this has led to an imbalance in the local supply and demand for stone materials and a decline in shipments.

Second, in terms of infrastructure construction, projects such as the Huaibei-Suzhou-Bengbu Expressway, the S235 Huaibei Section Class-I Highway, the Xuzhou-Dangshan-Shangqiu Expressway, the Suzhou-Suining Expressway, and the Tuo-Hui River waterway improvement project are advancing simultaneously. Infrastructure projects have an inelastic demand for sand and gravel. However, new commercial housing starts have sharply contracted. In addition, newly added compliant stone material capacity in surrounding areas and the influx of low-priced aggregates from other regions have diverted orders. As a result, stone material sales in the first half of the year decreased significantly compared to that of the same period in 2025, putting pressure on sand and gravel prices and leading to inventory backlogs. Municipal and expressway projects alone are insufficient to fill the demand gap from the housing construction sector. The growth in green and prefabricated building materials was not able to reverse the downward trend in sales of traditional stone materials.

Given the aforesaid, the Board believes that with the implementation of the above policies and projects, Huaibei City and its surrounding areas (including southern Suzhou City, Bozhou City, and northern Bengbu City) will continue to advance high-intensity infrastructure, urban renewal, and affordable housing construction in parallel; however, the supply of sand and gravel aggregates is expected to exceed demand, leading to a decline in sales; emerging fields such as green buildings, prefabricated buildings, and building materials from solid waste recycling will enter a window of opportunity for large-scale development. In the mineral resources sector, controls on total extraction volumes and stricter green mine assessments are accelerating the clearance of outdated industry capacity and the phasing out of small, medium-sized, and backward mines, thereby highlighting the competitive advantages of large-scale enterprises.

Based on this, the Board believes that policies and infrastructure bring structural opportunities for our Group's building materials and construction businesses, but the main business of stone materials faces pressure from declining sales and compressed profits. The Group will continue to monitor policy implementation and regional project progress. It will strengthen its presence in transportation and municipal projects to ensure a stable supply of stone materials, while also expanding its sales coverage to capture opportunities in the northern Anhui construction market.

PROGRESS OF BASIC CONSTRUCTION PROJECTS

As of the date of this announcement, Phase II of the Gaoloushan Renovation and Expansion Project with an annual capacity of 8 million tonnes has been completed and put into operation. Based on the probable reserves and estimated annual production capacity of up to 8 million tonnes in 2031 pursuant to the development plan, the total reserves of Phase II mining right are estimated to reach 164 million tonnes, and Gaoloushan Mine has an estimated life of 15 years.

SAFETY AND ENVIRONMENTAL PROTECTION

The Group adheres to the safety and environmental protection policies of "Safety First, Precaution Foremost and Comprehensive Governance" and "Equal Emphasis on Both Resources Development and Environmental Protection" to ensure its production safety and environmental protection. During the Reporting Period, the Group achieved its target of production safety. Environmental protection was stringently observed in compliance with the relevant national laws and regulations.

SIGNIFICANT INVESTMENTS, ACQUISITION AND DISPOSAL

During the Reporting Period, there were no significant asset acquisitions or disposals, mergers or equity investments of the Company.

FINANCIAL REVIEW

During the Reporting Period, the revenue of the Group amounted to RMB52.8 million, representing a decrease of 58.5% from RMB127.3 million for the corresponding period of 2025.

There were no significant changes to the general business model of the Group during the Reporting Period. Due to a decrease in real estate infrastructure projects, both the sales volume and price of stone products fell, and the overall business declined significantly compared to that of the same period of last year.

Revenue from Principal Business

The following table illustrates the details of sales by products of the Group for the six months ended 30 June 2026 and 30 June 2025, respectively:

	Six months ended 30 June 2026			Six months ended 30 June 2025		
	Revenue	**Sales volume**	**Unit price**	Revenue	Sales volume	Unit price
	RMB'000 **(unaudited)**	***Thousand tonnes/m³***	***RMB per tonne/m³***	*RMB'000* (unaudited)	*Thousand tonnes/m³*	*RMB per tonne/m³*
Sales of aggregate products and others						
— Aggregate products and others	**52,806**	**1,327.4**	**39.8**	127,194	2,823.7	45.0
Concrete products						
— Income from agency services of concrete products and additives	**–**	**–**	**–**	107	12.3	8.7
Total	**52,806**			127,301		

During the Reporting Period, the revenue from sales of aggregate products and others of the Group amounted to RMB52.8 million, representing a decrease of 58.5% as compared to RMB127.2 million for the corresponding period of last year, which is due to the combined effect of (i) the decrease in the sales volume of aggregate products and others of the Group from 2,823.7 thousand tonnes for the six months ended 30 June 2025 to 1,327.4 thousand tonnes for the Reporting Period, representing a decrease of 53.0%; and (ii) the decrease in the average selling price of aggregate products and others from RMB45.0 per tonne for the six months ended 30 June 2025 to RMB39.8 per tonne for the Reporting Period, representing a decrease of 11.6%.

During the Reporting Period, the revenue from sales of ready-mixed concrete and cement-stabilised macadam of the Group was nil. Due to the shrinking market for ready-mixed concrete and cement-stabilised macadam, slow return of funds from the sales of relevant products and in order to avoid market risks, invest prudently and in consideration of the development direction of the Company, the business was not conducted during the Reporting Period. The Company is coordinating with all relevant parties to facilitate the disposal of idle assets.

Gross Profit and Gross Profit Margin

During the Reporting Period, the gross profit of the Group amounted to RMB0.9 million, representing a decrease of RMB50.6 million from RMB51.5 million for the corresponding period of 2025.

During the Reporting Period, the gross profit margin was 1.8%, representing a decrease of 38.7 percentage points from 40.5% for the corresponding period of last year.

The significant decrease in gross profit margin was primarily due to the combined effect of the decrease in selling prices and sales volume.

Cost of Sales

During the Reporting Period, the Group's cost of sales amounted to RMB51.9 million, representing a decrease of RMB23.9 million from RMB75.8 million for the corresponding period of 2025. The decrease was due to the decrease in the sales volume of the Company's products.

Administrative Expenses

During the Reporting Period, the administrative expenses incurred by the Group amounted to RMB10.4 million. Administrative expenses decreased by RMB6.3 million from RMB16.7 million in the corresponding period of last year due to strict control over costs and expenses.

Finance Costs

For the Reporting Period, the finance costs incurred by the Group amounted to RMB27.6 million, representing a decrease of RMB5.9 million from RMB33.5 million for the corresponding period of 2025, due to the repayment of all long-term payables and a portion of the interest-bearing bank borrowings.

Financial Condition

As at 30 June 2026, total equity decreased from RMB655.9 million as at 31 December 2025 to RMB 628.9 million, mainly due to the impact of loss in the first half of 2026. Total assets decreased from RMB2,134.6 million as at 31 December 2025 to RMB2,024.7 million as at 30 June 2026, which was due to depreciation and amortisation of property, plant and equipment and repayment of long-term payables and interest-bearing bank borrowings.

Liquidity and Financial Resources

The Group's cash and cash equivalents increased from RMB7.9 million as at 31 December 2025 to RMB98.8 million as at 30 June 2026, mainly due to the refund of trade deposits.

As at 30 June 2026, the Group has not provided guarantees to related parties.

MARKET RISKS

The Group is exposed to multiple market risks, mainly including external environmental challenges such as changes in the industry competitive landscape, fluctuations in the costs of production factors and constraints on logistics and transportation.

The Group faces the risk of market competition. Affected by the cyclical downturn of the construction industry, the regional market is in a state of oversupply, leading to intensified competition in the regional market and a decline in the product's premium capacity.

The Group is exposed to raw materials price and other commodities price risks. Its costs and profitability partly depend on its ability to find and maintain a stable and sufficient supply of raw materials at acceptable prices. The Group's aggregate products are affected by fluctuations in raw material costs, and price fluctuations of key production materials such as explosives, fuel oil and electricity directly impact mining costs.

The Group also faces the risk of transportation costs. The transportation costs for product sales are affected by the sales distance. Due to the adjustment of the layout of regional infrastructure projects, the Group's transportation costs have increased, which has weakened its cost advantage in the competition in the regional market.

INTEREST RATE RISK

The Group's exposure to interest rate risk relates primarily to the cash and bank deposits held by the Group, and its interest-bearing bank borrowings. The Group mainly controls its exposure to interest rate risks associated with certain cash holdings and bank deposits, interest-bearing bank borrowings by placing them in appropriate short-term deposits at fixed or floating interest rates and at the same time by borrowing loans at a mixture of fixed or floating interest rates.

The Group had not used any interest rate swaps to hedge its exposure to interest rate risk during the Reporting Period.

RISK OF CHANGE IN INDUSTRY POLICIES

An array of laws, regulations and rules governing the construction industry in China constitutes the external regulatory and legal environment for the Company's daily and continuous operations, and exerts great impacts on the Company's business development, production and operations, domestic and foreign trade, and capital investment etc. Relevant changes in industry policies may have corresponding effects on the Company's production and operations.

OUTLOOK

During the Reporting Period, the Group devoted to implementing its development plan.

Since 2026, the Group has proactively engaged with various key engineering projects in the region and has successfully supplied sand and gravel aggregates to projects such as the S238 reconstruction and expansion project, the Bozhou section of the Suzhou-Suining Expressway, the Bozhou West Expressway, and the Guoyang-Lixin Expressway. Driven by the continuous construction of the above-mentioned major transportation projects, it is anticipated that the demand for construction aggregates in Huaibei City and its surrounding areas (southern Suzhou, Bozhou City, northern Bengbu, Yongcheng City) will increase in the second half of 2026 as compared with the first half, and the Company's profitability is expected to improve accordingly.

In line with the 2026 operational plan, the Group will seize the benefits from this round of regional infrastructure development, continue to deepen long-term cooperation with existing key project clients, and simultaneously proactively identify and develop potential clients for new projects; it will fully unleash the production capacity of its own mines, optimize production line operation and management, and ensure a stable supply of sand and gravel aggregates to match the rising demand for building materials in the region. At the operational level, the Group will adhere to the goal of sound operation, reduce costs and increase efficiency through refined management, empower industrial upgrading with technological innovation, promote high-quality sustainable development of the enterprise, and fully support the infrastructure construction in northern Anhui and adjacent areas in eastern Henan with a solid supply of building materials.

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

During the Reporting Period, there was no purchase, sale or redemption of any listed securities of the Company by the Company or any of its subsidiaries (including sale of treasury shares). As at 30 June 2026, the Company did not hold any treasury shares.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no material events occurred after the Reporting Period and up to the date of this announcement.

CORPORATE GOVERNANCE

The Company strives to attain and maintain relatively high standards of corporate governance that are best suited to the needs and interests of the Group, as it believes that effective corporate governance practices are fundamental to safeguarding the interests of its shareholders and other stakeholders and enhancing shareholder value.

The Board has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**"). During the Reporting Period, the Company complied with all the code provisions under part 2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct for securities transactions by the Directors. Having made specific enquiries to all the Directors, the Company confirms that all the Directors have complied with the required standards as set out in the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") consists of three members, namely Mr. Gao Wei (Chairman), Mr. Liu Chaotian and Ms. Xing Mengwei, all of whom are independent non-executive Directors. The Company's interim report and interim results announcement for the six months ended 30 June 2026 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the preparation of the financial information complies with the applicable accounting standards, the requirements of the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.ljgfjt.com and the website of the Stock Exchange at www.hkexnews.hk. The interim report of the Company will be published on the Company's and the Stock Exchange's websites in due course.

DIVIDEND

The Board proposed that no payment of interim dividend for the six months ended 30 June 2026 would be made by the Company.

By order of the Board
Huaibei GreenGold Industry Investment Co., Ltd.*
Liu Yong
Chairman of the Board and Executive Director

Anhui, the PRC, 27 August 2026

As at the date of this announcement, the executive Directors are Mr. Liu Yong, Mr. Mao Hongxian, Mr. Qin Jiapeng, and Mr. Yao Minglei; and the independent non-executive Directors are Mr. Gao Wei, Mr. Liu Chaotian and Ms. Xing Mengwei.

* *For identification only*